

INTERSECTIONS

Where **Financial Institutions** and the **Investment / Insurance** Industries meet

Millennials at the Gate; But How Do You Get Them In?

Eighth Edition

As we continue our research into the Millennials psyche of investing their discretionary income and working with financial institutions for other services, we use cognitive sciences and neuropsychology to answer some basic questions. Will Millennials ever use traditional banks and credit union services the way Baby Boomers and the Silent Generation do? If we want to get them excited about doing so, what types of programs resonate with them? Knowing that mobile banking suits their lifestyle, do branches and face-to-face interactions have a place in investing, insurance, savings and daily financial transactions of this generation?

What our primary research on Millennials has taught us is true:

- Using apps for their smartphones or tablet is second nature to Millennials and that social media has an impact on where they go, who they will mingle with and where they shop for retail purchases, however it appears that that social media has a relatively smaller influence on where they do their investing and savings.
- The internet is the first place used for their research into financial services and, they will look for the best deals and places they will be rewarded for their loyalty. They want to be viewed holistically within an organization and look for institutions with a social conscience and philanthropy.
- Millennials have a more integrative approach, seamlessly blending work and home life and due to the neuroplasticity of their brains, they expect responses to their questions to be quick and easily understood.
- GenYs believe that an institution that knows them, responds well to their needs, regardless of the brand will become their “go to” as they are very quick to change if their needs are not met.

Given the above knowledge about Millennials, does your financial institution respond well to these needs, desires and characteristics? If so, to what degree?

We suggest financial institutions need to “think, see and feel, as Millennials do today, if you want to garner their transaction, wealth management, insurance and investments assets tomorrow. The following 5 steps are a part of a quality customer experience program that we have used for many years but it always helpful to revisit.

5 Steps to get Millennials to use your Institution

These five steps demand a rigors focus on the Millennial customer experience.

1. Needless to say, everything starts with your strategy and you need to align the Millennial acquisition strategy with your brand. Use Millennials as subset of your database and understand the Millennials' interaction with your institution on a granular level. We have always been a fan of using ethnographic research techniques such as "Exploring, Voice of the Customer or Innovation Games." Exploring means watching how Millennials navigate your mobile app, your website, checking, savings and investment and/or insurance opportunities. This is a first step. If there are too many touchpoints, create a detailed map of which services are utilized most often and/or have the highest ROI as a beginning. As you journey with Millennials, detail exactly what they thought should happen and where the "obstacles, pain points and/or frustration set in.
2. If your processes do not make it easy for Millennials to meet their needs and the experience is not enjoyable, start rethinking your processes, policies, and technology and employee interactions for the services you are mapping.
3. Use these journey maps to understand the needs of the Millennials and define the requirements of "getting it right". Use Millennials to help you design those products, services and processes that are authentic to them.
4. Complete a cost and benefit analysis that may demand that you alter policies and procedures. How many more Millennials will you attract, retain, and entice to add additional services? What are the drivers of the relationship, the expertise needed and the business outcomes?
5. Make sure you are spending your money, time and effort on the places that will truly make a difference in the Millennials' experience and make sure these enhancements are embedded as an ongoing practice.



A differentiating customer experience will move Millennials from standing outside your gates to entering, most likely in droves!

A handwritten signature in black ink that reads "Carmen". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

C F Efron Company and Associates have been working in the customer experience discipline for over 30 years; both B2B and B2C.

Let's start a conversation.

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