Case Study - Marketing Consulting
Reaching New-to-Credit Customers, Ages 24 - 34

THE CLIENT
“Bank ABC” is the U.S. consumer and commercial banking business of a leading global financial services firm with assets of over $2 trillion and operations in more than 60 countries. Bank ABC is the neighborhood bank for thousands of communities across the country. The bank serves approximately one out of every six Americans through more than 5,600 bank branches; 20,000 ATMs; mortgage offices; online and mobile banking; as well as relationships with auto dealerships, schools and universities.

THE PROJECT
At approximately 80 million individuals, the Millennial generation comprises 25% of the US population and carries nearly $200 billion in spending power. While specific definitions vary, the Millennial generation generally refers to individuals born between 1977 and 2000. They came of age during the Digital Age, an era of notable economic prosperity, but many also experienced the Great Recession just as they entered college or the workforce. These, and other formative events, shaped their perceptions and how they expect to interact with the world around them.

More likely to trust peers over experts, research multiple options before making a decision, participate in social media, adopt new technologies, embrace self-expression, and maintain multiple friendships than prior generations, the millennial generation seeks a more engaged, interactive relationship with brands.

To address the millennial generation’s financial needs, Bank ABC developed an innovative set of loan products to provide credit to younger, new-to-credit customer segments. Having secured new borrowers, Bank ABC faced the challenge of educating them to become excellent and responsible credit customers. Although Bank ABC has a customer education plan, it is based on brochures and emails and is therefore less effective with Millennials than with other customer segments.

A team from Fox MC worked with Bank ABC to conduct primary and secondary research to evaluate the following:

• Understand the unique expectations and communication needs of the Millennial generation and “new-to-credit” borrower.
• Evaluate this cohort’s attitude towards banking, financial services, and borrowing.
• Craft a tactical marketing plan for a “new-to-credit” communication and financial education strategy.
RECOMMENDATIONS

The Fox MC team found that Millennials evaluate financial services on a variety of factors:

- The firm provides safety and security, particularly related to data security.
- The firm demonstrates environmental and social responsibility.
- Banking is convenient and low-cost.
- Customers receive outstanding service, both online and in-person.
- The firm offers opportunities to learn about finances in a way that’s engaging and convenient for customers.

Following the research findings, the Fox MC team developed a marketing plan that included communication recommendations, focused promotions and growth trends to help guide Bank ABC towards attracting millennials. In addition, the recommendations included a financial education strategy targeted toward this segment.