



## **Winning Gen Z: Part 1**

*A New Chapter for Banking  
How Banks and Credit Unions  
Can Attract, Engage, and  
Retain the Next Generation*

*Drawing on Stackpole's more than 25 years of financial services branding and marketing experience, we've outlined some of the most important merger-related considerations and the proven steps you need to take to ensure effective communications internally and externally. We're confident you'll find them helpful in ensuring a smooth transition as you integrate the cultures, internal systems, products and services of both institutions.*

## **Introduction**

Meet Gen Z, the digital natives redefining how we think about banking. They're savvy, socially conscious, and fiercely independent, navigating their financial lives with a phone in hand and purpose in mind. Unlike previous generations, they aren't tied down by loyalty to a single institution. Instead, they demand seamless digital experiences, ethical business practices, and financial tools that help them achieve their goals.

For banks and credit unions, the stakes couldn't be higher. With fintech disruptors and neobanks luring away younger customers, traditional institutions must evolve to stay relevant. This isn't just a shift in tools or tactics—it's a transformation in mindset. This white paper is your guide to understanding Gen Z's unique expectations and crafting strategies to not only attract them but turn them into lifelong advocates.

## **THE GEN Z FINANCIAL MINDSET**

Imagine a generation where nearly half save more than 20% of their income each month, yet many still feel unsure about managing money. That's Gen Z—practical yet curious, tech-savvy yet eager for guidance.

This is a cohort that grew up with everything at their fingertips. They expect banking to be just as intuitive as their favorite apps. A clunky interface or a complicated onboarding process? That's enough to send them to a fintech competitor offering a sleek, user-friendly alternative.

But their needs go beyond convenience. Gen Z wants their financial choices to reflect their values. Sustainability, diversity, and social responsibility aren't just buzzwords to them—they're deal-breakers.

Yet, for all their independence, Gen Z craves connection. They want to feel understood, supported, and empowered by their financial partners. The question is: How can banks and credit unions deliver?

## **ATTRACTING THE GEN Z CONSUMER**

Picture this: a college graduate sees an ad for a bank offering “zero fees and 24/7 mobile banking.” It catches their eye, but what really makes them click is the mention of a donation to an environmental cause with every new account opened.

This is the world of Gen Z marketing. Traditional approaches fall flat. Instead, they respond to authenticity, peer recommendations, and causes that matter to them. They'll choose a bank that aligns with their values, even if another offers slightly better rates.

To stand out, financial institutions must:

- **Showcase Purpose:** Highlight social responsibility initiatives, like community investments or carbon-neutral operations.
- **Leverage Peer Influence:** Use testimonials from relatable customers, like young professionals or students, to build trust.
- **Offer Flexibility:** Introduce accounts that adapt to their lifestyle, such as savings tools for travel, emergencies, or debt reduction.

**First impressions are critical. A fragmented onboarding experience can lead to churn within the first 90 days.**



## ONBOARDING: THE FIRST 10 MINUTES MATTER

First impressions aren't just important—they're everything. A Gen Z customer who encounters a clunky onboarding process is likely to abandon the journey entirely. But a seamless, engaging experience? That's the start of a meaningful relationship.

Imagine onboarding as a guided tour of your bank's best features. The process should be digital-first, intuitive, and fast—under 10 minutes. Tools like direct deposit switching APIs can make all the difference, turning a tedious task into a frictionless experience.

But onboarding isn't just about functionality. It's an opportunity to connect. Show them how to set up financial goals or introduce them to tools that track spending habits. By the time they finish onboarding, they should feel confident and excited about their financial future with your institution.

*Gen Z doesn't want to feel sold to –  
they want to feel supported.*

## CROSS-SELLING THAT FEELS PERSONAL

Gen Z doesn't want to feel sold to—they want to feel supported. Blanket promotions for credit cards or loans won't resonate. Instead, they're looking for tailored solutions that align with their lives.

Imagine a Gen Z customer who's just started their first job. They receive a notification suggesting a high-yield savings account to grow their emergency fund or a budgeting tool to help manage student loans. It's timely, relevant, and feels like you understand their needs.

Successful cross-selling to Gen Z means:

- Using Data Wisely: Leverage AI to identify life events and offer relevant products.
- Gamifying Financial Goals: Reward savings milestones or budgeting achievements with perks or incentives.
- Aligning with Values: Highlight socially responsible options, like green investments or community-impact loans.

## RETENTION: BUILDING TRUST THAT LASTS

Imagine Gen Z as a generation of “super consumers,” constantly exploring options but fiercely loyal when they find a brand they believe in. Retaining their loyalty requires more than excellent service—it demands a commitment to their values and goals.

Start by ensuring they see your institution as their primary financial partner. Simplify the direct deposit process to anchor their financial activity with you. Offer tools that integrate seamlessly into their daily lives, like automated savings for specific goals or subscription management features.

But don't stop there. Engage them with consistent communication about how your institution is making a difference. Are you funding renewable energy projects? Supporting local small businesses? Let them know. When they feel their money aligns with their values, they'll stick around—and tell their friends.

### **Conclusion: A Generation Worth Winning**

Gen Z isn't just another customer segment—they're the future of banking. Winning their loyalty requires more than meeting their needs; it requires understanding their world and aligning with their values.

By creating seamless digital experiences, offering personalized guidance, and championing causes they care about, banks and credit unions can turn Gen Z from prospects into passionate advocates.

Are you ready to write the next chapter in your institution's story—one where Gen Z chooses you as their trusted financial partner? The time to act is now.



# About This White Paper

This roadmap is built on insights from leading industry research and serves as a guide for financial institutions eager to understand and connect with Gen Z. Together, we can shape a banking experience that resonates with a generation unlike any other.

Want to learn more?

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**Let's Talk!**

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