

What are Virginia Millennial and Gen Z Consumers Seeking?

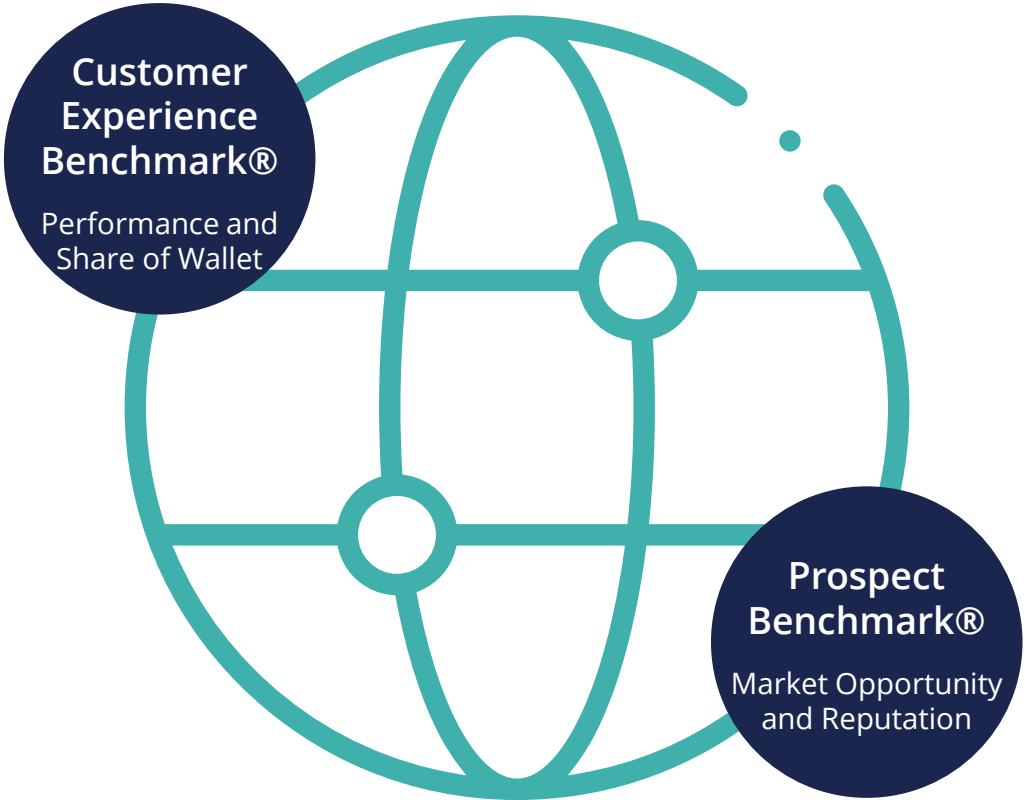
Virginia Bankers Association
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THE RIVEL BANKING BENCHMARKS®

Largest syndicated banking studies in the world



Scope, Coverage, Accuracy

200,000

Household and Business interviews



Repeated every six months



Double-blind survey (for accuracy)

5,000+

Financial Institutions across US



Representative by income, ethnicity, age, gender, etc.



Non-sponsored (for objectivity)

Every banking institution and every market in Virginia is covered

Virginia's Switching Trends

Among 10,500 Interviews of Banking Customers and Members

Prime Targets

33%

Strategic opportunity:
Vulnerable customers/
members at their current bank

Switching Soon

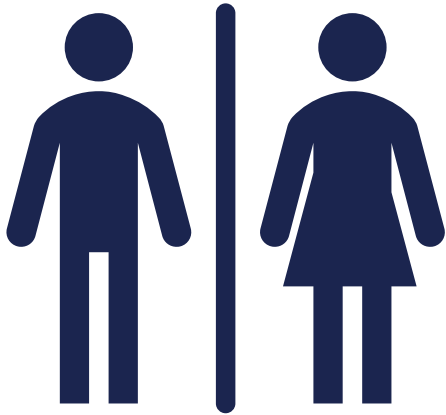
15%

Immediate opportunity:
Customers/ members who will
leave their bank in the next six
months



Prime Targets by Demographics

Gender



- 31% of Males
- 34% of Females

Household Income



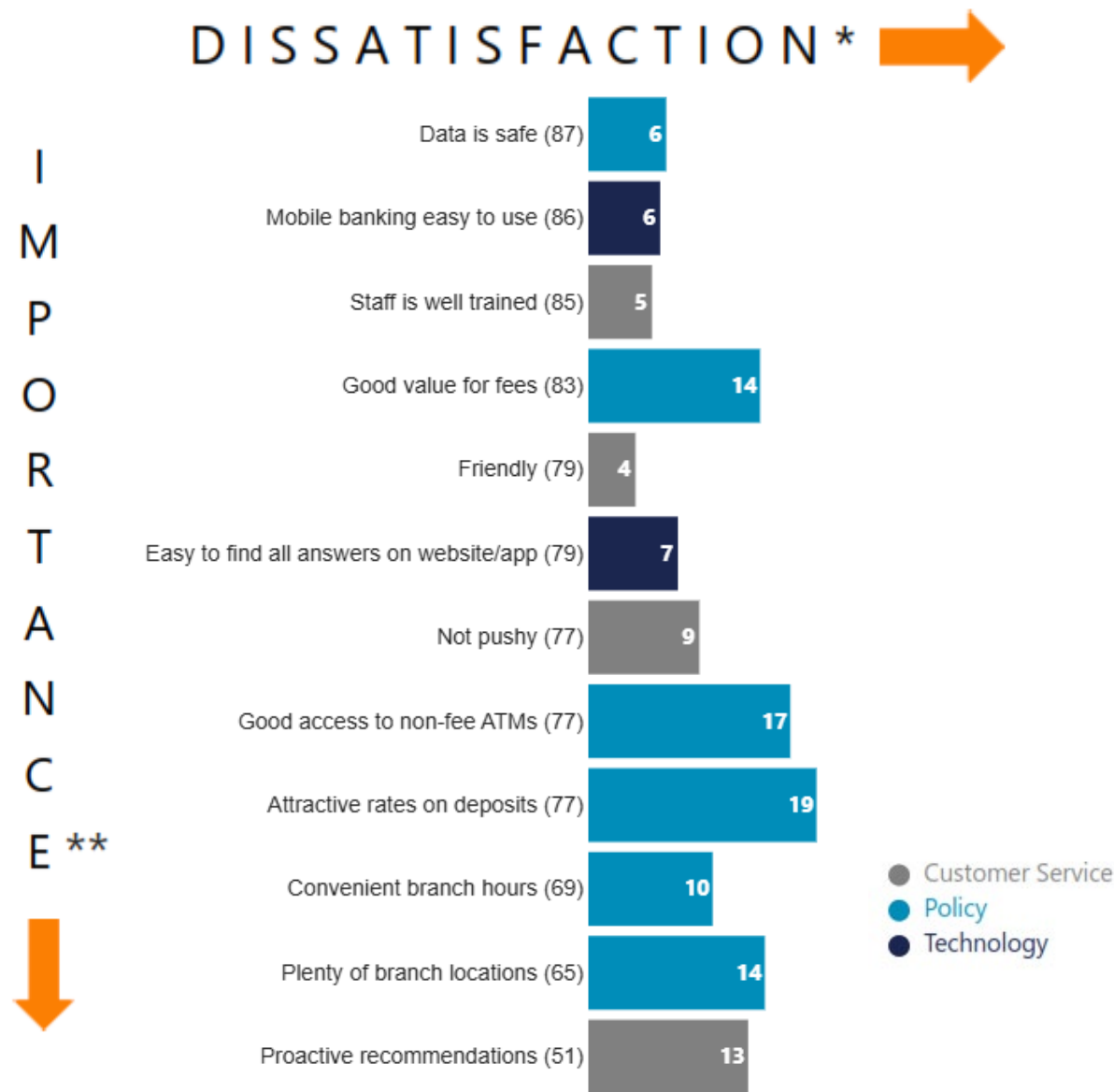
- 33% of Households Under \$50K
- 32% of Households \$50K-\$100K
- 35% of Households Over \$100K

Age



- 29% of Gen Z
- 37% of Millennials
- 36% of Gen X
- 28% of Baby Boomers

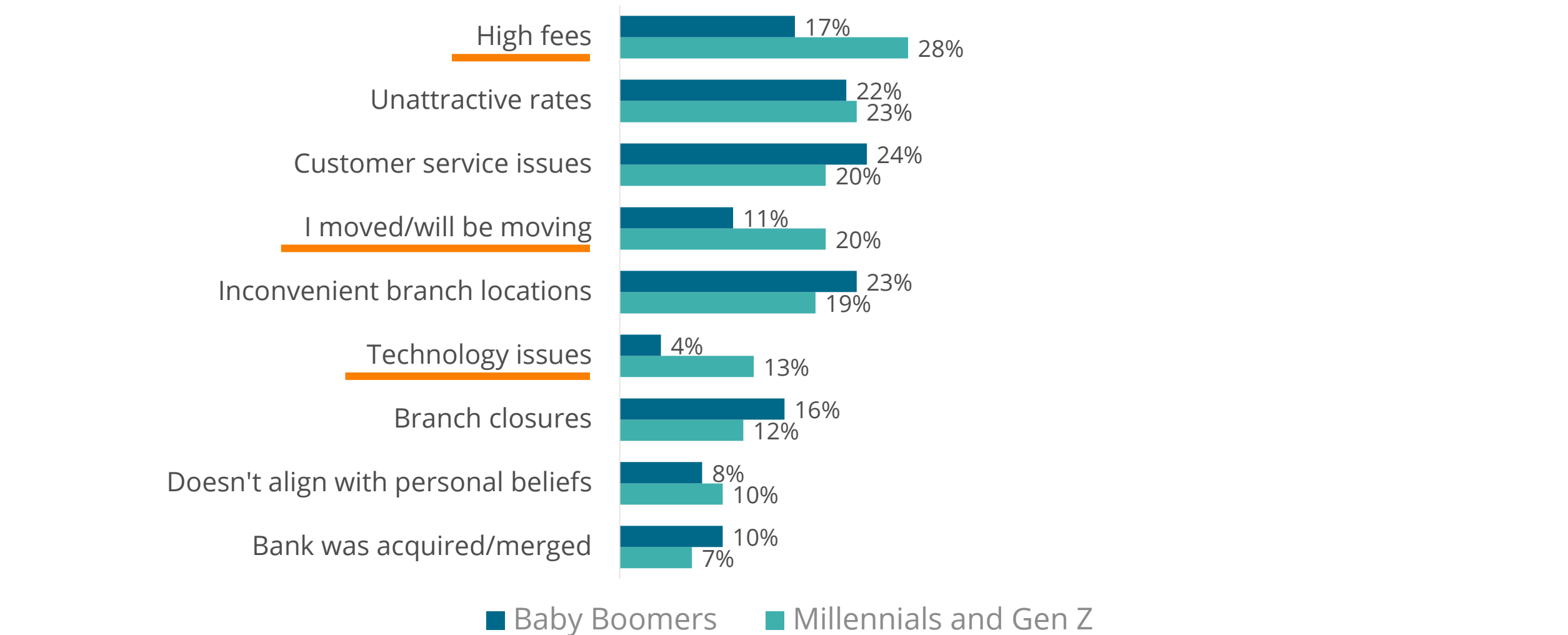
Drivers of Banking Dissatisfaction



- For Millennials and Gen Z, value and return are paramount
- Mobile banking ease of use is *more important* for this generation
 - Convenient branch hours and number of branch locations are *less important*
- This group needs to be aware of your products and solutions!

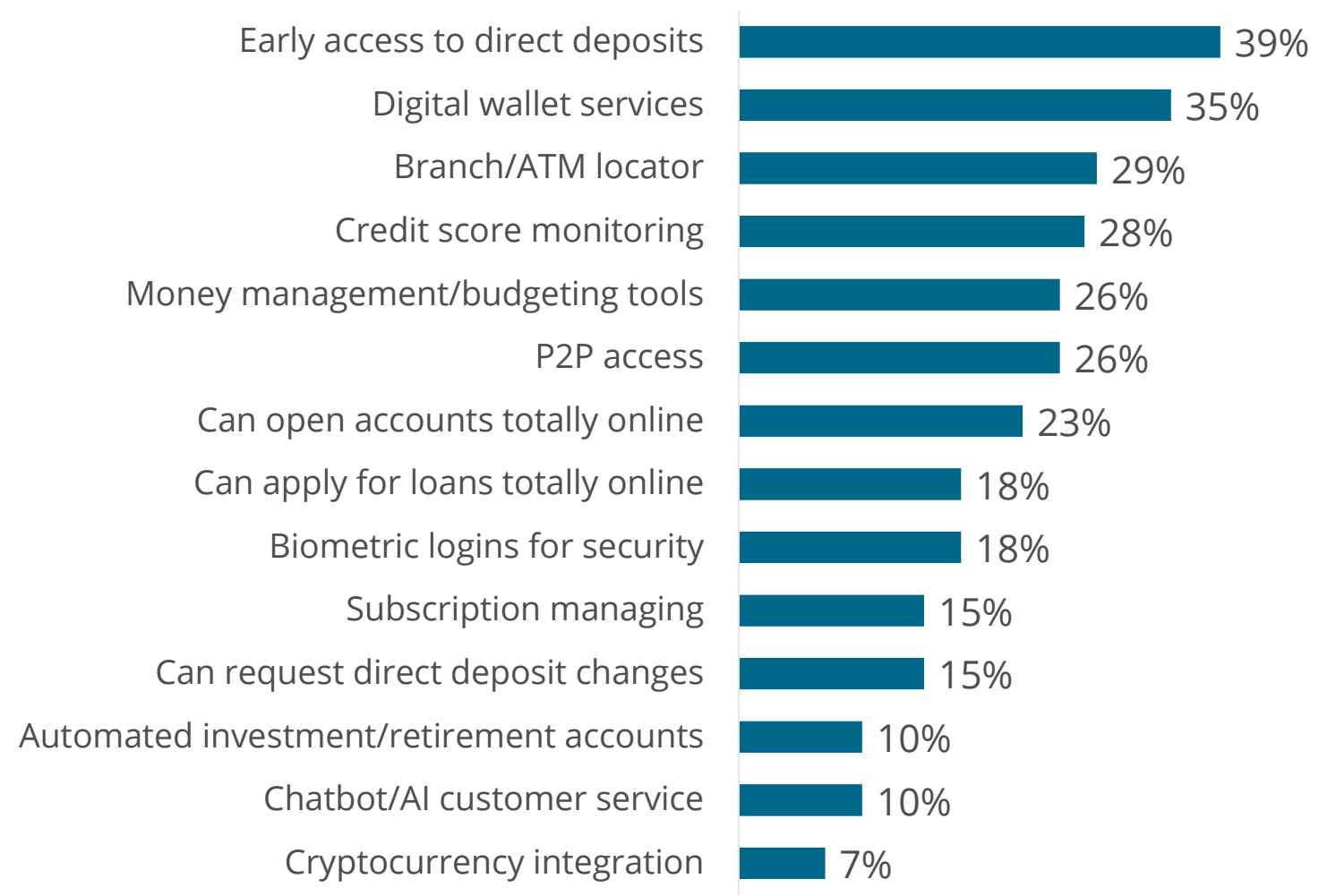
Reasons a Customer or Member Might Leave

Percentage of Respondents Indicating Each Item, Who Might Leave, in Virginia



ELEMENTS OF AN IDEAL ONLINE BANKING EXPERIENCE

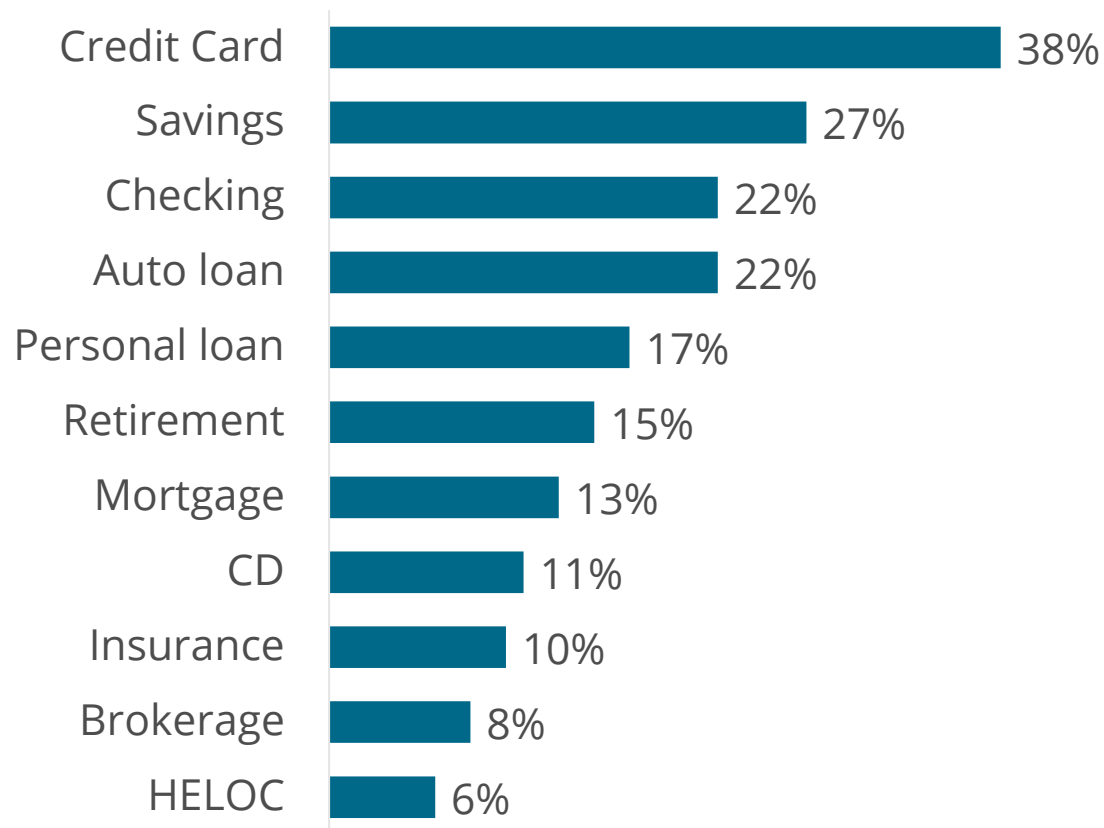
Percentage of Millennial/Gen Z Respondents Indicating Each Item



- Don't need cutting edge technology to foster a good online banking experience
- *Do the basics well and you're most of the way there*

What Products Are They Seeking?

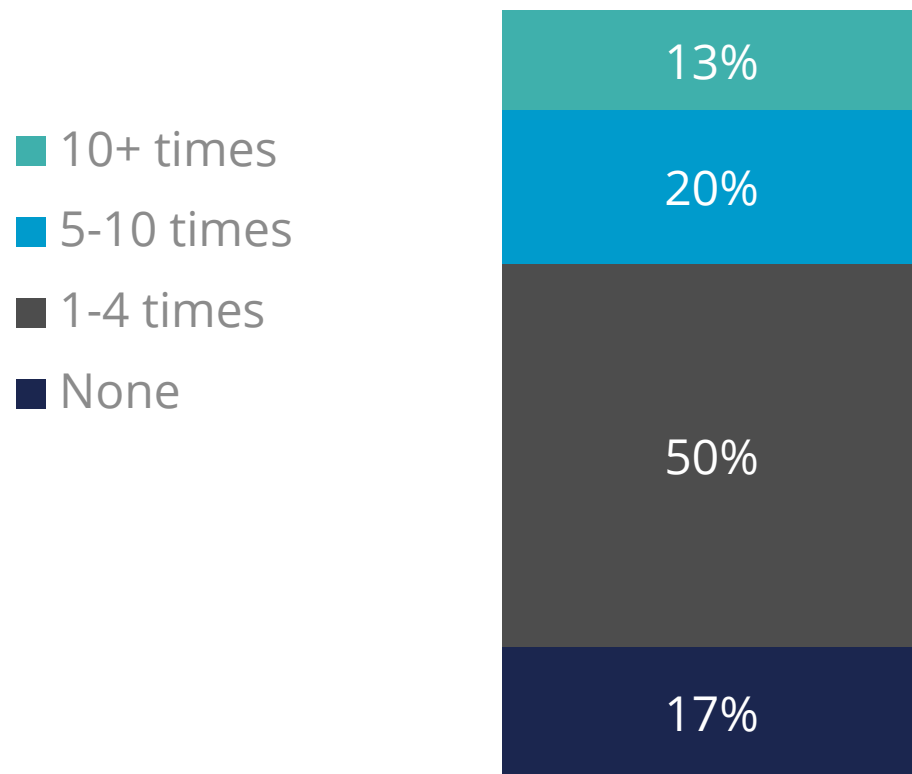
Percentage of Millennial/Gen Z Respondents Indicating Each Item, in Virginia



- *You can afford to push your products to these customers*
- 77% of Millennial and Gen Z consumers are seeking one or more new products in the next year
- Loan products have the most demand out of the basic credit card/checking/savings accounts

How Do Prospects Want to Bank?

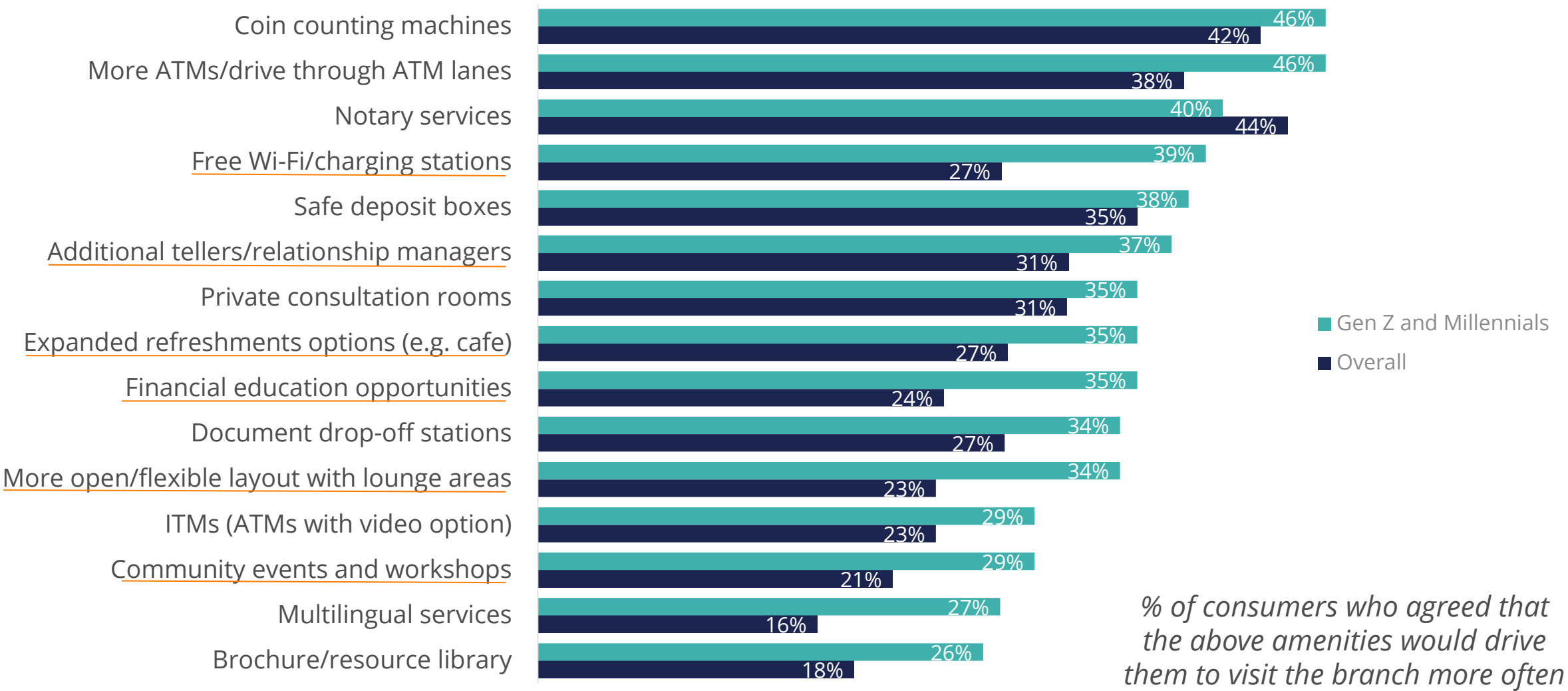
Percentage of Millennial/Gen Z Respondents Indicating Each Response, in Virginia



- Branches are not dead!
- The youngest banking generations still use branches, 83% using at least once
- ***66% of Millennials and Gen Z indicate a nearby branch is necessary when evaluating a new financial institution***

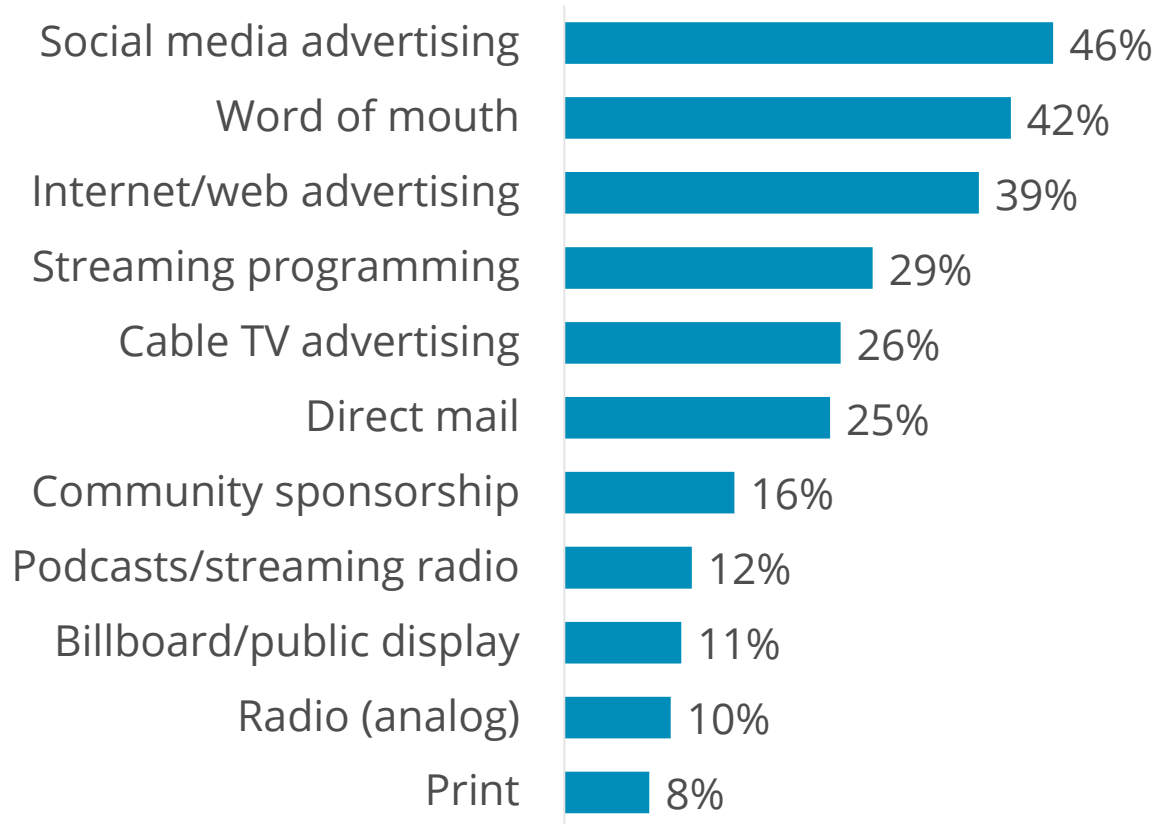
Physical Benefits Push Consumers to the Branch

Rivel Banking Research, Q4 2024



How Do Prospects Want to be Contacted?

Percentage of Millennial/Gen Z Respondents Indicating Each Response, in Virginia



- *Don't waste your marketing \$ on areas where people aren't looking*
- Digital communications still reign supreme, but watch out for digital fatigue
- Word of mouth cannot be overlooked: What can you do to get people talking about you?

Prospect Ratings on Important Metrics *Differences*

Percentage of Respondents Indicating Each Item, in Virginia

| Baby Boomers | | Millennials and Gen Z |
|--------------|---------------------------------|-----------------------|
| 63 | Good Technology | 53 |
| 67 | Trustworthy | 52 |
| 62 | Good Customer Service | 53 |
| 62 | Strong Institutional Reputation | 51 |
| 41 | Strong Community Contribution | 40 |
| 49 | Attractive Deposit Rates | 48 |
| 47 | Convenient Locations | 47 |

Strong Banking Reputation

=

Consideration Among Prospects

Top Consideration Scores in Virginia

Among Prospective Consumers, among institutions with at least 50% of branches in VA

| | | |
|-------------------------|--------------------------|--------------------------------|
| ABNB FCU | Chartway FCU | Powell Valley National Bank |
| Apple FCU | Dupont Community CU | Roanoke Valley Comm. CU |
| Arlington Community FCU | Farmers and Miners Bank | The Farmers Bank of Appomattox |
| Bank of Botetourt | Freedom First CU | TowneBank |
| Bank of Clarke | Highlands Community Bank | TruPoint Bank |
| BayPort CU | Langley FCU | Univ. of VA Community CU |
| Blue Eagle CU | Lee Bank & Trust Co. | URW Comm. FCU |
| Carter Bank & Trust | Miners Exchange Bank | ValleyStar CU |
| Central VA FCU | New Peoples Bank | Virginia CU |

Questions and Next Steps



We will walk your bank
through a look at your
historical,
local data

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