

GenAI will enable next-level personalization in 2025

Article

The trend: As financial institutions (FIs) experiment with generative AI (genAI), they're pushing the boundaries for its utility in banking.

Tearsheet predicts FIs' use of genAI will evolve in the following ways this year:

Supercharging personalization: While many FIs have focused on back-office genAI solutions, the technology is expected to increasingly support customer-facing solutions, including customer service across the industry.

But it's important to prevent genAI from taking the “human” out of customer service. Instead of worsening the [growing chatbot fatigue](#), FIs could use genAI to better analyze customer data to personalize interactions and products—[something customers have been asking for](#).

The open banking factor: In October, the Consumer Financial Protection Bureau (CFPB) [released its final open banking rule](#), which restricts the secondary use of consumer data without consent. This may complicate FIs' use of such data for personalization purposes.

What's next? [Donald Trump's win](#) means banking regulators have [placed new initiatives on hold while they await changes in leadership](#)—and likely significant changes in agendas.

New CFPB leadership under a Trump administration could revisit regulatory frameworks—though the bipartisan support for open banking means the rule's unlikely to change too drastically, per Bloomberg Law. We'll continue to monitor how shifts in leadership impact FIs' ability to use customer data to improve their experience.

Learn more about how we predict banking will change this year by reading our [“Banking Trends to Watch in 2025”](#) report.

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