

# AMERICAN BANKER.

---

TAKE A FREE TRIAL - GET EXCLUSIVE BANKING NEWS DELIVERED TO YOUR INBOX [SUBSCRIBE FOR FULL ACCESS - GET DETAILS HERE](#)

## Generations X and Y Prefer Old-Fashioned Service: Survey

by Sarah Todd

AUG 27, 2013 5:24pm ET

As Gen Xers and Gen Yers put their holey jeans and futons behind them, many banks are trying to lure those newly affluent age groups with high-tech services.

They might have better luck adopting a mom-and-pop approach, according to research from corporate anthropologist Andrea Simon.

People between the ages of 35 and 50 put a high premium on personal relationships with their banks, Simon writes in her article "Want to Know How Gen Xers and Gen Yers Really Think About Banks?" She asked a dozen middle-income customers in that age range, all of whom had investable liquid assets of more than \$500,000, to explain what they wanted from banks through a series of problem-solving and collaborative games.

Personalized service and active guidance from banks topped this group's wish list. Participants in the study particularly valued the idea of a bank that would provide individualized advice on money management, from protecting inheritances to investing money to creating sound budgets. Customers expressed frustration with the indifferent treatment they felt they received at their banks.

"I'm fed up with the inability of the staff to answer questions or the many times I have to tell them my name and account information all over again," said one customer quoted in Simon's research. "Privacy is important, but perhaps it can be combined with someone who knows your name and appreciates your business."

These responses were a far cry from bank executives' ideas of what Gen X and Gen Y investors look for in financial institutions. In a separate session, Simon asked 17 brokerage executives to outline the steps they would take by 2020 to attract Gen X and Gen Y customers to imaginary banks. Executives envisioned integrated technology between banks' mobile, tablet and Internet platforms; online financial games; and social networks that would allow customers to compare financial

decisions and give rewards.

The Gen Xers and Gen Yers found these concepts uninviting. Only the idea of receiving rewards for their patronage held appeal, according to Simon's study.

That said, the study concludes there's still plenty of room for banks to experiment with technological bells and whistles—just not to the exclusion of individual attention. What these generations want, as one consumer said, is "all the sophistication of the big banks and their cool systems, with all the warmth and familiarity of the local credit union."



© 2014 SourceMedia. All rights reserved.