



ANTICIPATORY BANKING

# Establishing Primacy Across Generations Through Digital Sales and Service

The Generational Trends in Digital Banking Study, 2025



# Introduction

At Alkami, we believe regional and community financial institutions don't just have the opportunity to shape the future—they have the responsibility to be the trusted, transformative resource to those they serve. With generational dynamics rapidly shifting and digital expectations accelerating, the moment to define what's next is now.

That's why we commissioned this unique national study in partnership with [The Center for Generational Kinetics](#) to better understand what consumers expect from their financial providers today—and what they'll demand tomorrow. Our goal is to help bank and credit union leaders navigate an increasingly dynamic financial services spectrum from traditional to digital, by uncovering hidden generational behaviors, unmet needs, and emerging opportunities.

The insights in this report go far beyond preferences. They reveal pressure points and tremendous potential—moments where the right digital experience, data-driven interaction, or artificial intelligence (AI) - powered recommendations can move an institution from being reactive to anticipatory. And that's precisely what today's consumers want. From seamless digital onboarding to personalized financial guidance, consumers are seeking a financial partner who knows them, grows with them, and makes every interaction meaningful. Most of all: consumers want a financial partner they can trust and count to meet their needs and deliver on their goals.

This report is a blueprint for that kind of transformation. One where regional and community banks and credit unions don't just keep pace with change—they lead it.

Warmly,



**Allison Cerra**

Chief Marketing Officer, Alkami

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# Insight 1



Understanding of the shift in the market over the next 10 years



Generational workforce shift and wealth transfer



Baby boomer business owners are retiring with no exit strategy

The U.S. financial services industry is approaching a major turning point. As digital expectations accelerate and consumer preferences shift, financial institutions face both disruption and opportunity. While the largest national banks and credit unions continue to scale innovation, regional and community financial institutions (RCFIs) are being challenged with establishing primacy and relevancy. At the same time, fintechs and neobanks are raising the bar, redefining what consumers expect from digital experiences, and catalyzing innovation around speed, personalization and channel integration.

In this increasingly dynamic environment, **the next competitive edge won't come from scale, but from anticipation.** The financial provider that can predict, personalize, and proactively support consumer needs—across generations and life stages—will be the one that earns enduring loyalty. And as the latest national research reveals, the gap between what consumers want and what they're getting has never been wider.

***“And as the latest national research reveals, the gap between what consumers want and what they're getting has never been wider.”***

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By 2033, the U.S. workforce is projected to undergo a significant generational transformation. According to the [U.S. Bureau of Labor Statistics](#), the labor force participation rate is expected to decline from 62.6% in 2023 to 61.2% in 2033, primarily due to the aging population. This means millions of people will be leaving the workforce. Millennials and Generation X (Gen X) are poised to comprise nearly equal shares of the remaining labor force, marking a pivotal shift in workforce demographics as baby boomers continue to retire. Millennials, known for their digital fluency and preference for personalized services, will increasingly seek financial products that align with their values, technology expectations, and lifestyles. Gen X, often balancing peak earning years with family responsibilities, will continue to demand extensive financial planning and investment services.

***“Baby boomers own 40% of small businesses in the U.S., yet fewer than a third have a formal exit plan for retirement.”***

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However, the intergenerational wealth transfer isn't just about personal assets—it's about business legacies at risk. **Baby boomers own 40% of small businesses in the U.S., yet fewer than a third have a formal exit plan for retirement, according to Jim Perry, senior strategist at Market Insights, Inc.** That lack of preparedness will threaten not only personal financial security but also local economies and community stability. For banks and credit unions, this is a pivotal advisory opportunity: to help business owners protect their life's work, structure succession strategies, and plan for a retirement that doesn't leave disruption or value on the table. Financial institutions that step into this moment with solutions—not just products—can build multi-generational trust, long-term relevance, and loyalty across generations.

This year's generational study reveals a complex, often underestimated dynamic surrounding the expected transfer of wealth across generations in the U.S. The findings point to both **expectation gaps** and **emerging opportunities** for financial institutions seeking to support account holders during one of the largest financial transitions in modern history. The study found that thirty-seven percent of Americans expect to receive some type of inheritance from older relatives or loved ones in the next 10 to 20 years. Interestingly, the study reveals strong alignment between baby boomers who expect to leave significant wealth and millennials who expect to receive significant wealth in the next 10–20 years. The same percentage of older millennials expect to receive enough inheritance to pay off ALL their debt AND invest in their future. However, there is a misalignment with Gen X, who do not expect to leave a significant inheritance to their family and loved ones, indicating financial uncertainty in their retirement and wealth planning.

## Opportunity for Financial Institutions

The impending intergenerational wealth transfer represents more than just a shift in assets—it's a critical **advisory inflection point** for banks and credit unions. As trillions of dollars are expected to pass from one generation to the next, financial institutions have a unique opportunity to expand their role from service provider to trusted guide and resource.

To meet this moment, banks and credit unions must do more than hold deposits—they must become educators, advisors, and strategic partners. That means helping account holders **navigate estate planning, understand inheritance implications, and make informed legacy decisions**. Institutions that offer **tailored products, digital tools, and personalized guidance for both givers and receivers** of wealth will be well-positioned to grow relationships across generational lines and support families at every stage of the transition.

## Insight 2



Digital is only going to continue to monopolize banking channels



RCFIs need to be prepared and have full circle channel integration to service account holders



RCFIs need to personalize with purpose, where each moment of truth will have an impact on the consumer relationship

Digital channels are not just a convenience—they are the primary gateway to trust, engagement, service, and growth. The digital banking experience has become one of the most decisive factors in a consumer’s relationship with their financial provider. In fact, the study reveals **half of all digital banking users say they would switch providers** if another company offered a much better digital banking user experience. Even more telling: **31% have already done so!**

***“Millennials and Gen Z are especially likely to rate digital experience as a critical element in selecting a new financial partner.”***

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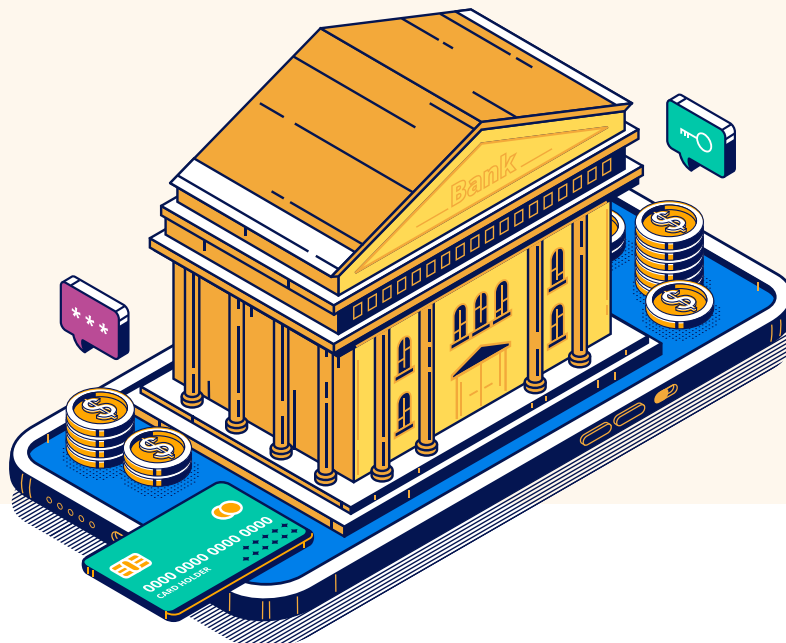
This shift is not limited to younger, tech-savvy demographics—but it is led by them. **Millennials and Generation Z (Gen Z)** are especially likely to rate digital experience as a critical element in selecting a new financial partner **37% and 33% respectively, saying the quality of a new financial provider’s digital banking experience is essential to their consideration.** For many, a provider is considered “primary” not because of physical presence or legacy loyalty, but because it’s where they conduct **the majority of their mobile and online banking.** Interestingly, primacy is paralleled with debit card usage to these digital channels.

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Table 1. Study Question 2: Why do you consider your primary or most important financial provider to be the most significant for you?

As digital-first behavior becomes the norm, consumers who are completely satisfied with their financial provider's digital channels are significantly more likely to remain loyal, adopt new products, and recommend the provider to friends and family. These behaviors are not simply transactional—they reflect an emotional trust that begins with a seamless, intuitive experience. Perhaps most importantly, **70% of digital banking users believe the quality of a provider's digital experience today signals how much that institution truly cares** about its account holders. In a world of commoditized financial products, that perception of care can be a powerful, high-value differentiator.



## Opportunity for Financial Institutions

Digital is no longer a distribution channel—it is the **brand experience**. Financial institutions that fail to prioritize their digital strategy, solutions, and experience risk losing relevance, while those that excel in digital stand to earn the next generation of account holders, specifically those impacted by the wealth transfer.

Many consumers are open to new financial relationships—especially younger generations and users of online-only banks, who are more likely to expect relationship growth. This is an important trend for financial institution leaders to know and act on as they develop strategies and make investments. Banks and credit unions will be able to compete and win, only through a superior, seamless digital experience:

- **Prioritize UX improvements** in navigation, mobile optimization, and feature accessibility. This is especially important for Gen Z and millennials, who rank these improvements as essential.
- **Onboard:** Make account opening and onboarding seamless to lower friction and increase the speed from start to completion.
- **Engage:** Invest in digital tools—chat, co-browsing, and real-time help—while reinforcing empathy and personalization at every touchpoint.
- **Grow:** Financial institutions need to **personalize with purpose** to deepen trust and engagement by leveraging AI and data to offer personalized recommendations (e.g., smarter savings nudges, pre-qualified offers, financial wellness, etc.).

The brand experience is critical from the first engagement, and every moment of truth throughout the financial journey will impact perception and ultimately determine the relationship level and loyalty with the bank or credit union. This is both a challenge and an exciting opportunity for RCFI leaders that make digital experience a priority for driving growth and measurable results.

## Insight 3



**ONBOARD:** A 5-minute or less frictionless digital account opening boosts deposit growth across channels



Many consumers are open to deepening their banking relationship with their current financial provider



The consumer demand for deposit products is opportunity for growth acceleration and to secure primacy

Most first impressions with new account holders are happening through a digital channel. For financial institutions, the process of opening an account and onboarding a consumer is no longer a back-office function—it's a front-line differentiator. Consumers expect speed, clarity, security, and consistency across every digital channel. Whether on a mobile device, tablet, or desktop, the experience must feel unified and effortless—**and be able to be completed in 5 minutes or less**—or the relationship may end before it starts.

While the study shows that only 56% of digital banking Americans expect to likely maintain the same relationship with their financial provider over the next year, a full 40% expect their relationship with their financial institution is likely to grow—suggesting many are open to deeper or alternative relationships.

Over the next year, the most sought-after products for digital banking among Americans who don't currently have them are a savings account or a debit card/checking account. This demand for deposit products, coupled with the wealth transfer dollars up for grabs, gives financial institutions the clear and immediate incentive to deliver a frictionless onboarding experience, even more so among digital-reliant younger generations. From real-time verification to personalized welcome flows and tailored product recommendations, the digital channel experience will signal that a provider is technologically strong and puts the account holder first.

Failing to deliver this experience can create hesitation, and too often, abandonment. Sixty-two percent of younger millennials are the most likely generation to say they'd switch providers for a better digital experience—the highest among all age groups within the national study. In an industry and moment where competitors can capture other financial institutions' account holders more easily than ever before, onboarding is more than the simply first entry point—it's a retention tool, a trust accelerator, and, in many cases, the one shot at winning a long-term account holder by signaling digital strength and anticipation of account holder needs from the very beginning.

## Opportunity for Financial Institutions

Onboarding and account opening can be a strategic lever to capture account switchers, reduce drop-off, and establish banking primacy early. This is especially urgent as Gen Z and millennials show high intent to switch providers for a better digital experience and expect intuitive, mobile-first interactions that mirror their favorite consumer platforms. By delivering seamless onboarding experiences, financial institutions can:

- Accelerate deposit growth across channels
- Reduce abandonment and churn during the ever-critical first touchpoint
- Convert digital interest into lasting primacy
- Streamline operations through reduced support calls and back-office strain
- Position themselves as modern, agile, and account holder-first in a market increasingly influenced by fintech standards and innovation

But the benefit extends beyond younger users: across all generations, users now associate speed and ease with both banking features and security, and this association extends directly to their digital banking interactions.

## Insight 4



**ENGAGE: The digital experience IS the banking experience**



**RCFIs need to use AI to anticipate needs and humanize the digital experience**



**Digital banking is the path to primacy**

In the eyes of today's banking consumers, **the digital experience IS the banking experience**. Whether through a mobile application (app) or online portal, financial institutions are being evaluated not just by the products they offer, but by how it feels to interact with them. Clean design, fast load times, intuitive navigation, and seamless functionality are just the baseline.

Digital-first expectations are especially high among younger generations, but the trend is increasingly universal. Across age groups, consumers expect consistency across platforms, quick responses to their financial needs, and the delivery of a personalized and unified digital banking experience at every touchpoint.

Mobile and online banking are now the primary ways consumers manage their financial lives. **This means that every login, every tap, every alert is a moment of truth**—an opportunity to reinforce confidence in the financial institution or risk losing primacy. For digital natives in particular, even minor friction can feel like a major frustration. Therefore, every part of the digital experience becomes a factor in whether an institution earns and retains that primary status or risks losing it.

From intelligent fraud detection to personalized recommendations and virtual assistants, AI is fast becoming the engine behind more predictive, responsive, and emotionally intelligent digital experiences. Sixty-five percent of digital banking Americans say in five years, AI will have dramatically changed how they do business with their bank or credit union, up from 61% last year. For financial institutions, this isn't about experimenting with automation. It's about using AI to anticipate needs, streamline engagement, offer personalized solutions, and humanize the digital experience at scale.

***“Sixty-five percent of digital banking Americans say in five years, AI will have dramatically changed how they do business with their bank or credit union, up from 61% last year.”***

That's why financial institutions must treat digital engagement not as a siloed function, but as the core expression of their brand promise. With mounting pressure to **prove return-on-investment** of tech investments and in a market where switching is increasingly easy, **the digital experience is the path to primacy**—and the revenue and growth that comes with it.



## Opportunity for Financial Institutions

Consumers now associate their “primary financial provider” (“primacy”) with the institution where they do the most digital activity—not necessarily where they opened their first account. That means mobile and online platforms aren’t just service channels—they’re strategic assets that shape long-term product adoption and wallet share. These three actions can drive financial institution primacy as all generations evolve:

**1. AI must be integrated, not experimental** - Consumers are ready for AI—and think it will have the quickest initial impact on their customer service (69%, up from 66% last year) and security and fraud protection (66%, same as previous year) aspects of their digital banking experience. Banks and credit unions who move beyond pilot programs and start using AI in live environments to offer personalized insights, real-time fraud protection, and intelligent digital assistance at scale will be poised to grow and win in this dynamic new environment.

**2. Every interaction is a brand moment** - Every engagement contributes to a consumer’s perception and financial institutions that embed empathy and utility into every engagement will earn not just usage, but advocacy. As financial institutions continue to consolidate and new fintech entrants crowd the market, brand becomes more important as do the moments that create the brand experience and value proposition.

**3. Treat digital engagement as a revenue engine** - Digital is the primary lever for retention, cross-sell, and account holder lifetime value. Viewing digital not as solely a utility for the bank or credit union but rather as the source of return-on-investment across the entire banking platform is essential to developing the right strategy and making the investments that will fuel consumer growth into the future.

Financial institutions that invest in digital platforms not just for functionality but for brand expression and relationship growth will outpace slower competitors, closing the relevancy gap.

## Insight 5



**GROW:** Close the relevancy gap with data while anticipating needs and growing product adoption



RCFIs are challenged with relevancy, struggling to meet consumer expectations



Consumers view their data as a tool to empower RCFIs

In a banking environment where trust is earned every day through intelligence and personalization, financial institution leaders who use transaction data—**the data-informed digital banker**—to drive relevant cross-sell opportunities aren't just applying smart marketing—they're building a loyalty strategy.

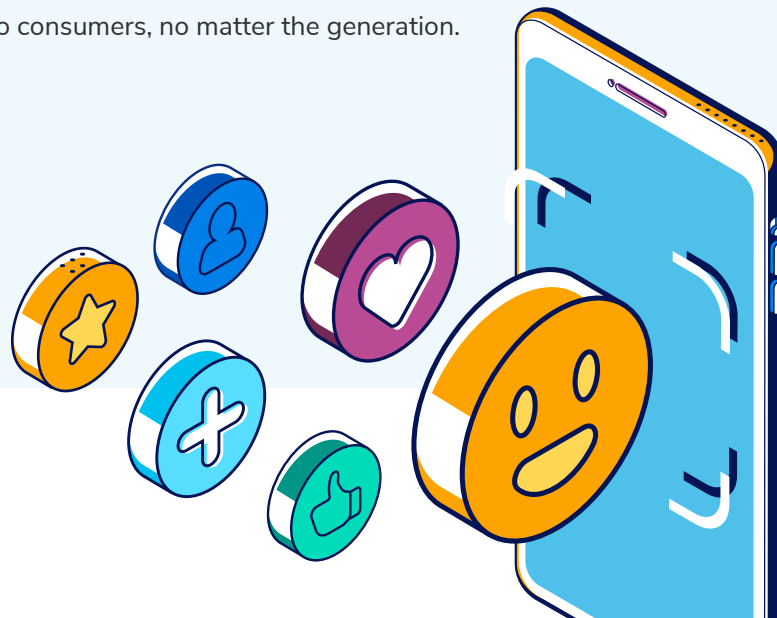
Consumers expect timely, relevant recommendations that show their financial institution understands where they are in their financial journey and where they want to go. A key study insight indicates that when account holders are **completely satisfied** with how their data is used to make relevant product recommendations, they are more likely to be loyal to the provider (42%), more likely to recommend the provider to family and friends (42%), and more likely to engage in other digital banking products, tools or features from the provider (38%).



Whether it's surfacing the right credit product, prompting a savings action, or identifying the next best financial move, relevance of recommendation can be what keeps a primary relationship growing. However, this also presents an immediate challenge as regional and community financial institutions have often been losing the relevancy battle with national institutions and neobanks. While digital engagement has become the front line of growth, RCFIs are struggling to meet consumer expectations when it comes to personalized, meaningful product recommendations. In 2025, just **38% of consumers at RCFIs** said their provider's product recommendations had become more relevant over the past year. That's not just behind—it's **statistically behind both mega/national financial institutions (45%) and online-only neobanks (53%)**, with the gap widening year-over-year.

Compare that to 2024: only **34% of RCFI consumers** felt product relevancy had improved. That means over the last two years, regional and community providers made only a **modest 4-point improvement**—hardly enough to stay competitive in an environment where **expectations are rising fast and switching barriers are dropping**.

**The neobanks? Over that same two years, neobanks are the clear leaders in perceived relevance—up 15 points compared to RCFIs.** Consumers—especially digital-first consumers—aren't waiting for relevance. With younger generations more likely to expect their banking relationships to grow, financial institutions need to deliver interactions with the *right products at the right time* in the financial journey. If RCFIs don't invest in platforms and strategies that power **data-driven personalization, smart onboarding, and proactive engagement**, the gap of declining relevance will continue to expand, leaving RCFIs grasping for opportunities to prove their worth to consumers, no matter the generation.





Neobanks are leading the relevancy narrative with a 15-point stretch above RCFIs in 2025. The chart reflects a 2-year period covering the 12 months prior to 2024, through 2025.

FI Type	2024	2025
RCFIs	34%	38%
Mega/National FIs	43%	45%
Neobanks/Online Only	51%	53%

Table 2. Study Question 16: Would you say the products your primary financial provider recommends to you have become more or less relevant to you over the past 12 months?

As RCFIs strategize to close the relevancy gap, high stakes are being accelerated by consumer behavior and market momentum. Digital-first and fast-moving fintechs and neobanks continue to transform expectations by delivering seamless, data-driven experiences that feel predictive, intuitive and immediate. And consumers are signaling exactly what they want. Over the next year, the study shows that frequent mobile app and online banking users are significantly more likely to grow their relationship with their financial institution—through deposits, loans, or expanded services—but only if their digital experience meets rising expectations.

Consumers increasingly view their data as a tool for empowerment, with 46% being comfortable with their financial data being processed by AI if it improves their banking experience—rising to 57% among younger millennials, the generation most eager for intelligent personalization. The message? Consumers will share their data, but they will seek out institutions they trust to use it wisely.

## Opportunity for Financial Institutions

Financial institutions have a distinct path to move from reactive to proactive. This means using transaction data, life stage cues, and behavioral signals to deliver next-best actions. Leaders can:

- Turn personalized user data into relevant engagement
- Build trust through personalized recommendations
- Expand share of wallet through cross-sell precision
- Master data-led personalization at scale

The **data-informed digital banker** that powers their digital banking channel as a digital sales and service platform will position their financial institution to increase their relevancy right away, driving increased product adoption and stronger brand connection.

## The Digital Sales and Service Platform is the Bridge to Growth

**Sixty two percent of digital banking Americans believe the primary bank of the future will be completely online.** Consumer expectations are evolving faster than most financial institutions are adapting. Across generations, people are looking for more than transactions—they want seamless onboarding, intelligent service, and personalized guidance delivered consistently across every digital touchpoint. This is where a financial institution's **digital sales and service platform** becomes indispensable, allowing banks and credit unions to onboard, engage, and grow their account base, delivering on an **Anticipatory Banking** strategy.

**With all the generations combined, 84% value the quality of a digital experience when choosing a provider, 50% are willing to switch for something better, and nearly half (46%) say their institution could be doing more to anticipate their financial needs.** The path forward isn't just digital—it's predictive, personalized, and purposeful.

By unifying an account holder's banking engagement into a single, digital experience, financial institutions can not only meet modern expectations—they can **anticipate them**—delivering the right action, product, or message before the customer or member asks while reducing costs and growing revenues. When powered by real-time data, behavioral signals, and intelligent automation, this approach doesn't just satisfy consumers—it builds trust, confidence in the banking relationship, and earns long-term primacy.

This is an exciting time for banking leaders who recognize the sea of change around them and design a strategy that transforms their digital experience into differentiated strengths. Across generations and life stages, this has never been more important, valued, or impactful. Now is the time to bring the future to the present and grow with every generation.

***“Nearly half (46%) say their institution could be doing more to anticipate their financial needs.”***

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## Taking Action Now

Assess your financial institution's competitive position by taking the [digital maturity self-assessment](#). This assessment will compare your institution against a national benchmark of financial institutions represented by megabanks, neobanks, and regional and community financial institutions to determine your digital sales and service maturity and the path forward to becoming a data-informed digital banker.

Ready to talk further about engaging every generation of customers and members?  
[Get in touch with us!](#)

Looking for more resources to fast-forward your financial institution?

[Check out more research from Alkami](#)

## About Alkami

Alkami Technology Inc. is a leading cloud-based digital banking solutions provider for financial institutions in the United States that enables clients to grow confidently, adapt quickly, and build thriving digital communities. Alkami helps clients transform through retail and commercial banking, onboarding and account opening, and data and marketing solutions. To learn more, visit [www.alkami.com](http://www.alkami.com).

## About The Center for Generational Kinetics

### Research | Insights

The Center for Generational Kinetics, LLC (CGK) is the premier thought leadership research firm focused on must-know trends, hidden drivers of change, and actionable insights for visionary leaders. CGK has led more than 150 custom research studies for clients around the world.

CGK's team has worked with over 700 organizations, from healthcare companies to financial services, retailers, technology, and private equity firms and has shared their expertise as keynote speakers and bestselling authors around the world. Learn more about CGK's pioneering thought leadership research at [GenHQ.com](http://GenHQ.com).



## Methodology

The research study included a total of 1,500 U.S. participants ages 22-65 weighted to the 2020 U.S. Census for age, region, gender, and ethnicity, who currently have a bank account and are active in digital banking (check accounts, transfer funds, pay bills online, etc.). The research study was conducted online from February 24, 2025, to March 14, 2025. The margin of error is +/-2.53 percentage points.

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