



Future Proofing: How to Attract Next Generation Members in the Digital Age

Steven Muszynski

Founder & CEO, Splash Financial

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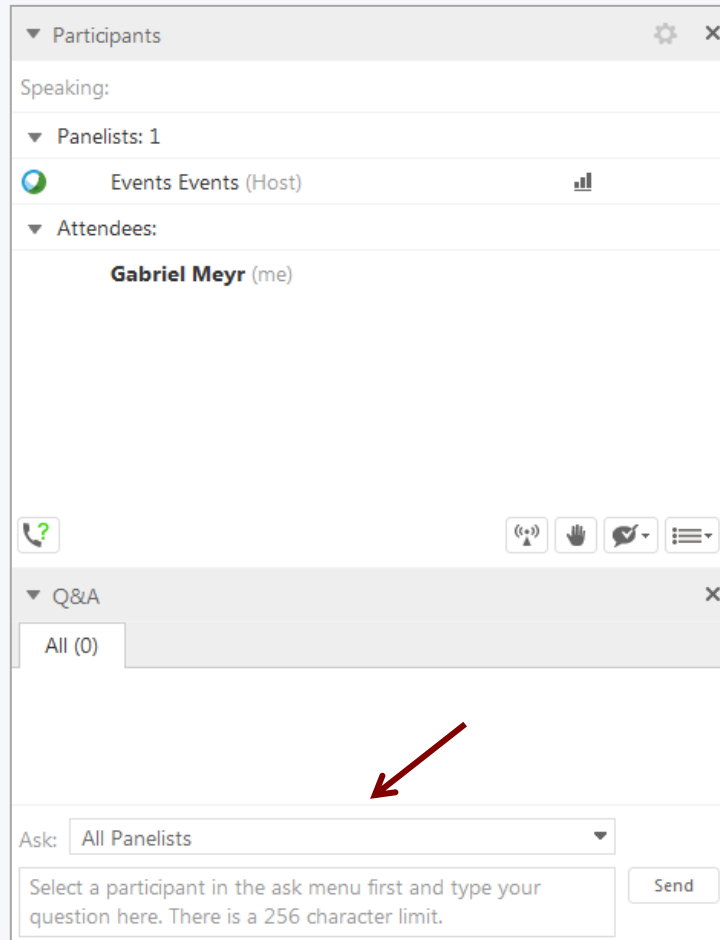
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During the pandemic: 38% of Millennials and 28% of Gen Z plan to switch financial institutions

Today's Panelists

Combining credit union, student loan and technology experience with decades of combined knowledge.



Steven Muszynski

Founder & CEO,
Splash Financial

Steven founded Splash in 2013 and is an expert on student loans and digital lending tech. Recently featured in Bloomberg, Bankrate, and Fox on various student loan topics



Sam Das

Managing Director, CMFG Ventures
Director, Corporate Development at
CUNA Mutual Group

Sam serves as managing director of CMFG Ventures, LLC, the venture capital arm of CUNA Mutual Group, where he oversees investments in early-stage companies disrupting financial services.



Marito Domingo

Chief Financial and Credit
Officers, First Tech Federal
Credit Union

Marito is a finance industry veteran with more than 20 years of finance, investment and capital markets experience. He is currently the Chief Financial and Credit Officer at First Tech.

Webinar Sponsor

Splash Financial

Splash Financial is the industry leading student loan refinance technology platform and new member acquisition engine

85

Employees

200,000

Customer accounts

\$500M

Loans to CU partners in
2020

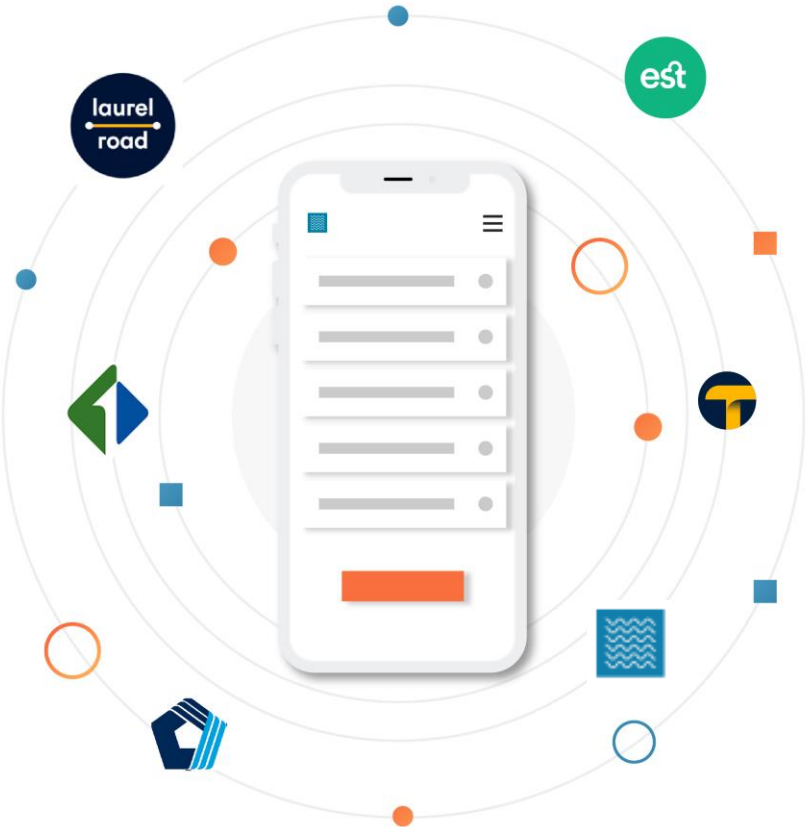
Amazing Credit Union Partners




 HQ in Cleveland, OH



Splash combines new member acquisition with digital tech



 splash


Welcome to Splash


The smarter way to refinance your student loans


Shop and compare loan offers from our network of lenders. It's fast, easy, and totally free.

[Get Started — it's free](#) →




✓ Checking rates will not impact your credit score

Splash is rated Excellent ★ Trustpilot 

 **Splash Low Rate Guarantee** →
Find your best rate or we'll give you \$250

 splash

☆ Lowest rates Sort By: ↑↓

Lowest Rate	 2.95% Fixed APR	\$2,300 Per month	5 Year Loan term
First Tech			Compare <input type="checkbox"/>
Most Savings	 3.65% Fixed APR	\$908 Per month	10 Year Loan term
Teachers Federal Credit Union			Compare <input type="checkbox"/>
Fastest Payoff	 4.00% Fixed APR	\$2,300 Per month	12 Year Loan term
PenFed - Powered by Purify			Compare <input type="checkbox"/>

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The Splash turn-key solution



Customers get rates through a digital application process



Splash underwrites the loan, verifying information



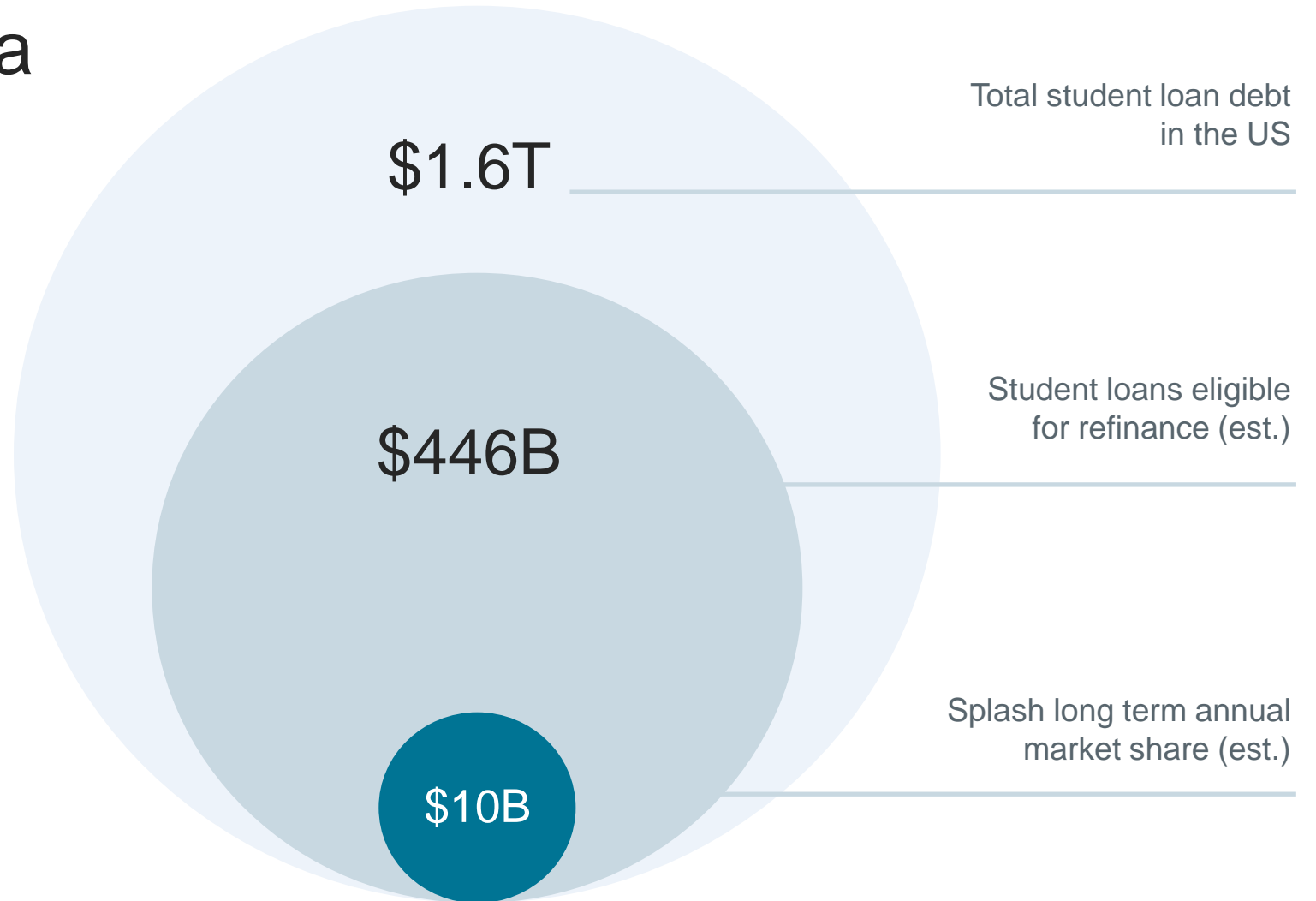
A membership agreement is generated for e-signature



Credit Unions receive new low risk loans and new members

Student loans are a big problem

45 million Americans have student loan debt with \$500B in debt held by millennials alone



Improve loan to share ratios with low risk loans

	5-15 Year
Portfolio Size	\$20M+
Weighted Avg Starting Salary	\$162,249
Avg Loan Balance	\$95,221
% with an Advanced Degree	70%
Estimated Avg DTI	27%
Estimated Avg FICO Score	773
Weighted Avg Life	4.90 years
Weighted Avg Coupon	3.89%
Estimated Yield After Fees	2.96%

Immediate Splash benefits

- ⊕ New millennial + gen Z members
- ⊕ Immediate loan growth with low default risk asset (replace auto-loans)
- ⊕ High quality loan diversification

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So, why are we talking about Millennials and Generation Z?

Opportunities and Challenges

- + Over 70 million millennials (born between 1981–1996) and 86 million post-millennials (Gen Z and beyond, born after 1996)
- + Millennials bank more than any other generation per month*
- + Estimated 57.5 million US millennials will be digital banking users by 2022.**

- ⚠ 71% of U.S. non-CU members ages 18-24 are “not at all familiar” or “not very familiar” with credit unions***
- ⚠ **18% of Gen Z and Millennials bank customers or credit union members intend to switch their primary financial institution in the next year or two.******
- ⚠ **During the pandemic: 27% of Gen Z now plan to switch and 38% of Millennials plan to switch financial institution.******

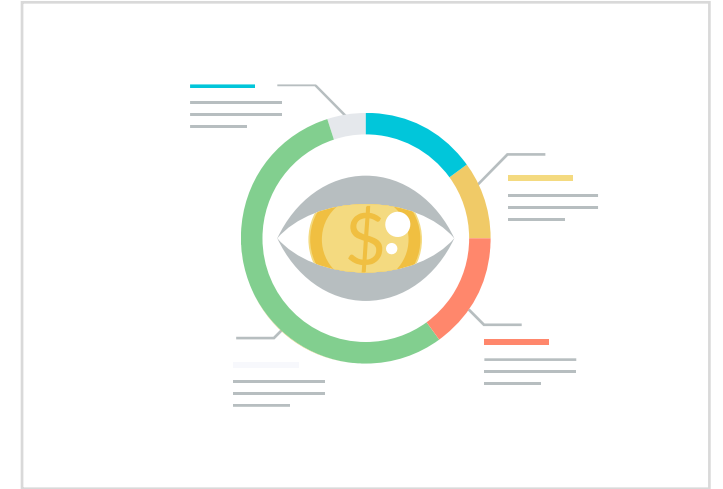
Consumer Habits and Wants of Millennials and Generation Z



73% of all consumer interactions with banks are done digitally.



38% of young millennials have used a non-bank service provider (e.g. Mint or Venmo)



43% of millennials had abandoned mobile banking activities because the process took too long or was too complicated.*

Student Loan Debt Woes are Growing

- 45 million Americans have a student loan, totaling \$1.7 trillion
- Millennial student loan debt increased 8% from Q1 2018 to Q1 2019, and Gen Z debt saw a 9% increase in the same time period.*
- Student loans are the leading source of debt for Generation Z – impacting 20% of the Gen Z population**
- Millennials alone account for \$497.6 billion of our nation's total student loan debt. ***



How are First Tech and CMFG Ventures focusing on a digital-first consumer experience?

Has the pandemic accelerated any of these digital trends?

What trends – and first-hand experiences – stand out to you about millennial and Gen Z approach to finances and banking?

What do you recommend to credit unions who are still early in their digital development?

Have fintech partnerships allowed for any acceleration of your digital vision?

How has student loan debt, a key concern for millennials and Generation Z, changed how you think about serving member needs?

Which part of the member experience do you think is most crucial for credit unions to focus on? Lending? Online account opening? Online chat/support?

Age of member is growing across credit unions and competition for millennials + gen z is tough, what can credit unions do to compete?

Q + A

Thank You

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