



## Millennials And Wealth Management

marketing business customers millennials

**Summary:** Many younger people are concerned with financial security. Could wealth management be a gateway for millennial customer acquisition?

A survey by Deloitte of retail holiday shopping finds the top sources for shopping research are: online retailers (65%), web search engines (58%), retail stores (52%) and retailer websites or mobile apps (40%). Things have changed over the years, but this gives bankers decent insight into some of the trends perhaps.

As you think about your own holiday spending this year, we note that competition for your dollars is probably very high. Along the same lines, competition for bank customers is also very high.

Certainly, competing for younger customers can be a challenge for financial institutions of all sizes. As people enter their 30s and 40s, wealth management presents an opportunity to earn their business. Today we'll explore why some in this age group are receptive to these services and share some insights to consider when planning your strategy.

Many younger people are concerned with financial security, which makes sense considering a lot of them entered the job market during the Great Recession. The [TransAmerica Center for Retirement](#) found 1 in 5 of those in their 20s to late 30s frequently discuss saving, investing, and retirement planning. For comparison, this is higher than older generations.

They're also savers. TransAmerica found the median age this group began saving is 24, which is also younger than previous generations. However, despite being interested in retirement planning, >70% do not feel they know as much as they should.

Your institution can help business customers perhaps in providing these services, as one way to fill in the gaps. Partnering with your business customers to offer these resources could strengthen your relationship with the owner and its employees. Additionally, marketing wealth management services allows for cross-selling of other products to younger workers.

Marketing to any large group is always tricky. So, it's best to remember the needs within this group vary significantly. With more than 70mm younger workers, they are more diverse across several metrics than previous demographic groups. Having just one strategy or product might limit certain opportunities, so care must be taken. Experts suggest having multiple products with transparent fees that allow them to choose. Some financial institutions achieve this variety by partnering with established RIAs or digital platforms, but you don't have to do it all at once.

Focusing on a niche segment of younger workers, or any age group, could be lucrative. We've heard success stories of investment advisors who work only with new doctors in a city's hospitals, while another group focuses solely on people interested in professional bass fishing.

If your institution does not yet provide these services, you can do a simple survey of customers to see what they may want. Another strategy is to incorporate more sophisticated wealth management discussions into

your financial literacy programs.

Today's younger workers will be retirees one day too. So, whichever path you choose, wealth management can serve as a great way to grow your business and your customers.

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