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# WINNING YOUTH MARKETING STRATEGIES APPROPRIATE FOR YOUR CREDIT UNION

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Understanding different age groups and Generations makes it easier to present products and services to sub segments of society in a way that is more likely to be appealing. Each generation has unique expectations, experiences, generational history, lifestyles, and values that influence their buying behaviours. Accordingly, many companies are reaching out to multi-generational consumers and trying to understand and gain the attention of these diverse buyers.

Depending on what year you were born is what generation you would be considered.

- **BUILDERS: 1920-1945** The Great Depression and World War II produced a generation with a strong work ethic, financial conservatism and respect for authority.
- **BABY BOOMERS: 1946-1965** Born in an era of financial prosperity, they are vocal on social issues and liberal in outlook.
- **GENERATION X: 1966-1982** Cynical about authority and open to new forms of spirituality, but insecure about their financial future.
- **GENERATION Y: 1983-2002** Labelled as flighty and transient, they are known as the “me now” generation. This generation are also known as “Millennials” or Optimistic
- **GENERATION Z: 2002-2009** Tech-savvy, creative, and confident, the result of more mature parents and the economic downturn.

***The current generation is known as Generation Alpha.***

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## OUR FOCUS IS GENERATION Y

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Generation Y (a.k.a. Gen Y, Millennials, Echo Boomers, Why Generation, Net Generation, Gen Wired, We Generation, DotNet, and iPod Generation) was born during 1983-2002. They are children of the original Baby Boomers and their numbers rival that of the Baby Boomers. They grew up in a time of immense and fast-paced change including virtually full employment opportunities for women, dual-income households, wide array of family types, respect for ethnic and cultural diversity including a heightened social awareness, and computers in the home and schools.

Gen Y's were born into a technological, electronic, and wireless society with global boundaries becoming more transparent. They are accustomed to a diverse universe where anything seems possible. They are self-absorbed and self-reliant with a strong sense of independence and autonomy. They want results and are image-driven and make personal statements with their image.

They have a greater need for peer acceptance, fitting in, and social networking. Gen Y individuals are open-minded, optimistic, goal oriented, and highly motivated toward their perceptions of success.

Young people today are often considered lazy, ungrateful and as often cited in the press; are unwilling to work. But if this is true of members of this generation then whose fault is it?

When we look back, young people over the past thirty years, children were constantly being told by parents and teachers they could be whatever they wanted to be, allowing aspirations of being an artist or a writer flourish in young people's minds. When you think about all that was happening whilst Generation Y were growing up, there's no wonder that many may have a slightly overinflated ego or feeling of superiority. Despite some inflated egos that were probably achieved because of the hopes Generation X or the Baby Boomers bestowed upon them. The majority of Generation Y aren't thinking 'why bother?' they are thinking about how to be the next great generation.

Generation Y. You've heard that they don't watch TV, and you've probably been told that they don't read that much. Research tells us that we can't target them through TV anymore, and you certainly can't tell Gen Y what is cool. So how do you reach these "Millennials" that will soon replace the baby boomer generation as the largest percentage of the workforce?

*The answer is simple—you STOP marketing to them.*

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### LETS CONNECT, LETS EMBRACE

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First, let's look at who they are (Gen Y). As a baby boomer, I can tell you that this generation are our own invention. We raised Gen Y to believe that they can do anything and be anything. We made their lives easy enough that they now believe they deserve to live first and work second. (How dare them!) . So the first thing we have to do is stop being angry at our own creation and embrace the brilliance of this Gen Y community. This is the most optimistic generation to ever walk the face of the planet.

They care about the earth and servicing their community. In Gen Y, we must stop whining about them being entitled and embrace the power of this generation. Once we do that, we can then begin to take a closer look at who they are, what makes them tick, and what they want from our businesses.

Let's look at who has been successful at marketing to Gen Y: Apple, Coco Cola, Mountain Dew, and Red Bull, to name a few. How do these companies speak to this demographic? To answer that, we first have to understand the four areas Gen Y considers before purchasing a product or service:

1. Cheap cost
2. Good quality
3. Fast service
4. An "experience"

When Apple created the 99-cent download that took eight seconds to transact, they hit the nail on the head with Gen Y. Music is an experience, the quality is stellar, the cost is low, and the purchase happens instantly. What did Apple do right? They spoke directly to Gen Y and asked the question: What do you want?

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## GETTING GEN Y'S ATTENTION

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So who gets Gen Y's attention? Living in an age where information is everywhere and where everyone can reach them, the Gen Y community is VERY selective about who they listen to. Just look at their Facebook accounts and you'll recognise that they get their information from one another—NOT from us, and certainly not from the media. And the information they get from each other is not just from emails.



They text one another.



They instant message each other.



They watch each other on YouTube.

Most importantly, Gen Y does NOT care about what you have to say unless you have been endorsed by their friends. They care about what their community says, and they take each other and their network's recommendations VERY seriously.

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### SO TAKING THAT INTO ACCOUNT, HOW DO YOU REACH THEM?

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Many scientists say **socialisation** (the process by which human infants begin to acquire the skills necessary to perform as a functioning member of their society ) essentially represents the whole process of learning throughout the life course and is a central influence on the behaviour, beliefs, and actions of adults as well as of children.

Humans need social experiences to learn their culture and to survive. The most fundamental expression of culture is found at the individual level. This expression can only occur after an individual has been socialised by his or her parents, family, extended family, and extended social networks.

Socialisation occurs in childhood and adolescence. Most 0-5 year-olds yearn for affection and approval from their parents and family members. By the time of pre-teen years, the desire for family diminishes and the yearning now becomes for friends and peers.

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### THE ROLE OF PARENTS IN FINANCIAL FITNESS

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Whether you realise it or not your kids are learning by watching you. They are watching you and they will mimic those behaviours. That is one of the challenges we have as parents; always setting the positive example.

According to the TD Bank Financial Literacy survey, 62% of all parents agree they should start teaching their children about money by 12 years of age. While mothers and fathers generally agree on when to start money-related conversations, the survey reveals they differ on how they teach their children financial literacy.

Almost every study regarding marketing financial services to youth suggest the same exact thing: parents are the real gatekeepers. According to the survey dads are found to be nearly 10% more financially confident than moms.

However Moms are more likely to engage in everyday conversations with their children about financial literacy issues:

- ✚ 81% teach their kids how to count money
- ✚ 70% impart money lessons while shopping
- ✚ 70% encourage their children to save money in a piggy bank

Dads, on the other hand, are more likely to focus on the tangible aspects of money:

- ✚ 52% provide an allowance
- ✚ 32% encourage their kids to set a savings goal

I definitely think both parents need to be involved, kids need to know that both parents support the same financial concepts and goals.

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## WHAT'S YOUR BRAND

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You see brands are all about people's emotions and perceptions. Your brand is how people feel about your organisation. It's their gut reaction. No matter what you do and no matter how hard you try, you simply cannot control what someone else feels or believes. You can try to shape people's perceptions in specific directions. You can influence people's reaction to something. But no one has the ability to control anyone's feelings about anything.

For consumers, a brand represents a form of mental shorthand. Consumers create brands for everything: for companies they see advertised, for products they use, for celebrities they admire (or despise), for places they vacation, etc.

Consumers can — and do! — create brands for basically every noun in the English language, whether that is people, places or things. Consumers create these brands to summarize their emotions, their feelings. What kind of *experience* can they trust to the brand you want to deliver?

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## APPEALING TO GENERATION Y

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Understand that Gen Y is an "experience" culture. They do not want to be told what to like or what to do. They want to experience the world for themselves and pass their own judgment.

- Appeal to their belief that they can make the future better.
  - Be sure that they know that your organization's mission speaks to a purpose greater than the bottom line.
  - Feature your organization as an instrument of change. Honesty, humour, uniqueness, and information appear to be important.
- Gen Y's crave challenge. They value and are looking for brands that resonate with their peers. Their peers often guide product and brand choice.
- Generation Y is tremendously image driven including electronic decorations, piercings, and tattoos. Take full advantage of technology and its allure for Gen Y.
- Event sponsorships and electronic media seem to connect with this generation.
- Approach this generation through e-mail and voice mail, but use visual communication to motivate them. They prefer ads with humour or irony and have an element of truth about them, e.g. they respond to quirky humour and YouTube videos.
- Use family events and gatherings as ways to communicate. Contact them through their parents and grandparents, they admire their parents but trust their grandparents even more.

- Do you ever get the sense that you are speaking completely different language when speaking to Gen Y's?. It's a good idea to take responsibility when communicating with Gen Y's and learn how to speak their language instead of stubbornly expecting them to learn yours
- Engage your audience and make an emotional connection through listening and response. Create different ways for young members to interact with your brand. This can be through contests, scholarships or challenges.
- Awareness campaigns, and not just product sales, is critical to the long-term success. A teen may not be in the market for a car loan today, but if they have a positive image of your company, they are more inclined to look to you in the future.

There is one more major element we need to discuss, and that is how to earn their respect when you are talking with Gen Y:

**AUTHENTICITY.** Gen Y's don't waste time on people or companies that are not being real with them. Authentic is cool. Authentic is hip. Authentic is truthful. This generation has seen it all, from televised wars to 9-11 to the hanging of Hussein. They know real when they see it, and it takes them all of three seconds to pass that judgment.

The breakdown: A Business must be seen by the Gen Y generation as offering a seat and giving them full attention. Recognise that your words are important, if your request for a moment of time is met with a brush-off or an eye roll; try wording your request in a different way.

Other approaches that can be considered in communicating with Gen Y's:

- ✚ Concerts (Gen Y LOVES live music.)
- ✚ Extreme sporting events (skateboarding, snowboarding, BMX)
- ✚ Movies (mainstream as well as art-house)
- ✚ Hiking events (They love the outdoors)
- ✚ Video games and video game competitions
- ✚ Social networking sites (Facebook, MySpace, Second Life, del.icio.us, DIGG)
- ✚ Tattoo parlors (36 percent of them have at least one tattoo)

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### STOP MARKETING TO THEM

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Your ability to make yourself understood can have a direct impact , you cannot directly market to GEN Y's until you buy into them, until you value their perspective on life. So while other experts are out there giving you "tricks" to market to Gen Y, I'm here saying STOP marketing to them and START listening to them. Hang out with them. Experience life with them. Respect them. If you do, their outlook on life will change you. You'll begin to behave differently, take on some new values, and begin to live more yourself.

When you do that, you'll find your audience within this generation. Then talking "with" them, not "at" them will sell your business.

Jeffrey Jensen Arnett is a research professor in psychology at Clark University coined the term "emerging adults," to describe the GEN Y's life stage. Professor Arnett claims whatever you might call them, this group aged are not the slacking, uninterested, overgrown adolescents they've been labelled.

Baby boomers and other older adults look at emerging adults and say, 'there must be something wrong with them'. Arnett said it may be time to tone down the criticism. "Older adults are still comparing them to a standard that really is obsolete and really not fair anymore."

Youth expectations are high when it comes to technology, and they don't care how difficult or expensive it is for you to offer services like account aggregation. They just know they want it — and for free!.

- I think it's extremely important that we provide financial information in many different formats. Use a podcast to convey a financial concept. Financial institutions must stay plugged in giving a choice for content consumption is just plain smart, A teacher may choose to use a relevant blog post as the basis of a lesson.

The following approaches can also be considered:

- Give mom and dad simple information to help teach young family members the importance and rewards of saving. Youngsters like to watch their money grow — the savings jar that becomes full of loose change and becomes a savings account for their first car.
- Sending an annual birthday greeting is a simple, friendly way to start your campaign. Consider setting some age-appropriate savings goals as another component of your trigger program. Incentives and rewards are good motivators for children. Send congratulatory notes when the level is reached.
- Children have their sights set on learning to drive. It's not too early to explain simple ways to budget for buying a car and understand the costs of car ownership.
- Birthdays are still important identifiers for life-changing events that impact their finances. Expanded information about how to buy their first car and how to save on car insurance are great topics to have in your campaign.
- Your goal is to convince the parent that your financial institution is the best place for their child as they enter their earning years. Use email to keep talking to parents about products and services that help their child become more independent, and still have appropriate safeguards to stave off financial disasters.
- Provide tips for managing their money and credit as they step out on their own. Also, talk about banking apps and alerts your financial institution has.
- Gen Y loves electronic communication and this age group is definitely on the move for many reasons. Use data to centre on the life events these members are likely to experience.
- Hang out with them at Shopping centres, eat dinner with them, Go shopping and clubbing with them and spend a lot of time looking in their wallets and talking about money.
- Gear up for events and community marketing.
- Get your brand out from behind your website and into the community.
- Let young members put a face to your message.
- A branch doesn't necessarily mean you have the attention of Gen Y's. Support your efforts with signage, and event marketing to become a familiar part of the community you serve.
- Have tools available to transition kids into a teen program, and tools that get teens into to your young adult program. Be one step ahead of them and don't assume that they'll keep their account with you as they age.

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