



# What Millennials Really Want from Credit Unions

According to the 2018 FIS PACE\* study, 50 percent of credit union members are now aged 53 and older while just 24 percent of members are millennials (18-36). Credit unions clearly have a demographics problem, but FIS research shows that the catch-all of “digital banking” isn’t a magic bullet for winning over millennials.

In fact, millennials made it clear that their needs are much more nuanced and currently span four areas where credit unions should examine their capabilities.

\*The FIS Performance Against Customer Expectations (PACE) Report is an annual survey of consumers who rank key attributes of their financial providers' performance.



# one

## Digital Self-Service

Personalized service is not a differentiator to younger consumers.



### FINDING

In fact, millennials want to avoid human interaction, if possible. According to PACE, younger millennials (18-26) rank digital self-service as the most important attribute in their banking relationships, far ahead of trust.



### TIP

Quickly embrace the current push toward mobile 2.0 banking capabilities, such as voice banking, do-it-yourself card controls, account opening and loan origination.

## Person-to-Person (P2P) Payments

Credit unions often question whether a new banking product is what members want.



### FINDING

Right now, 51 percent of members – that’s current members, who are primarily members of Gen X and baby boomers and not so-called “heavy” P2P users – regularly use outside P2P apps to split the dinner bill or pay friends.



### TIP

Consider the Zelle network. Joining the Zelle network requires upfront investment and ongoing transactional costs, but the levels of engagement and brand affinity generated cannot be overstated. P2P payments are now table stakes for millennials and Gen Xers.

# three

## Financial Education

Compared with older generations, millennials are less confident about personal finance and investing, but eager to learn.



### FINDING

While credit unions are renowned for providing in-person financial education to their members, they now need to take on a modern “show not tell” approach with education.



### TIP

Try to deliver education in a variety of formats and across different forums, from social media to video logs to personal financial management tools, calculators and applications.

# four

## Loyalty Rewards

It's time for credit unions to stop dismissing loyalty rewards as a superfluous expense.



### FINDING

Recognition is extremely important to millennial consumers, but the PACE study found credit unions to be notably underperforming, with 45 percent of members reporting dissatisfaction in their credit unions' rewards programs.



### TIP

Improving member recognition – and by extension, loyalty – must be a strategic priority if credit unions are to attract younger consumers away from larger institutions.

# About FIS

FIS & credit unions are stronger together. By modernizing core banking platforms and leveraging the FIS ecosystem, we can deliver a better experience for employees and members that will transform the future of credit unions.

FIS is dedicated to creating innovative financial solutions that improve people's lives. For 50 years, FIS has served as a proud partner to credit unions, working hand in hand to bring our continuous investments and innovations to their members.

Today, more than 3,000 credit unions work with FIS, and we are delivering game-changing API technology to launch our collective businesses into the next century. At the same time, the FIS commitment to credit unions extends beyond our technology to include a new Credit Union Division and an FIS Credit Union Advisory Board.

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