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Resource Paper

Scrimping + Saving:

A Report on Financial Access, Attitudes, and Behaviors of Low- and Moderate-Income Asian Americans and Pacific Islanders

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Abstract

Scrimping + Saving documents the complexity of financial health within the diverse and growing Asian American and Pacific Islander (AAPI) community, detailing the influence of factors such as generational status, ethnicity, age, and technological familiarity. The findings and recommendations from this research are critical to asset-building practitioners serving AAPI communities, as well as to financial institutions and policy makers. In particular, the findings serve a critical role in articulating the need for further investment in culturally competent education and services, and capitalizing on models that enhance social networks as a vehicle for building individual and community financial capability.

Introduction

Asian Americans and Pacific Islanders (AAPIs) now represent the fastest-growing racial/ethnic group in the United States, their increasing numbers largely fueled by immigration (Hoeffel et al., 2012). As such, they deserve a greater share of attention from financial institutions, governmental institutions, and service providers toward creating pathways to their economic security in this country.

Unfortunately, the true financial vulnerability of many low- and moderate-income AAPIs is often masked by aggregated data of the racial category as a whole, allowing model minority stereotypes to further perpetuate. In response to this, the National Coalition for Asian Pacific American Community Development (National CAPACD) has

produced the *Scrimping + Saving* report to articulate a more nuanced understanding of the various factors within diverse AAPI communities that contribute to its decline in net worth (Taylor et al., 2011), growing subpopulations of poverty (Ishimatsu, 2013), and overall increase in the wealth gap between segments of the population (Center for Global Policy Solutions, 2014). More specifically, this report provides a set of recommendations that seek to transform the current field of financial service and product delivery to better meet the needs of AAPIs.

As a national advocacy organization and financial intermediary, National CAPACD is dedicated to addressing the housing, community, and economic development needs of diverse and growing AAPI communities. In 2013 and 2014, National CAPACD and its members conducted a study in five different metropolitan areas, surveying more than two thousand individuals in seven different languages on their financial attitudes, knowledge, and behavior. The data clearly illustrated the influence that age, ethnicity, income, language, gender, immigration status and generation, education, and comfort with technology had on the financial health of survey respondents. Key findings include:

1. Low- and moderate-income AAPIs lack a reliable source for financial information or advice. Overall, 25 percent said they didn't know who to turn to, and there is significant reliance upon family and friends and the Internet—regardless of their immigration status or income.
2. AAPI immigrants are more likely to be disconnected from the financial mainstream. For example, noncitizens were less likely to be banked as compared to their U.S.-born and naturalized citizen counterparts.
3. There is a heavy reliance on cash. Seventy-four percent of respondents report using cash for daily financial transactions. Use of cash was particularly pronounced amongst more recent immigrants for such transactions.
4. AAPIs are highly vulnerable to financial emergencies—with a financial crisis potentially a paycheck away. Twenty-three percent of respondents did not know where to get emergency funds if needed.
5. Despite the financial industry trend toward online banking, many AAPIs do not trust or use technology for their banking transactions. This is particularly true for the elderly, and those with lower income, lower levels of educational attainment, and lower levels of English fluency.

Given these findings, National CAPACD recommends the following solutions that build trust between AAPI communities, financial institutions that serve them, and government entities that propose and enforce policies to protect them.

1. Increase language and cultural accessibility at financial institutions to ensure individuals can access information and maximize the benefits of their services and products.
2. Community-based organizations are a key partner in increasing financial access and information, and we should increase investments in their capacity to deliver asset-building services.
3. With AAPIs more likely to turn to family and friends for their financial needs, we should design services, financial products, and educational programs that leverage the role that these social networks can play in promoting financial health.
4. Federal agencies play a key role in helping low- and moderate-income AAPIs to protect the precious assets that they have through stronger consumer protection regulations to limit predatory products. Doing so will create a pathway toward a healthier and stronger financial future for the most vulnerable in our community, and for all consumers.

In the “Findings and Recommendations” section of this article, National CAPACD more fully outlines specific recommendations that will help to increase access to information and financial services and products, and, ultimately, influence consumer behavior to bring more low- and moderate-income AAPIs into the financial mainstream. The information contained herein is salient to practitioners and financial institutions seeking to better understand growing segments of their market, as well as enhance services and products to meet a more diverse constituency. Data unveiled by this report is also useful to policy makers, governmental institutions, financial institutions, and practitioners in their efforts to understand the needs and challenges of vulnerable populations, and serve to inform policies that promote the inclusion and success of low-income and disenfranchised individuals in the financial mainstream.

Literature Review

National CAPACD’s 2013 report, *Spotlight on Asian American and Pacific Islander Poverty: A Demographic Profile* highlights the growing need to serve AAPI poor. Data analyzed from the U.S. Census found that AAPI poor are one of the fastest-growing poverty populations in

the wake of the Great Recession (37 percent increase for Asian Americans in poverty; 60 percent increase of Native Hawaiian and Other Pacific Islander (NHOPI) in poverty between 2007 and 2011). Further, AAPIs living in poverty were more concentrated in a limited number of metropolitan areas than any other racial/ethnic poverty population. The complexity of economic health within AAPI communities is further illustrated through a 2011 Pew Research Center study that found Asian American net worth fell 54 percent between 2005 and 2009, as compared with a 16 percent decline for whites in that same time period (Taylor et al., 2011). With the increasing wealth gap and growing populations of poverty within AAPI communities, the need for greater investment in the financial capability of AAPIs is ever more pressing.

The Federal Deposit Insurance Corporation's (FDIC's) 2013 National Survey of Banked and Underbanked Households found that AAPIs are, as a whole, a well-banked community, but that 18 percent of Asians surveyed and 25 percent of NHOPIs were underbanked (Burhouse et al., 2014). That is to say, these individuals turned to nonbank alternative financial services in the prior twelve months to address their financial needs that were not being met at a traditional banking institution. What this clearly illustrates is that having a bank account and understanding how to access and utilize financial services and products are not synonymous, nor are they the only indicators of the financial security of low- and moderate-income individuals.

There are few studies that provide disaggregated data on AAPI financial health, and thus, *Scrimping + Saving* will contribute to a more nuanced understanding of the financial health of AAPIs, by examining how key factors such as age, ethnicity, income, language, gender, and immigration status influence financial well-being.

Methodology

Data Collection

From 2013 to 2014, National CAPACD partnered with seven AAPI-serving community-based organizations within its membership network to translate and administer surveys that would capture how low- and moderate-income individuals access mainstream and alternative financial products and services. The fifty-five-question survey was administered in the following languages: Bangla, Chinese, English, Korean, Nepali, Thai, and Vietnamese. The language competency of survey participants and the number of respondents for each language group is further detailed in Table 1. Survey participants self-selected

the language with which they were most comfortable, though it should be noted that sites administering the surveys may have helped their non-English-speaking clients to complete the English-version survey if a translated version was not available in their language.

Table 1. Survey Participants by Language

	Percent	Number
Survey administration by language		
English	34	684
Korean	7	141
Chinese	42	845
Vietnamese	2	40
Thai	4	81
Nepali	5	101
Bangla	6	121
Language spoken at home		
Only native language	37	736
Some English	22	438
English and native language equally	11	225
English more than native language	7	145
English only	6	122
Native language plus another language other than English	1	20

Source: Alliance for Stabilizing our Communities (ASOC) Financial Access Survey, authors' calculations.

Data from this survey was part of the information collected and reported in an earlier published report, “Banking in Color” (2014)—conducted as a collaboration between National CAPACD, National Council of La Raza, and the National Urban League. National CAPACD extracted information from this report specific to AAPIs, and supplemented it through a subsequent survey administered separately, but using the same survey tool. Such a methodology allowed National CAPACD to clearly articulate the issues and needs specific to AAPI financial health. The data was analyzed by the UCLA Asian American Studies Center and the Center for the Study of Inequality using multivariate regression models to develop descriptive statistics (mean value and cross-tabs) for some of the variables. The UCLA researchers examined variations across factors such as ethnicity, gender, generation, and citizenship status. In addition, the UCLA researchers further analyzed the variables mentioned previously by income status and primary language spoken by the respondents. Hence, the National CAPACD survey makes an

important contribution by exploring new data on AAPIs and financial characteristics.

Sample

National CAPACD's members recruited adult clients ages eighteen and older¹ through their various direct service programs and at community outreach events, thus relying on a convenience sampling methodology. Surveys were disseminated in Chicago, IL (510 respondents); Houston, TX (535 respondents); Los Angeles, CA, and Oakland, CA (477 respondents); and Jackson Heights, NY (491 respondents), garnering 2,013 responses (see Table 2). Specific characteristics of the sample can be found in Tables 1 and 2, and in the "Findings and Recommendations" section of this article.

Table 2. Survey Participant Demographics by Geographic Region

Region	# of Respondents	% U.S. Born	% Foreign Born
Chicago, IL	510	4	95
Los Angeles and Oakland, CA	477	27	73
Houston, TX	535	11	88
Jackson Heights, NY	491	6	91
ALL SITES COMBINED	2013	12	87

Source: ASOC Financial Access Survey, authors' calculations.

During data analysis, small sample sizes for specific language and ethnic groups required National CAPACD to aggregate groups in order to be able to draw statistically significant conclusions. For example, respondents who reported their heritage as Chamorro, Native Hawaiian, Samoan, and Tongan were all grouped into the NHOPI category. The same was done for the Southeast Asian group that includes Burmese, Cambodian, Hmong, Laotian, Indonesian, Thai, and Vietnamese. Similarly, Asian Indians, Filipinos, and Japanese were categorized under "Other Asian or PI."

Limitations

Although this research is unprecedented in providing insights into some of the variation that exists within different ethnic communities, it is by no means an exhaustive look at all AAPI communities. For example, this survey did not examine experiences of Southeast Asians specifically, as it was intended to complement existing research published in 2012 by the Southeast Asian Resource Action Center (Phetchareun, 2012). Also,

the sample of NHOPIs was limited to primarily middle-income individuals in the continental United States. Thus, the survey findings instead represent trends of the population served by National CAPACD member organizations only, which is primarily their client base, and cannot be generalized to represent the entire AAPI population.

Further research regarding AAPIs is warranted and necessary. This report was, in part, created in response to the lack of disaggregated data on the financial health and habits of AAPIs currently made available by financial institutions and governmental entities. Further investment in data collection and data analysis of AAPI subpopulations by these institutions would undoubtedly further the work of asset-building practitioners and advocates.

Findings and Recommendations

Survey Sample Characteristics

Approximately 10 percent of respondents were U.S. born, 56 percent of respondents were naturalized citizens, and 34 percent were not U.S. citizens. National CAPACD did not inquire regarding the documentation status of immigrant respondents. Seventy-five percent identified as first generation, 15 percent as 1.5 generation, and 10 percent as second generation. Although the survey did not ask the question on the respondents' generation, we were able to categorize respondents by using their answers to the questions regarding where they were born (in the United States or another country), how many years have they lived in the United States, and their age. Respondents who reported being born outside but came to the United States at or after the age of thirteen were assigned as first generation. The 1.5 generation is defined as those who came to the United States before adolescence or the age of thirteen. The second generation refers to the U.S.-born children of foreign-born parents. Citizenship status by geographic region is further detailed in Table 2.

It should also be noted that compared to the U.S. Census Bureau data, the National CAPACD sample tends to be lower income (except NHOPIs), with a third of the respondents reporting their family income at less than \$20,000. The 2013 American Community Survey (ACS) data estimates that 15 percent of the total Asian American and 19 percent of the total NHOPI household incomes in the United States are less than \$20,000. Also, according to ACS 2013 data, the median age for AAPIs is thirty-seven years old. The median age level of those in the National CAPACD study is forty-six years old, making National CAPACD's sample older than the national average for AAPIs. Fifty-five percent of

survey respondents are age forty and older. For further demographics on respondents, please refer to the full report available on National CAPACD's website.

Access to Knowledge

Knowledge regarding financial services and products is the foundation for any individual to successfully achieve economic security. However, for many low-income individuals in the AAPI community, determining where to get trustworthy financial information and advice is a challenge. Results from this study found that AAPIs are less likely to turn to others, outside of family and friends, for financial advice and other resources.

It may be inferred that one of the greatest barriers for AAPI communities is knowing who to trust—particularly for those with limited English proficiency or those who have recently immigrated. When examining whom AAPIs turn to for financial advice or information, the data indicates that there is a significant gap in the availability of language and culturally appropriate services and information, and that promotion of existing services may not reach the intended audiences. Fifty-six percent of respondents indicated they did not know where to turn for advice (25 percent) or turn to potentially unreliable sources for financial advice, such as the Internet (7 percent) and family and friends (24 percent). Recent immigrants were particularly vulnerable, with 23 percent stating they didn't know where to turn at all for financial advice. Community-based resources, such as those offered at local non-profits were underutilized.

Although there were not statistically significant differences in help-seeking attitudes and behaviors by gender, gender is certainly a factor with regard to access to financial information. For example, only 31 percent of AAPI female respondents (as compared to 39 percent of AAPI males) knew their credit score. Similarly, more recently immigrated ethnic groups were also correlated with lower levels of awareness regarding their personal credit scores.

Specific recommendations to address the knowledge and information gap include:

1. Increase investment in trusted, reliable, language-appropriate resources to meet the needs of the diverse AAPI community including support for marketing and capacity building of existing community-based resources. Many community organizations have the trust of their constituency, as well as the language and cultural

competency, to implement financial capability programs in combination with other existing social services. An investment in their capacity to either initiate new programs, or build up existing ones, should intentionally include support for staff development, marketing and outreach, and organizational development so that asset building can more meaningfully align with the organization's overall mission. For financial and governmental institutions, this investment in language and cultural competency may come in the form of hiring more linguistically competent staff and ensuring that materials are both accurately translated and readable to individuals with varying levels of educational attainment.

2. Focus financial education on credit awareness and protection from predatory lending, with a particular focus on new immigrants, women, and populations that are using credit-card cash advances. Credit-card cash advances are often a source for emergency funds for AAPI populations (second only to friends and family). Financial education should focus on credit and credit usage and how to protect against predatory lending and other abusive short-term credit options. The Consumer Financial Protection Bureau can play a role in advancing educational materials focused on this population.

Access to and Usage of Asset-Building Products

The FDIC's 2013 National Survey of Unbanked and Underbanked Households found that the majority of AAPI respondents were fully banked (73.4 percent of Asians and 64.5 percent, of NHOPIs). Although this data closely correlates with the findings from National CAPACD's own research, in which 89 percent of respondents reported having either or both a checking and savings account, the FDIC's aggregated data fails to capture the diversity of economic experiences within AAPI communities.

National CAPACD's research reconfirms findings from previous research that U.S.-born and naturalized citizens are more likely to be banked than non-U.S. citizens (94 percent and 92 percent versus 86 percent, respectively) (Center for Financial Services Innovation, 2014). Similarly, those ethnic groups most recently immigrated had lower rates of bank account ownership. The Bangladeshi are the most unbanked and have the least usage of checks, and also have low rates of savings accounts. Many times it is difficult for recent immigrants to establish banking accounts because they have not established proper documentation, are unfamiliar with U.S. financial practices, or lack local access in their neighborhoods. Or on a more practical level, the inability to

conduct financial transactions in one's own language is a major barrier to entering the financial mainstream; 36 percent of survey respondents indicated that they primarily bank in their native language.

National CAPACD's study also measured other indicators of accessibility to financial products and services, including emergency funds, retirement accounts, wire transfers/remittances, credit, and use of alternative financial services. Factors such as generational status and language competency were found to be correlated with access and usage of such financial products. Not surprisingly, household income was also a factor influencing financial behavior and access to products and services—with lower-income individuals being far less likely to have access to employer-sponsored retirement accounts, as well as demonstrating a much greater reliance on friends and family for emergency savings.

It should be noted that regardless of generation and income level, friends and family remain the primary resource for helping individuals weather financial emergencies. However, 23 percent of respondents did not know where to get emergency funds if they needed it. This undoubtedly leaves them in a situation in which they may be more likely to turn to predatory services like payday lenders.

This reliance on a network of friends and family for making ends meet is also reflected in the finding that 64 percent of respondents reported remitting funds to others in the United States or in another country. Data suggests that AAPI communities that are supporting other family members abroad rely more on the bank for wiring money, regardless of their language preference. This information suggests opportunities to educate clients about other available financial products that promote credit building and savings, while they are frequenting the bank for other purposes.

This study also attempted to better understand access to credit, and usage of credit cards amongst AAPIs. Seventy-four percent of respondents reported having a credit card, with 23 percent of total respondents reporting that they currently have credit card debt. Women were less likely than men to own a credit card (28 percent of women reported not owning a credit card at all, as compared to 19 percent of men who did not own a credit card). Thus, this data alludes to the potential challenges that many in the AAPI community might face with regard to renting a home, finding employment, or starting a business—many of the most basic vehicles for creating economic stability and opportunity.

Although respondents to the survey generally did not have high usage rates of alternative financial services, 6 percent reported having

used payday loan services, 10 percent have utilized a check-cashing service not at a bank, 17 percent have used prepaid cards, 10 percent have used a nonbank money order, 10 percent have cashed a check by endorsing it to a friend or relative with a bank account, and 6 percent report using cash advance services. National CAPACD's survey sample reported lower usage of alternative financial products than the national sample from the FDIC's 2013 survey, which indicated that 18.7 percent of Asians and 27.2 percent of Pacific Islanders had reported using alternative financial services in the last twelve months.

With these findings in mind, National CAPACD recommends the following strategies for increasing access to financial products and services:

1. Capitalize on socially oriented forms of support in the design of savings and credit-building products. Lending CirclesSM and Rotating Savings and Credit Associations are popular worldwide, and literature suggests that certain AAPI immigrant communities such as Korean Americans have successfully used this form of social lending to support their establishment here in the United States, particularly for small business start-up costs (Hevener, 2006). Although only 4 percent of respondents to this survey indicated that they currently use peer lending as a strategy for meeting their financial needs, there is anecdotal evidence from AAPI social service providers to suggest that there is far greater use. In fact, in 2014, National CAPACD partnered with Mission Asset Fund to expand use of their lending-circle product, which adapts this peer-lending practice to also include a credit-reporting element, and has seen significant interest and uptake of the product—particularly for those who are more recently immigrated without established credit. National CAPACD suggests further exploration of and investment in similar socially oriented products currently being used nationally and internationally to promote greater financial inclusion for whole communities, such as Village Savings and Loan Funds (www.vsla.net/aboutus/vslmodel), Self-Help Group-Bank Linkage Programs (Porkodi and Aravazhi, 2013), and financial cooperatives to name a few.
2. Products should be designed and available to meet both short- and long-term financial needs. AAPI communities need further support to address their immediate, daily needs as well as for ensuring that they have a pathway to building long-term financial health and achieving economic security in their old age. Thus, it is critical to ensure that there is continued support for recent innovations such as Individual Development Accounts for emergency savings, tax-time savings incentives, and myRA (*my* Retirement Account).

3. Product and service design should consider the familial unit beyond the household and beyond just two generations. AAPI households are more likely than any other ethnic group to be living in a multigenerational household, with 43 percent reporting that they live in a household with three or more generations (Taylor et al., 2010). This illustrates the need for the adult heads of household to not only manage finances for children, but also potentially for an older adult family member, likely with significant health needs or with fixed income. As described earlier, a significant number of respondents (64 percent) also reported remitting funds to others either in the United States or their home country—a practice that heavily influences a household’s ability to save for both the short and long term. Investing in strategies that further bolster the existing social networks and family-oriented culture of AAPIs will see greater success in serving this population. Examples may include altering budgeting tools and financial planning practices to incorporate consideration for multiple generations, or adapting the Local Initiatives Support Corporation’s Twin Account model to allow for multigenerational usage (e.g., opening child savings accounts that allow parents to build credit).

Influencing Consumer Behavior

The data from this study confirms that establishing and building trust with AAPI populations is critical to efforts to provide education, enhance access to products and services, and, of course, influence consumer behavior.

Similar to most other consumers, AAPIs select their financial institutions based first on convenience—with proximity to home or work rated as the top factor in influencing where these respondents choose to conduct their financial transactions. However, second only to this was the ability to communicate verbally or in writing in their native language (32 percent of respondents). While this point reinforces the importance of cultural and linguistic accessibility in the delivery of services and products, it also alludes to the importance of in-person and in-language customer services interactions that are not typically available online or through telephone services.

In particular, recent native language immigrants with limited English proficiency are far more comfortable using financial services in person at banks. In-person banking is a primary way for most AAPIs, except Bangladeshi, to save money. Tables 3, 4, and 5 illustrate how language, ethnicity, and generation currently utilize services within banking institutions—thus, further reinforcing the point that maintaining

physical bank locations is critical to ensuring that AAPIs can enter into and continue to participate in the mainstream financial system.

Table 3. Banking Service Utilization by Generation

Generation	Saving in Bank	Saving Electronically/ ATM	Remittances
Generation 2	57%	28%	33%
Generation 1.5	60%	15%	36%
Generation 1	65%	13%	32%

Source: ASOC Financial Access Survey, authors' calculations.

Table 4. Banking Service Utilization by Ethnicity

Ethnicity	Saving in Bank	Saving Electronically/ ATM	Remittances	Bank/Collateral Valuation Loans
Taiwanese	75%	25%	62%	24%
Chinese	71%	9%	25%	13%
All	63%	15%	33%	12%
NHOPI	61%	36%	36%	12%
Nepalese	61%	15%	23%	5%
Southeast Asian	58%	19%	35%	10%
Other Asian or Pacific Islanders	53%	23%	31%	12%
Korean	53%	9%	59%	17%
Bangladeshi	38%	21%	30%	4%

Source: ASOC Financial Access Survey, authors' calculations.

Table 5. Banking Service Utilization by Language Proficiency

Language Spoken at Home	Saving in Bank	Saving Electronically/ ATM	Remittances	Online Banking	Mobile Banking
Mostly Native Language	52%	20%	32%	43%	4%
Both English and Native Language Equally	58%	28%	42%	50%	4%
Mostly English Language	62%	25%	31%	45%	3%

Source: ASOC Financial Access Survey, authors' calculations.

This is especially evident when considering the growing use of the Internet and smartphones and the ability to bank through those tools. Seventy-five percent of AAPIs said that they had access to the Internet, however almost 74 percent of those respondents say they do not use the Internet or smartphones to conduct banking because they were generally uncomfortable banking online (13 percent) or because of security concerns like identity theft (26 percent). Even the respondents who spoke “mostly English” preferred depositing their savings in person at banks rather than electronically or at an ATM (62 percent and 25 percent, respectively). The elderly and those with lower income, lower levels of educational attainment, and lower levels of English fluency were least likely to use online banking.

Despite currently low rates of online banking, many expressed considerable interest in using these services in the future. There are significant variations on this issue of the use of technology in financial transactions based on factors such as age, income, and education, including:

Adults age sixty and older are less likely than other age groups to conduct financial transactions online (using computer, laptop, or mobile).

Family households making less than \$20,000 per year are least likely to use online banking, while those in households making more than \$75,000 per year are most likely.

College graduates are more likely to use online banking than those with a high school diploma or less. Native speakers were least likely to use their cell phone or smartphone across all types of financial transactions.

Other elements that influence trust in financial systems and products include cultural attitudes toward credit and debt, and the ability to adequately control and monitor cash flow and expenses by those on limited incomes. Thirty-seven percent of respondents reported using credit cards to pay bills, and 55 percent report using credit cards for day-to-day financial transactions. However, when this behavior was further analyzed by factors such as income and language, findings indicate that lower-income individuals are less reliant on credit cards than higher-income individuals, and individuals with lower levels of English proficiency are less likely to use credit cards for paying bills and are far more likely to use cash. While no specific survey questions were asked regarding cultural attitudes, these findings suggest that they had a strong influence in consumer behavior.

An additional factor for practitioners and institutions to consider is the role of the family in decision making. With almost half of AAPI respondents (45 percent) making decisions jointly with their spouse, the evidence points to the importance of designing services and products that are family oriented and collaborative. Such approaches may in fact help to foster a greater sense of trust, and confidence, in financial decision making.

The previously stated findings highlight the connection between improved financial capability and consumer behavior and improving trust in financial institutions. Thus, National CAPACD recommends the following strategies:

1. Increase language and cultural accessibility at financial institutions by hiring multicultural staff and expanding translation to enhance bank communication with customers. Translated documents may include outreach and marketing materials, educational materials, notices, and legally binding documents. Serving an extremely diverse AAPI diaspora, with dozens of languages, can admittedly be challenging and at times overwhelming. However, the investment of financial institutions into hiring staff that represent the communities they serve, and ensuring that all communications are linguistically and technically understandable, will go a long way toward building consumer confidence in the institution and their products. Also worth considering are opportunities to partner with community-based organizations and other institutions with language capacity and cultural understanding, as described in the following text.
2. Bundle asset-building education and products with other social services provided by trusted community organizations as part of the spectrum of immigrant integration services. It is critical to ensure a new generation of Americans is well prepared to meaningfully participate in and contribute to the national economy. Community organizations play an integral role in supporting new immigrant communities. At the same time, funders and practitioners should acknowledge the significant amount of resources that are required to successfully integrate asset building with other services, and be prepared to adequately support it. In-language education and one-on-one coaching are critical for building an individual's capacity to understand and navigate financial systems. These are also extremely time- and funding-intensive activities for staff working with recent immigrants and refugees with little knowledge of the most commonly used banking terminology.
3. Maintain and invest in bricks-and-mortar locations for delivering financial services and products. Despite growing trends amongst

mainstream populations to use more technology for financial services (e.g., mobile apps), physical locations of financial institutions continue to be very important to AAPI households and the vitality of neighborhoods more broadly.

4. Further explore the use of technology in expanding access to financial services and products, with proper investment in linguistically and culturally appropriate education on its instructional use and security. The financial services industry should take into consideration designing apps that are in-language and assure security. Additionally, incorporating technology with in-person services may create new opportunities for building awareness of new tools as well as building stronger customer relationships. Outreach and educational training on technology should be targeted to seniors and persons with low educational attainment. Such trainings should be easy to understand (step-by-step) and incorporate a more hands-on approach.

Conclusion

The data in this article tells many stories, but all point clearly to the importance of building both trust and relationships.² Both factors play a significant role in the current behaviors and attitudes of low- and moderate-income AAPIs, whether influencing who to turn to for information and emergency funds, or where to bank. Undoubtedly, they will continue to be a key factor in future consumer behavior and opinions. Practitioners, financial institutions, governmental institutions, and policy makers must actively work toward improving trust with consumers and building relationships—whether that be ensuring local branch locations remain staffed with multilingual staff or designing financial education programs and products that capitalize on family and friends.

Additional areas for future research about AAPIs could include a deeper analysis of cultural attitudes; understanding barriers to applied financial education; use of alternative financial services and impacts of predatory lending; a closer examination of the role of family in financial decisions and habits; and a more in-depth surveying and analysis of major subpopulations such as NHOPIs.

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The information contained in the report is part of a broader research effort conducted in collaboration with the National Urban League and the National Council of La Raza, published in 2014 as “Banking in Color: New Findings on Financial Access for Low- and Moderate-Income Communities.” As stated earlier, data specific to AAPIs was extracted from “Banking in Color,” supplemented through data from additional respondents, and published in this report for the purposes of better understanding the specific barriers and opportunities for increasing financial security within AAPI communities.

The authors also acknowledge the significant contributions of Greenberg Quinlan Rosner Research, which provided topline data and cross-tabulations of the initial survey results, and managed data entry of the complete data set.

Finally, National CAPACD thanks the following member organizations, and their clients, for their participation in this research. Their efforts to reach out to individuals in the AAPI community have been critical to ensuring that the voices of the vulnerable and marginalized are represented in the national dialogue about economic justice and opportunity.

- Chhaya Community Development Corporation
- Chinese American Service League
- Chinese Community Center
- East Bay Asian Local Development Corporation
- Empowering Pacific Islander Communities
- Korean Resource Center
- Thai Community Development Center

Appendix

About National CAPACD

The mission of the National CAPACD is to improve the quality of life for low-income AAPIs by promoting economic vitality, civic and political participation, and racial equity.

The UCLA Asian American Studies Center, founded in 1969, is dedicated to research, teaching, publications and other endeavors that enrich the understanding of the history, cultural heritage and experiences of AAPIs. The center is recognized today as the premier research and teaching institution in the field of Asian American studies.

The mission of the Center for the Study of Inequality is to generate new information and knowledge about the nature, magnitude and causes of socio-economic inequality. It is committed to translating academic scholarship into feasible and actionable policies, plans and programs. The center focuses on

these issues and challenges in the Southern California region, and expands its findings through including comparative analysis with other regions.

Notes

1. The CAPACD Survey Sample was constructed to examine “Adults Over Age 25”. Students from the sample were excluded, in order to allow us to compare the data with the U.S. Census Bureau, American Community Survey data set for head of household. Students represented 6 percent of the sample.
2. The full version of this report, with infographics, can be found at National CAPACD’s website at www.nationalcapacd.org. National CAPACD endeavors to build on this body of research through further study, but offers this initial report as a way to represent the experiences of low- and moderate-income AAPIs who struggle financially and seek pathways into the mainstream U.S. financial system.

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