

Innovation Spotlight: Direct-to-Consumer Solutions to Ease the Financial Hardships of COVID-19

Many people are experiencing financial hardship during these trying times. Some workers are losing or are at risk of losing income and benefits. Households are incurring unexpected expenses as they stock up on food, supplies, medication, and other essentials. In the current climate of volatility and uncertainty, making ends meet has never been more challenging.



As businesses, financial institutions, nonprofits, and other organizations work to support the health of their clients, customers, employees, and communities, the Financial Health Network has curated examples of [direct-to-consumer fintech apps and other solutions that address critical and immediate financial health needs](#). Many of the companies behind them have created dedicated resources to help customers financially impacted by the COVID-19 pandemic.

Examples are provided by [Financial Health Network Members](#) (including [Financial Solutions Lab](#) participants) and other partners, and organized by key financial health solutions that can help consumers who are struggling financially:

- Financial Coaching
- Debt Management
- Short-Term Loans
- Advice & Planning
- Savings

Note: This is not an exhaustive list of all financial health solutions. This list does not constitute financial advice or endorsement.

With the following examples in mind, we encourage institutions to think about the types of partnerships and product referrals they can facilitate to help their constituents make better financial decisions. Employers and HR leaders thinking about near-term actions to support

the financial health of their workplaces can also explore solutions in our latest brief, ["The Role of the Workplace."](#)

Financial Coaching

For individuals facing significant financial challenges or hardship, certified advisors and counselors can provide personalized financial advice.

- [GreenPath](#) offers debt management services, financial counseling, and other financial education and wellness resources. (See [GreenPath's coronavirus page](#))
- [Money Management International](#) offers a wide range of counseling services to address some of the most common and troubling issues consumers are facing, including credit counseling, debt management plans, and post-disaster financial recovery. (See [MMI's coronavirus page](#))
- [National Foundation for Credit Counseling](#) and its member agencies have counselors available by phone to assist with those experiencing job loss, temporary loss of income, or financial hardship. (See [NFCC's coronavirus financial toolkit](#))

Debt Management

According to the 2019 [U.S. Financial Health Pulse](#), 30% of Americans have more debt than is manageable. This is likely to rise as people increase their credit card balances or defer mortgage payments to cope with emergency expenses during the pandemic. However, some solutions can help individuals manage outstanding payments and refinance their debt.

- [EarnUp](#) helps users budget and appropriately automates payments toward outstanding debt. (See [EarnUp's COVID-19 updates](#))
- [Lendstreet](#) provides a debt consolidation solution for individuals with unmanageable debt, allowing them to avoid bankruptcy, reduce debt over time, and rebuild individual credit.
- [Resolve](#) provides consumers with a custom debt relief plan along with comparison tools, access to debt experts, referrals to debt relief service providers, and educational content. (See [Resolve's "Guide to Debt in a Crisis"](#))
- [Scratch](#) helps users by working with lenders to refinance debt and develop new and manageable payment plans. (See [Scratch's COVID-19 announcement](#))

Short-Term Loans

Without savings, or financial support from friends and family, those facing dips in income or spikes in expenses from the COVID-19 crisis may need to turn to credit to weather financial emergencies.

- [LendUp](#) offers credit cards, loans, free financial education, and, where available, the opportunity to build credit. (See [LendUp's coronavirus announcement](#))
- [Oportun](#) offers personal loans, auto loans, and credit cards. Oportun is a certified Community Development Financial Institution (CDFI). (See [Oportun's COVID-19 resource page](#))
- [OppLoans](#) offers online personal loans and financial education resources. (See [OppLoans' coronavirus blog post](#))
- [Self](#) offers a credit-builder account to help individuals establish or improve credit scores while also building savings.

Advice and Planning

Several other types of fintech solutions can help individuals manage their financial lives. Below are some examples of apps that offer financial advice, pay advances, job opportunities, and access to public benefits.

- [Albert](#) offers practical, actionable financial options, including pay advances (up to \$100 from your next paycheck), a savings feature, and guided investing. (See [Albert's COVID-19 Resource Guide](#))
- [Axos Invest](#) (formerly Wise Banyan) is a free digital financial investment advisor that does not charge any investment management, trading, or rebalancing fees.
- [Brigit](#) helps users budget and manage their spending, and also offers pay advances (up to \$250), overdraft protection, and curated gig economy job opportunities. (See [Brigit's COVID-19 news updates](#))
- [Dave](#) is a digital checking account that offers pay advances (up to \$100 from your next paycheck), alerts to avoid overdraft, credit building via rent reporting, automatic budgeting, and curated gig economy job opportunities. (See [Dave's blog page](#) for updates related to COVID-19)

- Fresh EBT by Propel links to your EBT account to show your food stamps and benefits balance, as well as the location of food stamp offices, stores accepting food stamps, and food pantries. (See Fresh EBT's COVID-19 update and Propel's response to COVID-19)

Savings

According to the U.S. Financial Health Pulse, 47% of people do not have enough savings to cover three months of living expenses. To address this, some solutions leverage human-centered design and behavioral science principles to make it easier to set aside extra savings, even in difficult economic times. These solutions help households plan and budget for upcoming expenses and allow for easy transfers and withdrawals.

- Digit analyzes your spending and automatically saves an optimal amount each day to help you meet your financial goals. (See Digit's coronavirus relief hub)
- Esusu is a digital, rotational savings club that helps you build both savings and credit.
- Qapital helps users build savings, make investments, and manage spending.
- SaverLife (formerly EARN) is a nonprofit online savings platform that enables anyone, anywhere to build an emergency savings fund and develop the skills to manage their financial futures. (See SaverLife's COVID-19 update)

Solutions like the ones featured here may prove helpful for your customers, employees, and communities in this time of crisis and beyond. For more information on what organizations are doing to support financial health, **visit our COVID-19 Resource Hub or contact us.**