



Building member loyalty in a digital world

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As Baby Boomers retire and Millennials grow up and increase their purchasing power, it's important for credit unions to know who this audience is and what their expectations are. According to a report recently released by Experian Marketing Services, a global provider of integrated consumer insights and targeting, data quality and cross-channel marketing, "Millennials are sometimes referred to as the Selfie Generation because of their penchant to take pictures of themselves with their mobile phones, but a better name would be the Smartphone Generation because this generation is leading the way on smartphone adoption and incorporation into their daily lives."¹ The report describes Millennials as the most digitally-connected generation yet. The report relates that 77 percent of adult Millennials own a smartphone and spend an average of 14.5 hours a day—using their phones to talk, text, browse the internet, email, network socially, and the list goes on.

Just Who Are the Millennials?

Millennials are in their mid-teens to mid-thirties and are the most connected and tech savvy generation ever. Also known as Digital Natives, they have literally grown up during the age of technology and have never known a world that wasn't online. Take a moment to think about that.

As opposed to Generation X or Baby Boomers, mobile devices and 24/7 internet access are not things this generation has to adapt to. These are things they've come to expect as standard operating procedure. These plugged-in consumers report to checking their smartphones an average of 43 times a day² and using two or more internet devices while watching TV². It's important for credit unions to recognize that Millennials are an audience we should be paying attention to and courting. It's estimated that by 2017, the Millennials, or Gen Y, will spend more than \$200 billion annually.³

What People Think Matters

Millennials have the world at their fingertips. Not only are they visiting our websites, they're also checking our online reviews and our Facebook and Twitter accounts to see what people are saying about us. Some 84% of Millennials say social opinions influence their decisions when it comes time to make a purchase. Seven in 10 Millennials⁴ also say they feel the need to share feedback when they have a good or bad experience. Think about that. By providing them with a good experience they can become an extension of your salesforce—your brand ambassadors, so to speak. But of course this works both ways. They actively add content via their social media outlets whether they are a happy Members...or not. Millennials

do require a bit more nurturing than previous generations. When they are engaged, they are your vocal consumers who have some real influence on the purchases of others. But once they lose their trust or faith in a brand, it's nearly impossible to get them back on board. That's why it's so important that you establish a positive relationship with this core group.

Now is the time for us to adjust and adapt our marketing strategies if we want to succeed with this generation. Understanding their habits and their preferred communication methods will serve us well.

References: ¹Experian Marketing Services. Millennials come of age. June 2014. ²Mobile Marketer. How to build loyalty with millennials on mobile. June 2014. ³Advertising Age. Millennials Want to Party with Your Brand But on Their Own Terms. August 2012. ⁴Edelman. 2.0 Insights Study. December 2012.

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