

**Unlocking Growth: A Strategic Plan for Next-Generation Customer Acquisition and
Retention**

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Executive Summary

[Bank Name] faces a clear long-term challenge in its consumer growth strategy driven by customer demographics and changing consumer behavior. Approximately 70% of the Bank's consumer customers are over the age of 45, while customers ages 13 to 44 remain underrepresented despite representing the future driver of deposit growth, lending demand, and long-term relationship value. At the same time, digital-first banks and FinTech firms continue to establish early relationships with younger consumers through mobile-centric experiences and financial education. Without a deliberate strategy to engage customers earlier in their financial lives, [Bank Name] risks weakening its long-term growth trajectory and competitive position.

The purpose of this Capstone is to recommend a scalable, enterprise-supported strategy to attract, engage, and retain next-generation consumer customers ages 13 to 44. The central conclusion of this project is that long-term profitability and franchise durability are best achieved through early engagement, financial education, and consistent relationship development across life stages. This approach aligns with the Bank's mission and supports its strategic priorities of organic growth, innovation, and disciplined investment.

The recommended strategy is a multi-year, persona-based approach that integrates financial education, digital banking capabilities, and relationship banking. Four personas guide execution across key life stages: Savvy Students, Emerging Adults, Young Planners, and Established Professionals. This framework allows the Bank to tailor engagement and product bundles as customer needs evolve while guiding customers toward primary banking relationships over time.

At the center of the strategy is the implementation of a white-labeled youth-banking and financial education platform integrated into [Bank Name]'s existing digital banking

environment. The platform provides age-appropriate tools and education in a secure, supervised setting and supports a natural transition into adult banking relationships. Additionally, persona-driven digital journeys reinforce key life-stage moments such as credit building, homeownership preparation, and family financial planning, enabling scalable engagement while preserving the Bank's relationship-based model.

From a financial perspective, the analysis supports proceeding through a controlled two-Market pilot followed by a phased Bank-wide rollout. Based on conservative growth and adoption assumptions, the initiative is projected to generate approximately \$4.1MM in cumulative net financial benefit by Year Two and approximately \$17.5MM by Year Five through deposit growth, fee income, credit adoption, and retention. A pilot-based approach allows leadership to validate execution before scaling the strategy across the organization.

Beyond financial outcomes, the strategy strengthens customer trust, improves customer retention, enhances brand relevance, and better aligns Teammates with long-term objectives. After evaluating alternative approaches, the conclusion of this Capstone is that an integrated strategy combining education, technology, and relationship banking provides the strongest opportunity to address the Bank's demographic imbalance and support sustainable growth.

Senior management is advised to approve the Next-Generation Customer Strategy and authorize a phased pilot supported by cross-functional governance. Taking action now positions [Bank Name] to strengthen future primary relationships and support long-term growth in an increasingly competitive environment.

Capstone Project

Introduction and Background

[Bank Name] is positioned as one of the largest regional banks headquartered in the Mid-Atlantic, but a recent review of customer demographics unveiled a critical opportunity for long-term growth. Currently, approximately 70% of [Bank Name]'s customer base is over the age of 45, leaving customers aged 13–44 significantly underrepresented. This younger demographic will soon be entering or is already in their prime earning and borrowing years, which makes them an essential driver of future growth in deposits, lending, and long-term relationship value. Establishing meaningful relationships with these customers early will be critical to sustaining the bank's long-term success. This challenge reflects a broader industry trend, as younger customers increasingly turn to digital-first platforms and show less loyalty to traditional banks, making early engagement even more critical. Without an intentional strategy to attract and retain this customer segment, [Bank Name] risks gradual attrition of its customer base and market share to competitors, particularly digital-first institutions and FinTechs that resonate strongly with younger consumers.

History of [Bank Name]

[Bank Name] was founded in 1902 as [Bank Name] in Bowling Green, Virginia, with just \$2,500 in assets. Over more than a century, the bank has steadily expanded its footprint, growing from a single-location community bank into one of the largest regional banks headquartered in the Mid-Atlantic. Today, [Bank Name] holds more than \$38 billion in assets and operates across Virginia, North Carolina, Maryland, and Washington, D.C.

Growth has come through a balanced combination of organic expansion and targeted acquisitions that extended the bank's presence outside of Virginia. The most recent and

significant was the 2025 acquisition of [Bank Name], which strengthened [Bank Name]’s position in Maryland and Washington, D.C. By combining Virginia’s largest regional bank with Maryland’s largest regional bank, the acquisition created a powerful combined franchise in the Mid-Atlantic. This history of disciplined growth not only expanded [Bank Name]’s footprint, but also created a larger opportunity to engage future generations of customers across attractive, diverse markets.

Throughout [Bank Name]’s growth, the bank has remained committed to financial strength, excellent customer service, and long-term value creation. Its core strengths include a dense regional presence in attractive markets, strong capital and balance sheet ratios, and a disciplined approach to acquisitions that complement its community banking model. Today, with more than 180 branches, [Bank Name] is positioned as Virginia’s largest regional bank and one of the Mid-Atlantic’s most competitive banking franchises.

This proposal supports [Bank Name]’s mission of enriching lives by focusing on the acquisition and retention of customers aged 13-44, an underrepresented group critical to long-term growth. Customers in this age range are at different stages of their financial journey, from opening a first account to purchasing a home or building wealth, and [Bank Name] has the opportunity to become their trusted financial partner. Ensuring that [Bank Name] becomes their trusted financial partner early during these major life stages will establish loyalty and position the bank to grow customers, and in turn, grow deposits, loans, and long-term relationships.

Mission, Strategy, and Business Model

[Bank Name]’s mission is “[*bank mission*]”.¹ This mission is at the heart of the bank’s approach to customer relationships, where trust, excellent customer service, and meaningful

¹ [Bank Name], [*Bank Name*] Website, *Corporate Social Responsibility* (2025).
[https://www.\[bankname\].com/about/corporate-responsibility](https://www.[bankname].com/about/corporate-responsibility)

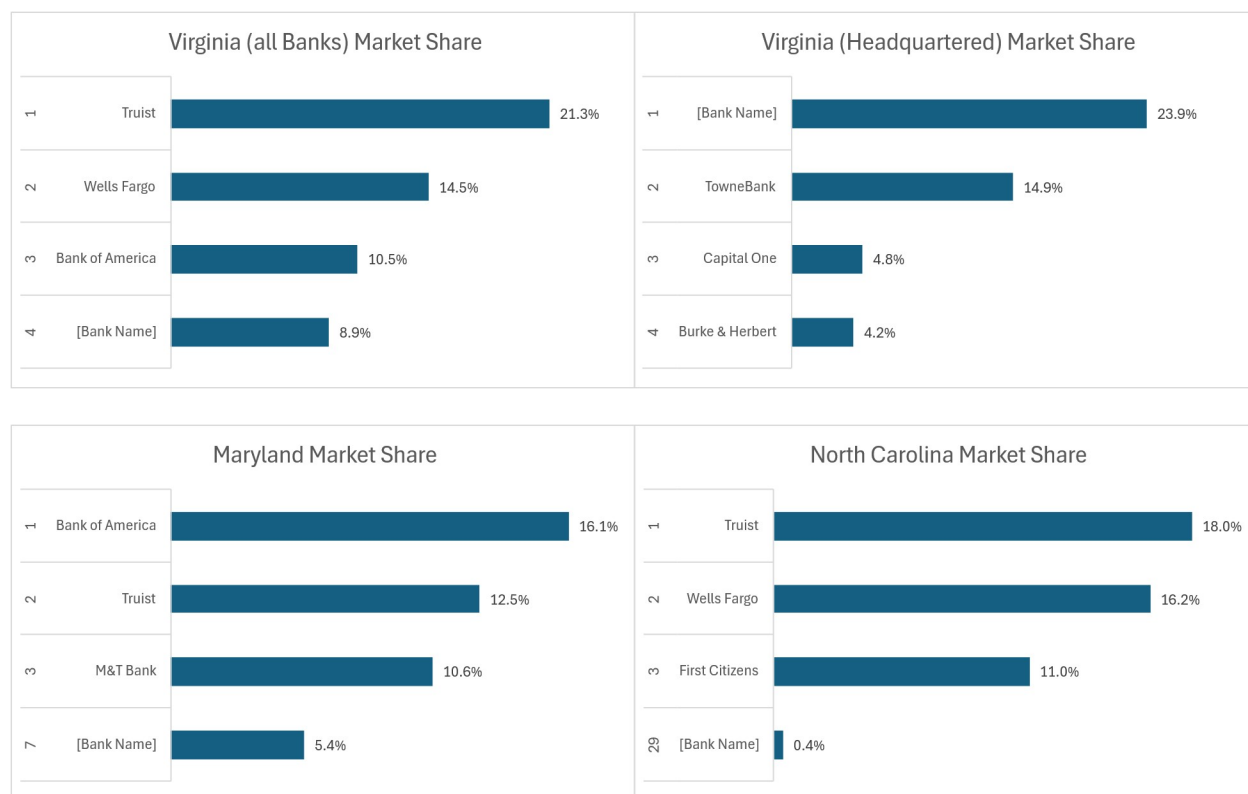
financial solutions define the customer's experience. It is supported by the bank's core values of Caring, Courageous, and Committed – values that shape decision-making and reinforce the bank's culture.

[Bank Name]'s long-term strategy is structured around three priorities: organic growth, innovation and transformation, and disciplined strategic investments.² Organic growth focuses on strengthening customer relationships, maintaining a stable base of low-cost deposits, and expanding sources of fee income. Innovation and transformation seeks to reimagine the customer experience by integrating personalized banker relationships with modern digital tools, and by streamlining processes behind the scenes. Strategic investments center on targeted acquisitions and partnerships that expand market density, diversify revenue, and enhance efficiency. This strategy aligns closely with the objectives of this project, as expanding digital capabilities and deepening relationships directly support efforts to attract and retain next-generation customers.

This strategic framework supports a diversified business model that serves individuals, families, businesses, and institutions. With a footprint spanning Virginia, North Carolina, Maryland, and Washington D.C., [Bank Name] operates in high-growth markets while combining the scale of a regional bank with the accessibility and decision-making of a community bank.

² [Bank Name] Corporation, *[Bank Name] Investor Presentation – July 2025 (2025)*.
[https://investors.\[bankname\].com/](https://investors.[bankname].com/)

Market Share and Competition³



[Bank Name] ranks within the top-four banks for Market Share in Virginia, and ranks first among Virginia-headquartered banks. The 2025 merger with [Bank Name] significantly strengthened [Bank Name]’s position in Maryland, where it now ranks among the top ten banks, while North Carolina remains an emerging growth market for [Bank Name]. Together, this information demonstrates the strength of [Bank Name]’s established franchise in its home state of Virginia, as well as the opportunity to expand in newer markets such as Maryland and North Carolina.

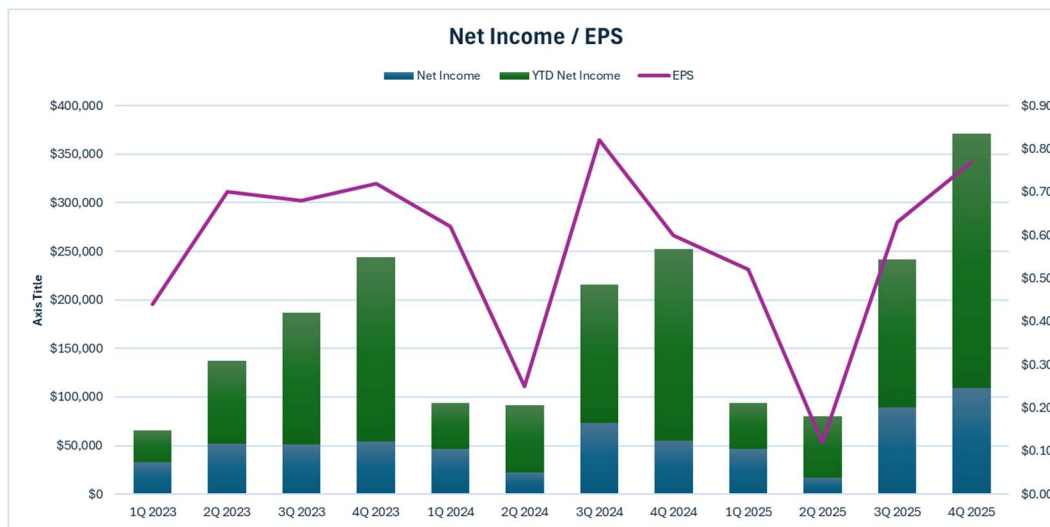
Competition for [Bank Name] varies and is broad across its footprint, ranging from national banks such as Bank of America, Wells Fargo, Truist, and PNC, to strong regional peers

³ [Bank Name] Corporation, *[Bank Name] Investor Presentation – July 2025 (2025)*. [https://investors.\[bankname\].com/](https://investors.[bankname].com/)

like TowneBank, United Bank, First Citizens, and M&T Bank. Local community banks, including Carter Bank & Trust, Primis Financial, Blue Ridge Bank, and Eagle Bank, maintain strong local relationships in certain markets. At the same time, digital-first banks and FinTechs such as Ally, Chime, and SoFi are actively targeting younger customers, emphasizing the importance of a well-defined strategy to capture and retain next-generation customers. [Bank Name]’s advantage is centered around its ability to combine the scale and products of a regional institution with the personalized service and community connection which is an important differentiator as the bank enters into competition for next-generation customers.

Recent Financial Performance⁴

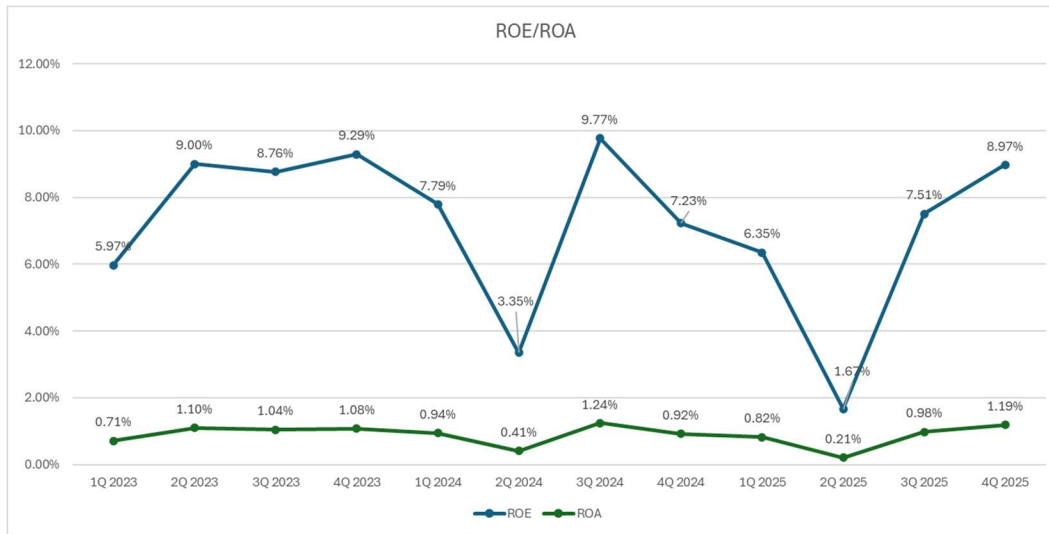
[Bank Name] has shown steady financial performance from 2023 through 2025, reflecting steady financial results alongside the temporary impact of acquisitions in 2024 and 2025.



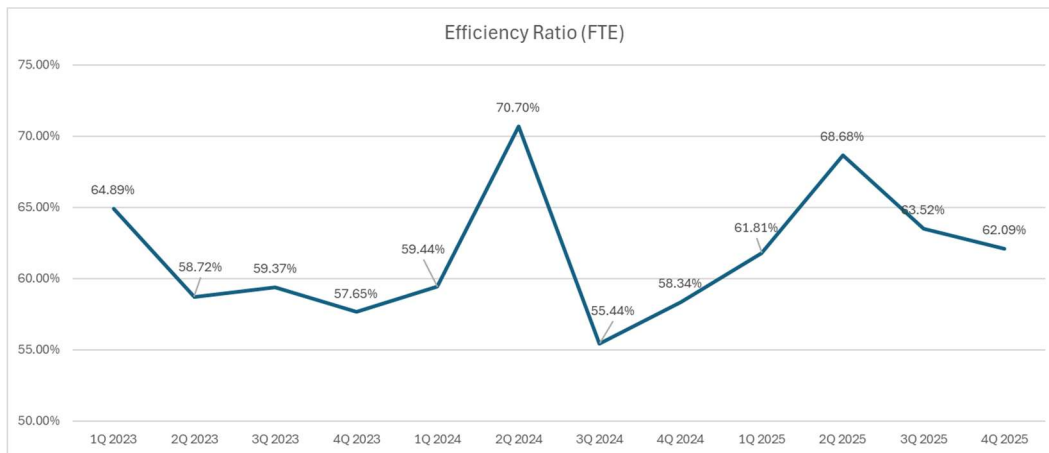
Net Income grew from \$190MM in 2023, to \$197MM in 2024, while Earnings per Share declined from due to expenses and share dilution related to the [Bank Name] acquisition. In

⁴ [Bank Name] Corporation, [Bank Name] Quarterly Earnings Presentations (2025, 2024, 2023). [https://investors.\[bankname\].com/](https://investors.[bankname].com/)

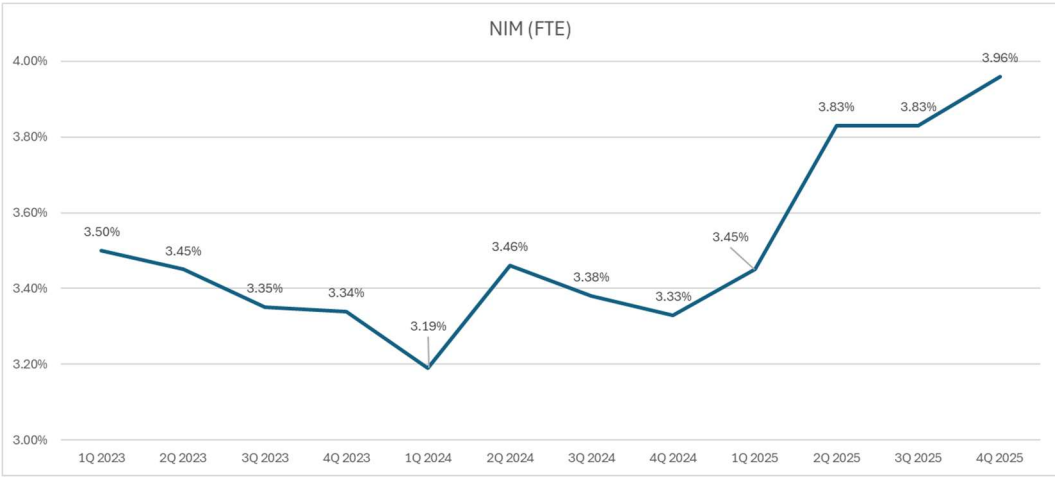
2025, results were again pressured by the acquisition of [Bank Name], with Net Income and EPS figures down in the second quarter, but adjusted figures highlight the power of the combined bank. Looking ahead, the combined scale and efficiency gains from recent mergers position [Bank Name] to return to stronger earnings growth as integrations costs decrease.



Profitability ratios also reflect a similar trend to Net Income and EPS. ROE and ROA declined around the timing of the acquisitions with one-time costs and higher equity levels, but remain strong on an adjusted basis, demonstrating the underlying strength of the bank’s operations following these acquisitions.



The Efficiency ratio demonstrates similar results to ROE and ROA. The Efficiency ratio increased at the time of each acquisition but showed a significant decrease following the completion of the acquisition in 2024, which is similar to the trend in 2025 following the completion of the acquisition of [Bank Name]. On an adjusted basis, the Efficiency ratio has improved throughout 2025, placing the bank in a great position and showing the true cost savings from scale from the acquisition.



Net Interest Margin has been a consistent strength of [Bank Name], rising in 2025 as deposit costs eased and acquisition benefits began to take effect.

Overall, the financial picture shows the temporary costs of acquisition and expansion, while the adjusted figures show a stronger, more efficient, and more profitable bank. Expanding margins, improved efficiency, and competitive profitability returns point to solid financial fundamentals. As acquisition costs decline and the bank continues to take advantage of scale from the acquisition, [Bank Name] is well positioned to return stronger earnings growth.

Alignment with Mission and Strategy

This Capstone Project proposes a multi-year, data-driven plan to expand [Bank Name]’s penetration into the 13–44 demographic. The approach includes enhancing digital engagement, introducing life-stage specific solutions and bundles, and executing targeted marketing efforts

that leverage both branch influence and advanced digital tools. By combining [Bank Name]'s strengths as a community-focused, relationship-driven bank, with modern customer acquisition tactics, this strategy aims to increase lifetime customer value, strengthen competitive positioning, and ensure alignment with the [Bank Name]'s long-term vision of growth across the Mid-Atlantic.

To help demonstrate this opportunity, four personas represent key life stages within this demographic: the Savvy Student (13-18), beginning their financial journey; the Emerging Adult (18-24), gaining independence and managing early financial responsibilities; the Young Planner (25-34), navigating milestones such as marriage, homeownership, and family; and the Established Professional (35-44), focused on peak earning years and wealth accumulation. Each stage presents unique needs that can be met through financial literacy, tailored products, bundled solutions, and advisory services.

By aligning strategy with these personas, [Bank Name] will ensure that customer acquisition and retention efforts are grounded in real needs across life stages. Financial literacy provides an early entry point, while bundled solutions and digital tools sustain long-term engagement. Building early relationships with younger customers ensures that [Bank Name]'s mission, enriching lives and strengthening communities, is carried out in ways that matter for the future. Engaging this generation is not only a path to stronger deposits and lending growth, but also how [Bank Name] secures its role as the Mid-Atlantic's trusted bank for decades to come. By becoming the partner of choice as these customers enter their formative financial years, the bank creates loyalty that translates into sustained earnings, deeper relationships, and lasting market share leadership. This approach reflects the bank's values of Caring, Courageous, and Committed, while positioning [Bank Name] for sustainable growth with the next generation.

Project Overview

This project outlines a comprehensive strategy to attract and retain the next generation of customers, individuals aged 13 to 44, through an integrated approach that combines financial education, technology innovation, and community engagement. The goal is to establish lifelong relationships that begin early, grow and develop naturally, and strengthen as customers move through different stages of financial maturity. In a 2024 American Bankers Association and Morning Consult consumer survey, 55% of U.S. bank customers reported using mobile apps as their primary method of managing their accounts, and among younger cohorts, about 64% of Gen Z and 68% of Millennials said they use mobile banking apps most often.⁵ This reinforces that younger customers expect digital-first access and consistent engagement through mobile channels. In addition to youth-banking and financial education, this strategy makes intentional differentiation in the digital experience, marketing approach, and product pathways for all four personas, so that each segment has a clear and relevant path to a primary relationship with the Bank.

At the center of this initiative is the implementation of a white-labeled youth-banking platform that will integrate directly into [Bank Name]’s existing Q2 digital-banking environment. The solution will provide age-appropriate financial tools such as savings goals, budgeting trackers, and gamified learning modules in a secure, parent-supervised setting. Because this system is designed as a plug-and-play module, implementation will require only light configuration and minor back-end alignment with [Bank Name]’s core systems to ensure proper data mapping and account setup. By housing these accounts directly with [Bank Name],

⁵ American Bankers Association. (2024, November 6). *ABA survey: Mobile apps most popular tool to manage bank accounts*. ABA Banking Journal. <https://bankingjournal.aba.com/2024/11/aba-survey-mobile-apps-most-popular-tool-to-manage-bank-accounts/>

the Bank can retain the full value of customer deposits and interchange income, as well as making the transition from youth banking to adult banking easier, reinforcing the long-term financial benefit of this initiative. The platform will comply with the Children’s Online Privacy Protection Act (COPPA) and maintain enterprise-level cybersecurity standards. Additionally, the Bank will configure a persona-specific digital journey within Q2 that focuses on delivering timely guidance, offers, and education as customers progress through key life-stage moments.

The strategy is guided by four target personas developed through research and analysis of marketing data and generational trends. Savvy Students (ages 13–18, *Appendix 1*) are digital-friendly students forming their first financial habits and motivated by gamified, reward-based learning. Emerging Adults (ages 18–24, *Appendix 2*) are college students or young professionals beginning to manage income, credit, and expenses. Young Planners (ages 25–34, *Appendix 3*) are career builders and family starters balancing savings, debt management, and long-term goals. Established Professionals (ages 35–44, *Appendix 4*) are managing households, investments, and education savings, while seeking simplicity and trusted financial guidance. These personas provide a framework for designing education, digital tools, and outreach that evolve alongside each customer’s financial life. The personas will influence a distinct digital experience, outreach techniques, and product recommendations that will meet customers where they are and guide them along their financial journey.

Persona-based Value Proposition and Journeys

For Savvy Students, the value proposition centers on confidence and accountability, focusing on gamified learning, savings goals, and parent-approved access that make the development of critical money skills achievable. For Emerging Adults, the value proposition is continuing on the current momentum and introducing financial controls, ensuring fast digital

onboarding, early direct deposit, debit and credit-building tools, and practical financial-literacy content that is tied to the “school-to-work” transition. For Young Planners, the value proposition focuses on progress and simplicity, introducing the concept of a savings plan with automated savings, budgeting tools and insights, home-buying readiness, and debt-management guidance that is all embedded in their mobile digital experience. For Established Professionals, the value proposition focuses on optimization and family planning, incorporating an integrated financial view across all of their accounts, proactive financial checkups, introducing college-savings and mortgage options, and referrals to partners such as Wealth or Home Loans as appropriate. Across all four of these personas, the Bank will leverage Salesforce triggers and Q2 prompts to nudge each ‘next best action’ at the right time for the customer.

Alternatives Considered

Several potential initiatives were evaluated before selecting this strategy. One alternative is to focus primarily on digital marketing and advertising campaigns to attract younger customers through social media, influencer engagement, and targeted promotions. While this approach could have generated visibility, it lacked the relationship depth and measurable engagement needed to create lasting connections.

A second option involves introducing new youth deposit products or incentive-based programs to drive short-term account growth. Although promotions could boost acquisition, they often attract rate-sensitive or promotion-driven customers who do not maintain long-term relationships once incentives expire. This option did not include the development of long-term tools and resources to attract and retain lifelong banking relationships.

Another alternative is to expand [Bank Name]’s existing community outreach programs by partnering with schools, nonprofits, and local organizations to deliver in-person financial

education. While this approach would strengthen the bank's presence within the community, it would have limited scalability and tracking capability without a digital platform, and would have only solved one small part of the problem.

Ultimately, the selected strategy is to combine financial education, technology integration, and relationship banking, to provide the strongest opportunity for sustainable growth. This decision is especially critical given that roughly 70% of existing customers are age 45 or older, creating an aging portfolio that poses a long-term challenge for sustainable growth and relationship retention. While the bank has strong loyalty among mature clients, fewer customers in younger demographics are establishing primary banking relationships at the same rate. This initiative not only addresses the limitations of the alternatives considered but also aligns directly with [Bank Name]'s broader mission and strategic priorities of linking education, technology, and relationship banking to deliver measurable and continued growth. By explicitly and intentionally designing a customer journey and offer for each persona, the Bank avoids one-sized-fits-all tactics that often underperform with customers across varying age ranges and demographics.

Alignment with Mission, Strategy, and Competitive Advantage

This initiative directly supports [Bank Name]'s mission: “[*bank mission*].” It aligns with the bank's priorities of customer growth, operational excellence, and community leadership by merging education, technology, and relationship banking into one combined strategy.

According to the FDIC's 2023 National Survey of Unbanked and Underbanked Households, young adults remain disproportionately represented among those without access to traditional banking services, highlighting an opportunity for banks to expand inclusion into this

demographic through early relationship-building.⁶ Additionally, recent research by the National Endowment for Financial Education (NEFE) found that nearly 80% of U.S. adults believe financial education should be a required course in high school, highlighting a national consensus that education to establish foundational money skills are lacking in the classroom.⁷ At the same time, a 2025 Bankrate survey found that 43% of Americans say money is negatively impacting their mental health.⁸ Together, these findings underscore both the educational gap and the emotional strain surrounding financial wellness, which are two areas where banks can make a measurable difference through early education and continued relationship banking. These national trends emphasize the importance of combining financial literacy with accessible digital tools that allow customers to bank easier.

Fintech competitors have attracted younger audiences by offering intuitive digital experiences and gamified tools, but they lack the trust and relational depth that banks like [Bank Name] provide. By implementing a plug-and-play youth-banking solution within Q2 Online Banking and pairing it with educational content from a financial-literacy vendor such as Zogo Finance or Banzai, [Bank Name] will deliver a seamless experience that combines innovation with reliability. Both vendors align with [Bank Name]'s goal to deliver an interactive and measurable learning experience that integrates into the existing digital banking platform. Zogo's gamified approach to financial education allows customers of all ages to build knowledge

⁶ Federal Deposit Insurance Corporation. (2023). National Survey of Unbanked and Underbanked Households. FDIC. <https://www.fdic.gov/analysis/household-survey/>

⁷ National Endowment for Financial Education. *Poll: Majority of U.S. adults want financial education in high schools*. (2025, April 16). <https://www.nefe.org/news/2025/04/poll-majority-of-us-adults-want-financial-education-in-high-schools.aspx>

⁸ Bankrate. *Survey: 43% of Americans say money is negatively impacting their mental health*. (2025, April 30). <https://www.bankrate.com/banking/money-and-mental-health-survey/>

through interactive, reward-based learning while engaging directly within the [Bank Name] online banking system.⁹

Each of the four personas benefit uniquely from this holistic approach. Savvy Students will engage through gamified lessons that make financial learning fun and rewarding, while Emerging Adults will access practical, mobile-based education focused on credit, budgeting, and savings. Young Planners will receive proactive support through Salesforce triggers tied to major life events such as marriage or homeownership. Established Professionals will benefit from family-linked tools and access to advisory resources that connect personal banking, investments, and college savings.

To support outreach to our local communities, this plan also includes a short-term gig role within the Workplace Solutions Team dedicated to building partnerships with middle schools, high schools, and community colleges, as a pilot for future expansion of this role. This Teammate will coordinate classroom presentations, workshops, and community events that align with state financial-literacy education standards. By embedding financial education directly into the community, [Bank Name] strengthens its reputation as a trusted, local financial partner. Upon conclusion of the pilot, this role would be expanded to partner with the existing Workplace Solutions Teammates across the [Bank Name] footprint to deliver financial-literacy tools to students and teachers.

In order for this project to reach its full potential and level of success, the bank would rely on collaboration across multiple departments. Marketing will manage brand messaging and awareness campaigns; Digital Banking will oversee configuration, testing, and implementation of the white-labeled solution; Product Support will ensure compliance and product design; and

⁹ Zogo Finance. *Gamified financial education that drives engagement across generations*. (2025). <https://zogo.com/>

Sales and Service will provide Teammate resources, training, and coaching. Wealth and Wholesale Banking Teams will participate in cross-sell opportunities that connect families and businesses, reinforcing [Bank Name]'s community-based competitive advantage.

What differentiates this strategy from others is its combination of leveraging [Bank Name]'s brand and community trust with precise and pertinent personalization. The Bank will link school, campus, and employer partnerships with in-app journeys tailored to each persona, creating a flywheel where education creates engagement, engagement generates product sales and adoption, and product adoption deepens the relationship, which leads back to the need for more education. This approach scales [Bank Name]'s relationship banking model without losing the local community focus that is a core tenet of the Bank's brand.

Resources Required

The initiative will rely on a coordinated blend of financial, human, and organizational resources to ensure effective execution and sustainability.

Financial resources will support four key areas of the strategy. First, the monetary investment will cover the licensing or subscription fees for the selected youth-banking platform and financial-literacy vendor, as well as system integration and testing within Q2. Second, funds will support marketing and outreach, including campaign design, event sponsorships, and localized advertising targeted at each persona's preferred communication channels. Third, training and development resources will be used to create e-learning modules, job aids, and virtual workshops for Teammates, allowing Market Leaders, Branch Managers and trainers to become certified in the Next-Generation Customer Playbook. Fourth, technology funds will support Salesforce workflow automation, persona tagging, dashboards, and survey tools to measure engagement and education outcomes. Marketing funds will be allocated by persona so

themes, channels, and offers can be tested and scaled based on measurable response from each age segment.

Human resources will include Teammates from across the bank. Consumer Banking Leadership will sponsor and guide the initiative, Digital Banking will lead configuration and vendor testing, and Product Support will ensure that all offerings remain compliant and appropriate for each age group. Marketing will manage the external customer communications, while Learning and Development will provide ongoing training. Consumer Banking Administration will oversee standard procedures and escalation processes, and Workplace Solutions will coordinate educational partnerships, supported by the temporary gig role. Market Leaders and Branch Managers will execute the strategy locally, while Wealth and Wholesale Banking partners will participate in family and business relationship development. Branch Teammates will deliver the product tools and resources directly to customers and prospects through targeted initiatives and conversations in-Branch as well as in the community. Branch Teammates will also be equipped with persona cues and conversation guides so their outreach feels natural and specific to the customer's life stage.

Organizational resources such as Salesforce and Q2 will serve as the backbone for tracking progress and engagement. Salesforce will manage lead capture, persona tagging, and milestone-driven outreach, while Q2 will host the educational and youth-banking modules, offering secure single sign-on access and analytics. A shared dashboard will display adoption rates, educational completions, and engagement trends across markets, leveraging the data to help drive and shape the long-term success of the program. The use of standardized persona tags in Salesforce will help enable consistent measurement of acquisition and engagement, as well as cross-sell by age group.

The governance of this strategy will be maintained through a steering committee chaired by Consumer Banking Leadership with representation from Sales and Service, Marketing, Product, Digital Banking, and Compliance. This group will meet bi-weekly during pilot execution and monthly following rollout to review milestones, risk, and performance. Scalability planning anticipates that many of the resources and materials created will be reusable for future market expansion, minimizing incremental costs while ensuring a plan for long-term engagement. Together, these resources ensure the initiative is operationally sound, financially efficient, and scalable across the Bank's footprint.

Process Changes or Improvements

There will be several process updates that will be introduced to ensure the multi-persona strategy is consistently visible in the daily customer experience, including digitally, in-Branch, and in the community. A standardized onboarding process will guide youth and young-adult customers through digital setup, education, and family participation. A Next-Generation Customer Playbook will be developed as a living document that outlines persona characteristics, recommended products, referral opportunities, and conversation guides for Teammates. It will also define life-stage triggers, such as graduation, marriage, or homeownership, that prompt proactive outreach through Salesforce workflows. The Playbook will also include persona-specific 'if/then' scenarios that will outline actions to take when certain events have occurred. For example, if an Emerging Adult completes a financial-literacy budget module, then they would be prompted with credit-building education and a credit-builder product offer.

As part of this effort, [Bank Name] will evaluate financial-literacy vendors capable of providing education for all age groups, with gamified learning designed for youth and adaptable content for adults. Vendors such as Zogo Finance, Banzai, EVERFI, among others will be

assessed for integration capability, content diversity, and alignment with [Bank Name]’s defined personas. The selected vendor’s curriculum will align with state educational standards and will be embedded directly into Q2 and the youth-banking platform, connecting education with real-world financial activity. The selection of the financial-literacy curriculum will also prioritize a wide range of content across all ages, and the ability to attribute product engagement to learning progression.

The Workplace Solutions Team will play an expanded role in connecting [Bank Name]’s business, community, and educational outreach. A partnership model will align financial education and relationship-building across schools, colleges, and employers, creating a scalable framework that supports financial literacy at every life stage. Outreach will begin with middle and high schools through classroom presentations, workshops, and digital tools aligned with state financial literacy curriculum. Partnerships with community colleges and universities will focus on budgeting, credit, and financial readiness, helping students gain practical knowledge while providing the access to start banking relationships. These efforts will leverage the Workplace Solutions Team’s foundation of employer partnerships to deliver consistent financial education across the communities of [Bank Name]’s footprint.

To accelerate this Workplace Solutions strategy, a short-term Education and Outreach Specialist role will be established to coordinate school and college partnerships, organize events, and ensure alignment with [Bank Name]’s financial education initiatives. Once the framework is established and measurable results are achieved, this position will evolve into a permanent role supporting long-term community engagement for [Bank Name]’s footprint. Together, the expanded model and dedicated specialist will strengthen [Bank Name]’s presence in schools and workplaces.

Future Opportunities and Scalability

Over time, the Bank will expand its persona-specific product pathways that reflect the various life-stage needs of the customer. For Savvy Students, this includes savings goals with parent-approved funding, teen debit controls, and educational continuity that reinforces good money habits; for Emerging Adults, that includes starter credit, savings automation, and first-paycheck tools; for Young Planners, first-time homebuyer readiness, auto pre-qualification, and family budgeting; for Established Professionals, bundled checking-mortgage-investment options and family banking features. Each pathway will be supported by in-app prompts and advertisements, and Branch conversations will reinforce the next best step forward.

This initiative is designed to be scalable, sustainable, and adaptable as technology and customer preferences evolve. Once launched, the platform can expand to include incentives for completing educational modules, family-based savings challenges, and tiered rewards that encourage ongoing engagement. The Next-Generation Customer Playbook will be a living document, updated often to ensure it remains relevant and pertinent to the changing demands and needs of upcoming and aging generations. The educational component can grow through partnerships with additional vendors, allowing [Bank Name] to offer advanced learning on investing, entrepreneurship, and financial wellness for all age groups.

The integration with other lines of business will help create opportunities to expand relationships throughout a customer's lifetime. Wealth Management can leverage family-banking connections for Established Professionals to offer college savings and investment planning. Mortgage and Business Banking can reach Young Planners and Established Professionals as they transition into homeownership or business ownership. This collaboration will help maximize customer lifetime value and increase retention across generations. The

development of clear referral pathways within Salesforce will translate milestones into warm handoffs to partners such as Mortgage or Wealth, ensuring that advice arrives for a customer when it is most valuable.

As this initiative develops, [Bank Name] can expand its digital education tools by working with a financial literacy partner to introduce new learning tracks, personalized modules, and family-linked dashboards that track progress together. This partnership will also allow [Bank Name] to gather data on learning engagement, helping the bank continually adapt and personalize the customer experience, and tailor it to different customer demographics.

Looking ahead, [Bank Name] can continue to grow this initiative into a full “Financial Empowerment System,” connecting education, savings, lending, and investment in one cohesive experience. Data and insights from Salesforce and Q2 will be used to measure engagement and identify trends that guide future marketing and product development. Externally, the bank can deepen partnerships with local school districts, educational foundations, and community organizations to expand outreach and increase visibility. These partnerships will further reinforce [Bank Name]’s role as a trusted advocate for financial literacy and financial wellness.

By capturing the next generation of customers while continuing to serve the needs of existing clients, this strategy directly addresses the bank’s aging customer base and positions [Bank Name] for sustainable and long-term growth. Over time, this initiative will ensure a balanced portfolio of relationships by leveraging established trust with future opportunities.

My Role in the Project

As Consumer Banking Regional President for the East Region, I will have an active role in leading the project design, coordinating collaboration across key departments, and overseeing pilot implementation and early rollout across our pilot Market/s. I will assist in vendor selection,

guide the development of the Next-Generation Customer Playbook, and coach Market Leaders on embedding financial education and digital engagement into daily Branch activity. Partnering with Workplace Solutions, I will ensure community outreach efforts align with [Bank Name]’s mission of enriching the lives of the people and communities we serve. Through this role, I will help ensure the project not only delivers measurable results, but also exemplifies the Bank’s commitment to innovation, education, and community partnerships. I will ensure that persona standards are embedded in Playbook Training, project reviews, and campaign planning so that each Branch can translate the strategy into consistent and relevant execution.

Implementation Plan

The following Implementation Plan outlines how [Bank Name] will carry out this Next-generation Customer Acquisition initiative, from vendor selection and role development, to pilot testing, marketing activation, and full rollout. Each phase is designed to ensure collaboration exists across key departments, maintain alignment with the Bank’s mission, and provide a clear, step-by-step roadmap for sustainable growth and engagement across generations of future customers.

Identification of Key Stakeholders and Buy-In Strategy

This initiative will require collaboration and approval from key stakeholders across the Bank, including Consumer Banking Leadership, Marketing, Digital Banking, Product Support, Sales and Service, Learning and Development, Workplace Solutions, and Compliance. Buy-in from the necessary stakeholders will be achieved by clearly linking the project to [Bank Name]’s goals for organic customer growth and retention.

For senior leadership, the business case centers on expanding lifelong customer relationships, deepening community engagement, and building sustainable deposit growth. For

Marketing, Digital Banking, and Product Support, the focus will be on operational efficiency and ease of implementation, by leveraging plug-and-play technology that enhances the digital customer experience with minimal development work. Workplace Solutions will support the effort because it strengthens the Bank's outreach to the public and enhances the Bank's visibility as a trusted community partner. Branch Leaders will see value through the introduction of new customer acquisition tools, improved engagement tracking, and opportunities to grow relationships at the Branch level. Ongoing communication through steering committee updates, Market calls, and progress dashboards will maintain alignment and support throughout implementation.

Implementation Plan - Phase 1 (Planning and Vendor Selection)

The first phase of implementation establishes governance of the project, defines roles for members involved, and builds the foundation required for a successful pilot rollout. A steering committee led by Consumer Banking Leadership will facilitate all project activities, implement timelines, and monitor milestones. Members of the steering committee will include representatives from Consumer Banking Leadership, Digital Banking, Marketing, Product Support, Workplace Solutions, Sales and Service, Learning and Development, Compliance, and IT. The committee will meet bi-weekly during the development period, transitioning to monthly once the pilot begins. Along with the youth-focused planning, this phase will also establish the framework for broader integration of the personas within Digital Banking and Marketing, ensuring that the design of future campaigns and digital journeys addresses all four personas consistently.

The evaluation of potential vendors will be led by Digital Banking and Product Support, with participation from Consumer Leadership, Sales and Service, and Strategic Sourcing.

Financial Literacy vendors such as Greenlight, Rego, Boucoup, Zogo Finance, Banzai, EVERFI, and others will be reviewed against a structured scoring matrix evaluating curriculum design, gamification, integration feasibility with Q2, accessibility, and adherence to privacy and COPPA standards. Initial testing will be conducted to confirm system compatibility and usability, while IT and Digital Banking will conduct data-flow validation and security testing. These evaluation steps will result in a signed vendor contract, configuration plan, and testing documentation to confirm readiness for the pilot phase to begin. As part of this evaluation, Digital Banking will also assess the opportunity to embed and include age-appropriate content within Q2 for the personas, such as goal-setting tools, credit-education modules, and family-linked account experiences that will encourage progression through each stage of life.

While potential vendors are being evaluated, Consumer Banking Leadership, Learning and Development, and Sales and Service will create the Next-Generation Customer Playbook, which will serve as a comprehensive guide for Teammates for customers ages 13–44. The Playbook will include persona overviews, product recommendations, referral paths, Salesforce workflows, and examples of Branch-level outreach. Once drafted, it will be reviewed by Market Leaders and a sample of select Branch Managers for feedback and improvements, and Learning and Development will build a required e-learning certification for all pilot Teammates. In addition to the financial-literacy resources, the Playbook will serve as the core resource for persona-specific engagement strategies. For each persona, it will detail communication channels, product triggers, and life-stage outreach moments. For example, it will help the Branch Teammates identify opportunities for college-savings conversations with Savvy Students, budgeting tools for Emerging Adults, home-buying discussions with Young Planners, and investment or education-planning referrals for Established Professionals.

Concurrently, Workplace Solutions will begin to develop the Education and Outreach Specialist role, which will initially function as a gig role during the pilot phase of the project. This development will include the creation of a job description, a hiring timeline, and budget for the role. Marketing will finalize creative direction and key messages for each of the four personas; Savvy Students, Emerging Adults, Young Planners, and Established Professionals. The goal for Marketing will be to ensure that the campaign messaging and assets align with [Bank Name]'s brand voice. By the end of Phase 1, vendor selection, Playbook completion, Specialist hiring, and all Marketing campaign materials will all be finalized, allowing for a seamless transition into the pilot phase. The end of phase 1 will also include the development of persona-specific digital journeys within Q2, setting the stage for targeted marketing, personalized product recommendations, and the measurement of customer engagement across all ages.

Implementation Plan - Phase 2 (Pilot Execution)

The pilot phase introduces the program in the Shore and Fredericksburg-Hanover Markets within the East Region, chosen for demographic diversity, Branch location, and existing community relationships. This stage fully integrates all components of the strategy, from technology to Teammates resources. Select pilot Branches will begin training as Phase 1 concludes, ensuring that there is no delay between planning and deployment. Each participating Branch will designate a Branch Champion to oversee implementation and share progress to their Market Leaders and the project team. While the pilot will emphasize the implementation of the youth-banking program and financial-literacy integration, it will also test some targeted outreach strategies for all four personas. Marketing and Digital Banking will work together to run limited

digital campaigns tailored to the four personas, to test the effectiveness prior to the full rollout of the project.

Digital Banking will activate the youth-banking platform to live production, supported by IT to validate permissions, authentication, and account setup workflows. At the same time, Learning and Development will complete certification training for all pilot Branch Teammates using the Next-Generation Customer Playbook. Measurable achievements from this phase will include Teammates completing training and becoming certified in the Next-Generation Customer Playbook, a fully operational youth-banking platform, and live Salesforce workflows for persona tagging and engagement tracking. Weekly reports from the Branch Champions, as well as metrics from the Digital Banking team, will provide updates to the steering committee, ensuring the early identification of technical or operational adjustments that need to be made.

The Education and Outreach Specialist will begin their outreach to create school and college partnerships, lead classroom presentations, and hold community events in collaboration with the Workplace Banking Solutions Team. Measurable achievements from this activity will include scheduled event calendars, attendance logs, and participant feedback summaries.

Marketing will launch localized campaigns across digital, social, and community channels, targeting each persona with customized content and calls-to-action. Campaign analytics will be captured and reviewed weekly for any adjustments that may need to be made.

The success of the Pilot rollout will be measured using a combination of varying metrics; including the measurement of growth in youth and young-adult account openings, the adoption of the youth-banking platform, the completion of digital learning modules by customers, in-classroom participation metrics, and customer satisfaction survey results. Monthly debrief sessions will consolidate lessons learned for continuous improvement. At the conclusion of the

pilot, findings will be compiled to guide enhancements and inform the enterprise rollout.

Additional metrics will track customer engagement by persona, including new customer acquisition, product cross-sell conversations, and participation in the financial-wellness events.

This data will assist in refining how [Bank Name] will position products and tailor communications for each life stage during the enterprise-wide rollout.

Implementation Plan - Phase 3 (Evaluation and Enhancement)

The next phase of the Implementation Plan focuses on analyzing pilot results, refining the tools and resources available to the front-line Teammates, as well as validation that the project is ready for a bank-wide rollout. Consumer Banking Leadership and the appropriate stakeholders will prepare a comprehensive Pilot Evaluation Report summarizing the outcomes, financial impact, and operational lessons learned. The steering committee will review data from Salesforce and the financial-literacy platform, which will be used to assess engagement trends, account growth, and ROI for the program. This review will also include performance analysis across all personas, evaluating the success of the marketing campaigns, adoption of the digital tools, and overall growth within each age group. These insights will directly contribute to the evolution of future campaigns, product bundles, and the digital experience to ensure [Bank Name] continues to meet the needs of each generation of customers.

The Learning and Development team will update the Next-Generation Customer Playbook based on Teammate feedback learned from the pilot. Enhancements to the Playbook will include examples of success, best practices learned from Branch Champions, and refined transaction and process workflows. There will also be e-learning modules that will be updated or created to incorporate scenario-based needs assessments, short video demonstrations, and role play activities. The Marketing team will review their existing advertising messaging and revise

the message and targeting strategy based on performance data. They will also work on creating a library of templates and creative assets for customer marketing use going forward. The updated Playbook will also include new persona-specific stories gathered from the pilot, which will highlight the best practices for engagement with each persona.

The Workplace Solutions team will evaluate the impact of the Education and Outreach Specialist role and present a staffing proposal for permanent expansion to the entire bank footprint. Additionally, Marketing and Product Support will develop cross-persona product bundles and a referral pathway. For example, as Emerging Adults complete financial-literacy milestones, they may receive personalized offers for credit builder products, while Established Professionals may receive incentives that encourage expanding their savings, lending, or investment relationship with [Bank Name].

Implementation Plan - Phase 4 (Full Rollout and Integration)

Once the Bank has completed the review of the pilot program and made the necessary improvements and refinements, the initiative will expand Bank-wide. All Branches will receive access to the youth-banking platform for their customers, in addition to all other resources for the project. This will be distributed through standardized training and review of the resources. Learning and Development will require Playbook review and certification for all Teammates and incorporate the e-learning module into the onboarding training for new hires. Regional Presidents and Market Leaders will monitor the adoption of the program through Salesforce dashboards and business reviews, ensuring consistent execution across all Branches. As the program expands enterprise-wide, persona-specific digital experiences within Q2 will be fully implemented. Each age group will see tailored dashboards, personalized offers, and educational

prompts reflecting their financial goals and life stage. These digital journeys will be refined as needed using information learned from the pilot phase.

The Marketing team will launch a multi-channel brand campaign highlighting [Bank Name]'s leadership in financial education and community partnership, including lessons learned from the Pilot phase. Campaigns will run across digital, print, social media, and local sponsorship channels, showcasing customer success stories and community engagement, specifically tailored to the varying ages and demographics within each persona. This campaign will include campaign reporting, persona-specific targeting data, and monthly performance analytics. Beyond financial-literacy messaging, Marketing will launch an ongoing persona-based content series that will feature educational topics such as college preparation, career advancement, homeownership, or family financial planning to name a few. The Marketing campaigns will be staggered quarterly so that each persona receives a continuous and relevant advertisement that aligns with their life-stage financial priorities.

Workplace Solutions will expand financial-literacy outreach across additional school districts, community colleges, and other community partners, with the addition of more Education and Outreach Specialists to the Team. The Education and Outreach Specialists will manage their own local relationships, track participation metrics across these relationships, and ensure adoption of the program and resources. Consumer Banking Leadership will review rollout progress monthly, with quarterly scorecards distributed to leaders highlighting engagement, account growth, and educational impact.

With the full rollout of this project complete, maintaining long-term performance and relevance will depend on continued evaluation and program evolution. By the end of this phase of the Implementation Plan, the initiative will be fully incorporated within [Bank Name]'s

culture and operations, driving ongoing growth, engagement, and community impact for years to come.

Sustainability and Continuous Improvement

Following the rollout of the project, this initiative will transition into a sustainable operating model supported by continuous program evaluation and refinement. The Next-Generation Customer Playbook will be reviewed annually to incorporate new products, life-stage triggers, and evolving customer preferences based on customer needs. Marketing, Digital Banking, and Learning and Development will meet quarterly to update marketing campaigns, review customer and program analytics, and revise or improve training materials. Through this, each persona's performance metrics will also be evaluated, including digital engagement, product adoption, and customer retention. The insight gained from these reviews will help tailor and shape future marketing campaigns, as well as enhancements to the Playbook and digital tools. Workplace Solutions will maintain long-term partnerships with schools and community organizations, expanding outreach as new opportunities arise. Consumer Banking Leadership will conduct semiannual ROI and engagement reviews to ensure measurable impact.

As technology and customer expectations evolve, [Bank Name] will expand its financial-literacy content to include advanced modules on investing, entrepreneurship, financial wellness, among other new and interesting topics. This continued evolution of the financial-literacy content will sustain the Bank's competitive advantage and reinforce its role as a trusted financial partner for all generations.

The successful implementation of this initiative will create measurable operational and cultural impact across the organization. As the program expands from the pilot stage to bank-wide scale, its results will be evaluated through financial performance and non-financial

outcomes. The next section will outline these expected impacts in greater detail, illustrating how this initiative will contribute to [Bank Name]'s sustained growth and its mission to enrich the lives of the people and communities it serves.

Financial Impact

The Next-Generation Customer Strategy requires a focused and intentional investment to ensure the bank is equipped to attract, onboard, and deepen relationships with younger customers. This section outlines the full scope of the investment needed to implement the program successfully, beginning with a two Market pilot before expanding across the entire bank footprint. Because the program begins with a controlled pilot, the investment is intentionally staged, with technology, marketing, and training front-loaded to support strong strategy execution from day one.

The technology investment includes a one-time \$35,000 platform setup fee to support system integration, vendor onboarding, digital configuration, and initial testing. In order to implement this technology, [Bank Name] will need to allocate internal resources from IT, risk, product, and compliance for due diligence, data review, and development support. The internal labor required for this work is valued at approximately \$35,000. These two components represent the foundational investment needed to ensure the platform is implemented correctly and aligns with the bank's standards for security and regulatory oversight, as well as ensure successful integration with the core banking system. Once the foundation of the platform is in place, the next requirement is creating awareness and driving adoption through targeted outreach.

Marketing is also a major part of the upfront investment for this Next-Generation Customer Strategy. An estimated \$175,000 will be needed for the strategy launch, and will support targeted digital outreach, geofencing, USPS Informed Delivery, in-Branch materials, and

creative development. The target audience of customers aged 13 to 44 engages heavily through mobile channels, so this campaign must be strong enough to reach them where they already spend their time. The American Bankers Association's 2025 Consumer Banking Preferences Survey found that 63% of Gen Z and 67% of Millennials use mobile apps as their primary method of banking, reinforcing the need for a mobile-first approach.¹⁰

The pilot is also designed to generate performance data that can be used to refine advertising positioning, creative messaging, and delivery channels before the full rollout. Following the pilot, an additional \$60,000 in content and creative updates will ensure that the full strategy rollout reflects customer feedback, engagement data, and refinements learned during the initial phase.

Training is another essential component for the strategy launch. The project includes a \$100,000 allocation to prepare Branch Teams, leaders, and support groups. Training costs will cover the development of new tools, customer conversations, financial education resources, youth-account features, and operational procedures. Consistency across the pilot markets is critical to the success of the strategy, and the quality of execution in the Branch directly influences early adoption and customer experience.

Ongoing costs for the strategy include annual subscription fees for the platform, which begin at \$64,800 and increase modestly each year, along with an annual \$175,000 marketing investment to keep the program visible and relevant. Younger customers expect ongoing digital engagement and maintaining that digital presence is essential for customer growth and retention. The bank also needs to dedicate program management support (valued at \$85,000 annually) to oversee vendor relationships, reporting, analytics, campaign execution, and internal coordination.

¹⁰ American Bankers Association & Morning Consult. (2025). *Consumer Banking Preferences Survey*. <https://www.aba.com/about-us/press-room/press-releases/national-survey-preferred-banking-methods>

This ensures continued alignment across retail, marketing, digital, and operations as the program scales. Beyond the operating requirements of the program itself, the bank's capacity to fund the investment and sustain the funding over time is an important part of the financial justification.

[Bank Name] is in a strong position to make a long-term investment of this nature. The bank's stable balance sheet, consistent earnings performance, and disciplined approach to credit and expense management create the flexibility needed to invest in programs that strengthen future organic customer growth. What makes this initiative appropriate now is not only the financial capacity, but also alignment with the bank's broader strategic direction, along with aligning with the way the next generation of customers make financial decisions. This program supports early engagement among potential customers, helps younger customers build financial confidence, and establishes trust at a point when lifelong financial habits begin to form. Competing institutions, particularly FinTechs, continue to expand aggressively in this demographic, and choosing not to intentionally focus on attracting a younger demographic, risks losing relevance with a demographic that will drive long-term deposit and lending growth. Investing at this stage positions the bank to grow alongside younger households, reinforces its role within the communities it serves, and creates durable relationships that contribute to long-term profitability and market presence. This initiative is both appropriate and achievable and provides a strong foundation for strengthening the bank's future customer base. From a financial perspective, the next step is to turn this investment into expected performance outcomes across deposits, lending, fee income, and customer retention over time.

Financial Expectations

In order to understand the full financial impact that this strategy will have on the bank, it will be important to review the expected growth in deposits, loans, fee income, and customer

retention over a five-year period. These benefits scale gradually as adoption increases and as customers mature into deeper financial needs. A large portion of the costs involved, specifically technology, marketing, and training, are incurred early in the project, while the financial benefits build gradually over time. This structure is typical of digital customer-acquisition strategies and is reflected in the projection below. The financial analysis presented in the upcoming sections represents a pro-forma evaluation of the Next-Generation Customer Strategy over a five-year period. The analysis combines projected revenue growth, operating expenses, and retention-related benefits to assess the overall financial impact of the strategy. The financial projections represent the phased implementation of the strategy, beginning with the pilot and transitioning to the full deployment across the bank's footprint. The financial analysis does not include accounting net income, but does provide a strategic view of the financial contribution of the strategy by reviewing direct revenue and long-term economic value that will be created through retention and expansion of the bank's customer base. The sections below outline each revenue driver and the role it will play in building the overall financial impact of the strategy. Details of the financial projection assumptions can be found in Appendix 5.

Deposit Growth

Deposit growth is the first and most consistent financial benefit that will result from the adoption of this strategy. As new customers join the bank, they are expected to bring an average of approximately \$9,000 in combined checking and savings balances. This assumption is supported by national data from the Federal Reserve's Survey of Consumer Finances, which shows median transaction balances ranging from \$5,400 for households under 35 to \$7,500 for households aged 35 to 44.¹¹ This assumption is conservative and includes accounting for

¹¹ Federal Reserve Board. (2022). *Survey of Consumer Finances*.
<https://www.federalreserve.gov/econres/scfindex.htm>

customers with varying income and savings behaviors across the younger customer demographic.

Since some of these new deposits will come from younger customers who tend to hold lower balances initially, deposit growth occurs steadily over time as customers progress through different life stages. As customers age into higher-earning years, their deposit behavior generally strengthens, leading to larger balances and increased balance stability. The bank can see a benefit from these deposits immediately as a source of low-cost funding. With a current cost of deposits of 2.18%, compared to a net interest margin of 3.83%, the spread provides a strong foundation for increasing net interest income.¹² While deposits provide stable funding and immediate balance sheet value, lending and credit penetration represent the next opportunity to deepen relationships and increase revenue per customer.

Lending Growth and Credit Penetration

The next area of financial benefit comes from lending growth and credit penetration. The forecast assumes that roughly 20% of customers will add a credit product (loan or credit card) with an average balance of \$12,000. This assumption is supported by national credit behavior among younger adults. National data shows that younger adults already participate actively across a range of credit products. The New York Federal Reserve reports that borrowers under 40 hold a substantial share of outstanding auto loans, credit card balances, student loans, and personal loans, demonstrating broad and sustained credit usage among this demographic.¹³ These trends confirm that younger customers routinely need credit products as they transition into various stages of employment, transportation needs, education expenses, and household and

¹² [Bank Name] Corporation. (2025). *Q3 2025 Earnings Presentation*. [https://investors.\[bankname\].com/](https://investors.[bankname].com/)

¹³ Federal Reserve Bank of New York. *Household Debt and Credit Report*. <https://www.newyorkfed.org/microeconomics/hhdc.html>

family planning. Based on this behavior, the assumption that approximately 20% of new customers will add a credit product over time is both reasonable and conservative, reflecting the typical trend of borrowing patterns for customers aged 18 to 44 as their financial needs develop and grow.

As these customers build credit history and financial confidence, their demand for borrowing and credit will increase. Lending relationships typically generate significantly higher revenue than deposit-only relationships or fee income, so even modest penetration rates will provide a meaningful effect on the program's financial outcome. Interest income from these loans will continue to grow meaningfully in years three through five, when the customer base is larger and more financially established. In addition to deposit and lending growth, day-to-day customer transaction behavior creates a recurring stream of value through increased fee income.

Fee Income

Fee income provides another reliable source of long-term financial contribution from this project, being driven primarily by debit card usage. National research from the Federal Reserve Bank of Atlanta shows that debit and credit cards are the most frequently used payment methods among younger adults and remain the dominant choice for day-to-day purchases across all age groups.¹⁴ Because debit card usage is one of the primary means of payment within the 18 to 44 demographic, as more customers adopt mobile wallet features, recurring digital payments, and card controls, fee income from interchange becomes a predictable revenue stream as new customers begin using their accounts regularly. Using a conservative estimate of approximately \$50 per active customer per year aligns with national payment behavior and reflects a realistic expectation of how younger customers spend and transact. There will also be modest income

¹⁴ Federal Reserve Bank of Atlanta. *Diary of Consumer Payment Choice*.
<https://www.atlantafed.org/banking-and-payments/consumer-payments/diary-of-consumer-payment-choice>

expected from Overdraft charges and other account service charges, mostly from the population of 25-44. Over time, the value of the strategy is not only driven by new revenue streams, but also by how long customers stay with the bank and how deeply they grow their banking relationship.

Customer Retention Benefit

Customer Retention also plays a significant role in the financial impact of the program. When customers join the bank earlier in their life and receive tools that help them build financial confidence, they are more likely to stay with the same bank over time. For forecasting purposes, the assumption is that there is a 2% annual improvement in retention. Although this improvement may seem small, any improvement to retention will compound the entire customer-base, which will increase long-term deposit balances, credit activity, and fee income.

Accenture's 2025 Global Banking Consumer Study shows that customers who feel known, understood, and supported by their financial institution are far more likely to stay with their primary bank over time, and that advocacy rooted in trust and consistent value is a major driver of long-term relationship strength.¹⁵ By engaging younger customers early in their financial life, introducing digital tools that make daily banking easier, and providing financial guidance that is tailored to each stage of their life, the bank creates the environment that will foster long-term loyalty and retention. Because younger customers who adopt digital services early tend to build and keep habits early on, it is reasonable to expect a modest improvement in retention as these relationships continue to develop with the bank. Even a small incremental increase in retention will produce meaningful long-term value as deposit balances grow and

¹⁵ Accenture. *2025 Global Banking Consumer Study: Advocacy Will Power Your Growth*. <https://www.accenture.com/content/dam/accenture/final/industry/banking/document/Accenture-Global-Banking-Consumer-Study-2025-Report.pdf>

financial needs expand. For this model, retention benefit is not treated as revenue, but instead reflects the value of avoided customer acquisition costs, as well as the increased lifetime contribution of customers who remain with the bank longer.

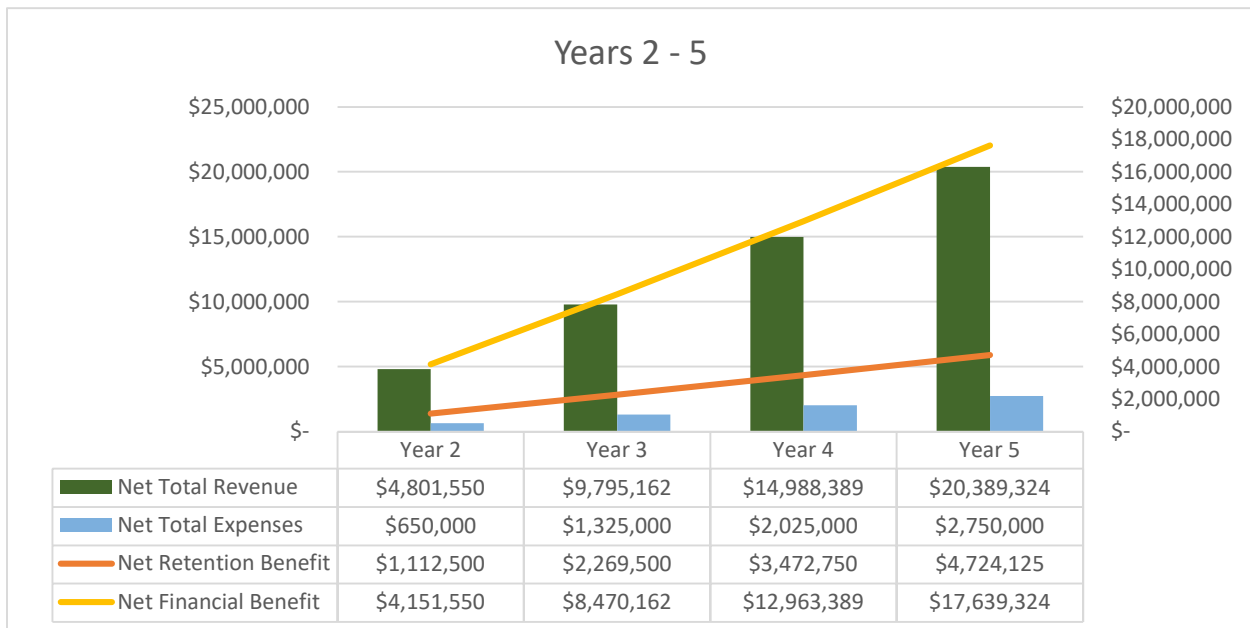
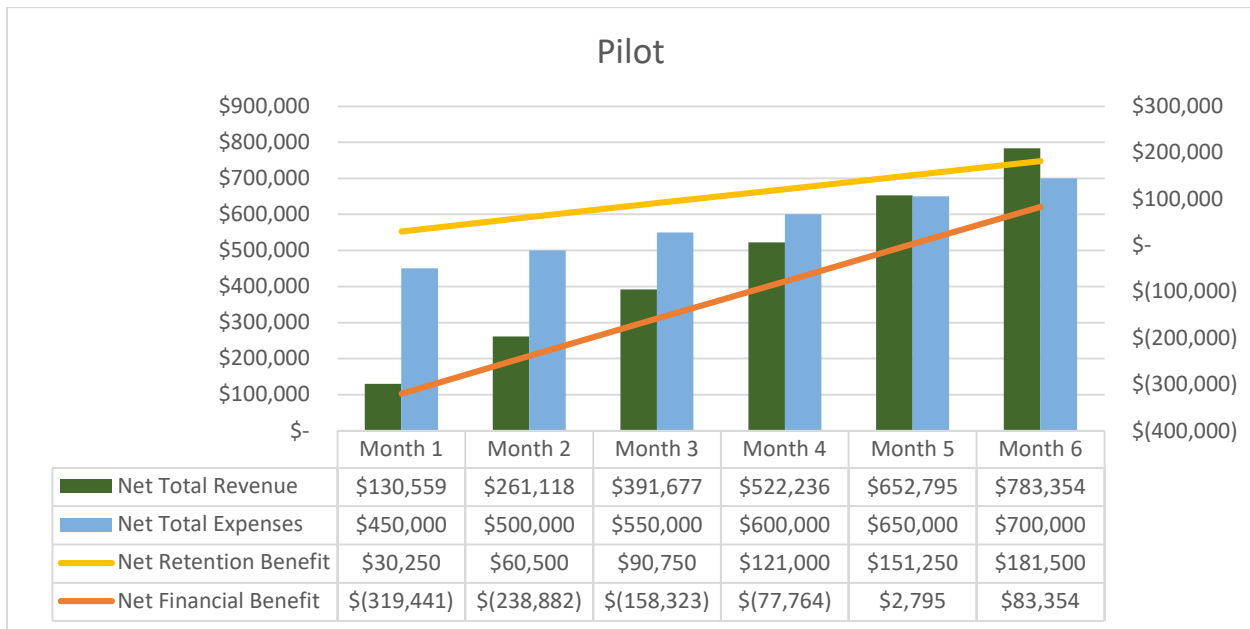
Annual Financial Impact Trend

The financial impact of this strategy follows a natural progression from early investment to long-term contribution, based on a number of key assumptions and projections. A detailed list of the financial assumptions used to develop these projections is included in Appendix 5. The six-month pilot reflects the expected pattern of upfront implementation expenses and gradual revenue generation. Because implementation, training, and launch costs are incurred at the beginning, Month 1 produces a negative net financial benefit, while Months 2 through 6 show steady positive contribution as customers begin funding accounts, using debit cards, and adopting digital tools. This early performance provides a clear indication of how the program will behave at scale.

Once the strategy expands to all Branches in Year 2, the financial trajectory shifts meaningfully. Customer acquisition increases significantly, and the contribution from deposits, lending activity, and fee income grows accordingly. The retention benefit, while not treated as revenue, strengthens the overall financial outcome by reducing the cost of reacquiring customers and extending the lifetime value of those customers who remain with the bank over a longer term.

The two charts below illustrate the progression of revenue from pilot and onward. The pilot chart shows how early adoption builds steadily after the initial investment, and the year 2-5 chart demonstrates how the program generates sustainable long-term value as customer

relationships mature and deepen. These assumptions outline the customer, revenue, retention, and expense inputs that are used as the foundation of the annual financial impact forecast.



Across the five-year period, the program’s benefits steadily grow while expenses remain stable and predictable. The combined impact of deposits, fee income, credit relationships, and retention improvements results in a strong financial foundation that supports the program’s long-

term value. Even before considering broader strategic benefits of brand recognition, community engagement, competitive differentiation, and long-term relationship growth, the financial outlook of this initiative appears compelling and sustainable. Because these projections depend on customer behavior and bank execution, it is also important to evaluate risks that could influence the financial performance of the strategy, as well as review the controls in place to mitigate these risks.

Financial Risk Evaluation

Every strategic investment carries a degree of risk and uncertainty, and the financial projections associated with the Next-Generation Customer Strategy reflect a most likely scenario rather than a guaranteed outcome. Actual results will depend on customer adoption, engagement, execution quality, and broader economic conditions. The risks reviewed below represent the most relevant financial factors that could influence both the timing and size of the projected financial impact during the pilot period and through the full rollout.

Adoption risk represents the most immediate driver of financial performance. The program's financial impact depends on younger customers opening accounts and beginning to actively use the platform across both pilot and expansion markets. The financial impact of the program is also dependent on the parents and families of younger customers also opening accounts and beginning to expand their new relationships. While digital banking and mobile banking adoption remains strong among younger adults, with approximately 63% of Gen Z and 67% of Millennials reporting mobile apps as their primary banking channel, the local adoption within the bank's footprint will ultimately depend on effective marketing execution and consistent Branch-level engagement.¹⁶ If the messaging fails to resonate with the younger

¹⁶ American Bankers Association & Morning Consult. (2025). *Consumer Banking Preferences Survey*. <https://www.aba.com/about-us/press-room/press-releases/national-survey-preferred-banking-methods>

prospective customers or execution varies across markets, customer acquisition could lag and delay the realization of deposit growth, fee income, and future lending opportunities.

Beyond initial acquisition and adoption, the engagement and usage risk plays a key role in determining long-term financial value of the strategy. Fee income, retention-related benefits, and future lending activity depend on whether customers actively use the new digital platform, debit cards, and financial education resources. If younger customers open accounts, but fail to consistently engage with the platform, the expected level of fee income and retention-driven financial benefit may not fully meet the initial projections.

Loan and credit penetration risk represents another financial variable within the forecast model. The projections assume that approximately 20% of customers will add a credit product over time, consistent with national borrowing trends among younger adults. However, loan demand is also sensitive to interest rate environments, credit availability, competition, and other overall economic factors. If younger households defer borrowing or credit decisions or face affordability challenges, lending-related income may grow slower than projected, particularly in the early years of the new program.

The financial outcome is also influenced by operational execution risk. A program of this scale requires coordination across technology, marketing, retail, digital, risk, and operations. Delays in system integration, inconsistent training, staffing changes, or unclear alignment between marketing efforts and Branch readiness could weaken customer experience and slow adoption. These risks are most pronounced during the pilot and early expansion phases, when execution consistency is critical to building trust and establishing early momentum.

Additionally, marketing and messaging risks could further affect financial performance. Advertising effectiveness varies by geography, platform, and audience, while the competition for

younger customers remains strong across the banking industry. If the bank's creative content underperforms or campaigns are mistimed, customer acquisition costs could increase and adoption may fall below projected expectations. The bank will continue to see competition from FinTech firms and larger institutions offering digital-first youth solutions, which will also influence customer decision-making and slow growth.

Broader economic and interest rate conditions introduce additional uncertainty with the adoption of the strategy. Changes in interest rates can affect deposit spreads and loan yields, while economic slowdowns may reduce transaction activity or delay borrowing decisions. Rising unemployment or recession fears among younger households could further restrain spending and credit demand. While the bank's current financial position provides stability, the success of the overall program remains sensitive to macroeconomic conditions.

The financial risks associated with this initiative are realistic and manageable. Most of these risks relate to adoption, engagement, execution, and external economic factors rather than weaknesses within the structure of the plan. The pilot-based approach followed by the full rollout of the program, conservative adoption and growth assumptions, disciplined cost structure, and strong governance and oversight practices reduce negative exposure and allow for the bank to make changes and adjustments as the program scales. While these risks may influence the timing of projected benefits, they do not outweigh the long-term financial and strategic value of building strong and lasting relationships with younger customers.

Risk Mitigation

The design of the Next-Generation Customer Strategy incorporates layers of risk management intended to reduce financial uncertainty, protect the bank from potential financial losses, and allow for adjustments as the program evolves. Rather than relying on a single point

of execution, the strategy is intentionally structured to test, validate, and refine assumptions before expanding across the full Branch network.

The use of a phased pilot approach is the most significant risk mitigation method. By initially launching the program across two Markets, the bank will be able to evaluate customer adoption, engagement patterns, marketing effectiveness, and operational readiness in a controlled and limited environment. Results from the pilot will inform changes and refinements to messaging, training, product positioning, and operational workflows before the program is more broadly deployed across the bank's footprint. This approach reduces the risk of committing full-scale resources before assumptions and projections are validated and will provide early insight into performance drivers that will influence financial outcomes.

By using very conservative financial assumptions rather than overestimating, this will further reduce the risk of overstating the projected benefits of the implementation of the strategy. The average deposit balances, credit penetration rates, fee income estimates, and retention improvements are intentionally set at levels supported by national research and internal experience rather than using more aggressive growth targets. This provides a safety margin if the adoption or engagement develops more gradually than expected, and will also help ensure that the financial model reflects realistic customer behavior learned from the pilot.

From a cost perspective, the strategy emphasizes a large upfront investment with stable ongoing expenses, which limits the long-term financial exposure of the strategy. Once the implementation, training, and initial launch costs are incurred and absorbed during the pilot phase, the ongoing maintenance and marketing expenses remain predictable and scalable. This structure allows the bank leadership to monitor performance against the projections and reassess investment levels if the actual financial results vary significantly from the projections.

The operational controls and internal governance of the strategy play an important role in mitigating the execution risk. A dedicated program management team, cross-department coordination of efforts, and vendor oversight ensure alignment across technology, marketing, retail, digital, risk, and operations. By standardizing the training materials, providing consistent Branch-level guidance, and ensuring there is clear accountability for execution, will help reduce variability in what the customer experiences across Markets, which is critical to successfully driving adoption and engagement.

The marketing and messaging risks are mitigated through data-driven campaign management as well as frequent refinement of the campaign's messaging. Periodic review of key performance metrics related to the digital engagement, account openings, and early usage will provide valuable feedback that can be used to adjust the targeting, creative content, and delivery channels of the bank's messaging. This allows the bank to have tighter control on reallocating the strategies marketing resources toward the most effective tactics.

As a whole, these specific risk mitigation strategies are in place to reduce the likelihood that identified risks will materially undermine the financial performance of the Next-Generation Customer Strategy. While there is still some uncertainty given external factors, the structure of this program has been created to provide flexibility, oversight, and discipline that support a balanced risk-return profile as the strategy is implemented. Even with strong controls, the results from the strategy will vary. The following scenario analysis reviews how financial outcomes may shift under different adoption and operating environments.

Scenario Sensitivity Analysis

The financial projections for the Next-Generation Customer Strategy are based on a 'most-likely' scenario that reflects conservative assumptions, observed customer behavior, and

current market conditions. While this scenario provides a reasonable baseline for evaluating the financial impact of the strategy, the actual performance may vary depending on customer adoption, engagement levels, credit demand, and broader economic factors. Reviewing alternative scenarios will help illustrate how the financial outcomes could change under different conditions and demonstrates the resilience of the strategy across a range of outcomes.

In a ‘best-case’ scenario, customer acquisition and engagement will exceed expectations. Strong performance of digital and grassroots marketing, combined with consistent Branch execution, will drive higher account opening volumes across both the pilot and the full rollout. As a result, deposit balances will accumulate more quickly, accelerating net interest income to earlier in the projection period. Higher account and debit card usage and digital transaction activity will increase fee income above the baseline assumptions, while faster adoption of credit products will increase the lending-related revenue. The improved customer engagement will also strengthen retention beyond the assumed retention improvement, which will further increase lifetime value and reduce ongoing customer acquisition costs. Under this ‘best-case’ scenario, the timing of positive net financial benefit occurs earlier than projected, and the cumulative five-year financial contribution meaningfully exceeds the ‘most-likely’ case.

In a ‘worst-case’ scenario, the customer acquisition and engagement will develop more slowly than anticipated. The effectiveness of advertising and marketing may vary by market, Branch execution may be poor and uneven during the early rollout, or economic uncertainty may cause younger households to delay switching their primary banking relationships or taking on new credit. In this environment, deposit growth, fee income, and lending activity grow at a slower pace, delaying the achievement of net financial benefit. However, the negative risk is constrained by the structure of the program. Once the pilot-related implementation and initial

launch costs are absorbed, the ongoing expenses remain relatively stable, predictable, and adjustable. This allows the strategy's leadership to reassess the performance and adjust the investment levels if necessary, without introducing significant incremental financial exposure. Even in this scenario, customer growth and retention continue to generate value over time, supporting a positive long-term outcome, even with a longer payback period.

The 'most-likely' scenario represents a balanced outcome between these two high and low extremes. It assumes that there will be steady but not aggressive customer acquisition, moderate engagement, and gradual deepening of relationships as customers progress through different life stages. Deposit balances will grow incrementally, credit adoption will develop over time as customer relationships are expanded, and fee income becomes more consistent as digital and card usage habits form. Customer retention will improve modestly as customers establish their primary banking relationship and adopt digital tools early in the new relationship. This 'most-likely' scenario aligns with national research on younger customer behavior and reflects the disciplined design of the strategy, which prioritizes phased deployment, conservative assumptions, and ongoing performance monitoring rather than reliance on accelerated growth.

A review of the varying scenarios demonstrates that while the timing and magnitude of financial benefit may vary, the underlying foundation of the Next-Generation Customer Strategy remains sound. The combination of diversified revenue drivers, controlled operating expenses, and retention-driven value creation supports a favorable financial profile across a variety of realistic operating environments. This review reinforces confidence in the most-likely projections and supports the strategic rationale for proceeding with the investment.

Financial Investment Justification

Based on the financial analysis presented in this section and the assumptions outlined in Appendix 5, the recommendation is to proceed with the Next-Generation Customer Strategy through a two Market pilot followed by a phased rollout across the bank's footprint. The projected growth in deposits, lending activity, fee income, and retention-driven value reflects a conservative and realistic outlook over the five-year period, while maintaining stable and predictable ongoing expenses after initial implementation.

From a financial perspective, this strategy targets core drivers of long-term bank performance, including low-cost deposit growth, gradual expansion of credit relationships, and recurring fee income. These benefits grow over time as customer relationships deepen and engagement increases, consistent with the long-term nature of next-generation customer development.

The pilot structure provides a controlled environment to assess adoption, engagement, and execution effectiveness before full deployment, allowing leadership to validate performance against projections and make informed adjustments as the strategy scales. This recommendation reflects the expected financial contribution of the strategy, the manageable level of risk identified in the analysis, and the bank's capacity to support the investment within its existing financial framework.

Non-Financial Impact

The implementation of a next generation customer acquisition and retention strategy at [Bank Name] creates a distinct set of logistical and organizational challenges due to the bank's scale, recent growth, operating model, and performance culture. While the financial implications of the initiative have been addressed previously, the non-financial challenges associated with

organizational readiness, culture, execution capacity, enterprise alignment, and performance measurement are equally critical to the long-term success of the strategy.

Logistical and Organizational Challenges

One of the most significant challenges is integration-related ‘fatigue’ following recent mergers and acquisitions. These efforts strengthen the franchise over time, but they also increase the volume and pace of change experienced by frontline Teams. While the next generation customer acquisition strategy is much narrower in scale than prior integration projects, introducing an enterprise-wide next generation strategy during this period risks being perceived as one more thing to do rather than as an integrated sales tool, particularly if Teammates feel they are still stabilizing from the prior acquisitions. This dynamic may result in uneven adoption across markets if it is not carefully managed. Integration fatigue could delay adoption from frontline Teammates and materially slow the customer acquisition and engagement assumptions embedded in the financial forecast (Appendix 5).

Closely related to the integration fatigue challenge is the challenge of cultural alignment between the bank’s community banking behaviors and the younger customer’s digital-first expectations. [Bank Name]’s brand is rooted in relationship banking, local decision making, and strong community presence. The proposed strategy, however, emphasizes early engagement with younger customers, many of whom interact primarily through digital channels and may not immediately generate significant balances or revenue. This shift in strategy requires a change in how relationships are initiated, supported, and valued. Without intentional reinforcement from leadership, Teammates may struggle to integrate long standing habits with newer engagement approaches, potentially limiting their commitment to a strategy that prioritizes long-term customer lifetime value over near-term results. Without this cultural shift, early engagement

efforts may remain inconsistent, limiting relationship deepening activities and reducing the long-term growth projections.

A third organizational challenge involves the capacity of the frontline Teammates and competing strategic priorities. Branch Leaders and Teammates at [Bank Name] are expected to deliver towards multiple objectives simultaneously, including deposit growth, loan growth, customer growth, service excellence, and operational efficiency. The next generation strategy requires additional time investment in education, outreach, and engagement activities that may not produce immediate or easily measurable outcomes. Without clear prioritization and integration into the bank's existing strategic priorities, these activities risk being deprioritized in favor of activities that generate more immediate and visible performance results.

The technology and operational integration further contribute to the logistical challenges of implementing this strategy. While [Bank Name] offers a modern and scalable digital banking platform, effective execution of the strategy depends on frontline confidence in both the tools and the purpose behind their use. Engagement with youth banking solutions, digital onboarding, and proactive outreach requires Teammates to understand and articulate the value proposition of these resources clearly to customers and families. The variability in system familiarity, comfort with digital tools, and available training time can hinder the consistent adoption of the strategy, particularly across a large and diverse branch network.

Lastly, enterprise ownership and cross functional alignment represent a meaningful logistical challenge. The proposed strategy spans across multiple areas of the organization, including branch banking, digital, marketing, product development, risk management, and compliance. At [Bank Name], where strategic initiatives are executed through leadership at multiple levels working across Teams, there is a risk that ownership of the strategy becomes

fragmented or diffused across lines of business. Without a clearly defined enterprise owner and consistent governance framework, priorities may be interpreted differently across functions, leading to misaligned milestones and timelines, inconsistent internal and external messaging, or uneven support for frontline execution. This risk is particularly relevant for a long-term initiative that requires sustained coordination and reinforcement beyond the initial rollout of the strategy.

Collectively, these logistical and organizational challenges reinforce the reality of executing a long-term, relationship focused strategy within a growing and evolving institution like [Bank Name]. Addressing these challenges proactively through leadership alignment, thoughtful prioritization of tasks, and strong enterprise governance for the strategy will be essential to achieving consistent adoption and sustainable impact across the bank.

Overcoming Challenges

In order to effectively address the logistical and organizational challenges associated with the next generation customer strategy, the bank will require a disciplined approach that aligns leadership expectations, frontline execution, enterprise coordination, and effective performance measurement. At [Bank Name], overcoming these challenges will depend on how well the strategy can be integrated into existing priorities, while simultaneously maintaining a clear focus on long-term relationship building.

To address the integration-related fatigue following the bank's recent mergers and acquisitions, the bank leadership must focus on positioning the next generation customer strategy as an enabling tool for growth rather than an incremental initiative. The strategy will be implemented through clear communication and messaging that emphasizes how the strategy supports core relationship banking objectives and complements the bank's broader growth

goals. Phased and realistically timed implementation will be critical to avoid overloading Teammates. Leaders should also acknowledge the volume of change that Teammates have experienced and reinforce how this strategy simplifies, rather than complicates, customer engagement by providing a framework for structure and consistency in their outreach.

Being able to overcome the challenge of cultural alignment between community banking behaviors and the younger customer's digital-first expectations will require consistent reinforcement and behavioral modeling. Leaders should strive to frame the early engagement with younger customers and digital tools as natural extensions of relationship banking, not departures from it. There should be reinforcement that demonstrates how digital engagement enables relationships to begin earlier and deepen over time. Recognition of Teammates that successfully blend their traditional relationship practices with the newer engagement approaches will further reinforce the changes and build confidence in the new strategy.

In order to mitigate the frontline capacity constraints amongst competing strategic priorities, the next generation strategy must be clearly integrated into [Bank Name]'s existing strategy, rather than positioned as a separate focus area. The expectations for frontline Teammates should be narrowly defined and centered on a small number of high impact activities and goals. Providing clear guidance to the frontline Teammates on what to prioritize, along with simple processes and consistent coaching, will help ensure these activities are executed even during limited staffing scenarios and other daily demands from customers. If these activities are not prioritized, the strategy risks underperforming its projected impact despite the potential for strong customer demand.

Addressing the technology and operational integration challenges will require a strong focus on frontline confidence and empowerment. Training efforts should prioritize the practical

application of the technology as well as the framework for customer conversations, ensuring Teammates understand how to articulate the value of youth banking solutions, digital onboarding, and proactive outreach to customers and families. Ongoing reinforcement, peer support, and accessible resources will help reduce variability in adoption across the branch network. Ensuring that Teammates understand both how to use the tools and why they matter, will be essential to sustained engagement and success.

Lastly, overcoming challenges related to enterprise ownership and cross functional alignment requires a clear governance structure and accountability. [Bank Name] should establish a designated owner responsible for coordinating the execution across Branch banking, digital, marketing, product development, risk management, and compliance. A consistent governance framework, supported by regular meetings, will help ensure priorities remain aligned, strategic milestones are clearly defined, and the messaging is consistent across the organization. This structure will be particularly important for continuing momentum and reinforcement beyond the initial rollout and implementation of the strategy.

Collectively, these actions directly address the organizational and logistical challenges identified in the prior section. By aligning leadership, culture, execution capacity, and governance with the long-term objectives of the next-generation customer strategy, [Bank Name] can increase the likelihood of consistent adoption and position the initiative for sustainable, long-term impact.

The financial forecast assumes that the strategy will have timely adoption, consistent execution, and sustained reinforcement from leadership. Any major delays in adoption, competing priorities that shift the focus away from customer engagement, or inconstant use of

the technology, could materially reduce the scale of the strategy's impact. These conditions represent the primary risks to the forecast and reinforce the importance of disciplined execution.

Stakeholder Impact

The next generation customer acquisition and retention strategy is expected to have meaningful non-financial impacts across several key stakeholder groups at [Bank Name]. While the long-term financial benefits of creating deeper relationships are addressed elsewhere, this section focuses on the impacts that are less immediately quantifiable but are critical to the bank's continued success. The impacts described below primarily influence behavior, engagement, risk profile, and organizational effectiveness, where the connection to short-term profitability and return on investment is indirect and difficult to demonstrate.

Customer Impact

For customers, the primary impact of the strategy is implementing earlier and more intentional engagement across key life stages. By prioritizing customer relationship development before immediate profitability, [Bank Name] positions itself as a trusted financial partner during formative life moments such as opening a first account, entering the workforce, or establishing financial independence. This approach enhances the customers' experience through timely and relevant education, applicable product offerings, and consistent engagement linked to the customer's evolving needs.

Younger customers benefit from increased access to digital tools and resources, financial education, and proactive outreach, which in turn improves convenience, confidence, and perceived value, even when initial account balances are modest. This earlier education and guided engagement will help to support healthier financial behaviors and habits, reducing potential confusion for first-time banking customers, and strengthening their trust in the

bank. Over time, these early experiences are expected to reduce customer attrition and deepen relationships as customers progress through life stages. By expanding customer engagement across digital and in-person channels, [Bank Name] can leverage its community banking identity while improving accessibility and digital convenience.

Teammate and Leadership Impact

For Teammates and leaders, the next-generation customer strategy introduces new expectations related to customer engagement, customer outreach, and digital tools, while also creating opportunities for skill development and professional growth. Teammates can gain experience in proactive relationship building, digital tools, and customer education, all of which are capabilities that are increasingly important in the evolving banking environment.

By establishing a clear customer engagement framework, the bank will help reduce uncertainty for frontline Teammates, particularly for assisting customers who do not follow traditional banking patterns. Over time, this understanding will help strengthen leadership development, improve bench strength within the Branch network, and supports retention by helping Teammates see a direct connection between their daily activities, the bank's long-term strategy, and customer satisfaction. Culturally, the strategy reinforces long-term thinking and relationship value when supported by appropriate recognition and non-financial performance measures.

Investor Impact

For investors of the bank, the non-financial impact of the strategy will be reflected in the bank's franchise sustainability and long-term growth positioning. Implementing a carefully crafted plan to build relationships with younger customers supports growth of a more age-diverse and durable customer base, reinforcing future relevance and stability. While the financial returns

of these relationships may take time to materialize, the strategy shows disciplined investment in organic growth and long-term franchise health.

The strategy also contributes to managing risk by reducing the concentration in older or more rate-sensitive customer segments. Building a broader demographic mix of customers can help moderate earnings volatility and enhance balance sheet resilience across economic cycles and other unanticipated economic events, strengthening the overall risk profile of the bank in ways that are difficult to quantify in the near-term figures.

Regulatory and Community Impact

From a regulatory and community perspective, the strategy supports responsible and attainable access to financial services and proactive financial education. Early engagement and guided product use supports various regulatory expectations related to consumer protection, transparency, and appropriate and fair banking practices. These proactive efforts can reduce customer issues, complaints, and compliance risk, even though the financial benefit of such risk reduction is not immediately or easily measurable.

Community impact is further strengthened as younger customers begin to establish long-term relationships within the bank's markets. By supporting financial literacy amongst young people and early relationship building, [Bank Name] contributes to economic stability and reinforces its role as a trusted community partner.

Brand and Market Positioning Impact

The strategy also enhances [Bank Name]'s brand relevance and market positioning. Focused early engagement with younger customers differentiates the bank from national and digital-only competitors by combining modern digital capabilities with relationship-based branch service. This also differentiates the bank from smaller and similar-sized

competitors who may not have the scale or resources to create and maintain such a strategic growth initiative. This consistent value proposition of banking and financial education solutions for young customers strengthens the bank's brand across its footprint.

The bank having a stronger and differentiating brand positioning will benefit multiple stakeholders at the same time. First, customers will experience a bank that evolves with their needs and is there to help and support them as they reach new life milestones and challenges. Second, Teammates gain a sense of pride and clarity in representing a modern, community-focused institution, that truly cares about their customers and communities. Lastly, the bank's investors benefit from improved competitive positioning against bank peers, while communities see a bank committed to long-term relationships and financial support, rather than simply transactional engagement.

Summary of Stakeholder Impacts

Collectively, the non-financial impacts of the next generation customer strategy extend well beyond immediate measurable financial outcomes. This strategy improves customer behaviors and customer experience, supports Teammate development and engagement, strengthens investor confidence through sustainability and risk mitigation, reinforces regulatory and community alignment, and enhances brand relevance and competitive positioning. While these outcomes ultimately support financial performance, their primary value lies in strengthening the conditions for sustainable growth rather than generating immediately measurable profit.

Identification of Non-Financial Measures to Evaluate Impact

Evaluating the success of the next-generation customer acquisition and retention strategy requires the use of non-financial measures that capture progress in areas where the impact on

profitability is indirect, delayed, or difficult to quantify. These measures focus on customer behavior, internal processes, Teammate development, and organizational performance, providing leading and key indicators of long-term success. Together, these measures allow [Bank Name] to assess whether the strategy is influencing the conditions necessary for sustainable growth, even before full financial returns are realized.

Customer-Focused Measures

The customer-focused non-financial measures provide insight into how effectively the strategy is engaging younger customers and building early-stage relationships. These measures emphasize customer behavior, customer engagement, and relationship development rather than balance sheet growth.

Some key customer measures include customer acquisition within targeted life-stage segments, customer retention rates for newly onboarded accounts, and relationship depth as measured by the number of products or services per household. Engagement indicators such as digital banking enrollment, frequency of digital interactions, and participation in educational or advisory touchpoints can further show whether customers are actively engaging with the bank.

To further align measurement with the strategy's defined target population, customer-focused measures should also be reviewed by age cohort and life-stage segment, via the established Personas. Tracking engagement, retention, and relationship progression across these defined personas, provides insight into whether the strategy is resonating consistently across the intended customer base. These measures help ensure that progress is evaluated not only across the overall strategy, but across the full customer lifecycle the strategy is designed to support.

Additional measures such as customer satisfaction scores, complaint volume and themes, and account closures by reason offer qualitative insight into the customer experience.

Internal Process Measures

Internal process measures assess how effectively the strategy is being executed across the various channels and the bank's footprint. These measures focus on consistency, efficiency, and quality of execution rather than production outcomes.

Relevant measures include channel usage and mix, product usage patterns among younger customers, and cross-sell ratios that reflect successful needs-based conversations. Tracking the timeliness and consistency of onboarding and account opening, request fulfillment, and follow-up activities can help identify operational strengths or gaps that directly influence customer experience.

Process quality indicators such as service error rates, referral effectiveness, and response times also will provide additional insight into execution discipline. Monitoring these quality measures allows bank leadership to identify where process improvements or additional support may be required to sustain consistent delivery of the strategy across the branch network.

Teammate and Learning Measures

The Teammate and learning measures will evaluate how well the organization is equipping Teammates to execute the strategy and sustain it over time. These measures focus on Teammate capability, customer engagement, and alignment with the strategy, rather than short-term productivity.

Some of the key measures include training participation and completion rates, skill competency assessments related to digital tools and relationship conversations, and Teammate engagement or satisfaction indicators. Retention and turnover metrics, particularly among customer-facing roles, will provide insight into whether the strategy is contributing positively to the Teammate experience.

Additional measures such as coaching frequency and effectiveness, sales effectiveness per referral, and the alignment between personal development goals and strategic priorities can help assess whether the strategy is reinforcing the desired culture and behaviors. Over time, these indicators support the evaluation of leadership development and organizational resilience.

Brand and Market Measures

Brand-related non-financial measures will provide insight into how the strategy is influencing overall market perception and the bank's competitive positioning. These measures are particularly important given the emphasis on early customer engagement and long-term relevance.

Potential measures include brand awareness and brand perception scores within younger demographics, the share of segment within targeted age groups, and market penetration within defined geographic areas of the bank's footprint. Social and digital engagement metrics, including the interaction rates with financial literacy and educational content, can also serve as indicators of brand relevance and resonance.

By the bank also tracking changes in customer referral behavior and community engagement participation, the bank may further signal growing trust and brand strength, even when immediate financial results are not easily measured.

Governance and Measurement Oversight

To ensure these non-financial measures are effective, [Bank Name] should establish clear ownership and governance for monitoring and review. Measures should be reviewed regularly at appropriate leadership levels, with accountability for interpretation and action clearly defined. Most importantly, these metrics should be used to support coaching, learning, and continuous improvement rather than compliance alone. Over time, the trends in the non-financial measures

can be correlated with financial outcomes to make adjustments and refinements to the strategy, as well as validate long-term impact.

Summary of Non-Financial Measures

Together, these non-financial measures provide a comprehensive framework for evaluating the effectiveness of the next-generation customer strategy. By focusing on customer behavior, strategy execution quality, Teammate skill, and brand relevance, [Bank Name] can assess their progress toward long-term objectives even when direct financial impact is not immediately measurable. These indicators serve as leading measures of success and support disciplined management of the strategy over time.

Long-Term Profitability

While the next generation customer acquisition and retention strategy may not produce immediate or easily tangible financial results, the non-financial impacts identified in prior sections play a critical role in shaping [Bank Name]'s long-term profitability. These impacts influence customer behavior, organizational effectiveness, risk, and competitive brand positioning in ways that will compound over time and ultimately support long-term and sustainable financial performance.

Customer Behavior and Lifetime Relationship Value

Early engagement with potential and new customers, financial education opportunities, and consistent relationship development activities can influence customer behavior long before traditional and measurable profitability metrics become visible. By establishing trust and relevance early in the relationship during formative life stages, [Bank Name] increases the likelihood that customers will remain banking with [Bank Name] and deepen relationships over time, consolidate their financial needs with the bank, and remain loyal through major life events.

While these outcomes may not immediately translate into higher balances or revenue for the bank, they do reduce attrition risk, increase share of wallet over the customer lifecycle, and improve the efficiency and cost of future relationship expansion. Over time, customers who have healthier financial behaviors and stronger engagement will support more stable, predictable relationship growth, which contributes to long-term profitability.

Teammate Capability, Engagement, and Organizational Resilience

The non-financial impacts on Teammates and leaders directly affect the bank's ability to execute the strategy consistently and adapt from new information learned over time. By setting a clear engagement framework for the customer, skill development resources for Teammates, and ensuring alignment between daily activities and long-term strategy, the bank will reduce uncertainty and frustration at the frontline. This framework supports higher Teammate and customer engagement, improved customer retention, and stronger leadership development for Teammates.

Lower turnover and stronger bench strength among Teammates reduces recruitment and training costs, can preserve institutional knowledge, and improve the quality of strategy execution within the Branches. While these benefits are difficult to quantify on their own, they enhance the bank's resilience and also support sustained performance across economic cycles, ultimately protecting long-term profitability.

Risk, Governance, and Reputational Durability

In addition to customer and Teammate-related impacts, the non-financial outcomes of the next-generation customer strategy meaningfully influence [Bank Name]'s long-term risk profile and overall franchise durability. Earlier customer engagement, financial education, and guided product usage will reduce the likelihood of customer confusion, a mismatch of product

selections, and reactive service issues, particularly among younger and first-time banking customers. Over time, these outcomes will support stronger consumer protection practices and reduce exposure to customer complaints and regulatory scrutiny.

The strategy also strengthens governance and execution discipline by establishing clear customer engagement frameworks, defined ownership of the strategy, and more consistent processes across channels and markets. The improved consistency will reduce differences in execution and limit the risk of different customer experiences across the bank's footprint. While these improvements may not produce immediately measurable financial savings, they reduce operational complexity and management distraction, supporting a more durable operating model over time.

From a reputational perspective, early education and responsible engagement with customers helps position the bank as a trusted financial partner rather than a transactional provider. This reputational strength becomes particularly important during periods of increased regulatory focus or economic stress, when customer trust and institutional credibility directly influence retention and the public perception of the bank. Although the financial benefit of avoided reputational or compliance events is difficult to quantify, sustained risk reduction enhances the bank's durability and protects the bank's long-term profitability.

Collectively, these risk-related non-financial impacts create a more durable operating environment by limiting downward exposure and reinforcing [Bank Name]'s ability to generate consistent performance across economic cycles.

Brand Strength and Competitive Positioning

Brand relevance and competitive positioning are important non-financial drivers of long-term profitability. By engaging customers earlier and delivering a consistent experience that

combines digital convenience with relationship-based service, [Bank Name] strengthens its brand differentiation in competitive markets. A clear and trusted brand reduces future acquisition costs, improves customer retention, and enhances referral activity, all of which contribute to more efficient growth over time. These advantages are cumulative and often realized gradually, reinforcing the strategic value of non-financial brand outcomes.

Summary of Long-Term Profitability Implications

While the next generation customer strategy may not yield immediate financial results, its non-financial impacts establish the conditions necessary for sustainable profitability. Improved customer behavior and retention, stronger teammate engagement, reduced risk exposure, enhanced brand recognition and relevance, and increased organizational resilience all contribute to long-term financial performance. By investing intentionally in these non-financial outcomes, [Bank Name] positions itself to achieve durable growth, stable earnings, and long-term franchise strength.

Conclusion

This Capstone project recommends the approval of a phased, enterprise-supported pilot to strengthen [Bank Name]'s ability to attract, engage, and retain next-generation consumer customers. As customer expectations and competitive dynamics evolve, establishing earlier and more durable relationships with younger consumers is now a strategic imperative. This proposal offers a disciplined and scalable approach aligned with the Bank's long-term growth objectives.

The recommended strategy builds a stronger pipeline of future primary customers by engaging individuals earlier in their financial lives and supporting them through key life stages. Over time, this approach is expected to enhance customer lifetime value, deepen product relationships, and improve long-term stability. This approach allows the Bank to strengthen its role as a trusted financial partner by combining targeted customer acquisition, enhanced digital engagement, and financial education.

The proposal acknowledges the need for investment and organizational focus. Near-term costs related to technology, marketing, training, and change management represent important tradeoffs but are mitigated through a controlled pilot structure, phased implementation, and performance oversight. Success would be reflected in stronger early-tenure engagement, increased adoption of core products, and sustained growth in primary consumer relationships.

While no single initiative will fully address long-term demographic shifts, this proposal represents a practical step toward a more balanced consumer customer base. Delaying action risks further concentration in older customer segments and higher future customer acquisition costs. Moving forward with this project now allows the Bank to build on its existing strengths and extend its competitive position. The recommended next step is to approve the proposed pilot and authorize cross-functional coordination to support implementation and governance.

Appendix 1

Persona 1 –Savvy Student

Summary

These are middle school and high school students, who are still dependent on their parents/guardians, but are forming habits, preferences, and the awareness of money. They are beginning their financial journey. They are tech-native, brand-aware, and exposed to financial topics earlier than past generations due to social media, influencer culture, and fintech apps. Early engagement will create loyalty and will build lifetime value for the bank.

Demographic Information

- Age Range: 13–18
- Life Stage: Student (middle or high school)
- Income Level: Low; allowance, part-time work, or none
- Employment Status: Student
- Location: Suburban or urban
- Education Level: Middle or high school

Banking Behavior & Needs

- Current Banking Relationship: None or tied to a parent/guardian's account
- Preferred Channels: Mobile-first, parent-enabled apps
- Typical Banking Needs: Basic savings, debit/prepaid cards or mobile wallet, budgeting tools, financial literacy
- Financial Goals: Saving for purchases (phone, clothes, hobbies, travel, etc.)
- Product Interests: Youth Checking/Savings, debit cards, card controls, gamified financial education

Digital Engagement

- Comfort with Technology: Very High, most have a smart phone or have access to one
- Digital Banking Usage: Limited usage with parental controls
- Experience: Expectation is that everything is mobile application based, seamless, intuitive, and fast. Motivated by gamification; streaks, badges, savings challenges, and rewards.
- Social Media/Online Habits: TikTok, YouTube, Instagram, Snapchat, gaming platforms
- Influenced more by peers, influencers, and creators, more than traditional advertising

Trends & Behaviors

- Developing financial awareness earlier than past generations
- Exploring micro-entrepreneurship: reselling items, content creation, freelancing
- Strong desire for personalization in products and services
- Value-driven; care about brands that align with ethical or social causes

Challenges & Pain Points

- Limited financial literacy and overwhelmed by jargon
- Cannot open accounts independently (parent/guardian involvement)
- Lack of age-appropriate financial tools from traditional banks

Competitor & Fintech Landscape

- Greenlight: Debit Card, parental controls, investing, chores/allowance tools, gamification
- Step: Fee-free mobile bank with credit building, peer-to-peer payments, social features
- GoHenry/Acorns Early: Prepaid debit card with ‘money missions’, savings goals, real-time notifications
- Current: Teen accounts with parental oversight, savings pods, instant transfers
- Traditional Banks: Offer youth checking/savings, but lack gamification or engaging digital experiences

Opportunities for [Bank Name]

- Build early relationships with a teen-branded debit/checking product (PRISM)
- Offer gamified learning and savings features inside the mobile app
- Provide parents with dashboards for monitoring, transferring funds, and setting limits
- Differentiate with local presence: school partnerships, youth events, community sponsorships
- Introduce rewards for positive financial behaviors (savings bonuses, digital badges, local perks, graduation)
- Position the bank as a trusted partner for both teens and parents
- Build loyalty before competitors engage

Marketing Considerations

- Channels: Digital, school partnerships, YouTube, TikTok
- Messaging: Fun, simple, empowering, focused on building independence
- Engagement Triggers: Allowance setup, first part-time job, milestone birthdays, graduation
- Tone & Style: Youthful, vibrant, relatable; delivered where teens are already online

Journey Snapshot

- Learns about banking through peers, school programs, parents, or social media; parents look for safe and easy solutions
- Opens a PRISM account with parent/guardian co-signing, receives debit card, mobile app, add to mobile wallet, beginner financial literacy lessons
- Sets goals (new phone fund, new game fund), uses gamified challenges, received notifications, parents can monitor and transfer funds
- Builds consistent savings habits, stays engaged through rewards and challenges, transitions smoothly into young adult banking products/persona at 18

Appendix 2

Persona 2 – Emerging Adult

Summary

These are young adults in college, trade school, or entering the workforce. They are managing new independence such as paying rent, bills, and student loans, while learning to budget. They are often balancing part-time jobs, school, and other hobbies, with financial uncertainty. They want to build credit to be financially successful, but often don't know where to begin. They are tech-native, value-driven, and highly reliant on mobile-first solutions.

Demographic Information

- Age Range: 18-24
- Life Stage: College or trade school student, early career
- Income Level: Low to moderate
- Employment Status: Student, part-time, or full-time
- Location: College towns, suburban, urban
- Education Level: High school graduate or undergraduate

Banking Behavior & Needs

- Current Banking Relationship: First independent checking/savings account, low brand loyalty
- Preferred Channels: Mobile-first, digital wallet, p2p apps(Zelle, CashApp, Zelle)
- Typical Banking Needs: Fee-free checking, easy savings options, credit-building products, bill pay
- Financial Goals: Manage everyday expenses, begin saving, establish credit
- Product Interests: Student Checking/Savings, card controls, financial education, secured credit card, P2P payments

Digital Engagement

- Comfort with Technology: Very High, reliance on smartphones for all banking interactions
- Digital Banking Usage: Frequent (app-based)
- P2P used as a banking substitute (Venmo, CashApp)
- Social Media/Online Habits: TikTok, YouTube, Instagram

Trends & Behaviors

- Concern about repayment of student loans
- Gig work and side-work supplements income
- Buy Now, Pay Later are very popular
- Comfortable with recurring subscriptions, no hidden fees

Challenges & Pain Points

- Limited or no credit history; difficult to qualify for loans/credit cards

- Budget strain or inconsistent income; many live paycheck-to-paycheck
- Overwhelmed by financial jargon
- Balancing debt with savings goals feels difficult
- Distrust of traditional banks and account fees

Competitor & Fintech Landscape

- Chime: fee-free checking, early direct deposit, credit builder card
- SoFi: student loan refinancing, unsecured lending, banking, investing, coaching
- Venmo/CashApp: peer-to-peer convenience treated like a bank substitute
- Traditional Banks: Student checking, but often less flexibility than competitors

Opportunities for the [Bank Name]

- Offer secured credit card or credit builder loan with education built in
- Young adult product with simple terms and overdraft prevention (PRISM)
- Gamified financial education that is in-app and focused on budgeting, credit, loan repayment, etc.
- Incentives for milestones (graduation bonus, first car loan, housing savings match, etc.)
- Local workshops on college campuses or with employers, financial literacy events, co-branded programs
- Personalized nudges and incentives for saving, on-time payments, or credit milestones
- Build loyalty before competitors engage

Marketing Considerations

- Channels: Digital, school partnerships, YouTube, TikTok, peer referrals
- Messaging: 'We'll help you adult', empowering, independence, no hidden fees
- Engagement Triggers: Turning 18, graduation, first job, first apartment, college entry
- Tone & Style: Jargon-free, empowering, real-life focused

Customer Journey Snapshot

- Grows either from existing customer base of Savvy Student, or finds out about no-fee account and starter credit program through peers, campus outreach, or social media
- Opens their first independent account, sets up the mobile app, debit card, mobile wallet, and savings goal
- Uses app for budgeting, alerts, P2P transfers, and begins exploring credit-building products
- Successfully builds quality credit, transitions into full-service customer with auto or personal loans, credit cards, and eventually mortgage lending

Appendix 3

Persona 3 – Young Planner

Summary

These are young adults entering or advancing in their careers, often experiencing major life milestones such as marriage, buying a first home, or starting a family. Their financial focus has shifted from short-term survival to longer-term planning and wealth-building. They are balancing both debt management (student loans, credit cards, auto loans) and saving for big goals (home, children, investments). They are highly digitally focused, expect a seamless mobile experience, but also value in-person advice for more complex needs.

Demographic Information

- Age Range: 25-34
- Life Stage: Young professionals building career, starting a family
- Income Level: Moderate to high, full-time employment or dual-income household
- Employment Status: Full-time
- Location: College towns, suburban, urban, first-time homebuyers moving from city centers
- Education Level: College degree, advanced degree, or trade certification

Banking Behavior

- Current Banking Relationship: Primary checking/savings account is established, beginning to look at investment, insurance, or mortgage options
- Preferred Channels: Mobile for daily banking, in-person/virtual appointments for more complex products
- Typical Banking Needs: Mortgage lending, credit/debt management, retirement planning (401k), savings, insurance
- Financial Goals: Buying a home or saving for down payment, build emergency savings, pay down student loans and credit card debit, starting a family
- Product Interests: Checking, savings, credit cards, auto loan, first mortgage

Digital Engagement

- Comfort with Technology: High
- Digital Banking Usage: Daily or Weekly (app-based)
- Advanced digital tools such as real-time alerts, budgeting tools, financial health scores
- P2P platforms (Zelle, CashApp, Venmo) remain important but move to convenience from a necessity
- Social Media/Online Habits: Instagram, Facebook, LinkedIn, Reddit

Trends & Behaviors

- Concern about repayment of student loans
- Saving for large purchases and the future is challenging with rising costs and affordability

- Demand for budgeting apps and debt payoff tools, automated savings
- High value on financial wellness programs

Challenges & Pain Points

- Balancing multiple financial priorities such as debt repayment, housing costs, childcare, and savings
- Navigating loan and credit options, economic factors
- Overwhelmed by complexity of retirement, insurance, and long-term investing
- Seeking personalized support and recommendations
- Relatively new to credit - low to no credit history

Competitor & Fintech Landscape

- Sofi: Targets this age group with student loan refinancing, investing, and mortgage products
- Betterment & Wealthfront: 'Robo-advisors' providing automated investment management
- Chime & Current: Attractive fee-free checking, savings, and overdraft cushions
- Traditional Banks: Mortgage loans, credit cards, retirement accounts, but lack digital-first experiences
- Employer-sponsored tools: Financial wellness programs and retirement platforms

Opportunities for the Bank

- Offer first-time homebuyer programs, down payment savings accounts, and mortgage prep workshops
- Bundle products that refinance loans or consolidate credit card debt
- Educate on the importance of child savings accounts, youth banking bundles
- In-app financial wellness dashboards, budgeting, and planning calculators (Banzai integration)
- Collaborate with local businesses to provide young professional packages (direct deposit bonuses, financial education workshops) (Workplace Solutions)
- Financial planning sessions/referrals facilitated with local advisors

Marketing Considerations

- Channels: Digital, email, social media, podcasts, peer referrals
- Messaging: Transparent, practical, goal-oriented
- Engagement Triggers: Graduation, career advancement, marriage, auto purchase, home purchase, baby
- Tone & Style: Professional yet approachable; focusing on progress and stability

Customer Journey Snapshot

- Grows either from existing customer base of Emerging Adult, or customer hears about mortgage prep programs or financial planning programs from their employer, peers, or advertisements
- Consolidates their accounts and loans, begins their first long-term financial product journey

- Uses their app dashboards to assist with budgeting, tracks progress towards savings and debt repayment, attends advisory sessions
- Evolves into a multi-product customer with a mortgage, investment, family accounts, children's savings products

Appendix 4

Persona 4 – Established Professional

Summary

These are adults in their peak earning and career advancement years, often juggling many different responsibilities. Many of these customers have purchased homes, started families, and are now focused on accumulating wealth, debt management, and future planning. This persona is stretched between short-term family needs (mortgages, childcare, school expenses) and long-term goals (retirement, college savings, investments). They expect both digital-first convenience as well as personalized, advisory banking support.

Demographic Information

- Age Range: 35-44
- Life Stage: Established careers, often in leadership or advanced roles; homeowners and parents
- Income Level: Moderate to high, with dual-income households being more common
- Employment Status: Stable careers, middle or upper management, business owners
- Location: Suburban or urban, moving towards larger homes or school districts
- Education Level: College or graduate degree

Banking Behavior

- Current Banking Relationship: Primary checking/savings, mortgage, auto loan, expanding into investment and wealth products
- Preferred Channels: Mobile for routine, branch for advice or lending
- Typical Banking Needs: Primary mortgage, refinancing, or second home financing, college savings, investments
- Financial Goals: Long-term wealth, retirement, education planning
- Product Interests: Credit cards, HELOC, investment services, 529 plans

Digital Engagement

- Comfort with Technology: High
- Digital Banking Usage: Consistent, mobile-first for day-to-day banking, advanced features such as financial dashboards are preferred
- More likely than younger peers to seek personalized advice and trust established financial institutions over fintech-only solutions
- Social Media/Online Habits: LinkedIn, Facebook, Instagram

Trends & Behaviors

- High-debt years with mortgage, childcare, and student loans still being paid
- Most own homes but many are looking to refinance or upgrade to larger homes
- Beginning to support their aging parents while raising young children
- Growing focus on retirement contributions and long-term investing, and are more likely to begin using financial advisors

- Seeking financial security while still interested in growth opportunities

Challenges & Pain Points

- Balancing competing priorities of mortgage, childcare, retirement, and education savings
- Feeling behind on retirement savings – many in this persona are behind on meeting benchmarks
- Lack of time between dealing with career and family, so efficiency is key
- Navigating multiple complex planning decisions

Competitor & Fintech Landscape

- SoFi, Betterment, Wealthfront: Attract mid-career adults with investment automation and goal-based planning
- Fidelity & Vanguard: Strong in retirement and long-term wealth management
- Traditional Banks: Compete here with mortgage products and financial advisors
- Employer-Sponsored Programs: Company sponsored retirement plans, stock options, financial wellness tools

Opportunities for [Bank Name]

- Provide a one-stop financial dashboard that includes all accounts, loans, and investments
- Offer targeting savings products for education, plus focus on youth banking, bundles for families
- Introduce investment advisory services, wealth products, and retirement consultations
- Mortgage options such as refinance, HELOCs, and second-home financing
- Segment-based marketing by life milestone

Marketing Considerations

- Channels: Digital, LinkedIn, email, community events
- Messaging: Stability, family security, long-term success, personalization, peace of mind
- Engagement Triggers: Home purchase or refinance, family growth, college planning, investment growth
- Tone & Style: Professional, trusted, supportive with emphasis on guidance

Customer Journey Snapshot

- Grows either from existing customer base of Young Planner, or customer hears about mortgage refinance or retirement products through workplace, social media, advertising
- Opens bundled accounts with investments, mortgage, and education savings options
- Uses digital dashboards to track progress toward retirement, children's education, and debt payoff
- Builds into a full-service household client with mortgage, investments, and family banking products

Appendix 5

Financial Forecast Assumptions

The financial projections used in this report are based on a set of conservative assumptions that reflect typical customer behavior, national research, and internal performance expectations. The following inputs form the basis for the pilot and full-rollout financial models:

Customer Acquisition

- 1,450 new customers during the six-month pilot across 29 Branches
- 8,900 new customers in Year 2 following full rollout to 178 Branches
- 4% annual customer growth assumed for Years 3 through 5

Deposit Contribution

- New customers bring an estimated \$9,000 in combined checking and savings balances
- Deposits contribute value at a 1.65% net interest spread

Lending and Credit Adoption

- Approximately 20% of customers adopt a credit product over time, with an average loan balance of \$12,000, and assumed yield of 9%

Fee Income

- Debit card usage produces an estimated \$50 per active customer per year in interchange
- Additional modest fee income is expected from overdraft and standard account activity

Retention Benefit

- A 2% annual improvement in customer retention is assumed
- Retention value is estimated at \$125 per customer and reflects avoided acquisition costs and increased lifetime contribution
- Retention benefit is not treated as revenue, but is included in the net financial benefit

Expense Structure

- One-time implementation cost of \$400,000 during the pilot period
- \$300,000 in pilot operating expenses during Year 1
- Ongoing annual operating expenses of \$650,000 in Year 2, rising to \$725,000 by Year 5

Scaling Effect

- Revenue scales directly with customer growth as balances increase, credit needs expand, and fee-generating activity stabilizes
- Expenses scale minimally after the pilot, enabling financial benefits to grow steadily and predictably over time

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