

Wells Fargo Case: NXT



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Agenda



- Problem Solving Framework
- Recommendation Report
- Target Persona
- Market Strategy
- Budget
- KPI Framework
- Risk Assessment Matrix
- Change Management Strategy
- User Journey Map
- Future Value Creation Map
- Q/A

PROBLEM SOLVING FRAMEWORK



Problem:

- Homeownership serves as a cornerstone of financial stability and wealth accumulation, yet systemic barriers continue to hinder access for underserved communities

Focus:

- We aim to engage with communities and nonprofits to cultivate positive relationships within the community while promoting educational initiatives

Issues:

- Lack of education, information, jobs , financial literacy ,and mobility.

Changes:

- Allocating 15-20% of the \$10,000 budget to a dedicated team that will assess key metropolitan areas, distribute grants, and collaborate with local organizations to maximize impact.
- develop a digital platform offering free financial literacy courses, live webinars, and budgeting tools

Data Points:

- College graduates are two times more likely to own a home compared to a person without an high school diploma. Education is clearly linked to income level which affect ownership.

Findings:

- there is a need for education along with infrastructure to help “foster stability in communities that need it the most”.

RECOMMENDATION REPORT



- Allocating **15-20% of the \$10,000 budget** to a dedicated team that will assess key metropolitan areas, distribute grants, and collaborate with local organizations to maximize impact.
- Develop a **digital platform** offering free financial literacy courses, live webinars, and budgeting tools
 - In order to retain membership to our grant opportunities members will be asked to complete certain modules throughout our app.
- **social media engagement** will provide updates, success stories, and homeownership tips, broadening our reach

TARGET PERSONA



Personal Info:

- We aim to young adults of all gender identities, we believe that by using social media, we will effectively target this audience

Challenges:

- Reaching a large audience
- Community engagement within the program

Values/Goals:

- Authenticity
- ease
- Low-costs

Common Objections:

- we will advertise the program in collaboration with young adults so they can best sell the program to their peers
- We plan on offering incentives and an exclusive education process will convince people to join

Differentiation:

- Young adults offer the most value now since they can invest and participate in the program. This group will also continue to offer the most value in the future because they will build an early connection with the company and tell their kids, relatives, friends, etc. as they continue their loyalty.

Interaction:

- colorful advertisements through social media
- offering unique opportunities

Customize:

- We will survey our consumers as they build loyalty and ask them what they would like to see more of from us in the future. We would then adapt and change our programs to better fit their needs.

MARKETING STRATEGY



Price:

- 10-15% of our resources (roughly \$100,000- \$150,000)

Promotion:

- We will promote our program through relevant social media sources and our own company website/ app.

Place:

- Consumers will be able to participate virtually through web seminars and other virtual programs.

Product:

- Our team will design an online app with free financial courses, FAQs, and exclusive webinars.

Placement:

- This program will be fully online but our research will be based in cities where we plan on building homes and distributing grants.

Process+Physical Evidence:

- Allocate 15-20% of the million dollars to a team traveling to the cities where we plan to build homes and distribute grants. The team will use social media to provide updates and insight into savings, credit, and budgeting. To expand outreach, the team will also make connections with local organizations and nonprofits on various projects. Design an online app with free financial courses, FAQs, and offer free webinars. In order to retain membership to our grant opportunities members will be asked to complete certain modules throughout our app.

BUDGET



Year 1-10:

We plan to use 50-60% of our \$1,000,000 budget in the first year.

This will cover: sending a team out to the designated area and all the linked expenses such as lodging and food, the cost of creating a social media platform to keep recipients of the grant informed and paying someone to run it, and finally the cost to create and run a platform with mandatory modules that recipients must complete in order to gain and keep their \$10,000 grant.

These goals align with Wells Fargo's goals within this program by empowering homeowners and educating them so they can become self sufficient and financially stable, ultimately empowering communities and individuals.

Year 10-30:

The next 20 years, some specific goals for our budget include just keeping up with all the programs, ideas, and connections implemented in years 1-10 and finding areas to cut costs if possible to be as efficient as possible with our money. Because now we will just be maintaining the foundation previously set we will likely not need to spend as much money, and should be able to stay within spending 40% of our million dollar budget.

Paying part-time workers to run the informative and educational social media platform, as well as someone to maintain the financial education platform and ensure grant recipients are completing their assignments on time and answer any questions if necessary.

KPI Framework



Business Objective

Customer Acquisition

Customer Retention

Increase Awareness

Increase sales

Increase Customer Life

KPIs

Media Traffic

Lead Generation

Purchase Frequency

Metrics

Number of grant recipients that frequent our social media site and number of grant recipients that complete their financial education modules on time.

Number of people who find out about our program and submit requests or begin using/following our financial education platform/social media

The ratings from grant recipients after receiving their grant and completing the program, and the program to customer retention rate.

RISK ASSESSMENT MATRIX:



Low Engagement and Participation	Budget Misallocation	Low App Adoption or Technical Issues
<p>There is a moderate risk that community members may not actively engage with the app, social media updates, or webinars. This could reduce the program's effectiveness and limit the number of participants qualifying for grant opportunities.</p>	<p>There is a moderate risk with funds distributed across multiple initiatives (travel, app development, partnerships), of overspending in one area, limiting the effectiveness of other key components. This could result in insufficient funds for marketing, app updates, or community outreach.</p>	<p>There is a major risk that even if the app is well-designed, users may face challenges in downloading and using it, particularly if they are not tech-savvy or encounter technical difficulties. Issues such as app bugs, poor user experience, or accessibility barriers could hinder its effectiveness.</p>
<p>Has a 26-50% chance of occurring</p>	<p>Has a 26-50% chance of occurring</p>	<p>Has a 26-50% chance of occurring</p>
<p>Add interactive features, incentives, and simplified content. Partner with nonprofits and use regular reminders to boost engagement.</p>	<p>Create a detailed budget, track expenses regularly, set aside a contingency fund, and review allocations periodically.</p>	<p>Conduct thorough testing, ensure a user-friendly design, provide in-app support, run targeted marketing, and collect user feedback for improvements.</p>

CHANGE MANAGEMENT STRATEGY



- 1. Create Urgency** - Communicate the importance of financial education and grant opportunities to the community. Explain how access to these resources can improve financial well-being and empower local residents to build a better future.
- 2. Build a Guiding Coalition** - Form a team of influential leaders, including local community figures, nonprofit representatives, and financial experts who can help advocate for the program and drive its success.
- 3. Form a Strategic Vision and Initiatives** - Create a clear vision of how this initiative will impact the community—building homes, distributing grants, and offering financial literacy through the app and webinars. Define measurable goals for the program, such as the number of grants distributed, app users, and community partnerships.
- 4. Enlist a Volunteer Army** - Mobilize community members to support the initiative through social media, word-of-mouth, and volunteering in different aspects of the project (e.g., app promotion, local event organization, grant distribution).
- 5. Enable Action by Removing Barriers** - Identify and address any obstacles that may prevent people from engaging with the app or participating in the program, such as technical difficulties or lack of internet access. Provide support channels, such as help desks or troubleshooting guides, to assist users.
- 6. Generate Short-Term Wins** - Showcase early successes to build momentum. For example, highlight the first few grants awarded or success stories from app users who have completed financial courses and are now budgeting better.
- 7. Sustain Acceleration** - Continue to push for more engagement, deeper community involvement, and continued education. Expand the program by introducing more modules or new features on the app, and develop partnerships with additional local organizations.
- 8. Institute Change** - Integrate the changes into the culture of the community and organization. Ensure the app and financial literacy programs become a permanent fixture, and that the new mindset of financial responsibility and education is embedded within local practices.

- Age range: 25-45 years old
- Occupational focus: mid-level professionals, service industry, healthcare, education
- Geography: low income, gentrified, underserved neighborhoods
- Education range: high school degree, perhaps as associates degree



USER JOURNEY MAP

Awareness



- Hybrid strategy incorporating multiple advertising techniques
- Email list containing information regarding opportunities/financial education webinars
- Social media page to appeal to the 25-35 year old age range while still providing housing education

Consideration



- Possible client concerns:
- Effectiveness of the \$10,000 grant
- Applicability of homeowner advice
- Remedies to concerns:
- Median down payment of a \$300,000 home is ~6%, which is \$18,000. Thus, a \$10,000 grant will cover 55% of that

Convert



- Social media page to appeal to a broad audience while disseminating information efficiently and effectively
- Large social media audience
- increased likelihood of a viewer being converted into a user

Loyalty



- Demonstrate importance of our service through education and advertisements
- cite statistics about homeownership
- 40% of renters in the US cannot afford home ownership
- 44.1% of black Americans own their homes vs 74.5% of white Americans

Advocacy



- Effective solutions lead to happy clients, which leads to a higher likelihood of word-of-mouth advertising
- Happy clients will discuss their homeownership with others, leading to a broader audience for our service

VALUE CREATION MAP



Supplier



Defining the Product Family

- Core idea: disseminate financial information
- Related products are any WF goods that involve financial/homeowning literacy
- Ex. home-buying guides, mortgage calculators, homeownership readiness assessments, and other down payment assistance programs.
- Defining characteristics: community supporting, long-term planning, and financial education



Production

- To create the app, a server database, software developers, authentication systems, and coding expertise are needed
- Resources from other Wells Fargo online ventures (such as the online banking app) can be used for this project to avoid inefficiencies in production



Market

- In order to access, customers need a smart device and internet access
- Some level of tech literacy
- For potential consumers to faithfully interact with our product, a social media presence is needed to properly spread the goals and intentions of our product



Implementation Plan

- To advertise, a social media page is needed
- To maintain the app, data collection is imperative
- Ex. social media page advertisement to download yield, downloads/day
- Minimizing non-value time and other inefficiencies
- Preventing overproduction of financial education content that is not in demand, minimizing customer wait time

Customer



Q&A/Contact Page



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