



How to Serve Baby Boomers' Unmet Financial Needs

12 March 2019 By: Mark Schwanhausser

Financial institutions are overlooking scores of ways to deepen digital relationships with the nation's 82 million Baby Boomers, typically by assuming it is wiser to double down instead on innovations for mobile-first Millennials. The reality is that 2 in 3 Boomers primarily manage their checking account in digital channels — just like Millennials. The obvious difference is that Boomers turn first to online banking, while Millennials prefer mobile banking. One big problem is that both channels fall short of relieving historically complex financial headaches for Boomers who are racing to save for retirement, managing unprecedented debt loads, helping aging parents manage financial affairs from afar, seeking more effective ways to manage their financial chores, and grappling with 401(k) investments. This report spotlights 84 features that not only could provide relief for these five types of Boomers today but also for younger generations for years to come.

Key questions discussed in this report:

- Do Baby Boomers rely on online banking because they're resistant to change — or because mobile banking fails to offer a better way to bank?
- What are the historically complex financial challenges facing Boomers?
- What digital features could ease the Boomers' financial headaches and unmet needs?
- How would banking relationships benefit from digital upgrades for Boomers?
- Would upgrades for Boomers apply to younger generations, too?

Consumer data in this report is based primarily on a random-sample survey of 10,375 respondents conducted online in June 2018. Data is weighted to reflect a representative sample of the adult U.S. population. For questions answered by all respondents, the maximum margin of error is 0.96 percentage point at the 95% confidence level. The margin of error is higher for questions answered by smaller segments of respondents.

Generation	Years of Birth	Sample Size
Baby Boomers	1946 to 1966	3,680
Gen X	1962 to 1982	3,577
Millennials	1981 to 1997	3,310
Gen Z*	1995 and later	1,737

*Because Javelin surveys only adults, the Gen Z data reflects consumers born 1995-2000 (ages 18-23) at the time the survey was conducted.

Population figures were sourced from the U.S. Census Bureau and filtered by Javelin's definitions of generations.

Data on the availability of digital banking features at U.S. FIs references Javelin's 2018 Mobile and Online Banking Scorecards, which measure the availability of more than 400 criteria at 28 of the nation's largest retail FIs ranked by total deposits.¹³ Data was collected from April to June 2018.

Statistics regarding the availability of digital banking features at Canadian banks reference data on the availability of more than 400 criteria at Canada's seven largest retail banks, as measured by total assets. Data was collected from December 2018 to January 2019.

javelinstrategy.com

inquiry@javelinstrategy.com

925.225.9100