

THE EVOLVING WORLD OF CONSUMER FINANCE — WHERE ARE WE NOW?

A blurred photograph of people walking in a modern office or public space, viewed through large glass windows. The image is split diagonally by a black line, with the top half being black and the bottom half showing the blurred scene.

TANK

THE WORLD OF BANKING AND FINANCE IS CHANGING AND BRANDS CAN'T STAND STILL.

While there's much debate around topics like 'purpose driven banking' and corporate social responsibility (CSR), banks are also grappling with issues around customer retention, marketing, and the growing popularity of new - largely unregulated, channels becoming a source of financial advice.

The second round table of 2025, hosted by Tank, saw experts from across the financial

services, customer communications and business sectors discuss some of the challenges currently facing the sector.

Exploring a range of topics, the following report summarises the discussion, touching on key themes such as the importance of understanding audiences, the benefits of a high street presence and the need for improved financial education.

PANELLISTS



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HOW CAN FINANCIAL SERVICES ORGANISATIONS ENSURE THAT THEY APPEAL TO THEIR TARGET AUDIENCES?

Christian

It's certainly not easy. Nottingham Building Society is 175 years old and we have a wide range of branch users. Some visit their local branch on a daily basis and are really engaged. These people tend to have a very traditional relationship with money, however they do tend to be of an older demographic. While we are absolutely committed to serving these individuals, we also have to think about what motivates different generations.

To do this well, you need to understand your customer and then tailor the proposition and marketing activity accordingly. While we certainly don't want to lose our sense of legacy, we also want to be seen to be innovative.

Jon C

We've been tackling exactly the same dilemma. Furness Building Society has been around for 160 years and, fundamentally, we're a member owned business. During a recent rebranding project, we gathered some really interesting insight and found that we needed to focus more on our members. They effectively own the business and we're there to serve them.

Refurbishing our eight branches across the North West was a significant investment, but it needed to be done. Unlike a lot of financial services firms, we're committed to our high street branches and we've focused more on what those different locations want and need. For example, Lancaster and Preston are cities and tend to serve a slightly younger demographic. It's all about tailoring the proposition.

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Christian

WHAT FACTORS ARE DRIVING PEOPLE WHEN CHOOSING A BANK OR BUILDING SOCIETY?

Jon C

Some people are very intentional. In our case, people know it's the Furness and it means something to them. This means that the brand and everything that we do has to reflect that. I think another plus point for us is that not many brands want to be located where we are, on the peninsula. This seems like madness as the area is thriving. For example, BAE Systems has a significant submarine building program centered in Barrow-in-Furness, creating thousands of jobs.

Christian

One of the big questions for building societies has to be around what it actually means to be a member of something. Because we are, by definition, a purpose-driven organisation. We're there to serve members, we're not there for shareholders or for faceless private equity companies. This is an important message to hone in on.

FROM A MARKETING PERSPECTIVE, HOW IMPORTANT IS IT TO HAVE A DETAILED UNDERSTANDING OF WHAT'S DRIVING CUSTOMERS?

Ed

Across all sectors, you'd be surprised at how many businesses think they understand who their customers are, maybe they have a rough idea of demographics or what motivates them to buy a product or service. However, this insight rarely taps into understanding their values, what drives them and what the pain-points are. This is something that we really encourage at Tank, to ensure marketing activity is making a real impact. You talk about how you can engage with both the older and younger generations, there will probably be a lot of crossover in terms of what motivates them as customers. Purpose-driven banking is certainly becoming more important.

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Jon R

There are some interesting parallels to what's already been said and the world of payments we operate in at Access PaySuite. One of the key things a merchant wants from a payment provider is the ability to offer a variety of choices of payment types.

So far, the discussion has been around giving people choice, no matter their demographic. People want to see payment options that they trust, and that they know are reliable. All of the things we're talking about in terms of demographics boil down to, as an individual, what works for you, what's your go-to thing? From a business point-of-view, being able to provide that flexibility and ease of use is key.

Lewis

I think all audiences want greater flexibility, greater choice and greater transparency. It's really interesting that a lot of traditional banks are choosing to pull out of the high street. I'm a millennial but I still like interacting with people. I'd much rather go into the bank to solve a problem than have to submit an online form.

That may not be the norm within my generation, but there's plenty of us who are that way inclined, yet high streets are pulling away. I'm constantly looking for different banking options and different flexibilities. As much as I'm glad that my bank checks some of my payments, it's also incredibly frustrating when I then have to call them, even though I've put in my password, done my ID check and it's still blocked. Because there's lots of nuances to consider when understanding customers, bringing together qualitative and quantitative data is really important.

Mel

I absolutely agree, before setting-up Evolve Consulting, I spent most of my corporate career working in retail, and of course in retail you need to understand the customer. It's fundamental. I've seen a few instances where brands try to force the customer proposition into what might work operationally, but this is the wrong way round.

Gen Z appears to be far more purpose driven and values led. But, it's not just Gen Z we have to think about, we've also got Gen Alpha joining the workforce next year and nobody's even talking about that yet. We also make assumptions about older people. I actually believe that COVID changed older people. They probably weren't that technologically savvy before, but during lockdown they had to adapt. They aren't digital firsts, they're not Gen Z or Gen Alpha, but the majority do have an understanding of technology and how to use it.

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Jon R

UNDERSTANDING YOUR AUDIENCES SHOULDN'T BE AN AFTERTHOUGHT IN MARKETING

By Ed Sheldon, senior account director at Tank.

With so many marketing disciplines now able to offer tangible and concrete metrics around clicks, impressions and – hopefully, sales, it's tempting to skip past the important foundations that should be considered as part of every marketing campaign.

Who are you talking to and what do they want from your product or service?

This knowledge is crucial. Not only because it allows marketing teams to develop more targeted and successful multi-channel campaigns, but also because it helps to avoid issues like customer churn that can occur when a consumer feels like their values no longer align.

According to a recent Dentsu [report](#), Gen Z is significantly influenced by brand values and sustainability. In fact, 18% of Gen Z surveyed believe brand values, including things like commitment to diversity and inclusion, influence their choice of financial services provider – second only to millennials.

The same report found that to win Gen Z's trust, brands needed to focus on authenticity and social responsibility by offering ethical investing options and clear, jargon-free communication about any fees, risks, and benefits of their products.

While there will always be nuances and varying opinions, having a clear understanding of what each demographic and customer group is looking for should always be clarified in the very early stages of any brand or marketing campaign.

Tailoring your marketing efforts is more important than ever

For financial services organisations, the landscape is increasingly tough. Legacy banks are having to compete with challenger banks, often able to offer a more agile and consumer-friendly service. Meanwhile, so-called 'finfluencers' are filling social media platforms with advice, sometimes of questionable quality, free from regulatory scrutiny. This has – understandably, created a lot of noise. Consumers are now bombarded with choice, and if they feel that they aren't getting the service they expect, they have no qualms about switching to a different provider.

Luckily, many businesses sit on a goldmine of customer data. Take Monzo as an example. The digital-first bank is constantly leveraging data insights to build a more customer centric and user-friendly product, ranking as the UK's 7th largest bank in 2024 with over 9 million customers.

With nearly [19 petabytes of data stored in its enterprise data warehouse](#), Monzo is able to constantly enhance its customer-facing features based on data-driven insights, described by Suhail Patel, senior staff engineer at Monzo as, "like having a superpower". While this insight might not directly lead to Monzo's next big marketing campaign, it eliminates the guess work and ensures that time is being invested in the right areas.

Using the right channels

As well as building a detailed understanding of customer behaviour, it's important to communicate via the most appropriate channel.

Instead of just using social media as an awareness channel, younger generations are increasingly expecting interesting and educational content, and this should be considered in any marketing campaign.

That being said, in-branch experiences and physical marketing cannot be replaced altogether. Age UK [found](#) that despite 58% of over 65s using a digital banking service to manage their main account, a significant number remain unable to do so, with 27% managing their accounts via a branch or other physical location. The same research found that only 14% of the over 85s bank online, with 58% relying on face-to-face banking.

This highlights that in-branch interactions remain an important part of the banking experience and should not be overlooked by marketing teams.

Ultimately, banking is an essential service that is relied upon by millions of people across all demographics. When banks and other financial services organisations invest in understanding these audiences they can develop marketing campaigns that not only perform well, but also build trust, nurture long-term customer relationships and resonate.

Tank supports clients across the finance sector. [Read more about Tank's work with Almond Financial here.](#)



HOW IMPORTANT IS IT TO OFFER AN IN-BRANCH EXPERIENCE?

Christian

We speak to a lot of people who say that they want access to a local branch, yet they don't actually use it. This highlights the appeal and community aspect of being able to bank locally. It's about understanding customers, and I don't just mean their immediate banking needs. We need to understand what draws them in and how we can appeal to them.

Jon C

It's no coincidence that we've invested in our branch network post-COVID. We were seen as an essential service during that period of lockdown and needed to remain open. At the same time, we've also invested heavily in our digital front end and payment technology, to ensure that people have options.

It would be very easy for a building society to look at the cold hard financial analysis and conclude that the branches are a high cost to the business, and maybe question if they pay for themselves. But, I'd argue that branches build trust and longer-term goodwill. They're a hub in the community, they're on the high street.

Lewis

That speaks to the point about value versus cost, because if businesses solely focus on cost, in my experience, what they offer can become a bit soulless. With my own education company, STARTrading, we often focus on value for the customer versus our bottom line, which means we're not as profitable as we could be, but it ensures our customers get a better experience.

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“You can improve your P&L in a year by doing some dysfunctional things, but if you want it to be sustainable, you’ve got to do things that are actually delivering consistent value and for some people that’s in-branch experiences.”

Mel

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Alex

I've always been a Nottingham Building Society customer and I've made sure my son knows about going in-branch and that there's a physical element to money management. That's why I believe some organisations are thriving because they have a customer base that shows intent with their feet. They want branches and good quality service.

The generational differences we've already mentioned are interesting. Gen Z, arguably, has the best of both worlds. They like digital, but when they require more intense or more detailed conversations, they want to speak to someone in-store. Commify is a communications business, and we've certainly seen shifts in the way brands communicate. Historically, because of red tape and legislation, the financial services industry had to follow a one cap fits all approach. The problem with this is that different demographics have different wants and needs.

Jon R

When payments work they should almost be invisible. The consumer just wants it to happen and both merchants and consumers want to know that the payment is being made through a reliable provider.

Alex

To do this well, businesses need to know what customers are saying and what's important to them. Currently, I'm not sure many really know. You might assume that the over 70s are quite averse to technology, however 25 years ago this demographic were in their 50s. They were probably some of the innovators during the dot com era. We're seeing more businesses investing in gathering reliable insights around the types of interactions and activity that drive conversions.



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Alex

ARE CERTAIN DEMOGRAPHICS MORE RISK AVERSE THAN OTHERS?

Alex

I think the challenge at the minute is that all demographics, to a degree, probably want to have their cake and eat it. Most don't want to go to their high street bank for 90% of the interactions, as so much can be done online. But actually, in the rare instances where they want to discuss fraud or they are dealing with a complex application they want to be able to go in-store.

Mel

The retail industry has already shifted to focus on in-store experiences, as nobody actually needs to visit the high street anymore, so they have to draw people in. I think financial institutions will have to follow a similar path and really invest time in understanding how they can add extra value in-branch.

Christian

The industry has had to shift from offering face-to-face, to digital, then to omni-channel experiences and that's been a lot to navigate. What's clear now is that people want choice. They want to be able to interact on their own terms. To do this, organisations need to have an understanding of what channels appeal to their target audiences and how to deliver. Otherwise, it just fuels that lack of trust.

SHOULD MORE BE DONE AROUND FINANCIAL EDUCATION TO ENSURE PEOPLE KNOW WHAT SERVICES ARE ON OFFER AND HOW BEST TO USE THEM?

Lewis

I'm an educator and that's at the core of my business. There's a lot of conversations going on about how a number of pretty big issues could be solved by better education. So many people aren't sure which channels to use, how and when to use them, or even what services are available. A lot of people don't know how to be smart with their money and some of the big banks are just paying lip service to education to tick a corporate responsibility box. I would really like to see more really good quality education to help people achieve their financial goals.

Jon R

What we tend to see in the world of payments is that the majority of customers pick their payment method because that's what they trust and that's what they've used in the past. Whether it's right for them at that time might be questionable, but they've built up that trust over years of using the same type of payment method. It's worked for them, it's not gone wrong. There's hundreds of different ways you can make a payment, but people generally stick with one method. That's just human behaviour.

A big elephant in the room in the world of payments is AI. Theoretically, you could see a world where someone says, "I want to buy a jacket". AI shows them a selection, they choose one and it's done. There is a payment there, but the actual person making the transaction probably doesn't want to know about it or see it, it will just happen. Obviously this creates some potential issues, as the consumer might not have visibility.

Lewis

It's interesting to consider where the responsibility falls in that scenario. Does it fall on the retailer, or the merchant, or the bank? It's great to get a little pop-up from the bank telling you how much you spent, but would this continue to happen? What could happen if someone turned off their notifications? Ultimately, my belief is that everybody is responsible for their own finances. I'm big on that, but there is some corporate responsibility in that equation too.

Christian

I think regulators have got a role in this too. Consumer Duty forced a big shift in mindset. The industry has to ensure positive outcomes. It can't continue to be a case of relying on a lack of decision making, or a situation staying the same because the consumer isn't aware of other products or services they could be using.

WHAT OPPORTUNITIES ARE THERE FOR BRANDS TO ENGAGE MORE WITH CONSUMERS? HOW ARE ONLINE INFLUENCERS IMPACTING PERCEPTIONS OF MONEY AND FINANCIAL MANAGEMENT?

Christian

Personally, I think there's a complete disconnect between real life and what younger generations see online. Deals like "enter this competition and win £10,000". Someone needs to tap into this space and make content that actually makes an impact, although it's hard as there's relatively low interest.

Mel

I think one of the big differences with Generation Alpha is that they won't be digital first, they actually don't know anything else. They expect everything to be entirely seamless and instantaneous and this impacts their perceptions of money and good financial management.

Ed

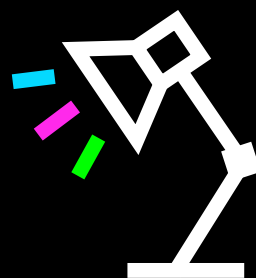
This is a big challenge for brands, how do they reach their target audience and ensure they're seeing appropriate content? A quick glance at personal financial advice on TikTok will show you videos from all sorts of people. I saw one explaining why the 50/30/20 budget model is completely wrong, shortly followed by another pushing the benefits of investing in property via bridging loans. While high street brands might have taken on board Consumer Duty, I'm not sure the same can be said for financial influencers. Brands are currently leaving a vacuum, which they could really capitalise on and use this to add real value.

Lewis

That's an incredibly astute observation, but it's also an incredibly difficult problem to solve for big brands because most people will buy into an individual, not into the brand. So how does a brand occupy that space in the same way? They just can't. Unless they have an impressive founder or CEO who can step into that space and become the voice of the company.

Alex

I think the challenge from a financial education point of view is that no one knows where the responsibility lies. It's not financial institutions and it's not the schools. We don't talk about it early enough. I think this goes back to your earlier point. A lot of businesses open new communication channels because they want to tick the box, but if you don't manage them effectively, they're pointless.



CONCLUSION

It's clear that different demographics want different things from financial services providers, and businesses need to remain open minded when it comes to weighing-up cost versus value. As Generation Alpha becomes financially active, this may also add an extra layer of complexity to the challenge of catering for different audiences.

In-branch experiences remain key

Despite in-branch banking becoming much less popular, this remains vitally important for some demographics. Assumptions that this is largely referring to older generations aren't necessarily accurate, with nearly one in three of Gen Z planning to access financial services in person in 2025 – the highest percentage of any generation.

Data can provide vital insight

With a wealth of customer data, organisations can develop their understanding of key audiences, the types of products and services they interact with and any potential upsell opportunities. This data will also help organisations to leverage the power of artificial intelligence and machine learning.

Understanding audiences will only grow in importance

As new generations become financially active, the industry needs to understand who it is they are talking to and their preferred communication channel. While it might be easy to focus entirely on a digital first offering, millions of customers still prefer in-branch interactions and this cannot be forgotten.

Education must improve

The growth of so-called 'finfluencers' may create negative assumptions around wealth and money management. The industry needs to continue making positive strides when it comes to offering financial education, to ensure that consumers understand which products and services they can access and when to access them.