

Submitted to:

Gen Y

Submitted by:

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**Teaser Blurb:** Learn the best way to find out the generational makeup of your customers, what makes them tick and how to market to them.

**Pull Out:** Each generation's demographic represents a different opportunity for the bank. Practicing generational marketing will set you on your way to maximizing the value of each demographic segment.

### **The Importance of Generational Marketing**

*By: Name/Title*

Bank customers span the range of generations from children to seniors and everything in between. Each generation's demographic represents a different opportunity for the bank – from grooming tomorrow's most loyal customers to the careful handling of your current high-value, long-term customers. Practicing generational marketing will set you on your way to maximizing the value of each demographic segment.

Generational marketing simply means understanding that each generation has its own characteristics driven by experiences, values and beliefs. These characteristics lead to idiosyncratic personalities that govern the behaviors of the segment. Once you've unlocked what makes each segment tick, you'll be able to effectively target each segment.

With such a wide span of generations to target, it can be challenging for banks to provide and maintain the range of services each segment responds to. For example, your youngest customers (Generation "Z") will probably never carry a checkbook, instead expecting to be able to conduct their financial business entirely online. Your high-net worth seniors, on the other hand, expect personalized, high-touch service and prefer to conduct their business in a branch.

It is natural for financial institutions to focus most of their attention and resources on today's high-value customers; however, it is equally important to think long-term into the future potential of your youngest customers. For example, while today's seniors control the lion's share of your deposits, the future earnings of Generations "X," "Y" and "Z" cannot be ignored. It is essential to begin building relationships with these younger generations now in order to fully imprint your brand within the minds of these groups – people are sentimental about the business relationships they form as children. If you can get into the hearts and minds of these younger generations – and keep pace with their expectations – you can ensure your position as the first place these customers will look to in support of life's major events.

While the underlying principle of generational marketing is easy to grasp, access to information about what each segment responds to and analyzing your bank's customer base are the tricky parts. There is a wealth of demographic research available for free and for purchase – both online and from consultants,

but understanding the generational makeup of your own customer base is best done using a Marketing Customer Information File (MCIF).

The MCIF allows you to view information in a way that no other system in the bank allows you to – at the customer level and including all core and third-party relationships. Other information and data, such as demographics, financial segmentation and profitability combine to paint a holistic picture of behavioral and lifestyle attributes. Once you have completed a thorough profile of your generational customer segments, you can begin to plan strategies that maximize the value of each group now and into the future.

While it is nearly impossible to be all things to all people, understanding your customers' current and projected contribution to the health and strength of your institution will enable you to provide a balance of products and services targeted to each group, planting the seeds of success for many years to come.

*Bio/Company Overview*