

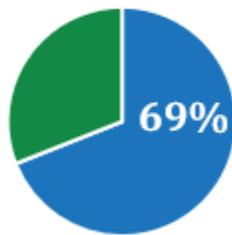
Help Millennials Respect, Not Fear, Credit Cards

Millennials may be in their prime lending years, but they continue to be the puzzle credit unions can't quite solve.

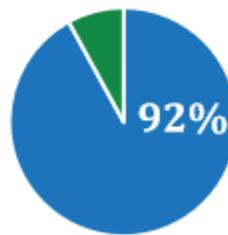
No longer the youngest consumers, they now range in age from 22 to 38. They are the most educated generation in history and are working, starting their own businesses, buying homes, cars and many have their own children or even grandchildren.

According to *The Financial Brand*, as millennials struggle with student loan debt, many want to avoid carrying credit card balances and, for the most part, are managing their debt.

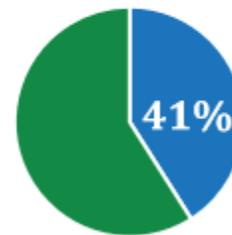
Millennials Almost Exclusively Buying With Debit



Millennials Possessing at Least One Credit Card



Millennials Who Describe Credit Cards as Scary



A Varo Money survey found 69% report spending mostly or always on their debit card rather than a credit card. In addition, while 92% of millennials have at least one credit card, 41% describe credit card use as scary. Many millennials attribute the growing unease with credit cards to the 2008 global financial crisis and rising college tuition costs.

To learn more about how Ser Tech's Fetch Marketing program can help grow your credit card program, [click here](#).

The good news is that an Experian State of Credit report finds that the average millennial credit score is 638 and they are looking to improve their financial standing.

Credit unions have an opportunity here in education. Nearly half of millennials say they want their financial institution to be able to anticipate their financial needs and offer timely advice.

A 2017 C Space survey found that 92% of millennials believe that being educated on personal finances is important. Nearly three quarters report feeling confident in their ability to make financial decisions, but still want to learn more.

Millennials are trapped in this paradox of wanting to make the best financial moves yet not quite having the knowledge to do so. Despite scoring low on financial literacy tests, this demographic is the least likely to reach out for professional financial advice.



This is a generation that prefers to manage their own money and values self-education and pooling research from various sources. Given the wide lifestyle divide within this generation, credit unions developing education programs must venture to topics that go beyond the financial literacy basics. And be advised: Talking down to them is not only insulting but could turn them away from engaging with your credit union.

To register for our upcoming webcast, titled, “Credit Cards and Personal Loans for the Holidays? Jingle All the Way to the Credit Union,” [click here.](#)

Education programs should be relevant to millennial needs, informative, not salesy. *The Financial Brand* Founder Jeffry Pilcher adds that education must go beyond the basics what is a credit score to the more nuanced lessons of how they can improve their scores, better manage their credit cards or whether they should consolidate their credit card debt into a new mortgage. All interactions, whether on mobile, the credit union website or in person should be authentic and have an element of fun.

Some financial institutions have found success sponsoring “The Art of Adulthood” classes. Developed from surveys compiled from millennial staff and locals, the classes cover topics that their members find most intimidating. Many may smirk at the premise but the niche in need of such services is real.

A willingness to explore a niche has served MIT Federal Credit Union well.

Surrounded by tech savvy professionals, high-paying jobs and the best and brightest when it comes to innovation, the credit union made a decision to reach millennials by focusing on women.

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Studies show that women and millennials share a financial confidence gap. Despite the majority of women as household decision makers, both groups share a hesitancy to admitting when they are uncertain or do not have key knowledge and/or skills in specific areas such as personal finance. Focusing on women through the creation of Financially Empowered Women (F.E.W.) has not only proved beneficial to the local community but has also



helped MIT FCU better connect with the younger demographic.

To learn how Ser Tech's Flitter Network can help educate your members about credit with their real FICO scores, click [here](#).

The concept was simple. The credit union would host evening events that would bring together young members and prospective members together for fun and learning. They partnered with Society of Grownups, a MassMutual Learning initiative. It was agreed the events would be a "sell-free" zone. The marketing team conducted surveys and significant research to ensure topics and events would be unique, unexpected and address the most pressing local financial needs.

For example, playing on the stress debt causes, the credit union hosted "A Mindful Approach to Debt & Credit-Don't Stress It" at Health Yoga Life.

Speakers from Society of Grownups held an open, interactive discussion about the ins and outs of credit, debt and how attendees could take control of it all.

In addition, one of the Health Yoga Life co-founders kicked off the event with a mindfulness meditation session. Attendees learned the benefits of mindful meditation and practiced how to be present in the now as a way to help move past pain and better manage stress.

The credit union transformed the typically boring topic of credit scores and credit education into a lesson of how to achieve a balanced happy life.