



## The Millennials are Coming – Trends in Banking Technology

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Thomas Harkless, Senior Vice President, Midwest Region

Pete Pulos – Senior Vice President, Regional Manager, Treasury Services  
Government & Institutional Banking

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## How fast are things changing... ?



well... it  
depends where  
you look

## Generations

- Silent before 1945
- Boomers 1945- 1964
- Gen X 1964-1982
- Gen Y "Millennials" 1982-2004
- Gen Z 2004-

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## Aging Government Workforce

Industry	Median Age "Midpoint"	% of Workers Age 45+
Postal Service	52	72
Funeral homes, cemeteries and crematories	52	66.1
Other general government and support	52	70.7
Bus Service and urban transit	51	62.7
Libraries and archives	50	60.5
Sewage Treatment Facilities	49	63.6
Public Finance activities	49	61.1
Public Administration – economic programs	49	61.9
Public Administration – executive offices & legislative bodies	49	59.2

Council of Economic Advisors, Bureau of Labor Statistics, October 2014

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## Rat Pack - Brat Pack - Rugrats



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## “Shaken not Stirred”



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## “M and M”



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## Human behavior is changing...



**2000**



**2015**

...faster than you might think

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## Song Questions

- **What was twenty years ago today?**

Sgt. Pepper taught the band to play – Beatles – Sgt. Pepper's Lonely Heart's Club Band - 1967

- **What is Jenny's #?**

867-5309 - Tommy Tutone – Jenny – 1981

- **You make plans to go out at night, wait 'til 2... What do you do?**

Turn out the Lights – The Offspring - Self Esteem -1994

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## Discussion Topics

- Who?
- When?
- Why should I care?
- Considerations?

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## Ahh, Tell Me Whoooo are you? Who - Who - Who - Who



Largest generation in the U.S.  
Represent 1/3<sup>rd</sup> of the U.S. population



Most diverse and educated generation to date  
Raised during most child-centric time of our history



Last recession helped shape outlook



Digital native versus digital immigrant

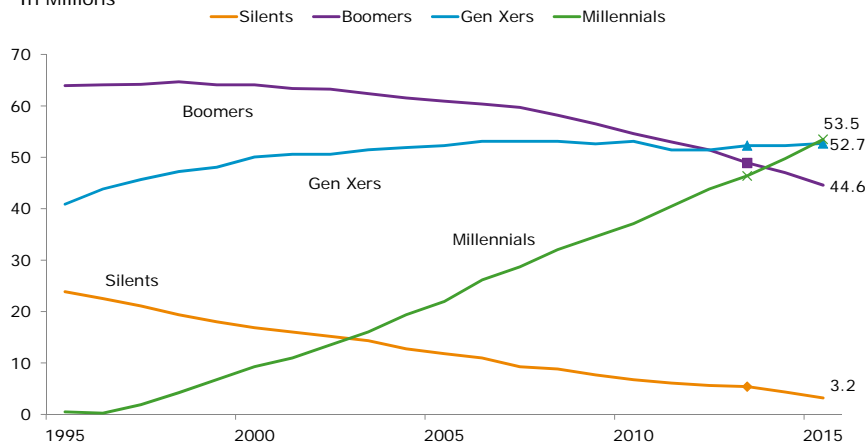
June 2, 2014 Brookings Institute post, 11 Facts about the Millennial Generation

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## Emerging no more...

### U.S. Labor Force by Generation, 1995-2015

In Millions



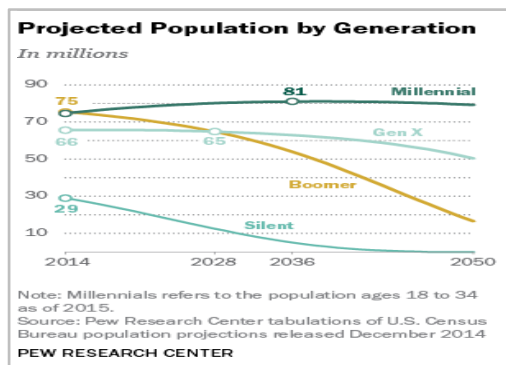
Note: Annual averages plotted 1995-2014. For 2015 the first quarter average of 2015 is shown. Due to data limitations, Silent Generation is overestimated from 2008-2015.

Pew Research Center

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## Population Trends

- Millennials 81 Million
- Gen X 65 Million
- Boomers 75 Million
- Silent 29 Million



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## Millennial Stats

- Average student loan for 25 year old - \$22,000
- Living at home with Mom and Dad – 30% in 2010
- Primarily use debit card vs. credit card or cash
- Median marriage age
  - In the 1970's - 23 years old
  - In the 2010's - 30 years old
- 18-31 year olds married living in own household
  - In 1981 - 43%
  - In 2012 - 23%
- Renters 25-34 year olds
  - In 2005 - 52%
  - In 2013 - 60%
- Buying online 25-34 year olds
  - In 2008 - 72%
  - In 2014 - 90%

Goldman Sachs Global Investment Research

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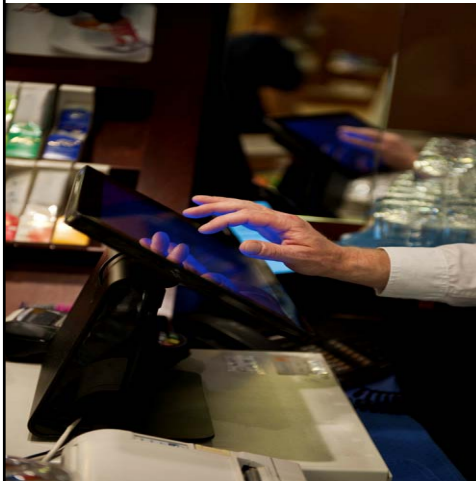
## Why care?

- **Millennials will**
  - comprise more than one in three adult Americans by 2020
  - make up as much as 75% of the U.S. workforce by 2025
  - account for more than \$1 trillion in U.S. consumer spending
- **Millennials have a different view of dealing with issues**
  - Social Media
- **Millennials care about technology**
  - 86% of Millennials 18-29 own a Smart Phone
  - Over 30% of web browsing is mobile

Steve Ellis, Wells Fargo Global Payments Conference, April 2015, Charlotte, NC

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## Going Mobile



### Power any area of your environment

- Your mobile app
- Your website
- Your kiosks
- Your point-of-sale system
- Your back-office ERP system
- Your call center

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## Going mobile



Consumers expect  
anytime, anywhere,  
and any-channel  
access to you

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## An average entity manages six customer channels



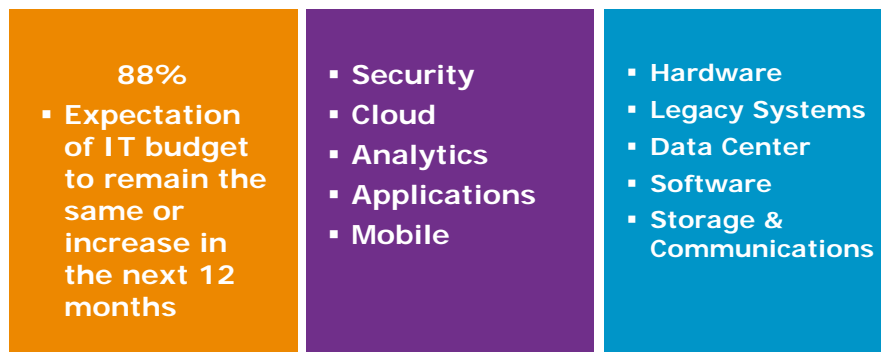
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## IT Spending Trends

### Budget Spend

+

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Computerworld Forecast Survey  
May/June 2014  
194 IT Respondents

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## Electronic collection vision and strategy



Best-in-class on-line payment platform where electronic payments and the web serve as the primary methods to receive and process constituent payments for taxes, licenses, tickets, applications and bills?



Web site provides a broad spectrum of taxpayers with the ability to conduct virtually all of their tax and fee payments online, becoming the preferred payment channel for constituents?



High quality user experience?



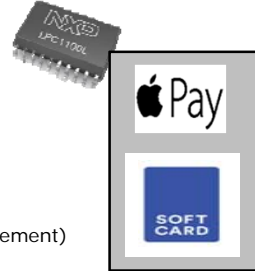
Development and maintenance handled in-house or outsourced to a Third Party?

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## Near field communication (NFC)

### Overview:

- Radio based communication with POS (10cm range)
- Follows RFID / contactless card standards
- Nokia tried in 2006



### Two common approaches:

- Store data on phone (Apple housed inside the secure element)
- Store in cloud (Android host card emulation)

### Pros/Cons:

- + Works on all contactless card terminals
- + Leverages strong card backbone
- + Streamlined customer experience
- - NFC equipped phone required
- - Limited merchant acceptance



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## Mobile App

- Mobile Ticket
  - State / County Park Admission
  - Available Parking Space
- Online Payments
  - Pay Taxes
  - Pay Ticket or Permit:



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## Electronic Collection Portal

- A hosted online payment portal for constituents that integrates with the Entity's Online Services applications
- Payment processing for ACH Debit, ACH Credit, Fedwire and Credit Card transactions
- Entity administrative portal providing insight into all payment information with the ability to make any necessary changes/edits
- Constituents supported by Help Desk and Interactive Voice Response support

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## Electronic Collection Portal

- Tax and fee payments through secure exchanges between the Entity's website and the third party on line payment solution
- Ability for taxpayers to
  - save their payment data for ACH Debit and Credit Card
  - view their payment history via the Entity's Online Services application
  - cancel a scheduled payment either through the Entity's Online Services application or through a link to the Wells Fargo / FDGS site from the Entity's Online Services application
- Straight thru processing via data transmission
- Report output per business requirements

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## Where are you?

- Your constituents are changing, are you?
- How will you meet the Millennials focus on technology and client experience?
- Where is your organization placing it's spending bets?
- How are you monitoring your user experience?
- How are you investing in your Millennial workforce?

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## Resources Needed



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THANK YOU!

