

Over 50% of Canadian Gen Z and Millennial Consumers Are Looking to Apps for Financial Guidance

GFT's New Banking Disruption Index Explores Whether Canada's Banks Should Partner With Digital Competitors

MONTREAL, QUEBEC, CANADA, July 31, 2024 /EINPresswire.com/ -- For 90% of Canadian banking customers, saving is a top priority, but where they're placing their money is shifting, according to a new report released today. The Banking Disruption Index from global digital transformation company [GFT](#) finds that 57% of consumers still prefer to save their money at traditional banks. Digital challengers like neobanks, however, are catching up with them, with 24% of Canadians saying they prefer to save with these tech-forward options.

According to GFT's report, nearly three quarters (74%) of Canadians say they are not actively looking to switch their banking providers. At the same time, they are increasingly gravitating toward digital budgeting apps and other capabilities that they would traditionally rely on banks for. This is especially true of Gen Z and Millennial consumers—56% are already looking to outside technology for budgeting support.

Consumers Are Still Loyal To Their Banks - But Tech-Powered Experiences Are Shifting the Scales

As banks work tirelessly to create the data infrastructures necessary to build the tech-driven experiences consumers demand, they have been able to rely on their customers' loyalty to buy them time. But the growing interest in AI and other technology-driven banking experiences globally is emerging as a strong incentive to stray.

Other findings from the Canadian Banking Disruption Index include:

- Easily Accessible Funds Are a Top Priority for Where Consumers Save. Forty-one percent (41%) of consumers consider the ease in which they can reach their money as a large factor when considering where to save their money. With the emergence of AI tools, banks and financial institutions who incorporate automations into capabilities will be better set up to give users the seamless experience they are looking for.

- Emergencies and Retirement are more Important to Consumers Than Purchases. The main reason that Canadians are actively saving their money is to prepare for unexpected disasters.

Forty-seven percent (47%) revealed they are putting most of their saved money to an emergency fund, closely followed by 41% saving money for retirement.

□ Boomers Are Wary of Digital Banking Experiences. While Millennial and Gen Z consumers are continuously adopting more digital options, only 3% of Canadians aged 55 and up expressed interest in more technical saving methods like budgeting apps

“If banks want to maintain the loyal customers they’ve held for so long, they need to adapt the technologies they demand,” said Mauricio Deutsch, Banking and Capital Markets Leader of GFT Canada. “In some cases this may even require partnering with digital competition to give consumers the best options.”

GFT surveyed 2,001 Canadian consumers to understand their saving habits and preferences, as well as how technology is influencing their decision of who to bank with beyond savings. It then analyzed its findings to identify areas banks should prioritize to best cater to users, as well as maintain market share.

The complete Canadian Banking Disruption Index offers an in-depth look at how banks can maintain customers’ loyalty, going beyond saving capabilities and hitting on other AI and technological solutions. The full report is available for download [here](#).

About GFT

Shaping the future of digital business

GFT is a digital transformation pioneer. By leveraging next-generation technologies, we enable clients to boost their productivity with intelligent software solutions. We focus on Digital Finance, Enterprise AI & Data Solutions, and Platform Modernisation.

GFT's strengths include deep technological excellence, a strong ecosystem of partners, and industry expertise. We are agile@scale and boost digital transformation for clients from the finance and insurance sectors, as well as the manufacturing industry. GFT talents create, implement, and manage software applications to enable innovative businesses while complying with regulations.

With locations in 20 markets around the globe, GFT ensures proximity to its clients. We draw on over 35 years of experience and a global team of over 12,000 determined talents. GFT provides them with career opportunities in the most innovative areas of software engineering. The GFT Technologies SE share is listed in the SDAX index of the German Stock Exchange (ticker: GFT-XE).

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