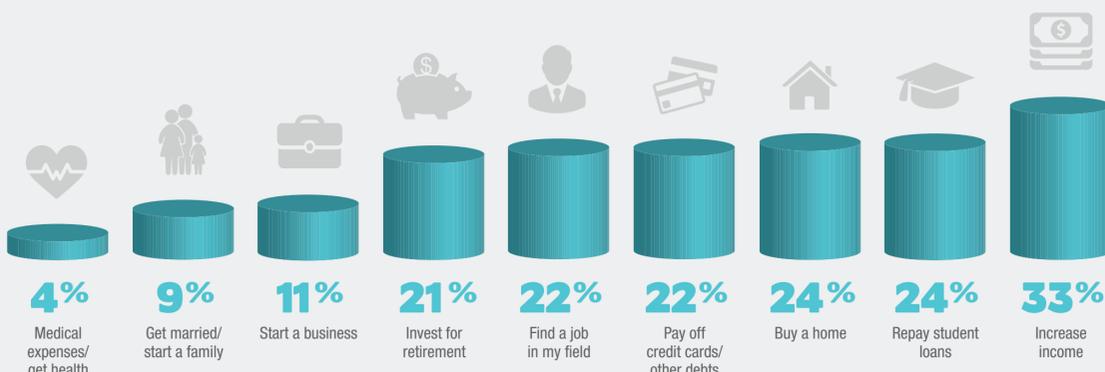


# BUILDING A FINANCIAL RELATIONSHIP WITH THE ELUSIVE MILLENNIAL

Millennials are 22-37 years old (in 2019), which means they are at or entering the stage of life when they are starting to make big decisions about their families, careers and futures that require sound financial planning. That makes them a growing target for financial institutions — but one that can be a challenge to reach because of the generation's mistrust of banks, financial illiteracy and the difficulty of defining them. Gaining traction with millennials often means focusing less on products and services and more on creating a meaningful relationship with them.



## FINANCIAL GOALS AMONG MILLENNIALS



SOURCE: MONEY UNDER 30

## BUILD TRUST

Millennials were deeply impacted by the Great Recession, creating in them a lack of trust in financial institutions. They often view banks as existing to benefit the rich and elite, and would rather keep their cash than invest it. However, millennials are brand loyal, so once you've gained their trust through personalized connection and service, there's a great chance you'll have gained a longtime customer.

**77%** of affluent millennials (\$50,000 in investable assets or \$100,000 in individual or joint income) believe the financial system favors the rich and powerful, not ordinary people.

### WHAT YOU CAN DO

- **Speak** directly to millennials about the safety of your products and services and how they are beneficial; not how they're better than those of your competitors
- **Be** available. Yes, this generation prefers digital communications, but the opportunity to have a conversation with a real person can be reassuring to the millennial who is, say, applying for a first mortgage.
- **Emphasize** transparency. Spend the time necessary to truly understand a prospective customer's individual needs, and be up front — regarding fees, rates, loan requirements, etc. — about what it will take to meet those needs.

### WHAT YOU CAN DO

- **Develop** an educational content marketing strategy that focuses on the fundamentals of finance and investing. Execute it on the platforms where you're most likely to find millennials: apps, social media and your website.
- **Consider** free community outreach programs/events/workshops that give you the opportunity to connect in person while providing educational material
- **Keep** your content simple and avoid industry jargon; explain terms that might be unfamiliar
- **Conduct** keywords research to see what millennials are looking for on the web

## EDUCATE

Too often, financial services marketing professionals treat their audience as finance experts. This can be particularly ineffective when try to appeal to millennials, 35% of whom don't even have a credit card (Money Under 30). Equipping millennials with the knowledge they need to achieve their financial goals will help build their trust in you while developing your reputation as a reliable source of information.

**24%** of millennials claim to have a basic understanding of financial concepts.

## OPTIMIZE DIGITAL

It's no surprise millennials are increasingly looking for digital banking services so they don't have to come into the bank. It's your job to ensure your digital services provide the tools they need—when they need them—to be able to accomplish tasks on their own.

**92%** of millennials would choose a bank based on its digital services

### WHAT YOU CAN DO

- **Allow** your customers to sign up for—and opt out of—accounts and services online as much as possible
- **Provide** an online chat function so millennials can attempt to solve issues on their own before contacting you directly. In lieu of that, beef up your FAQs.
- **Diversify** your digital offerings. A 2019 Ellis Mae Borrower Insights study showed millennials, on average, employed 5.8 communication methods with their mortgage lender. You can't be everywhere at once, but you can try.

### WHAT YOU CAN DO

- **Communicate** clearly your company's values—and how you live up to them every day
- **Share** with your customers what are you doing to better your community
- **Create** campaigns that allow you to generate an emotional appeal tied to millennials' problems, such as student debt, budgeting and money management
- **Tell** stories about how your company has a real, positive impact on real people

## BE RELATABLE

You're going to have greater success appealing to millennials' emotions than to their wallets. This is a charitable generation that is more interested in investing in others than in themselves, and they are more likely to do business with a company that shares their values and beliefs. At the same time, millennials are considered the most brand loyal, so marketing to emotions and connecting to life events can create a formidable bond.

**70%** of millennials have purchased a product in support of a cause

## INFLUENCE

Millennials on their own don't care about your brand; but they might if their friends do, or their peers, or even a celebrity. This generation is heavily influenced by the actions of others; the influencer economy is a \$1.7 billion business. While you may not be able to hire Kanye West to promote your brand, there are opportunities to influence millennials when it comes to their choice in a financial services partner.

**71%** of millennials would rather tell the dentist than listen to financial institutions tell them what to do

### WHAT YOU CAN DO

- **Create** and share content on social media that tells the financial success stories of young people
- **Consider** partnering with an area celebrity/personality who will resonate with millennials
- **Share** positive reviews of your company made by young people

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