

Digital Banking

# How Millennial Decision-Makers Are Changing Relationships Between Businesses and Banks

Surprising Results from  
*The 2016 National Study on  
Millennials and Business Banking*

## First Word

*"Business banking is essential to growing our economy, creating jobs and powering innovation.*

*"As a new generation of business banking decision-makers – the Millennials – emerges, they bring with them a different approach and priorities about what is most important to them as business banking decision-makers – and what separates business banks from each other. This generational shift is fundamentally transforming the nature of relationships between businesses and their banks.*

*"At the same time, powerful new trends are transforming banking, challenging even the most established banks to adapt, and many of these trends are being driven by Millennials themselves.*

*"Our national study is the first to dive deeply into the Millennial business banking mindset. It is also the first to compare Millennials to other generations in commercial banking and uncover brand new findings that every bank and credit union must know now.*

*"Millennials are already the largest generation in the U.S. workforce and are the fastest-growing generation of business banking decision-makers. The banks and credit unions that understand and adapt to win this new generation will be poised to grow with them, and their business, for years to come."*

Your study authors,

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A decorative image in the top left corner showing a blurred bokeh of green and yellow lights, possibly from trees or foliage.

*Millennials (also known as Generation Y):  
individuals who reached adulthood around  
the turn of the 21st century.*

A decorative image on the left side showing the silhouette of a person's head and shoulders, looking towards a blurred background of warm, colorful lights.

## Executive Summary

Millennials are now the largest generation in the U.S. workforce *and* the fastest growing generation of business banking decision-makers. This large, diverse generation does not remember a time before the Internet, were early adopters of mobile banking, and are now making business banking decisions for their employers of all sizes.

As Millennials emerge as business decision-makers, they bring new preferences, priorities, and behaviors to business banking. The emergence of Millennials in business leadership roles is happening at the same time major technology trends are reshaping the commercial banking landscape. This includes traditional and non-traditional competitors who are attempting to siphon off pieces or entire banking relationships from traditional banks and credit unions.

This rise of Millennials converging with technology trends is inspiring bank leaders to ask two key questions that will inform competitive strategy for years to come:

1. How are Millennials different from other generations of business banking decision-makers?
2. What must banks and credit unions do to best serve Millennials through technology solutions, as Millennials become the decision-makers for business banking and commercial banking relationships?



Bottomline Technologies and The Center for Generational Kinetics partnered for this landmark national study, to dive into the generational change affecting business banking and the truth about Millennials as drivers of change. This national study looks at generational differences and similarities through the lens of business banking decision-makers at businesses across America.

The study includes quantitative and qualitative components to deliver measurable findings and direct commentary that has been missing from the business banking conversation.

The findings from the study highlight three key areas where banking leaders must adapt since Millennials are already driving change and creating challenges. The three areas are described in detail, along with their relevant findings, in *The 2016 National Study on Millennials and Business Banking*.

At the heart of our findings is a realization that as Millennials become decision-makers, they are driving a change in the relationship between businesses and their banks. As companies increasingly look for better answers to their needs, they are more willing to stray from a single banking provider. But this inevitably adds complexity, leading them to look for one perfect partner.

We believe that this to and fro between banks and non-bank providers is the key driver in the disruption emerging in today's commercial banking market.

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*At the heart of our findings is a realization that as Millennials become decision-makers, they are driving a change in the relationship between businesses and their banks.*



Here is an overview of the study's findings:

1. **Businesses are not getting what they need from their business banking relationship.** This is true with all three generations that participated in the study: Millennials, Generation X, and Baby Boomers.
2. **Most businesses are using more than one bank or non-bank provider.** The study showed that a significant percentage of business banking decision-makers are using multiple financial services resources for their banking needs and are increasingly turning to non-bank providers. This is costing banks billions in lost market share and revenue.
3. **Companies are actively looking for the right banking provider.** This includes a majority of business banking decision-makers who are actively looking for better banking alternatives.
4. **Switching banks may be enticing, but the pain of the change keeps many organizations where they are – for now.** 56% of all decision-makers say that they would rather go to the dentist to get a cavity filled than move their bank accounts to another commercial bank.
5. **There is still some respect for banks.** Decision-makers trust their current commercial bank or credit union more than a competing bank or credit union or a non-bank financial services provider.
6. **Banks can give their business customers what they need from a commercial banking relationship, if they're willing to adapt.** Today's business banking decision-makers want to increase the ease-of-use experience for their commercial banking relationship. Businesses identified three areas where they most want their banks to improve:
  - Consolidating and simplifying the financial tools they use
  - Improving cash flow automation
  - Providing a fully-integrated view of their cash position



*Businesses are not getting what they need from their business banking relationship. This is true with all three generations that participated in the study: Millennials, Generation X, and the Baby Boomers.*

Our conclusion suggests that banks must adapt to the changes being driven by Millennial decision-makers, as they increase expectations of technology across generations, and welcome non-traditional entrants into the banking space. Banks that take action now will gain a powerful, decisive head start and will pull ahead of the competition. The banks and credit unions that do not adapt will fall behind and the challenge will only increase.

# Top Ten Statistics

Here we reveal the top 10 most interesting, enlightening and actionable statistics from *The 2016 National Study on Millennials and Business Banking*:

56%

of all business decision-makers would rather get a cavity filled than move their bank account.

49%

of all business banking decision-makers do not use their commercial bank for forecasting and managing cash flow.

71%

of all business decision-makers believe that the right commercial banking relationship can make or break their company's success.

53%

of all business banking decision-makers do not use their commercial bank for issuing invoices and managing accounts receivable.

83%

of Millennial business decision-makers believe that the right commercial banking relationship can make or break their company's success.

50%

of all business banking decision-makers are on the lookout for other banks that can provide a larger variety of business services and tools.

38%

of all business decision-makers are already using non-bank providers for core bank services.

66%

of Millennial business banking decision-makers are on the lookout for other banks that can provide a larger variety of business services and tools.

53%

of Millennial business decision-makers are already using non-bank providers for core bank services.

61%

of all business decision-makers rate 'ease of use' as the most important criteria for assessing digital banking offerings.

## Introduction to *The 2016 National Study*

Anyone involved in the world of banking will quickly admit that the industry is in transition. Traditional banking models are under siege to adapt or be made obsolete by a slew of technological advances, a changing regulatory environment, the piling on of FinTech and non-traditional competitors, as well as new commercial banking demographics. The combination of these factors and several more are changing the very economics of business banking.

And this is only the tip of the iceberg.



*As Millennials emerge with a new set of commercial expectations and habits, the underlying pressure grows from existing commercial customers to expect – and potentially even demand – more from their bank or credit union.*

As Millennials emerge with a new set of commercial expectations and habits, the underlying pressure grows from existing commercial customers to expect – and potentially even demand – more from their bank or credit union. In fact, old banking models made it difficult to seize the opportunity and grow with the market that wants to be served digitally and on their own terms. Even the most established banks and credit unions with long-term, legacy relationships are seeing a shift in commercial banking customers in terms of their own banking relationships to competitors or solutions that did not exist as little as ten years ago.

Traditionally, banks have owned the customer relationship: branch share used to equal market share. But now, non-bank financial providers are undermining banks' position as the holder of the primary financial relationship. The willingness, and some would say eagerness, of Millennials to use non-bank providers is accelerating this challenge to the status quo.

At Bottomline Technologies, we see this as both a challenge for the industry and a tremendous opportunity. The banks and credit unions who wisely chose to understand this change and successfully adapt will have a tremendous competitive advantage in serving the Millennial decision-makers who will ultimately be determining and driving banking relationships.

At the same time, it's clear that the trends emerging today because of Millennials or alongside their emergence are being adopted, albeit at a slower pace, by other generations. These more established generations of banking decision-makers, including Generation X, are starting to shift their communication and relationship patterns to look more like Millennials'. In fact, Millennials are now seen as the trendsetter generation in most areas of technology across the U.S.



But what should banks and credit unions know about Millennials as commercial banking decision-makers? And how different are they from other generations of banking decision-makers? Most importantly, what are the key research-based insights around generations and emerging trends that banking leaders need to know to inform strategy in adapting to these changes – and, potentially, to be seen as the innovator regardless of tenure in the industry?

In *The 2016 National Study on Millennials and Business Banking*, we uncover the most important, research-based insights and emerging trends banks need to know now. These trends can inform your understanding, strategy and tactics to compete and win in this rapidly changing environment where data-driven insights provide an immediate leg up on the competition.

To uncover these trends and insights, we led a national cross-generation study of banking decision-makers across the U.S. These business banking decision-makers were predominantly from the small-to-mid-sized (SMB) category, which is defined as companies between \$500,000 and \$50,000,000 in annual revenue. A portion of the respondents were from companies larger than \$50,000,000 however.

The study included quantitative and qualitative elements to deliver specific, data-driven insights and frontline commentary that is largely absent from the banking conversation. The study has a confidence interval of +/- 4.38, 19 times out of 20. We believe this to be the first study of its kind to combine a generational focus on Millennials at the intersection of commercial banking and technology.

If you have any questions about the research study findings, please email or call us. We are here to be of service to you. Together we can turn this new banking reality into a powerful opportunity for you and your commercial customers!

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*We uncover the most important, research-based insights and emerging trends banks need to know now. These trends can inform your understanding, strategy and tactics to compete and win.*

# What the Research Uncovered

*"Well, their tools aren't all that great...any of the tools they've offered for our day-to-day just seem both more cumbersome and less innovative than, say, Freshbooks. I think they're kind of behind when it comes down to...the actual tools they may or may not provide."*

– A Millennial decision-maker for a backpacking trip business (\$2-\$5MM, California)

## Finding 1: Businesses Aren't Getting What They Need from Their Banking Relationship

The first issue uncovered by the *2016 National Study* is that the services offered by business banks do not match the functionality businesses need to make informed decisions about their business. This was particularly notable in the case of cash management.


We found that 54% of business banking decision-makers say their bank offers a limited selection or no selection of integrated online business operating systems. This is particularly troubling since a key technology trend is integrating financial information to be able to make timely, informed, accurate decisions affecting a business.

As a result, decision-makers do not feel that they are getting what they need from their relationship with their commercial bank.

In fact, almost 50% of businesses do not use their commercial bank for forecasting and managing cash flow. Put another way, that is nearly 13 million businesses across America! This means that a huge percentage of decision-makers going outside of their bank to make one of the most important decisions as it relates to managing and operating their business: forecasting and managing cash flow.

This is particularly astonishing given that the vast majority of decision-makers (71%) believe that the right commercial banking relationship can make or break their company's success. This number rose to 83% among Millennial decision-makers.

However, as we will see, while businesses want to leave their bank, they don't see a compelling alternative provided by a different bank. They also currently perceive the pain of switching banks-to-be, but that is likely to change as banks and non-traditional competitors enter the space.



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*"I've tried our bank's software that they have for business. I just, I don't know, I just didn't like it, it seemed like it was just too much work...the number of clicks, the number of different things I had to go under to find the one simple thing I was looking for...it's like their layout just didn't make sense."*

– A Millennial decision-maker in the auto services industry (\$2-\$5MM, Missouri)

*"Our bank's online portal is a little outdated. Our bank also has a problem with...wires...it takes a little too long for us to receive money as well to pay the money out. Updating their online portal is the biggest thing, that's the biggest obstacle we've had with them as far as the payment issues are going. Any synchronization with our accounting system would make our lives easier."*

– A Millennial decision-maker in furniture wholesale (\$5-\$10MM, North Carolina)

*"For accounts payable we're using Bill.com, for accounts receivable we're using Freshbooks. And we're also using shared Google Docs for some of our internal docs. We've kind of found a nonbank financial service provider but we're still in the onboarding process."*

– A Millennial decision-maker in entertainment consulting (\$5–\$10MM, New York)

## Finding 2: Businesses Are Using More Than One Bank or Non-Bank Provider – and It's Costing Banks Revenue and Potentially Billions in Market Share

*The 2016 National Study* examined the key ways business banking decision-makers work and rely on their commercial bank. This includes everything from traditional banking services, such as holding the operating accounts and borrowing cash, to more holistic banking services, such as investing excess cash, managing accounts payable, calculating and making payroll, forecasting payroll and taxes, and issuing invoices and managing accounts receivable.

When we look solely at the roles of traditional bank services, specifically "borrowing cash" and "holding the operating and/or payroll accounts from which they write checks and into which they make deposits," the study uncovered that a shocking 38% of all decision-makers have already moved beyond using their primary commercial bank exclusively for these banking and related financial needs.

In fact, that number is even higher with Millennials. Close to half of all Millennial decision-makers already use a non-bank or other financial services provider in the regular course of their commercial business. This trend indicates that the reality of business banking decision-makers moving beyond their traditional commercial banking relationship is only going to grow in the foreseeable future as Millennials advance in their roles and responsibilities as banking decision-makers.

In the meantime, business decision-makers are left to make a patchwork of non-integrated systems – a mix of bank and non-bank services – in order to meet their current financial needs.

While this patchwork does not provide them with the intuitive user experience and actionable insights that they need, it is the current reality until a better solution comes along that is synced and integrated in one easy-to-use platform. The question is whether this all-in-one platform will come from banks that rise to the challenge to take market share or if it will come from competitors who see the opportunity and catch traditional banks flat-footed.

This trend to move away from a single commercial banking relationship to non-traditional banking sources for payments and cash management services is a direct threat to banks at exactly the time when banks are struggling to grow revenue. This is both a central problem and the biggest opportunity for banks. Banks that don't do something about this are at risk of losing business banking customers. However, banks that are smart and quick to act will win market share from others and capitalize on the new reality that Millennials and technological change are bringing to the commercial banking landscape.

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*"Meanwhile, take Freshbooks as an example. They had someone reach out to me online, we use Quickbooks but are in the market for something more intuitive and forecasting-y. I don't think Freshbooks serves our purposes, but that person really tried to understand our business on a call we did and followed up with a pretty good email summarizing our needs and ways they can help and so on."*

– A Millennial decision-maker in the construction industry (\$2–\$5MM, Florida)

*"Even though we have a positive relationship with our bank, some third party, or some financial vendor or team, might be able to give me something better, more useful."*

– A Millennial decision-maker in healthcare technology (\$10–\$20MM, Illinois)





## Finding 3: Businesses Are Looking for the Right Banking Partner

Businesses are not just dissatisfied with their current banking relationship, they are actively looking at other banking and non-banking competitors to meet their evolving business needs. Running between banks and non-banks is making life for business banking decision-makers complex. Now they are shopping for a single, ideal partner that meets all their needs in one easy-to-use place.

While most organizations in our study said their bank provides some type of digital cash flow forecasting and performance management tools, more than half of these businesses – especially those with Millennials as banking decision-makers – say they'd be open to switching banks for better capabilities.

In fact, they said that other institutions are actively trying hard to lure them away. Our study found that on average, 63% of banking decision-makers say they are contacted personally at least once per month by a bank or credit union trying to lure them away from their current bank. That number jumps to 2.5 times per month on average for Millennials who are banking decision-makers!

This coincides with the study's finding that over 50% of banking decision-makers are on the lookout, very interested, or would definitely consider other banks that can provide a larger variety of business services and tools. That number jumps to 66% for Millennials.

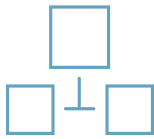
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*"My pain point is definitely that a lot of my software tools are not speaking to each other."*

– A Millennial decision-maker in entertainment consulting (\$2–\$5MM, New York)

*"I think that's why it's become a priority for us – the idea of wanting everything to be in one place, so that we know that all the information we're looking at is accurate."*

– A Millennial decision-maker in entertainment consulting (\$2–\$5MM, New York)



*"It's important to me and my business partners to have a single 360° view on everything in the business. It sounds simple enough, but in reality, it's a big pain...is it too much to ask to have a look at ALL our financials in one area?! I like having everything in one place. When I can just go to one provider, and have everything I need right there, it saves me time."*

– A Millennial decision-maker in the auto services industry (\$2–\$5MM, Missouri)

Millennials are the generation of banking decision-makers most open to switching right now. More than 67% of ALL Millennials surveyed in the study said they would seriously investigate switching to another bank for any of the following reasons:

- Provides accounts receivable tools that create/send invoices and receive payments, and are synchronized with their accounting system
- Provides accounts payable tools and software that manages payments, payroll and expenses that are synchronized with their accounting system
- Provides a business planning framework and tools that are synchronized with their accounting system
- Provides real time cash flow forecasting and planning tools that are synchronized with their accounting system
- Provides performance management tools and software that track and report against their business performance goals
- Provides a secure website to manage their business account and add, change, or remove new services
- Provides access to a trusted online community of services that help manage their business (e.g. insurance, office supplies, temporary staffing, etc.)

What makes this even more dramatic is that Millennials are more than twice as likely to consider seriously switching for any of these reasons when compared to Baby Boomers.

Moreover, Millennials are much less likely to need an in-person meeting to be convinced of value. The study uncovered that only 16% of Millennial banking decision-makers would prefer to have an in-person meeting and technology walk-through to determine the value of a bank's commercial business services.

This is the future that banks must prepare for if they are to grow market share.

*"I'd be more prone to investigate this IF my current bank showed some compelling new upping of the game, if you will. I'd really have to be wowed. It's a BIG deal to switch any of this over."*

– A Millennial decision-maker for a backpacking trip business (\$2–\$5MM, California)

## Finding 4: Breaking Up with Your Commercial Bank Is Worse Than Getting a Cavity Filled

Because business banking decision-makers are dissatisfied but trust their banks, there is clear opportunity for banks to win back their straying business customers and pull new ones from other banks. But this won't be easy.

While business banking decision-makers may be happy to seek services elsewhere, they are daunted by completely moving from one bank to another – the commercial banking equivalent of breaking up with your significant other. In fact, the national study found that 56% of all business decision-makers say that they would rather go to the dentist to get a cavity filled than move their bank accounts to another commercial bank!

For banks, this is both the challenge (keeping existing customers) and the opportunity (stealing new ones). The challenge is overcoming the pain of moving a primary commercial banking relationship to a new bank or credit union. The opportunity is that the emergence of Millennials as banking decision-makers (and their priorities and expectations) provides a strategic opening for banking leaders to not only this generation, but to other generations as well.

As banks and credit unions determine how to innovate to create a compelling alternative to an organization's current commercial bank, they must keep in mind that the ease of transferring from a current commercial bank to a new commercial bank is likely as important as being able to offer the solutions that decision-makers truly want.

In essence, banks and credit unions need to think about making the transition from a competing bank or credit union to their bank or credit union as straightforward and intuitive for businesses as it is for individuals to move their online dating from eHarmony to Match.com.

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*"Make it less of a headache, less time-consuming, less steps. It's just the whole make it easier to do, moving an actual business's financials takes time. It's kind of a headache, it's more than most of us would want to deal with. When you get tired of dealing with something, if it takes too long, you're just going to go back to what you had."*

– A Millennial decision-maker in the auto services industry (\$2-\$5MM, Missouri)

*"The thing that would make switching banks [easier] is that they could do all the work for you; if they could take care of porting everything over from your old bank, and switching your bank accounts everywhere you have a bank linked to things."*

– A Millennial decision-maker in entertainment consulting (\$2-\$5MM, New York)

*"The benefit that I see in having been with the same bank is...we have this longstanding relationship. They know me."*

– A Millennial decision-maker at a marketing company (\$500k-\$2MM, Texas)

## Finding 5: All is Not Lost (Yet): Businesses Still Have Time and Respect for Banks

The one bright spot in the study for commercial banks and credit unions: trust. The study clearly shows that business decision-makers trust their current commercial bank or credit union more than a competing bank or credit union or a non-bank financial services provider. The question: How long will this trust be enough to keep decision-makers from trying out competitor banks and credit unions and non-bank providers?

Right now, although business banking decision-makers report they are largely not satisfied with their current commercial banking relationship, they still view their current commercial bank or credit union as trustworthy. This trustworthiness was true in several key categories analyzed by the study. This means that commercial banks and credit unions have a solid foundation – trust – to build on if they can adapt to meet the needs of business banking decision-makers. This is particularly true if banks and credit unions invest in providing what business decision-makers across generations most value:

- Consolidating and simplifying financial tools and services
- Improving cash flow through automation
- A fully integrated picture of a business' current cash position



The bottom line is that commercial banks and credit unions and their business clients need each other, and possibly more than ever before. Banks and credit unions need their business customers to grow their banking revenues and the majority of businesses say that having the right banking relationship can determine their company's success. In fact, the vast majority of decision-makers (71%) believe that the right commercial banking relationship can make or break their company's success. This number is highest among Millennial decision-makers at 83%.

The question then becomes which banks will move to capitalize on their trust advantage and drive companies who are switching by delivering a compelling alternative to the market first. Then it becomes a battle between banks for share of this fluid business banking market that is poised to change and follow the banks that rise to the challenge.

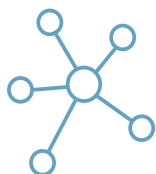
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*"When you have a good relationship with the bank, then that is good and everything just works better. Without a good banking relationship, your business is at risk. That's what I believe."*

– A Millennial decision-maker in healthcare technology (\$10-\$20MM, Illinois)

*"I think [banks] are trying. They're evolving. And that's a good thing. The banks seem to be doing much better at providing loans, credit lines, and other financial products that suit smaller businesses."*

– A Millennial decision-maker for a backpacking trip business (\$2-\$5MM, California)



*"We are looking for something which synchronizes, which simplifies all the transactions, all our dealings, so I would say I would be very much interested with that. Whatever the bank offers...would need to be better and more streamlined but still provide us with lots of flexibility."*

– A Millennial decision-maker in healthcare technology (\$10-\$20MM, Illinois)

## Finding 6: Banks Can Win Over Business Customers, If They're Willing to Change

Now that the study uncovered what Millennials want from a commercial bank, it's up to banking and credit union leaders to choose how they want to respond. It's clear that banks can give their business customers everything they need from a commercial banking relationship if they're willing to adapt. But the key to successfully adapting is accelerating the rate of bank and credit union innovation to align with the needs and expectations of Millennials and business banking decision-makers.

This could not come at a better time for decision-makers, because they're running a business amidst increasing competition. These decision-makers are counting on their bank and credit union partners to help them make better decisions, but feel that their banking partner is not holding up their end of the relationship. As the study uncovered, top priorities for businesses are:

- Consolidating and simplifying the financial tools they use
- Improving cash flow automation
- Providing a fully integrated cash position

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*"The ideal world would need to mean that my current bank has upped their game significantly in what they offer online – they're just not there right now. But, if they did and I was impressed and the price was reasonable, I'd, for sure, prefer to work with them on everything."*

– A Millennial decision-maker in Design and Build (\$2-\$5MM, Florida)

In short, businesses want their bank or credit union to be a one-stop resource for giving them actionable insight into their most important business operating metrics that will help them make the right decision. They are tired of having to log into multiple different tools and services to get the information they need. They want one account, which has one login that contains all of their data synced, up to date, and integrated. They also expect this single login to work on any device with a simple user interface and a clean, intuitive user experience.

Today's business decision-makers want a consumer ease-of-use experience for their commercial banking relationship.

They want to open a new business bank account with an experience as easy and straightforward as joining Netflix. Yes, they understand that there will be some regulatory and other hurdles, but as non-traditional solutions and FinTech start-ups are providing on a daily basis, that is no longer an acceptable excuse. The data should be as easy to understand and read as their favorite fitness-tracking app.

Again, these desires for a better experience were highest in every category with Millennials, which underscores that the challenge for banks is increasing and now is the time to adapt.

Case in point: 74% of Millennials would be open to seriously investigating switching to another commercial banking partner that provides a website to manage their business account and add, change, or remove services. 74%!

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*"Cash flow planning and forecasting tools, especially if it synced to my systems, would make running my business much easier for me. I'd be willing to pay for [the bank's] software if it was actually up to par with Intuit. I would pay as much or more to keep it all in one place."*

– A Millennial decision-maker in the auto service industry (\$2-5MM, Missouri)

*"If it was a turnkey solution, and you know, could work with my existing bank [to switch accounts], we're talking ideal world. They get into our accounts and basically move it over for us, introduce us to the new platform, and everything we're now using."*

– A Millennial decision-maker at a marketing company (\$500k-\$2MM, Texas)

## Study Conclusion:

Banks must rise to the challenge of increased technology expectations across generations and adapt to the changes being driven by Millennial decision-makers. Yet this is as much an opportunity as it is a threat. It is also one which could not come at a better time for banks, credit unions, and America. In the U.S. alone, there are two million businesses of all sizes that desperately need cash management services. Right now they're paying an average of \$10,000 per year to non-bank providers, which means there is at least \$20 billion in lost revenue bleeding from banks to non-banks.<sup>1</sup>

Banks that take action now and gain a powerful, decisive head start can pull ahead of the competition to win business customers by offering a compelling alternative and attracting them to switch. The banks and credit unions that do not adapt will fall behind and the challenge will only grow.

To win, banks need to innovate and adapt at the speed of the FinTech disruptors who are wooing their customers, and certainly faster than their traditional bank and credit union competitors. While big banks can afford to innovate on their own by investing huge amounts of money at the problem, mid-sized banks and credit unions need to partner with an innovation enabler that can guide them through this process and deliver the exact solutions Millennials and decision-makers want – and an enabler that delivers a platform that can continually be built on as the market change accelerates.

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## Three Questions to Consider Based on the Research Findings:

1. What are the top three actions your bank or credit union is taking with your website and mobile experience to meet the needs of Millennials and other business banking decision-makers?
2. How much of your current business banking experience meets the needs of Millennials as described in the research study?
3. What resources and/or people have you committed over the next three years to navigating the changes business decision-makers need?

1. Bottomline estimate based on Aite and SBA data

# Study Methodology

The 2016 National Study on Business Banking and Millennials was led by Bottomline Technologies and The Center for Generational Kinetics with assistance from Conversion Research. The study was a custom-crafted online survey of 500 American banking decision executives. Executives had to be directly responsible for or formally part of the team in charge of banking decisions at their respective organizations. The sampling spectrum was as follows: SMB (\$0.5Mn to \$20.9Mn) – 400 total respondents, of which 150 executives contacted were Millennials; SM Commercial (\$21Mn to \$49.9Mn) – 70 total respondents; Large Commercial (\$50Mn+) – 30 total respondents. The survey was fielded online to match the behavior and expectations of this population and demonstrates a confidence interval of +/- 4.38 19 times out of 20. The quantitative study took place in December 2015.

## About The Center for Generational Kinetics

The Center for Generational Kinetics is the leading research and solutions firm on Millennials, generational differences, and the generation after Millennials, Gen Z. The Center's team of Ph.D. researchers, consultants, and speakers help companies and organizations solve tough generational challenges driven by emerging generational trends and differences.

The Center works with over 150 clients around the world annually, from banks and credit unions to car manufacturers, hoteliers, insurance firms, hospitals, and technology companies. The Center's team is frequently quoted in the media about the effect of generational differences on everything from banking and shopping to working and investing.

Learn more at [www.GenHQ.com](http://www.GenHQ.com).

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## About Bottomline Technologies

Bottomline Technologies (NASDAQ: EPAY) powers mission-critical business transactions. We help our customers optimize financially-oriented operations and build deeper customer and partner relationships by providing a trusted and easy-to-use set of cloud-based digital banking, fraud prevention, payment, financial document, insurance, and healthcare solutions. Over 10,000 corporations, financial institutions, and banks benefit from Bottomline solutions. Headquartered in the United States, Bottomline also maintains offices in Europe and Asia-Pacific.

For more information, visit [www.bottomline.com](http://www.bottomline.com).

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