

Do financial institutions understand Gen Z's banking communication preferences?

Article

The findings: When it comes to hearing from their banks, younger generations prefer in-app communications about rewards, while older generations prefer email outreach.

- That's **the takeaway** from a recent PYMNTS Intelligence and i2c report examining rewards programs, which **surveyed** 3,233 US consumers conducted between November 14-28, 2023.

By the numbers:

- 48.5% Gen Zers, and 45.7% of Millennials preferred communications through a financial institution's (FI's) mobile app. Email came in second place for both generations—at 28% and 29.8% respectively.
- Generation X was split—37.2% preferred communicating over a mobile app, and 36.8% preferred emails.
- 46.2% of baby boomers prefer email, followed by mail at 18.8%—*then* mobile app communications at 16.1%.

These preferences have wider application across banking: Research shows they aren't limited to rewards programs.

- Gen Z's **favorite way** to communicate with their bank is to message over a mobile banking platform. This explains why this generation **weights digital experiences** so highly when choosing a bank.
- And since over half of Gen Zers spend at least **four hours** on social media per day, this young generation likes creator-style social media marketing.
- Millennials **consider themselves** busy multitaskers and like communications that don't require their full attention. Messaging across mobile apps, texts, social media, and emails can all help FIs effectively communicate with their millennial customers.

However, the older generations' preferences get progressively less digital with age.

- Gen X is flexible and **likes informal communication** styles. Emails, phone calls, text messages, social media can all be effective ways to reach this generation—similar to their rewards survey results.
- Baby boomers like “face-to-face communication,” but they like emails and phone calls too—perhaps because these methods of communication can still feel personal.

Key takeaways: The rewards program survey findings emphasize the importance of tailoring communications to generational and individual customer preferences.

- Communicating in ways that strongly resonate with each generation can help FIs make marketing campaigns more effective, and build stronger relationships with existing customers.