

Key ways everyday banking habits differ between generations

Article



The finding: Consumer attitudes about daily banking habits vary widely between generations—informing how they interact with financial institutions (FIs) and choose their banking products.

- That's [according to](#) a MarketWatch Guides Team survey of 2,000 US consumers conducted in partnership with Pollfish in February 2024.

Here are the survey's key takeaways:

- **Gen Xers know less about available banking products than millennials and boomers.** This could indicate that FIs forget to target this demographic for their products and services or educational resources on various retirement and investment accounts and high-yield savings accounts.
- **Millennials save the most.** They save 33% more than Gen Xers, 32% more than baby boomers, and 9% more than Gen Zers. They're also the most likely of any generation to have 401(k)s and Roth IRAs—which is alarming for baby boomers and Gen Xers, who are closer to retirement. Gen Xers also save the least in general, again indicating [unique generational needs, demanding targeted products and outreach](#).
- **Baby boomers are the most likely to use savings and credit cards to pay for unexpected expenses.** Over 60% of respondents said they'd do either. Gen Xers and millennials follow mixed strategies—both are most likely to use savings and credit cards to cover surprise expenses, but each would more readily consider getting an extra job or asking friends and family for money. And Gen Zers are the most likely to ask family (52.4%) or friends (30.2%) for money.
- **Younger consumers were more likely to visit bank branches weekly or more.** Gen Xers were the most likely to say that their bank doesn't have a branch nearby (or at all), while over 13% of both millennials and Gen Zers visit their local banks at least once per week. By comparison, 8% of boomers do the same. This could be an indicator of [the viral "cash stuffing" trend among young consumers](#).
- **Gen Zers were the most likely to seek financial advice from their FIs, at 56.3%.** Millennials were the least likely (29.5%). All generations were most likely to turn to family and friends, but at least 69% respondents across all generations said they'd trust advice from their bank.

What these results mean: Banking needs differ greatly across generational divides, and strategies for their banking services must be tailored accordingly.

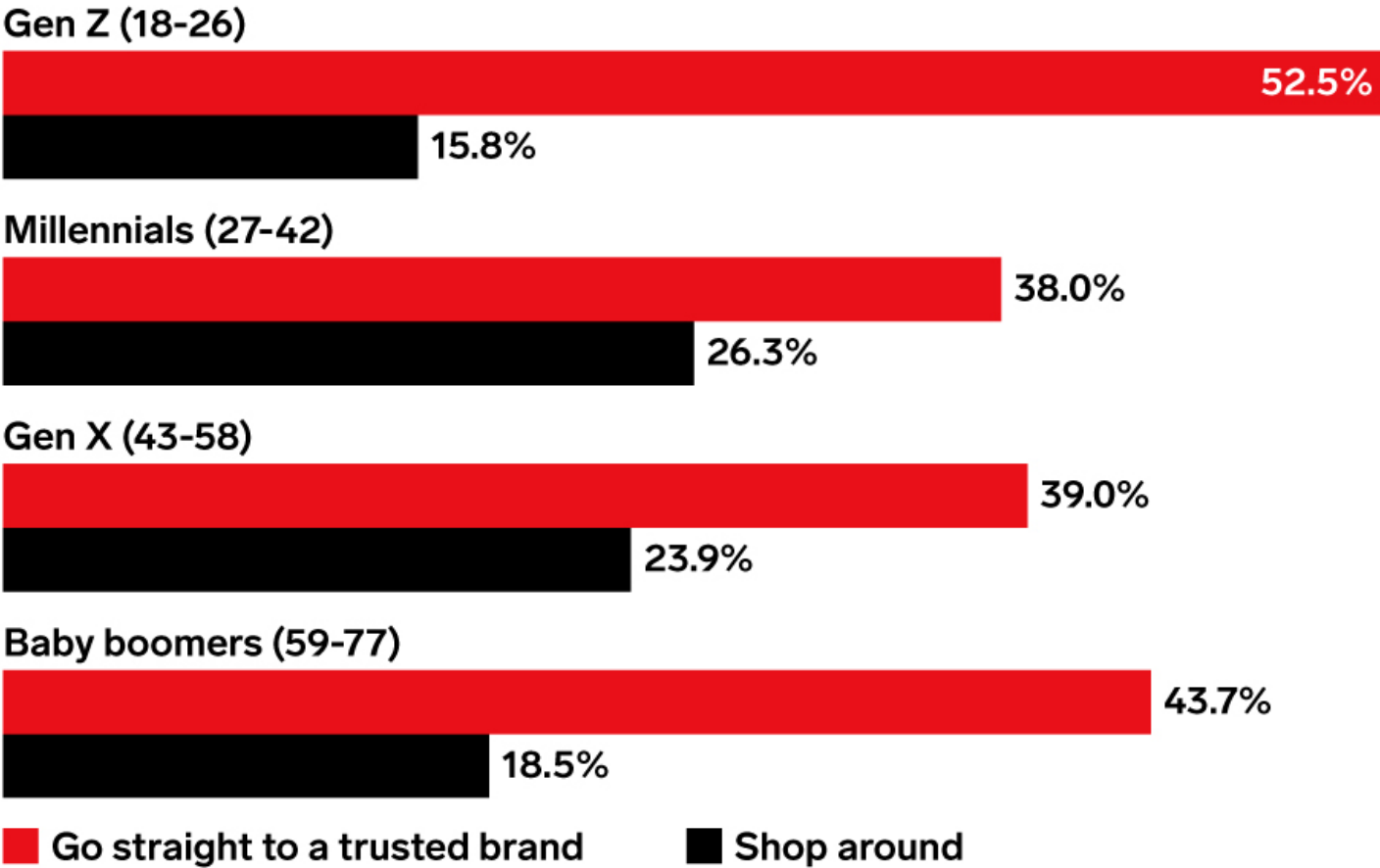
- Gen Xers and baby boomers urgently need savings interventions so they can start catching up on retirement—while Gen Zers and millennials could use some reassurance.

- And the young consumers who've actually been saving more diligently than their older counterparts may appreciate and are more likely to trust tailored advice on how to make their savings work harder for them.

For example, 54.4% of Gen Zers and 32.2% of millennials haven't heard of certificates of deposit. And since Gen Zers are fairly risk-averse, this product may really appeal to them.

US Banking Consumers' Willingness to Shop Around vs. Go Straight to a Trusted Brand for New Financial Products/Services, by Generation, Oct 2023

% of respondents



Note: n=1,488, Q: "When in need of banking products or services, which of the following best describes you?"

Source: Insider Intelligence | eMarketer Survey, US Banking Consumer Habits, Nov 2023

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