



Small Business Banking for Millennials: How Banks Can Attract and Serve the Largest Generation in History

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The largest generation in history is coming into financial maturity, and as they do, their share of small business ownership will grow exponentially. But what makes Millennial entrepreneurs different from previous generations of small business owners? If many in the industry are to be believed, Millennial-owned businesses promise to be fickle, demanding, difficult to serve, and ultimately unprofitable. That couldn't be further from the truth. This report examines the size of the Millennial-owned small business market and identifies key areas of investment that will help set up banks for success as Millennials expand their businesses and seek out more complex and profitable banking services.

Key questions discussed in this report:

- What are the current banking habits and attitudes of Millennial small business owners?
- How can banks design digital tools that will appeal to Millennial-owned businesses?
- How should bankers approach security challenges presented by Millennials?
- What do Millennials want from business loans and credit card products?
- How can banks position themselves as trusted sources of advice for young entrepreneurs?

The small business data in this report are based on information collected in a random-sample panel of 1,000 small and micro businesses in a February 2017 online survey. Javelin defines microbusinesses as those with annual revenue between \$100,000 and \$1 million and small businesses as those with revenue between \$1 million and \$10 million. Millennials are defined as individuals between the ages of 18 and 34.

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