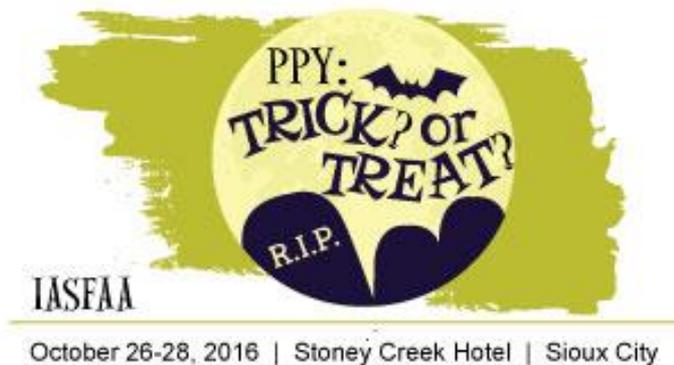


Millennials and Beyond

Brad Riebel



DEFINING THE GENERATIONS



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Who's Who Over the Years

| Baby Boomer (1945-1964) | Gen X (1964-1980) | Millennial or Gen Y (1980-2000) | Gen Z or iGen (2000-Present) |
|--|---------------------------------|---|--|
| Face-to-Face or Call | Phone, E-mail or IM | Just Text Me | @me (Instagram, Snapchat, Twitter) |
| Live to work | Work to Live | Play then Work | Work? What's work? |
| Touch-tone phones | Give them the latest technology | I'll Google it myself, connected | Apps vs. Internet |
| Respect My Title "Me Generation" | Respect My Ideas Independent | Respect & Challenge them, Helicopter Parents Prefers Teams | Creative Helicopter parents |
| Relationship focused at work | Output focused | Focus on involvement and Digital Natives – Wi-Fi | Digital Natives – 5 Screens – Touch Screen |
| Work Comes First (Career, Title, Money) | Family comes first | Friends comes first | TBD – still coming of age |

Source: Information gathered on 8/5/16 from <http://opi.mt.gov/pub/rti/EssentialComponents/Leadership/Present/Understandings/GenerationalDifferencesChart.pdf>



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Millennial Impact

- Born after 1980: Roughly 77 million people, 24% of US population
- Age of adults in 2016: 20 to 35
- America's largest and most diverse population
 - 15% were born in a foreign country
- In 2012: 15.8 million students making up **75% of Higher Ed**. Enrollment are millennials
- Also known as Generation Y, millennials make up about one-fourth of the US population (Nielsen)
- As the Baby Boomers generation taught us, the larger the generation the greater the influence over norms, expectations and behavior
- By 2018, Millennials will have the most spending power of any generation as they will eclipse Boomers

Sources: Information gathered 8/2016 from Pew Research Center survey conducted Feb. 14-23, 2014 among 1,821 adults nationwide analysis of other Pew Research Center surveys conducted between 1990 and 2014 <http://www.pewsocialtrends.org/2014/03/07/r>
<http://www.ryan-jenkins.com/2013/09/16/22-shocking-stats-about-millennials-to-help-you-chart-tomorrows-change/>, and Nielsen <http://www.nielsen.com/us/en/insights/reports/2014/millennials-breaking-the-myths.html>



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Millennial Generation: Basic Facts

- Diverse
- Pressured to Perform
- Ambitious/Achievers
- Team Oriented
- Connected
- Service Oriented
- Excellent Time Managers
- Structured
- Protected

Source: Alicia Moore, Director of Admissions/Registrar; Central Oregon CC, "They've Never Taken A Swim and Thought About Jaws: Understanding the Millennial Generation"



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Millennials vs Baby Boomers

- Millennials are a generation of Debit Card Users; More than half prefer using a “Card”
 - Baby Boomers -77% would prefer to use cash
- According to a survey administered by FICO, Millennials are 10X more likely to use peer-to-peer lending compared to the Boomers generation
- In 2014, according to Experian, Millennials held the lowest amount of overall debt and bankcard debt on average, compared to the other generations
 - Millennials had average debt of 23k compared to Gen Xers with average debt of 30k
- The average Millennial credit score is 625, and 28 percent of them are ranked below 579, says NerdWallet
 - In the world of credit scores, anything above 660 (out of 850) is considered good.
 - Based on Millennial credit habits, those scores may not improve
- Less than half of Millennials have a credit card
- While Millennials have the lowest overall debt and bankcard debt... Millennials have the highest credit utilization rates, though credit limits should increase

Sources: Information gathered 8/2016 from <http://www.phillyvoice.com/what-is-wrong-with-millennial-credit-scores/> and FICO Survey <http://www.fico.com/en/01-27-2015-fico-survey-american-millennials-will-step-up-use-of-non-traditional-banking-services-this-year> and Experian: http://www.experian.com/live-credit-smart/state-of-credit-2013.html?WT.srch=PR_CIS_StateofCredit2013_11192013_4thannual



MILLENNIALS IN THE MARKETPLACE



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Spending Behavior of Millennials

- By 2018, Millennials will have the most spending power of any generation
- Almost 50% of Millennial grocery shoppers say they want to be the very first to try new technology
- Millennials are much more likely to be influenced by smartphone applications (262% more likely), mobile advertising (+294%), and recommendations from social media sites compared to the average shopper (+247%)
- They want to engage with brands on social networks so brands that serve a Millennial's need may keep them for life



What are the top 7 things Millennials buy more than anyone else? Can you guess?

- Hot Sauce
- Organic Food
- Bulk Warehouse Foods
- Craft Brews
- Same Day Delivery
- Newspapers & Magazines
- Diet Soda
- Gas Station Food
- Tattoos & Piercings
- Postage Stamps
- Mass Market Beer
- Energy Drinks



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Source: Information gathered 8/2016 from <http://time.com/money/3979425/millennials-consumers-boomers-gen-x/>



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Marketing Trends

- Forbes released a study about Millennial consumer tendencies and compiled a list of trends that have enough momentum to be cornerstones of marketing to Millennials
 - Millennials:
 - want to engage with a brand on social network
 - want to help companies develop future products
 - strive for a healthier lifestyle
 - value authenticity more than content
 - utilize multiple tech devices (87% use between 2-3 devices at least once daily)
 - expect companies to give back to society
- Some of the most well known brands are already adapting to these trends, but so are the newest brands to the market place



Source: Information gathered 8/2016 from <http://www.forbes.com/sites/danschawbel/2015/01/20/10-new-findings-about-the-millennial-consumer/2/#1ff6fd6342b8> Forbes article 2015 and Mindy Weinstein; founder and president of Market MindShift: <https://www.searchenginejournal.com/trillion-dollar-demographic-10-brands-got-millennial-marketing-right/135969/>

Marketing Trends Continued (Forbes)

- Trend #1- Tech Immersion
 - Wearable tech is the new trend that did not stick with millennials right away, but as the price point becomes more “Millennial friendly,” we will see young adults sporting more tech innovations on their wrists
 - Wearable tech will truly take off in the healthy living space where brands like Jawbone Up and Fitbit have already experienced the highest rates of success
- Trend #2- Mobile Payment Will Become the Norm
 - Millennials are the most on-the-go generation to date and are constantly seeking out ways to streamline their busy lives
 - Venmo, Apple Pay and Snapcash make it easy for them to transfer money while shopping and to one another
 - The platforms are designed to make the payment process even more efficient and remove the fees that many associate with mobile or online payment options
 - According to data released by Forrester, mobile payments will reach close to \$90 billion by 2017



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Marketing Trends Continued (Forbes)

- Trend#3 – Value Experiences
 - Rather have a great experience than buy an expensive pair of shoes
- Trend #4 – Re-imagination of Social Marketing
 - Facebook has dominated Social Marketing since its origination, but other brands have begun finding ways to engage younger demographics
 - Three in ten Facebookers say they have “un-liked” a brand within the last 30 days, while 38 percent of 16-24 year olds have done the same
 - This ratio is worse than Twitter and even Google+
 - The faster brands are able to respond in real-time to consumers, the faster they will convert them into loyal brand partners
- Trend #5 – Fast Casual
 - Chains traditionally labeled fast food are now creating in-store atmospheres that are more fast casual
 - Brands that create this higher quality (fast) food with a sit down and enjoy atmosphere will set themselves apart (Chipotle)



How to Engage the Generation

- Millennials indicated a trend towards the easier to use, more transparent, data-driven, and automated processes of online lending when compared to traditional banks
- In 2014 pluralthinking released a cultural intelligence report. According to the report:
 - Gen Z has the lowest attention span to date. They won't wait for a web page to load, 32% will start abandoning slow sites between one and five seconds, after 8 seconds they'll consider it broken.
 - Brands need to learn the fine balance between narrowing down choice and content to maintain attention spans and deliver speed while still catering for variety
 - Gen Z doesn't differentiate between online and offline. The physical and virtual are the same thing
 - Gen Z's whole lives are interconnected with what they do, how they do it and why they do it
 - Millennials check their phones as many as 43 times daily and more than 30 percent stated they are more loyal to brands that are up-to-date in regards to technology
 - Nearly half of social media users get their investment and savings information from their Facebook friends
 - Reviews from family and friends are more trusted than traditional media

Source: Information gathered on 7/23/16 from 2014 Plural Thinking Study, Forbes Generation Z: Rebels with a Cause, and Investopedia.com/articles/investing/022715/how-millennials-use-tech-social-media-invest.asp, and www.adweek.com/socialtimes/nearly-half-of-social-media-users-trust-facebook-friends-for-financial-advice-inforgraphic/633624



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HOW TO REACH MILLENNIALS ON YOUR COLLEGE CAMPUS



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Success with The Millennial Generation on Campus

Admissions and Marketing:

- Support from parent(s)/family about decision around higher education. Colleges are recruiting families too.
- Photos and Videos of campus must appeal to parents. Families need to protect in new environment. Safety on campus is important.
- Decisions around Higher Ed are made based on parent's perspective and what peers are doing. Recruitment of one well known student causes a ripple effect on others from same high school.
- Millennials are team and traditional-oriented. Videos and photos must appeal to these traits engaged in campus wide activities not of a student sitting along studying in a library.
- Stay in front of prospective students as much as you can. If you aren't they will go elsewhere.
- Be tech-savvy and don't fake it!

Source: Alicia Moore, Director of Admissions/Registrar; Central Oregon CC, "They've Never Taken A Swim and Thought About Jaws: Understanding the Millennial Generation"



Success with The Millennial Generation on Campus, cont.

- Service Oriented Generation: Do you have an active AmeriCorps Program?
- Generation that has largest amount of discretionary time - Fill it!
- Traditional hallway-styled residence halls out the window??
- Not interested in the traditional food service program. “Grab & Go” generation; 24/7 service
- Burnout for this generation is strong. Expand personal counseling services on campus
- Move as many services as you can on-line!
- Remember to provide services for parents; stay connected to them!

Source: Alicia Moore, Director of Admissions/Registrar; Central Oregon CC, “They’ve Never Taken A Swim and Thought About Jaws: Understanding the Millennial Generation”



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BANKING AND FINANCIAL TRENDS



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Banking and Financial Trends

- EverFi and Higher One have conducted extensive research into the financial attitudes, knowledge and behaviors of college students. For their 2016 study, they surveyed approximately 85,000 students from four-year institutions and 4,300 from two-year institutions across the United States.
- Millennial students' attitudes about money “displayed more materialism, more compulsion, less caution and less aversion to debt as time spent on campus increased”
- They are less likely to pay their credit card bill on time, follow a budget, or save money
- Millennials are taking out more and larger student loans, yet report feeling less financially prepared to deal with them
- Two-year college students are smarter about money than those in four-year universities

Source: Information gathered 8/2016 from 2016 Everfi, Higher One White Paper “Money Matters on Campus”
http://moneymattersoncampus.org/wp-content/uploads/2016/04/EverFi_WhitePaper_2016_FINAL-Web.pdf

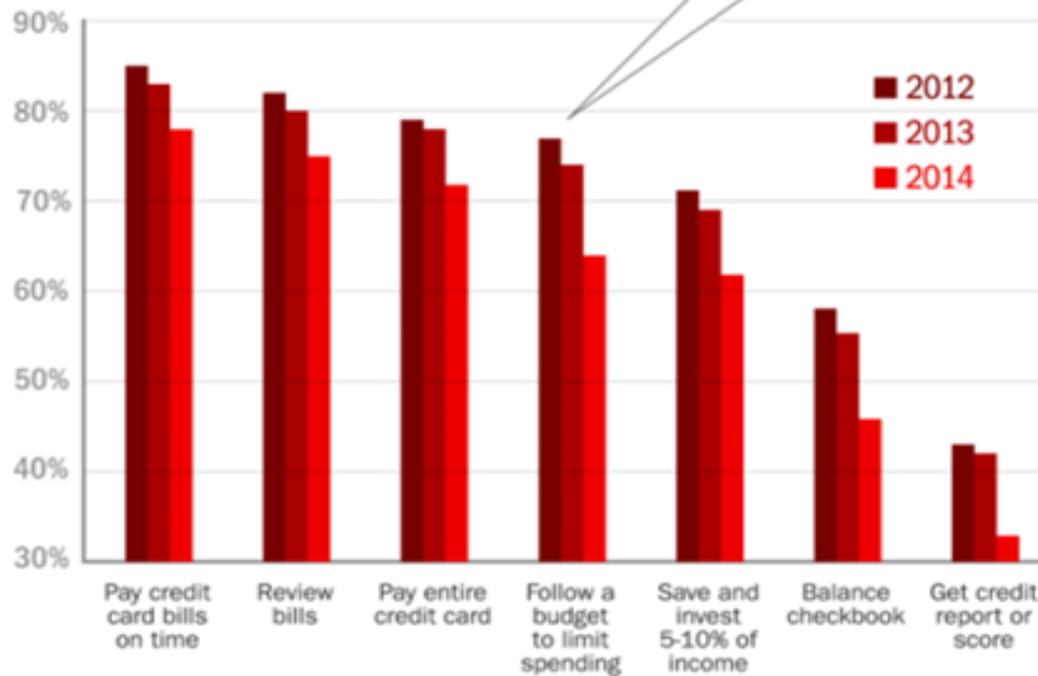


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Millennial Financial Behavior

Millennial students who say they will do the following in the next year



Source: Higher One © July 2015 The Financial Brand

Source: Information gathered 8/2016 from 2015 Everfi, Higher One White Paper "Money Matters on Campus"
http://moneymattersoncampus.org/wp-content/uploads/2016/04/EverFi_WhitePaper_2016_FINAL-Web.pdf



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Comparing Four-year and Two-year institutions

Four-Year Institutions

- Only 45% of students say they feel prepared to manage their money
- 70% don't use budgets
- Experience increase in college preparedness after the first year, not so for 2-year students
- 17% agree that their parents manage their finances as compared to 11% for two-year students
- Financial literacy should teach them the basics of budgeting and saving as well as introducing them to more complex issues such as investing and planning for the future

Two-Year Institutions

- 60% of students said they check their account balances (compared to 50% of 4-year students)
- 40% of two-year students say they use budgets (compared to 30% of 4-year students)
- 41% of students are 21 years or older while 51% of 4-year students were 18 years old
- Displayed healthier financial attitudes and were more cautious, more adverse to debt, more utilitarian, and less materialistic
- Experience more financial stress, on average, and have fewer resources
- Could also use additional support in regards to credit card behaviors as they tend to have more cards and outstanding debt and are likely to pay late

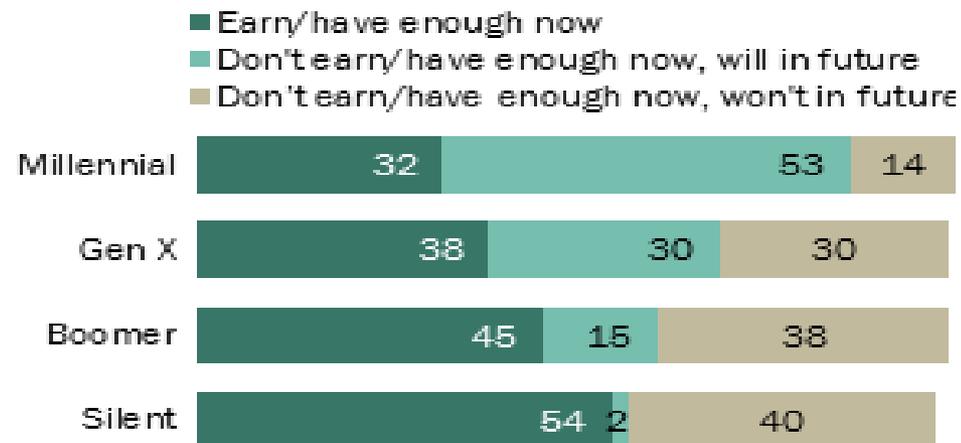
Source: information gathered 8/2016 from 2016 Everfi, Higher One White Paper "Money Matters on Campus"
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Millennials Financial Future

Millennials Upbeat about Their Financial Future

% saying they ... to lead the kind of life they want



Note: Based on all adults regardless of employment status, N=1,821. Those who are employed were asked if they currently or will "earn enough money" and those who are not employed were asked if they currently or will "have enough income." "Don't know/Refused" responses not shown.

Source: Pew Research survey, Feb. 14-23, 2014

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HERE COMES GEN Z?



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Generation Z

- Born 2000-today
- Post 9/11 reality: early loss of innocence
- Most tech savvy generation; touchscreens
- Prefers incognito and anonymous social networks (Whisper, Snapchat, and Secret as opposed to Facebook)
- 8-second attention spans
- PSA - Phone Separation Anxiety
- Politically liberal, social equality biggest concern



Source: Information gathered 8/2016 from Gettinggenz.com "Getting to Know Generation Z"
<http://growingleaders.com/blog/generation-z-differs-generation-y/>



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Generation Z

- Trends in Education:
 - Less reliance on physical classroom
 - Realistic vs. optimistic
 - Debt avoiders, less impulsive
 - Want training vs. general education

Source: Information gathered 8/2016 from [forbes.com](http://www.forbes.com/sites/onmarketing/2013/05/28/generation-z-rebels-with-a-cause/#3b18d84a6aa1) Generation Z: Rebels With A Cause:
<http://www.forbes.com/sites/onmarketing/2013/05/28/generation-z-rebels-with-a-cause/#3b18d84a6aa1>



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Conclusion

- Habits and trends vary from generation to generation
- We will need to adapt our messages and approaches to be effective
- That may mean changing our processes and cycles to be in line with their expectations



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QUESTIONS?



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