

EVERFI

# Gen Z Is Here:

6 Tips to Drive Engagement  
with the Next Generation



# Presenters



**Jim Marous**

Co-Publisher of the Financial  
Brand, Owner & Publisher  
of Digital Banking Report



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Senior Director of Financial  
Education, EVERFI

# Agenda

1

Introductions

2

Gen Z Financial Capability Trends

3

Tips to Build Trust with Gen Z

4

How to Scale and Personalize

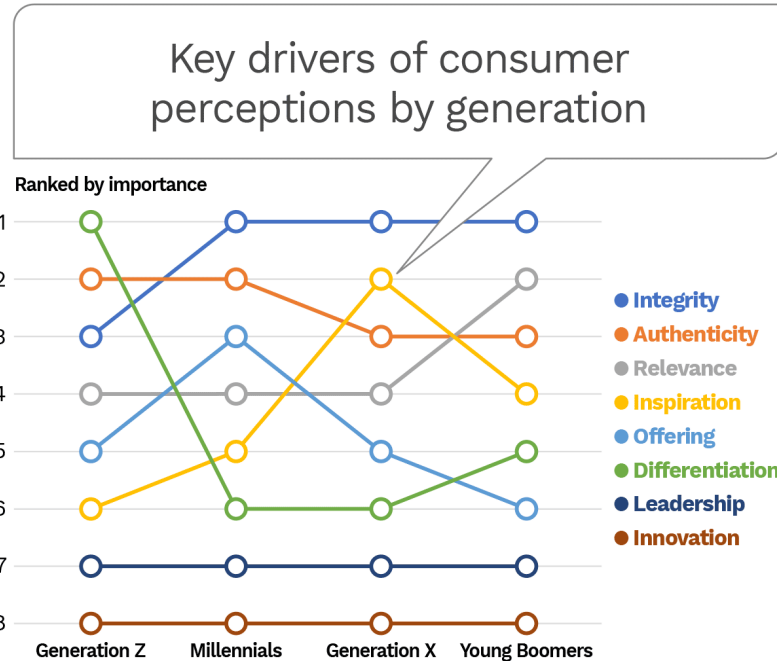
5

Q&A

# Gen Z Looks for Different Attributes in Financial Institution

Differentiation and authenticity are the highest ranked attributes wanted in a financial institutions by Gen Z, with integrity ranked lower than any other generation.

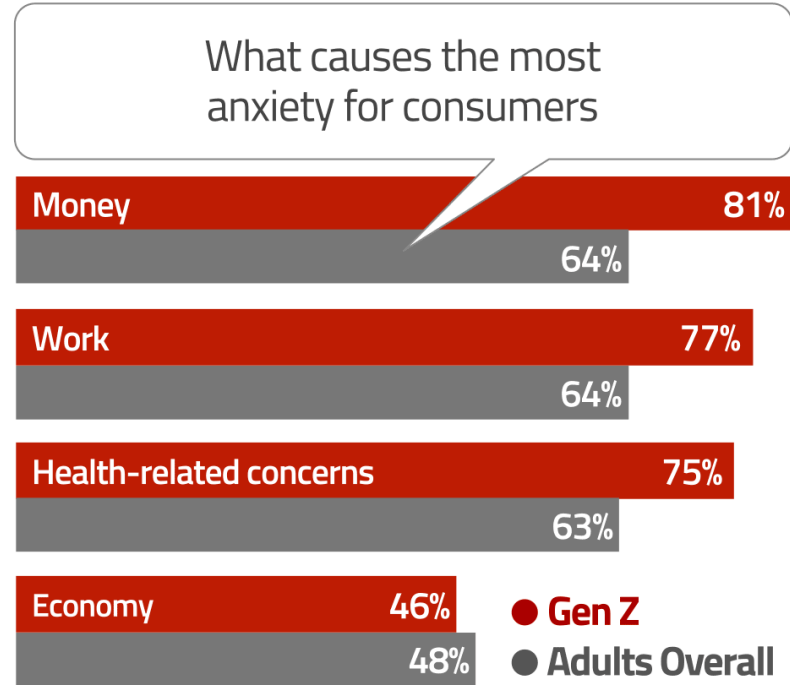
Note: Gen Z trusts financial institutions more than other generations.



SOURCE: EACD/Caliber © October 2019 The Financial Brand

# Money Stresses Gen Z Out ... A Lot

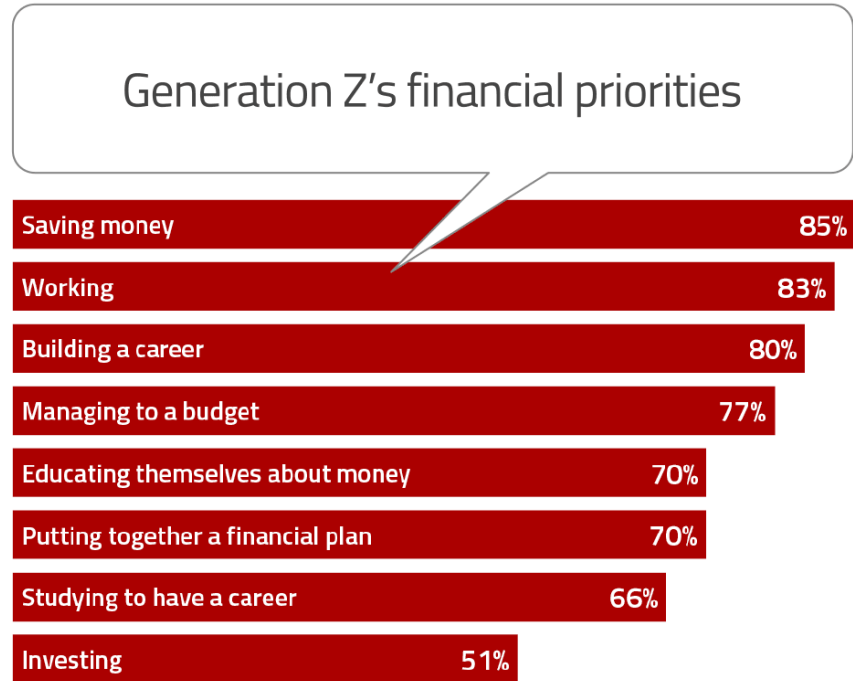
Gen Z is a stressed out generation compared to other adults, with money issues leading the way.



SOURCE: American Psychological Association © February 2019 The Financial Brand

# There are Many Ways Gen Z is Responding to Financial Stress

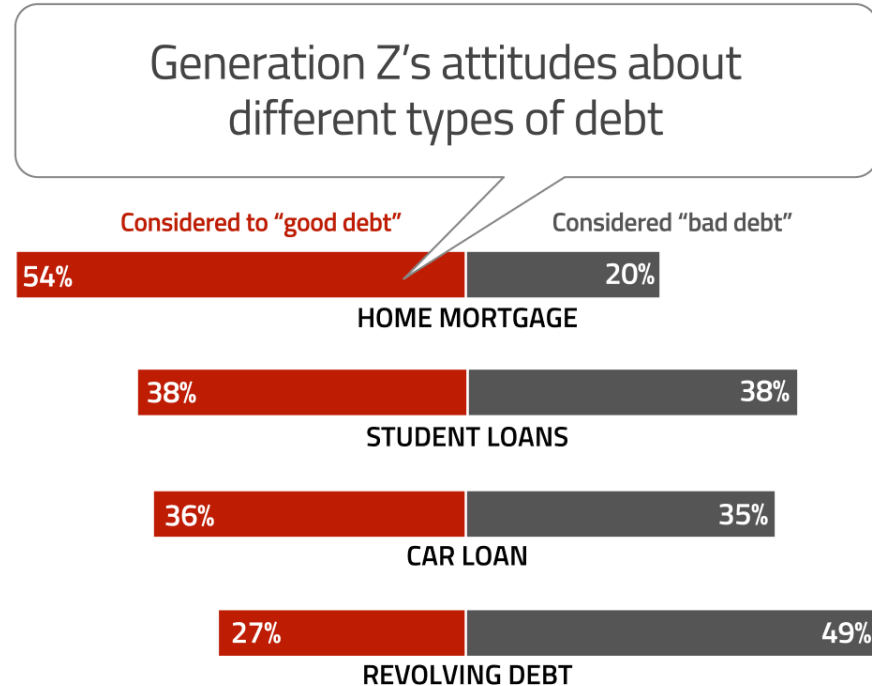
Saving money, managing a budget and financial education are all very important to the Gen Z segment.



SOURCE: Charles Schwab © February 2019 The Financial Brand

# Gen Z is Wary of Credit Cards and Revolving Debt

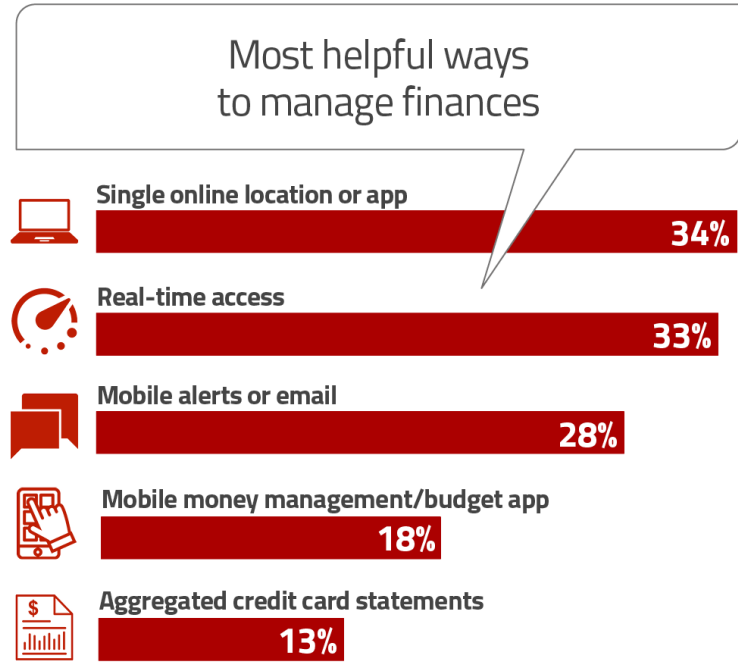
According to Mintel Comperemedia, the Gen Z segment believes that credit cards can be a useful tool, but they are wary of actually using them.



SOURCE: Charles Schwab © February 2019 The Financial Brand

# Wellness Solutions Should be Multichannel Approach

Beyond community-based financial education, digital solutions should be provided.



SOURCE: Fiserv © April 2018 The Financial Brand





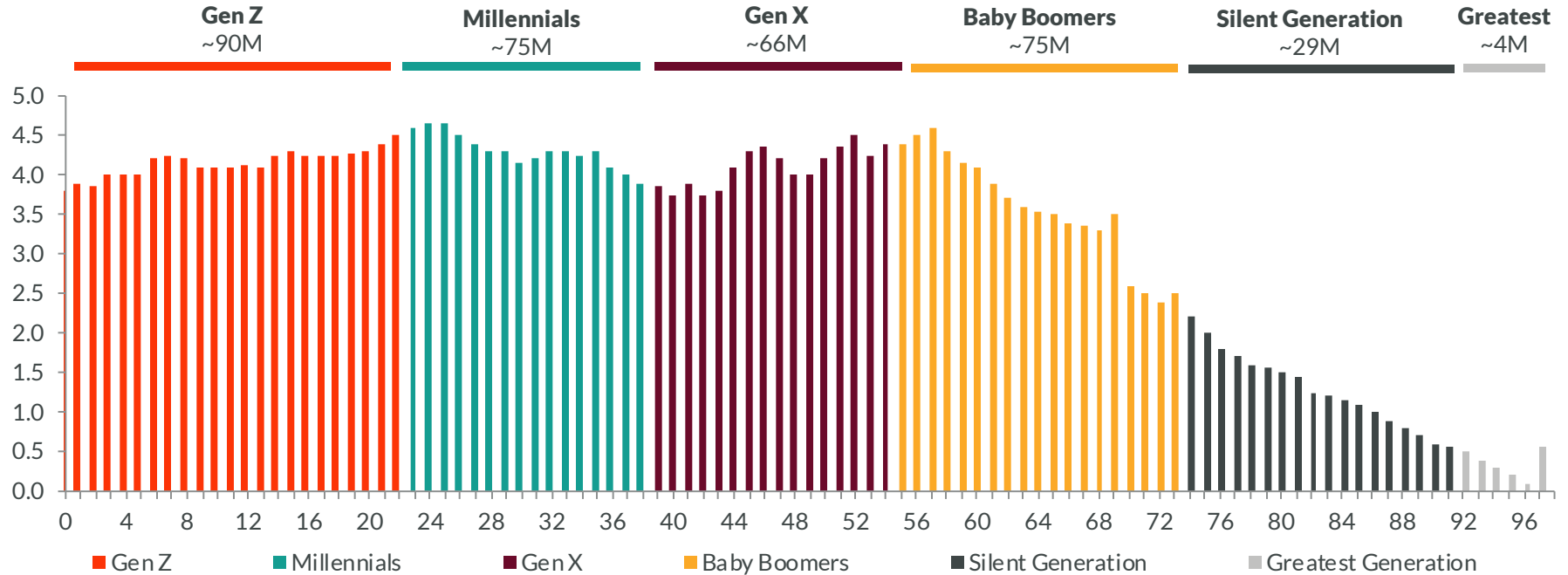
**GET OFF MY LAWN!**

# Millennials Are Old (News)

A photograph of a man and a young boy smiling together. The man is carrying the boy on his shoulders. The image is overlaid with a teal color filter. The text "Millennial ≠ Young Person" is centered in white.

**Millennial ≠ Young Person**

# Millennial ≠ Young Person



Your typical Millennial was born in or before

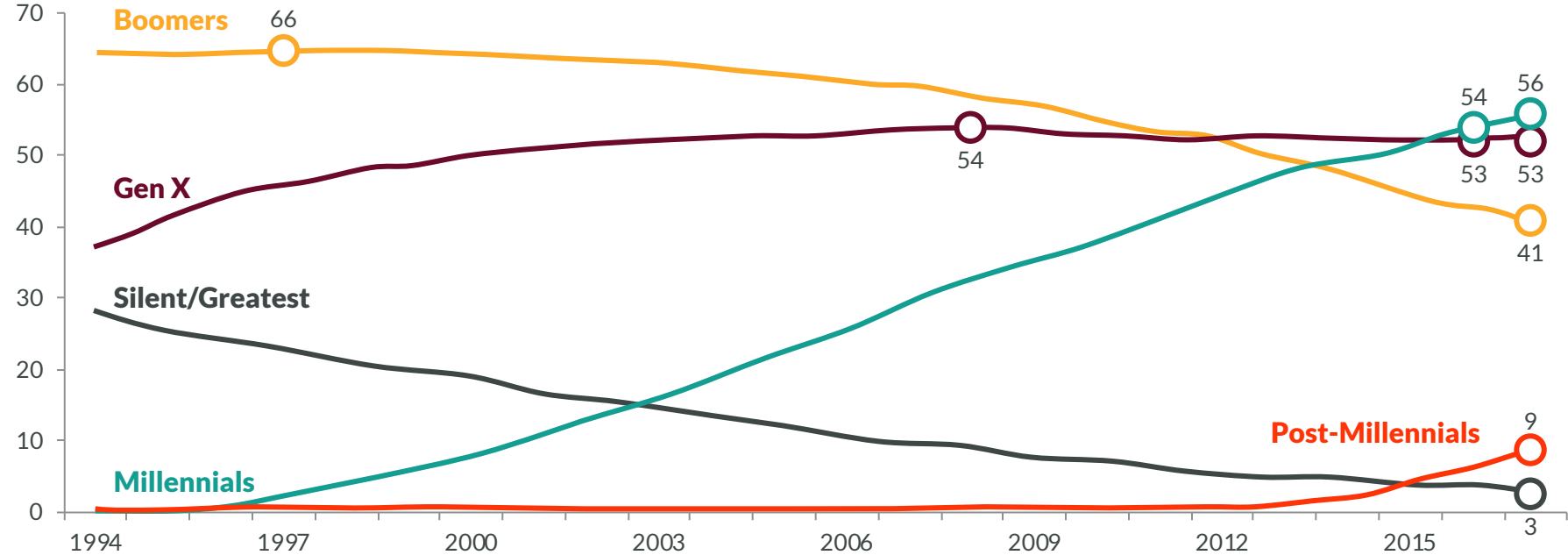
**1990**

...which means they're about to turn

30

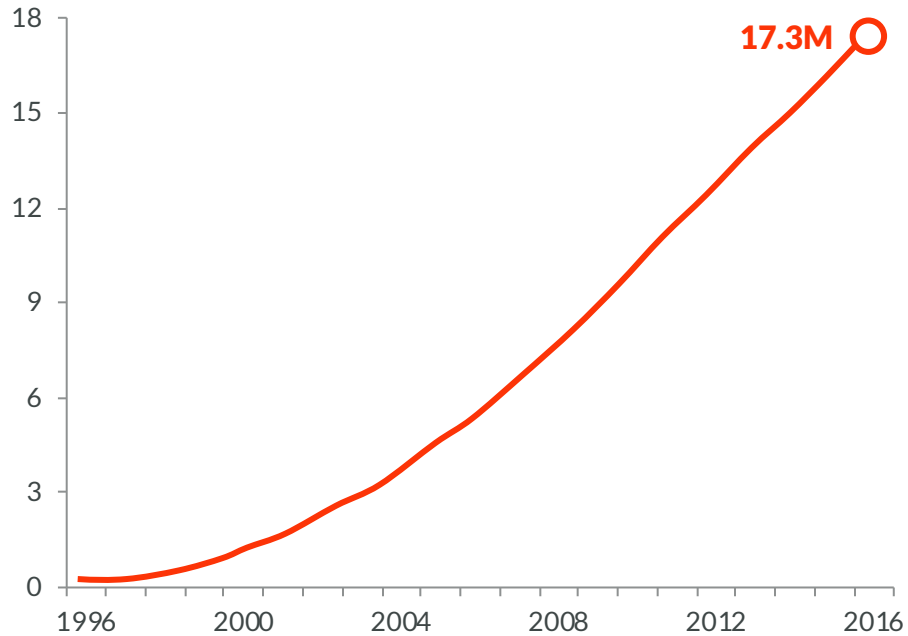
# They're Working

U.S. labor force, in millions



# They're Having Kids

Total cumulative number of U.S. first births among women born between 1981 - 1996, in millions





# 18

years old is the average age when consumers establish their first “primary banking relationship”.

41%

of Millennials are homeowners as of 2018.



**Less This**

EVERFI



**Less This**

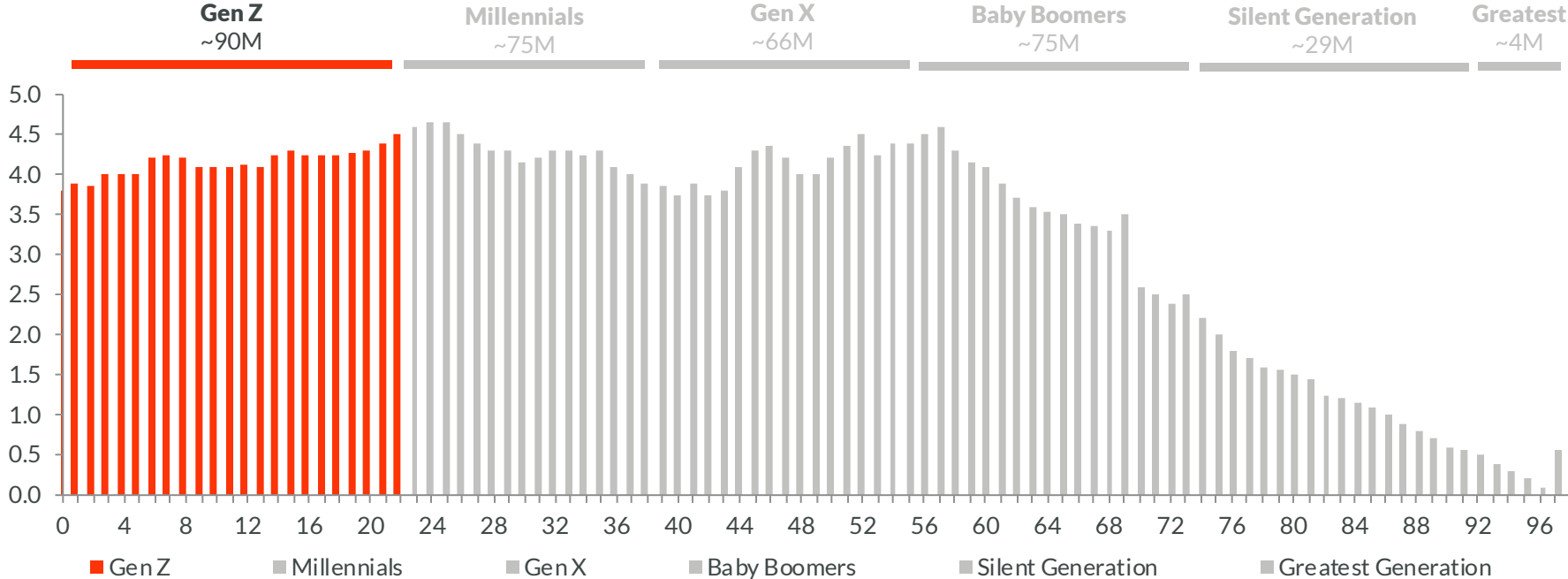


**More This**

# Up Next: Gen Z

# Gen Z

Greatest  
~4M



A black and white photograph of two young girls walking and talking. The girl on the left is wearing a light-colored t-shirt and jeans, and is smiling. The girl on the right is wearing a patterned dress and has a bow in her hair. Both girls are holding books. The background is blurred, suggesting an outdoor setting.

Less This



**Less This**



**More This**





# What Do We Know About Gen Z?



# They're Digital Natives

*They're digital natives:*

**41%**

use technology for 3+ hours per day  
vs 22% for Millennials in 2004.

*They're well educated:*

**59%**

of Gen Z members age 18-20 are in college  
vs 53% of Millennials and 44% of Gen X.

*They're well educated:*

**43%**

of Gen Z had at least one parent with a Bachelors degree  
vs 32% for Millennials and 23% for Gen X.

A photograph of a two-story house with light-colored siding and dark shutters. In the foreground, a large black sign with the word 'FORECLOSURE' in white, bold, capital letters is visible. The house number '1443' is on the door. The sky is a clear, pale blue.

# Gen Z Was Formed by the Great Recession

*Which has influenced their financial habits:*

**57%**

of Gen Z say they'd rather save money  
than spend it immediately.

*Which has influenced their financial habits:*

**47%**

are concerned about the amount of debt  
required to go to college.



*Which has influenced their financial habits:*

**62%**

would rather start their own company  
than work for an established business.

*...and made them more cautious:*

**38%**

decrease in drug and alcohol abuse among teens  
from 2008 to 2014.

*...and made them more cautious:*

**82%**

say they've thought carefully about  
what they post on social media.

*Gen Z is concerned about larger issues:*

**76%**

climate change

**78%**

world hunger

**77%**

childhood mortality  
in developing  
countries

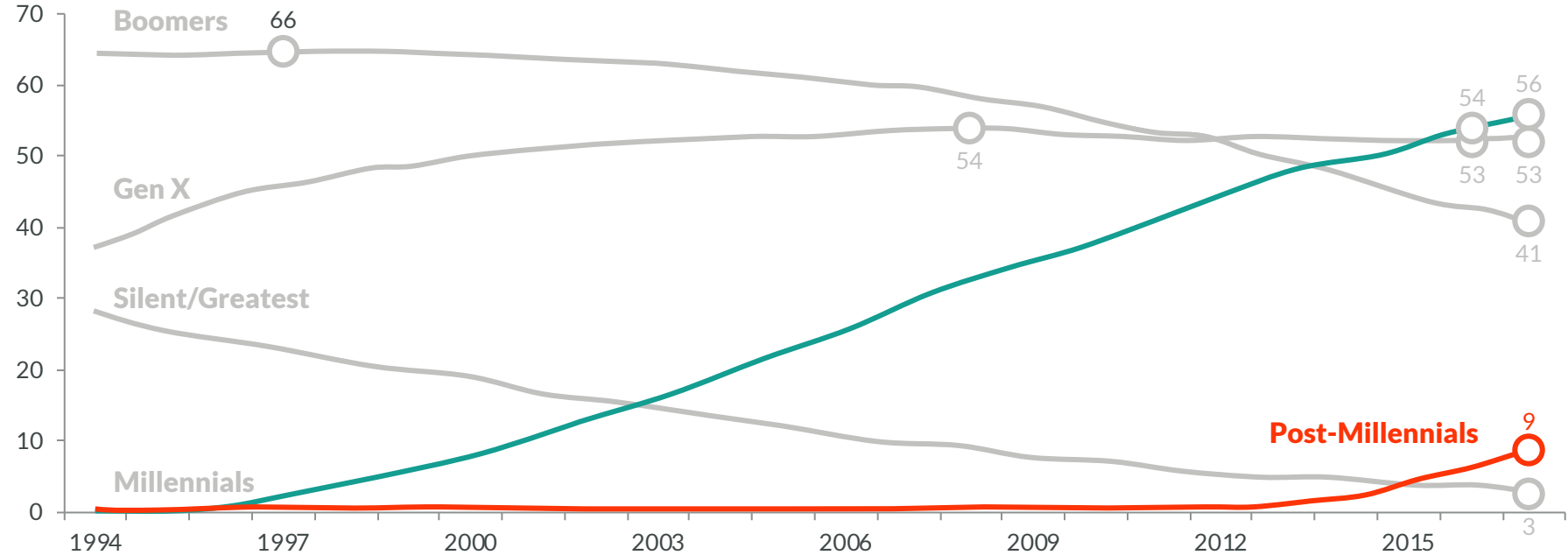
*Gen Z is now the largest generation on the planet:*

**32%**

of the population  
vs 31.5% for Millennials.

# They're Joining the Workforce

U.S. labor force, in millions



*They're joining the workforce:*

**33%**

of Gen Z is already working  
(full-time, part-time, freelance).

*...and have money to spend:*

**\$44B**

estimated annual spending power  
from wages and allowances.





# Strategies for Reaching Gen Z

1

Rethink your approach  
to loyalty programs.

2

3

4

5

6

*Traditional loyalty methods  
are not as effective:*

**30%**

of Gen Z say a loyalty program  
makes a store special to them,  
vs 45% of Millennials.

1

Rethink your approach to loyalty programs.

2

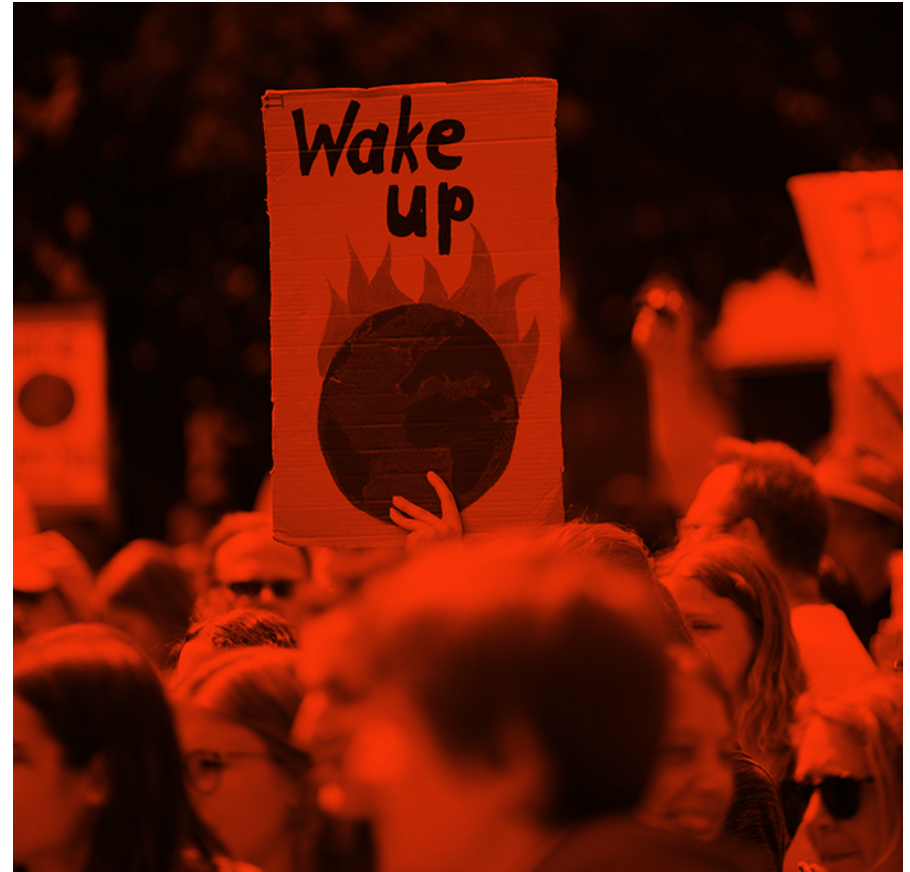
Take a stand on key issues and social causes.

3

4

5

6





Believe in something.  
Even if it means sacrificing everything.

 Just do it.

# Trust Is Everything When Building Brand



1

Rethink your approach to loyalty programs.

2

Take a stand on key issues and social causes.

3

**Help them become experts!**

4

5

6

94%

of consumers participating in online education say they have a more favorable perception of the brand because of the experience.

1

Rethink your approach to loyalty programs.

2

Take a stand on key issues and social causes.

3

**Help them become experts!**

4

5

6

Consumers who complete education courses as part of the buying process are

**29x**

more likely to buy the sponsor's products compared to traditional media advertising.

1

Rethink your approach to loyalty programs.

2

Take a stand on key issues and social causes.

3

Help them become experts!

4

**Let them be part of the solution.**

5

6





over 21,000 five star reviews!

[order](#)

[gift](#)

[reviews](#)

*function* — *of beauty*

[about](#) ▾

[account](#)

[cart](#)

START THE HAIR QUIZ

# hair care personalized

shampoo + conditioner  
as unique as you



1

Rethink your approach to loyalty programs.

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**Let them be part of the solution.**

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6

90%

of consumers are more likely to do business with a company that offers personalized experiences.

1

Rethink your approach to loyalty programs.

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Take a stand on key issues and social causes.

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Help them become experts!

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**Let them be part of the solution.**

5

6

6%

of financial institutions say they're "advanced" when it comes to personalization in their marketing.

1

Rethink your approach to loyalty programs.

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Take a stand on key issues and social causes.

3

Help them become experts!

4

Let them be part of the solution.

5

**Make your content short, sweet, and channel appropriate.**

6



**“Generation Z takes in information instantaneously and loses interest just as fast.”**

**Hannah Payne**  
Gen Z Lifestyle Blogger

A close-up shot of a character's face, likely from the Star Wars franchise. The character has light brown fur and large, dark green eyes. They are wearing a grey, metallic helmet with a blue, segmented top piece. A gloved hand, with a textured, metallic surface, is covering the character's mouth. The background is dark and out of focus.

**TIME TO GO**

**MOBILE**



1

Rethink your approach to loyalty programs.

2

Take a stand on key issues and social causes.

3

Help them become experts!

4

Let them be part of the solution.

5

Make your content short, sweet, and channel appropriate.

6

**Reach them early by going on campus.**





The oldest members of Gen Z are now

**22**

years old.

**59%**

of Gen Z ages 18-20  
are in college.

**47%**

are concerned for the amount  
of debt required to go.

# 18

years old is the average age when consumers establish their first “primary banking relationship”.

72%

of undergraduates are *unable* to answer  
three core financial literacy questions.

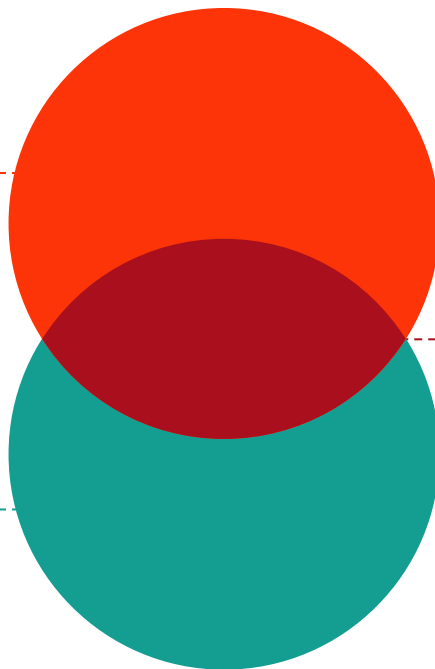
# The Need for Financial Education

## Consumers are asking for more from institutions.

The world's leading CEOs have recognized that consumers want their institutions to invest in their communities and serve a great cause than the bottom line.<sup>1</sup>

## Nontraditional competitors are disrupting the financial industry.

New entrants into the financial services industry have captured one-third of new revenue.<sup>2</sup>



**Financial Education** allows financial institutions to stay competitive by offering value and building trust with their consumers.

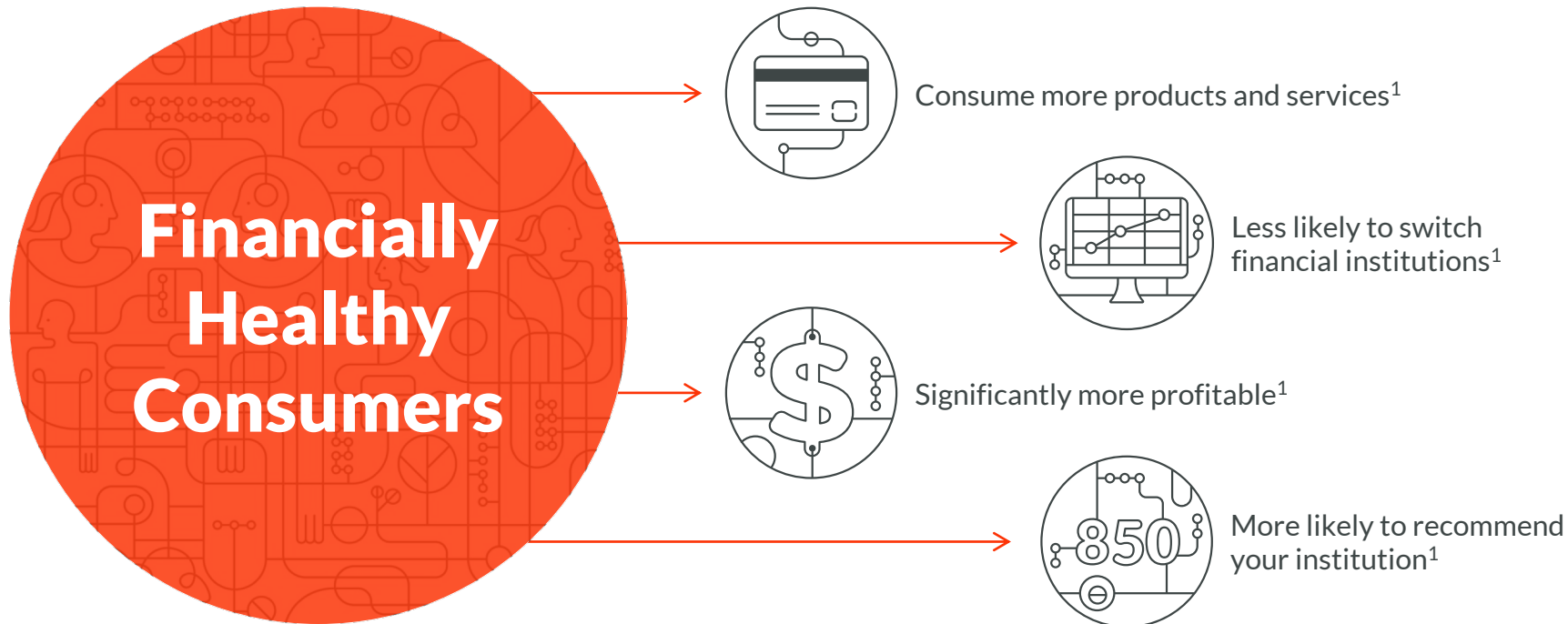
# Recap

# When It Comes to Marketing to Gen Z

- **Who** are they?
- **What** do they care about?
- **Where** are they in their life stage?
- **When** can you reach them (*and more importantly, acquire their business*)?
- **How** are you planning to best meet their needs?

# Invest in Your Consumers for Long Term Success

A robust financial education program will help you retain customers and build long-term brand loyalty.







**EVERFI**

Learn more at  
[everfi.com/financial-education](https://everfi.com/financial-education)