



MILLENNIAL MONEY

Insights & Opportunities

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Who Are The Millennials?

Good News & Bad News

Evolving Life Goals

Financial Priorities

Three Types Of Customers & Their Expectations

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- o First Time Home Buyers
- o New Parents

Key Insights For Banks & Credit Unions

INSIGHTS & OPPORTUNITIES

WHO ARE THE MILLENNIALS?

And why should you care?

Millennials are... complex.

While this could be said of almost any generation, for this group that grew up and came of age during a time of massive social, economic, environmental, political, and most notably, technological change, they're notoriously difficult to define. No matter what, one thing is certain: there's an enormous group of consumers in their 20s and 30s whose financial needs are only going to intensify.

Already the largest living generation, over the next 10 years, [75% of customers](#) seeking wealth management and personal financial services will be millennials. This is concerning to many in the financial services industry because as they mature, their purchasing power is beginning to define the world in countless — often unpredictable — ways. Sure, other generations have caused shifts and changes, but never before has any other been accused of “killing” as many traditions and cultural habits as millennials. Whether causing a major economic shift by disrupting the real estate industry, shunning cable for new tech-friendly options (hello, Netflix), or simply ditching breakfast cereal, it's clear that this generation has the power to change the way the world does business and keep industries on their toes. And with all the new options entering the world of finance, from budgeting apps to automated investments portfolios and digital banks, many are concerned that traditional banks and credit unions may be next on the chopping block, and the industry is scrambling to keep up.



31%
Millennials



22%
Baby-boomers



20%
Gen X

More millennials have determined their financial goals and have a [written plan](#) than Gen X or Baby-boomer generations



61%

are actively seeking [advice](#) on investing & personal finance



They spend 4 hours

of [company time](#) a week going over personal financial matters



63%

have an [investment](#) account



6 in 10

have already started saving for [retirement](#)

42%

worry about their [finances](#) several times a week or more (25% say they worry constantly)



They will [inherit](#)

\$30 trillion

over the next few decades



Good News

The Good

Despite boasting a “treat yourself” mentality, most millennials are highly aware of the importance of saving for the future, and seek advice to balance their spending habits. Of course, with older millennials having crashed directly into the Great Recession, wage stagnation, and a rising cost of living, and younger millennials taking on up to [300% more student loan debt](#) than their parents, it shouldn't be surprising that they know it's important to be money-smart. So while 86% of millennials may treat themselves at least once a month, setting themselves back \$110 monthly on average, those splurges don't always equate to reckless spending.

"There are a lot of assumptions that millennials only live in the moment, but our research debunks that — they are balancing their current health and happiness with their financial futures," said Brooke Forbes, Senior Vice President of Digital Planning and Advice at Fidelity in their [2018 Millennial Money Study](#). And it's true. In fact, despite their financial strain, more than half of millennials are saving, and nearly [75% stick within budget](#). With 1 in 6 having six figures tucked away, it's clearly working for them. Because millennials are highly educated and have more time to earn and save, it's possible they'll have steeper income and wealth trajectories than previous generations, allowing them to eventually meet their financial goals.



Bad News

The Bad

While the fact that [wages have increased by 67% since 1970](#) may seem like good news; that increase barely keeps up with inflating living costs. And although the recession hit everyone hard, no one was affected more than those just entering the workforce. Higher childcare, entertainment, rent, tuition and home prices have put a serious damper on the average millennial's ability to reach the same standard of living as previous generations. Nowhere is this more clearly illustrated than by statistics that show that despite being the most highly educated generation, more millennials are currently living in poverty than any other demographic.

On top of this, the average millennial graduate carries [\\$37,000 in student loan debt](#). Considering the average salary for millennials amounts to just [\\$35,592 a year](#), and starting salaries are 20% lower than baby-boomers enjoyed at the same age, that's debt that will be following them around for years to come. Even with that in mind, it's still shocking to learn that [1 in 5 millennials](#) believe that they will die without ever having gotten out of the hole that their student debt has put them in.

"There are a lot of assumptions that millennials only live in the moment, but our research debunks that"

Evolving Life Goals

So what are their goals anyway?

Millennials are marrying, buying homes and starting families later in life, but that doesn't necessarily mean they planned to. According to a study by the [Stanford Center on Longevity](#), people over 25 said they ideally would like to marry by 27, buy a home by 28 and start a family by 29, on average. These numbers are actually very similar to the goals of previous generations. However, the same study showed that in reality, the age at which they reach those goals has risen between 3 and 7 years. So what's happening? Are their goals changing, or is something else at play here?

The truth is, millennials are a highly educated generation. The [most highly educated generation ever](#) in fact, according to Pew Research Center. That said, they are uniquely aware of the financial responsibilities involved in marriage, home ownership, and raising a family. Having grown up and come of age in the midst of the recession, they recognize that what they consider 'ideal' is not necessarily the best course, and are more than willing to put these goals off until they feel confident in handling any difficulties that might arise along the way. And with this generation putting [more trust in technology](#) than any other, any tool that can help them to reach those goals faster will be quickly adopted.

Having grown up and come of age in the midst of the recession, they recognize that what they consider 'ideal' is not necessarily the best course.

Of course, life doesn't stop while millennials work towards their goals. Knowing that they are going to be limited in both time and money once they have achieved them, they are significantly more likely than previous generations to invest in experiences and adventures while they're young. These experiences aren't restricted to simple things like travel, either. Major investments like starting their own business sit at the top of the bucket list for [66% of millennials](#).

70%

[Want to get married](#)



93%

[Of those renting plan to buy a home](#)



74%

[Want to have children](#)



66%

[Have plans to start their own business](#)



Financial Priorities

Shockingly devoid of avocado toast, millennial priorities include things like...

1. Having enough for living expenses

As previously illustrated, the increasing wealth gap has meant that millennials start off with less household income. And with most job prospects tightly confined to major (and costly) city centers, millennials are quick to feel the financial crunch.

So perhaps it shouldn't come as a surprise that the most popular [personal finance priority](#) for this generation is simply to have enough money for day-to-day living. Entering a sluggish post-or mid-recession job market, millennials have done their best to keep themselves secure. From those who put off entering the job market while pursuing post graduate education to increase their skills, to others who have taken on side-hustles in the form of second jobs or passion projects, to those who entered the ranks of full-time 'underemployment', their present financial situation is never far from their minds.



2. Becoming financially independent

Considering that the average millennial salary is just over \$35,000, it's nearly impossible for them to amass a large amount of money, even if they were to set up a solid budget. A recent study from Fidelity found that [47%](#) of millennials have had their parents help cover costs for certain items at some point since moving out. Being free from this type of financial dependence is one of the defining characteristics between an adult and a child. Living [paycheck-to-paycheck](#), as many millennials do, doesn't make this easy. And since simply saving every extra penny isn't likely to make a massive impact, developing a method for increasing income through smart investment advice is a big priority for many young professionals.





3. Getting out of debt

It's no secret that millennials have debt. In fact, millennials are responsible for [\\$1.1 trillion of the \\$3.6 trillion consumer debt in the U.S.](#) So for them, finding ways to reduce it is an obvious priority. But not all debt is bad debt, and millennials are keen to discover ways to keep their debt load to a manageable level while maximising the returns it offers in terms of boosting their credit score and bringing them closer to their life goals.



4. Saving for major purchases

Saving for big-ticket items, like their own home or vehicle, is another big goal for the millennial generation. Providing them with clear guidelines on how to not only budget their money, but help it grow with a high interest savings account is a great way to attract their attention. Moreover, advice on how to make that big purchase happen sooner is even more valuable. By opening a dialog with millennials and setting simple, easy-to-follow guidelines that show how they can put their money to work for them, financial institutions can not only bring in more business from this demographic, but establish a strong relationship with these information-hungry customers.



5. Planning for the future

Having witnessed the struggles their parents' generation experienced as they entered retirement, millennials are well aware of the fact that social security and company pension plans are no longer reliable retirement income options. This is a likely contributor to statistics that show that [6 in 10](#) millennials have already begun saving for retirement. The fact that they are doing this on their own, without support from the government or their company, is a golden opportunity for financial institutions. With millennials managing their own retirement funds it's possible to tailor retirement savings marketing to target them directly, and provide ways to set them up through smart technology solutions.

THREE CUSTOMER TYPES

AND THEIR EXPECTATIONS

On the following pages we'll examine three of the biggest opportunities that the millennial generation offers financial institutions and provide insights into the services they enjoy.

1

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Small Business Owners



2

PAGES 12 - 14

First-Time Home Buyers



3

PAGES 15 - 17

New Parents



Small Business Owners

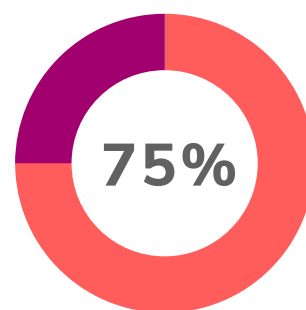
The Opportunity

With many millennials having entered the workforce during the peak of the recession, they've experienced the full impact of difficult economic conditions. Underemployed, burdened with student debt, and faced with an unforgiving job market has led many of them to strike out on their own rather than joining another company. In fact, **66% of millennials** are looking to start their own business, and even of those working full-time, **28%** have found ways to earn money from their side-hustle. As these digital natives establish themselves as the new face of small business ownership, they're bringing their knack for technology to every aspect of their business process, especially where it can improve the way they manage their finances.

A surprising part of this is that many of these young entrepreneurs prioritize the better experience that technology offers above all else. For example, at 48%, millennial business owners in the U.S. are **twice as likely** to use 'non-bank' lenders like SoFi, Funding Circle and LendingClub, or marketplace lending platforms like Kabbage as opposed to their more established counterparts. The fact that they are more comfortable adopting fintech isn't surprising in itself, but what is is that only 7% of those business owners chose those services for better interest rates. In most cases, banks and credit unions actually boast lower rates than fintech competitors. So what's drawing millennials away?

As stated by Devin Ryan, managing director and equity research analyst at JMP Securities, "The younger generation will gravitate toward brands that provide the best user experience, the best value, and ultimately, can help them reach their financial goals." His words are backed up by statistics reporting that **75% of millennials** say they are willing to pay a premium for products and services that help them do a better job of running their business, compared with only two-thirds of older owners. For young entrepreneurs, it's not enough to have great rates. If an institution is lacking the frictionless experience that millennial business owners are looking for, paired with the streamlined digital features they need to make their operations run easier, they're going to look elsewhere.

66% of millennials are looking to start their own business, and even of those working full-time, 28% have found ways to earn money from their side-hustle.



Will pay a premium for services that make running their business easier

Payments & Loans

WHAT ARE THEY USING?



Launched in 2009 as the brainchild of Twitter co-founder Steve Dorsey, Square began as an affordable method for bringing card payment capabilities to merchants. Using a free card reader paired with an iPhone or iPad, they could easily accept card payments for a 2.75% fee — cheaper than many credit card companies. The simplicity of expanding payment options was the first big draw that Square offered its users, but since that time it has grown further through new product offerings and an intelligent use of big data analytics. With [\\$23 billion in payments](#) processed during Q4 of 2018 (+28% YoY), and more than \$2.1 billion in loans provided to 140,000 merchants through their lending program, it's clear that they're on the right track.

WHY DO THEY LOVE IT?

The Benefits of Big Data

Square's ability to track the real-time performance of a business has been crucial to allowing business owners make informed decisions about store hours, staffing, and ordering. Knowing at a glance that the busiest time is Thursday afternoon or that a certain product is consistently more popular on the weekends allows a business owner to optimize operations on the fly, simply by pulling up the analytics dashboard.



INSIGHT

When it comes to data analytics, design matters. A beautiful algorithm deserves an attractive package that catches the eye of your users, whether they're staff or customers. For them to be able act on these insights, they need easily understandable dashboards that help them make decisions and test potential scenarios.

Taking advantage of the data they're already gathering through their payment system, Square has begun providing loans through Square Capital. What sets them apart from other lenders is their ability to track the data that comes across payments, allowing them to view a bigger picture of a business' financial health than the credit scores other lenders typically depend on provide. And the benefits of data extend to the business owners here as well. Rather than asking for a fixed payment schedule, Square takes a percentage of a merchant's daily card sales. In this way a café owner can view exactly how many 'cups of coffee' they need to sell to pay off a planned investment in a new espresso machine, along with how long that should be expected to take.

Bookkeeping & Support

WHAT ARE THEY USING?

Bench

Millennial business owners tend to see paper-based services as the unwieldy and near-extinct beasts they have become in today's digital world. So obviously, the idea of lugging around a shoebox full of receipts is especially unappealing to them when it comes time to get their accounting books in order. And with most opening shop with a strong understanding of what their business needs to succeed, but little patience for the complexities of tracking its financial health, the majority tend to rely on outside help when it comes to bookkeeping. Bench makes it easier by combining software with in-house accountants to make bookkeeping much less painful. As of early 2018, they had already crunched the numbers on [\\$19 billion](#) in funds to provide accurate and timely financial insights small business owners across 345 industries. And as the [fourth fastest growing tech company in Canada](#) (and the fastest in British Columbia), there's still plenty of room to grow as more millennial entrepreneurs open shop.

WHY DO THEY LOVE IT?



INSIGHT

Millennials don't necessarily want all digital, all the time. When it comes to their finances, they want to know that there is a person on the other end that they can reach out to when needed. Finding a way to bridge the gap between the digital and physical world of finance is key to attracting their business.

Human-Assisted Automation

With all the complexities involved in bookkeeping for small businesses, Bench hasn't gone for full automation. Rather, they assign a human bookkeeper to each user, allowing them to get to know their business, show them how Bench works, and gather everything they need. After that, automation takes care of approximately 60% of the tasks, allowing the bookkeeper to import business transactions each month in order to crunch the numbers quickly and accurately. Thanks to the benefits of real-time and monthly financial reporting, business owners are able to track every transaction, account, and trend on a single platform, providing clear insights to their business health and performance. At the same time, they have access to a devoted, trained professional who knows their business inside and out for more complex questions. By combining human expertise and automation, Bench offers business owners the best of both worlds — fast and accurate information, and knowledgeable personal support when it's needed.

First-time Home Buyers

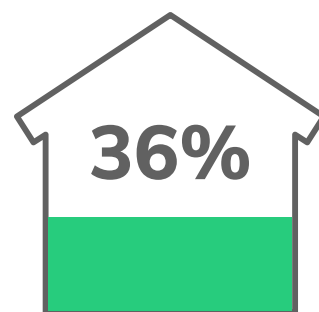
The Opportunity

For the fifth consecutive year, [millennials did more home buying than any other generation](#). Despite rising prices and their apparent love of avocado toast, these young first-time home buyers made just over one-third of all home purchases in 2018, according to the National Association of Realtors. But as with everything else they do, they're buying homes differently. Thanks to apps like Zillow, millennial home buyers are able to browse thousands of options from the comfort of their own home before committing to a viewing, and their expectations towards matching that ease of use has extended to the entire home buying process.

The idea that millennials aren't buying homes is clearly false. Rather, the process has simply been delayed. "Home buying is often linked to life events like getting married or having a baby, both of which are happening later in life" says [Tendayi Kapfidze](#), chief economist at online loan marketplace LendingTree. Now, with nearly half of all millennials over the age of 30, lenders could be set to witness a tidal surge of home purchasers in the coming years, and millennials are poised to decide who gets to ride that wave.

These tech-savvy borrowers know that an online mortgage application can automate tasks they'd otherwise have to spend time on. For example, they can link their application directly to their financial accounts, saving them the hassle of sifting through financial assets. And with the time consuming process of buying a home, they also appreciate that they are able to submit an application anytime, anywhere. The ability to view, compare and begin the process of applying for a mortgage, all from the comfort of their own living room, is especially appealing to a generation that grew up with the ability to manage nearly every other aspect of their lives in the same way. If anything is clear about this massive generation, the lenders who best utilize technology to make the process easier are going to come out on top.

With nearly half of all millennials over the age of 30, lenders could be set to witness [a tidal surge of home purchasers](#) in the coming years.



Of all [home purchases](#) in 2018
were made by millennials

Mortgages

WHAT ARE THEY USING?



Despite how quickly technology has permeated other industries and made work faster and easier across the board, the [\\$1.6 trillion](#) U.S. mortgage market still operates primarily on paper. For the millions of millennials out there looking to purchase a home, this feels like an archaic and complex method of doing business. That's exactly what Blend aims to address. By offering a way to streamline the process through a mobile app, Blend does away with the hundreds of pages of paperwork needed to complete the process while providing them with the ability to complete, submit, review and sign their applications anytime, anywhere – all from their ever-present mobile devices. What's more? By streamlining the application process with digital capabilities, applicants can be approved up to 50% faster.

WHY DO THEY LOVE IT?

The Digital Advantage

As Blend CEO and Founder Nima Ghamsari states, "Today's consumers expect seamless experiences throughout their financial lives, and with our digital home equity offerings, our customers are set up to continue thriving as the market grows." The flexibility that an always-on digital service provides simplifies the borrower/lender relationship, cutting down on the cycles advisors have to go through to help a borrower complete a mortgage application. By implementing a user friendly design, coupled with insightful data science and intelligent automation, borrowers can follow a self-guided experience, all while being offered real-time assistance from an advisor.



INSIGHT

With application abandonment rates at an all-time high, there are plenty of financial products and services that could do with a paperless upgrade. Uncovering methods to speed up the process through digital automation and real-time advisor assistance could be the key to attracting new business.

Listing & Buying

WHAT ARE THEY USING?

Opendoor

Besides the mortgage process, the logistics of listing homes is also especially complex and time consuming. Imagine if when you decide to sell your home, instead of putting it on the market, holding open houses, and then spending weeks or months working through the details of a sale to a buyer, you could just go online, get an appraisal, and close the deal. That's the idea behind Opendoor, a startup that buys and sells homes directly from and to private individuals. Currently operating in 20 major cities across the U.S., Opendoor takes nearly all of the hassle out of selling a home by buying and reselling on their platform.

WHY DO THEY LOVE IT?

Instant Gratification

It's the simplified home marketplace that millennials dream about. By allowing sellers to provide information and using a combination of algorithms and human inspectors to determine the value of a home, a seller can go from start to sold in as little as 3 days. There's no doubt that the average millennial customer enjoys quick and efficient service, and despite the fact that Opendoor charges 3-6% higher fees for their service, they've got their eyes set on paying sellers \$2.5 billion for home purchases over the next year. With numbers like that, it's clear the millennial customers are willing to pay a premium for the instant gratification they crave.



INSIGHT

Don't be deterred by the cost of convenience. When it comes to simplifying complex money issues, millennials are willing to pay a premium for products and services that take the headache out of managing their finances, and scratch that instant gratification itch.

New Parents

The Opportunity

Traditionally viewed as young and unattached, millennials have grown old enough to have children. According to studies by the NRF, millennials are now parents to [50% of today's children](#), more than 1 million millennial women become new mothers each year, and millennials make a significant contribution to the \$1 trillion U.S. parents spend annually on raising their children. With the average age of new mothers rising to [over 26](#) in the US, and over 31 for new fathers, it's true that they're putting off becoming parents until later. However, these facts should signal financial organizations that the needs of the 'new parents' demographic are only likely to expand as more millennials enter that age bracket.

With so many new and expecting parents, it's worth noting that having children at an older age is the least of the differences between millennial parents and previous generations. For example, they are more likely to begin planning for their baby's future [earlier than any other generation](#), with 27% of new parents saving for college, and 24% prioritizing life insurance in their child's first year — more than any other generation had at that early stage of parenthood. These young parents have seen firsthand the difficulties that financial strain can have on a family, and they are keen to take early steps to avoid them. And since they are having children later in life, they are better positioned to do so, and better educated on ways to achieve their goals.

IN BABY'S 1ST YEAR



27%

are saving for
college



24%

are prioritizing
life insurance

[\(Higher than any previous generation\)](#)

Expectant moms and dads have always had many questions and concerns when entering parenthood, so it's not surprising that most millennial parents turn to the same source they use for advice on nearly every other important decision — the internet. Millennials spent their formative years neck deep in accessible digital information. As a result they're "high-information parents," says [Rebecca Parlakian](#), the program director for Zero to Three, an organization that has been studying new parents since 1977. "Google is the new grandparent, the new neighbor, the new nanny... The good news is that parents know more about child development than ever before." The bad news is that having access to so much information can be overwhelming. However, financial organizations can provide security to this expanding demographic by educating new parents on the best methods for achieving their goals, and connecting with them in ways that are as frictionless as possible.

Investing for the Future

WHAT ARE THEY USING?

Wealthsimple

As every parent quickly discovers, children can be real money pits. Luckily, most millennial parents are taking that into account well before welcoming their new additions into the world. That's where Wealthsimple comes in. Millennials LOVE simplicity, and traditional ways of setting up and managing an investment portfolio on your own are entirely the opposite. That's why Wealthsimple offers an easy-to-manage interface, a digitally-engaged communication channel, cool, fashion-forward branding and social media savviness. Suffice to say, it's not your parents' old school money manager. And with [80% of the company's 40,000 clients](#) fitting squarely in the millennial age bracket, they're doing a lot to get this generation planning for the future.

WHY DO THEY LOVE IT?

Tailored Financial Advice

With the ability to purchase and manage a variety of financial products, from joint savings accounts to RESPs, along with the ability to view return estimates and gain access to advice with the touch of a screen, WealthSimple has become the number one robo-advisor in Canada. With all the other concerns a coming baby brings, millennial parents especially love the way WealthSimple simplifies the complex process of determining the best course of action to meet their goals. Advice comes mostly automated, meaning that general inquiries can be handled quickly by fewer staff, while more complex questions can be answered on-demand via phone and email by licensed portfolio managers. By making it so easy to get advice and set up accounts, young investors are able to get past the indecision that causes many of them to freeze up when considering getting started.



INSIGHT

Millennials are ready to invest, but they are often nervous about making the first step. Help them get started by providing automated digital tools that demonstrate their options, and clearly outline the ways that your organization simplifies the process for them.

Life Insurance

WHAT ARE THEY USING?

fabric

Fabric is a one-stop shop for families seeking to achieve financial security by providing a quick and easy way to create a free last will & testament, record and track assets as a couple, and purchase affordable term life insurance. By offering a streamlined way to get everything in order right from your smartphone should the worst occur, Fabric eliminates the 'darkness' of contemplating your own mortality and makes it easy for new millennial parents to prepare. Purchasing a policy can take as little as 2-minutes from start-to-covered, whether a user is on their mobile device, tablet, or desktop. Fabric takes advantage of modern cloud infrastructure and is designed to flexibly address state-by-state insurance requirements across a wide variety of insurance products at scale, and they've already served tens of thousands of customers, with more added daily.

WHY DO THEY LOVE IT?

Precise Audience Targeting

The number one benefit of Fabric is its speed and ease of use. But perhaps even more compelling to millennial parents is the fact that the entire platform was designed with them in mind. From social messaging to site design, Fabric is tailored to let the customer know that this is a product that families need. They even provide a treasure-trove of financial and parenting advice tailored specifically to this demographic. By showing that they truly care about and understand the needs of millennial parents, who make up the top purchasers of insurance products in the younger age bracket, they've earned themselves a top ranking among finsure organizations.



INSIGHT

Your millennial customers want to know that you understand them. By creating digital tools that speak to them directly, it's possible to generate meaningful conversations around your products and services, and create a lasting connection that builds deeper loyalty.



KEY INSIGHTS

For Banks & Credit Unions

When it comes to targeting millennials, there's a lot to consider. But several key points stand out in the services that this tech savvy and convenience-driven generation prefer. And the benefits they offer to the companies that take advantage of them go far beyond attracting more customers.



1. Big Data Brings Results

Millennial customers crave highly personalized service, and they expect it from the very first contact. Big data can help an organization to gain a 360-degree view of the journey these customers take, acting as a central hub that stores their personal data, needs, and preferences. These datasets offer actionable insights that help segment customers and serve them better, and building a customer-centric culture in your organization can improve customer service significantly. Data can come from many sources besides online or mobile, too. From the lobby to your

contact center, data can be brought in and centralized from all sources in real-time, providing additional information that may otherwise be missed. By implementing a solution that allows you to track all business requests coming into your organization, and also gathers information on the specific needs of each individual, you can ensure that your operations and marketing departments have all the information they need to provide streamlined, finely tailored service across the board.

2.

Make a Human Connection



When it comes to tech that's meant to make life easier, you can't go wrong with automation. Except, of course, when you can. For your millennial customers, automation frees them from performing repetitive tasks themselves, makes simple actions quick and allows them to find the information they're after immediately, satisfying their cravings for instant gratification. For staff, automation gives them more time to devote to your customers, allowing them to better serve them. However, it's worth noting that 100% automation is rarely a good thing. Even digital natives like to know that there are skilled, helpful human experts behind the slick interface they enjoy, and ensuring that there is a simple way for them to

reach through the curtain and speak to them is incredibly important. This doesn't mean a phone number hidden on a separate page that customers can call when your automated service isn't able to help them. Rather, it means setting up the service in such a way that when the customer using it runs into an issue that automation can't handle, a live agent can take over on the same channel. By ensuring that all automated services have a lifeline tied to human services, customers can enjoy quick and efficient service regardless of the issues they face or the channel they use, and your organization can keep drop-off rates low.



3. Convenience is Key

As illustrated by the examples provided, millennial customers are willing to pay a premium for convenience. By taking advantage of online or mobile self-service solutions, you can enable millennial customers to serve themselves. And through an intelligent, user-friendly dashboard that compiles and organizes their data in real-time, they can be granted the ability to do so with confidence (ie. without requiring constant support from advisors). Other channels can also benefit from added convenience, like offering ways to arrange meetings with advisors through contact centers to cut down on hold time, or through a lobby management solution that allows walk-in customers to quickly view wait times and schedule meetings. Millennial customers are quick to complain about bad service experiences, but they are nearly as quick to promote good experiences, especially where they are in short supply. The truth is, it no longer matters as much to have the best rates. For millennials, time is money, and anything that can save them time is worth paying a little extra for. So long as rates are competitive, banks and credit unions can be sure that any investment in simplifying the complexities of financial management will provide a boost in business that will more than cover the initial expense. And of course, the more convenience you provide your customers, the less time advisors need to spend handling their requests.

4. Personal Finance Should Be Personal

Your millennial customers are exposed to personalization in everything they encounter, including marketing messages, products, digital content, and even cars, making expectations even higher. And of course, for the average millennial (or anyone, really) few things are more personal than their finances. A financial institution that knows its customers well should be capable of delivering the choices that best match an individual's personal situation. By tracking and taking advantage of data already available on each customer and building it up through pre and post meeting surveys, plus information gathered during applications and other interactions, you can provide

consumers with tailored service at every touch point, allowing them to see that your organization truly understands their needs and goals. Even small personalization updates like friendly reminder emails — or better yet, text messages — that provide tips and advice for an upcoming meeting, allow quick rescheduling options, or let them check in on arrival with a tap can be extremely beneficial when it comes to building personal connections with millennial customers.

What's Next?

As technology evolves, banks and credit unions will have to work hard to keep pace with millennial banking expectations. And with the younger Gen Z generation beginning to see increased banking needs, there's more incentive than ever to realize possibilities that these changes can bring.

For the short-term at least, the challenge is finding the right balance between offering convenience packed digital banking features and products, while still delivering a personalized experience that speaks directly to your millennial customers' needs and desires.

Coconut Software can help you to find that balance.

Looking to make lasting connection with your millennial customers?

Schedule a consultation today. ➔



Coconut Software is a leading provider of customer engagement solutions, empowering modern banks and credit unions including: Vancity, United Federal Credit Union, Servus Credit Union, and Royal Bank of Canada. By delivering seamless experiences for both financial institutions and their customers, Coconut Software helps to bridge the gap between digital and physical channels and improve operational efficiencies. Through technology that supports enhanced customer experiences across all touchpoints, Coconut's solutions consistently increase satisfaction scores, decrease churn, and strengthen acquisition.

Visit www.coconutsoftware.com for more information.