5 Ways Banks Can Lead the Wealth Transfer Era

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And though it may seem like younger generations are decades away from inheriting wealth from the Silent Generation, Baby Boomers, and Gen X, the future may be closer than you think. Older generations are increasingly transferring wealth to the next generation before they pass. Living inheritances allow parents to help Millennials and Gen Z when they can use the financial leg up the most, perhaps by establishing custodial accounts or providing a down payment for a home.

"The great wealth transfer is an enormous opportunity for banks and credit unions," explains Jacquie Moen, Head of Product Management, EVERFI. "The most successful in capturing this wealth will be those financial institutions that start today to build their brand and capture the loyalty of the next generation before the wealth transfer occurs."

Banks and credit unions can sit back and hope that younger generations will turn to them to manage their inherited wealth, or they can take steps today to proactively build trust, relevance, and long-term relationships with these customers to ensure their loyalty.

This massive wealth transfer presents an incredible opportunity for the financial services industry. Use these five strategies today to engage Millennials and Gen Z—particularly in low-to-moderate income (LMI) communities—and demonstrate that your institution is best suited to help them achieve their financial goals

1. Understand the Challenges and Opportunities

Even if you are confident that you have established strong relationships with younger customers and members, wealth transfer into your institution isn't a slam dunk. The younger generation is less loyal than you may think. When asked on a scale of 1 to 10 how likely it was that they would be at their primary financial institution a year from now, Gen Z scored 6.6 compared to 8.25 for Gen X and Millennials and 8.8 for Baby Boomers.[2]

Part of the reason for the declining loyalty by generation is a glut of options. "The number of banking and financial organizations targeting younger generations has exploded," notes Moen. "Fintechs and even technology firms such as Apple and Google have unlocked the secret of getting through to younger generations, with innovative apps to help with budgeting, getting out of debt, or saving toward a goal, all without even needing to have a bank account."

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[1] https://www.ml.com/articles/great-wealth-transfer-impact.html
[2] https://cdn.bai.org/marketing/a-look-at-gen-z-banking-habits-and-attitudes.pdf?mkt_tok=NDE1LVJLQi01NzYAAAGbR1GRBRrvA5dcpxASoM6qLIeOg6En0CDd_adXjB6Ys-6AIoVEoWTLq1D4ujZwP_qWGrAUMTRHHxJYQAoZKcuxW_auhDS9LNresWhI872fQ7KEpQ

While fintech's astute use of technology likely gives them a leg up in attracting digitally savvy consumers compared to smaller community financial institutions, technology alone won't win hearts and minds. Instead, these younger consumers are also likely to weigh the impact a financial provider has on their community.

In fact, 28% of Gen Z would consider switching accounts to financial institutions that demonstrate alignment with their ethical or moral values.[3] More than half (52%) are also more likely to bank with a local bank compared to 49% of Gen X and Boomers.[4]

Since only 6% of Millennials and 2% of Gen Z consider a local bank or credit union as their primary institution, values-based branding through financial education is a huge opportunity to gain younger customers and members.[5]

2. Address Generational Priorities

While all generations value financial security and want a shot at building wealth, every generation brings a different perspective to how they save, invest, and manage their finances based on their life experiences. Financial institutions need to address these generational differences, including how Millennials and Gen Z learn about financial topics.

Predictably, Millennials and Gen Z tend to rely on online tools and social media for financial information. The publication PYMNTS found that 79% use mostly TikTok and sometimes YouTube as their primary source for financial literacy.[6] Instead of asking their parents for investing advice, they are more likely to search for information online.

Who else aren't they asking for financial advice? Your bank or credit union.

"Younger generations use technology to get their financial information and to find tools that make their lives easier, such as downloading an app for splitting travel expenses," says Moen. "If your bank or credit union doesn't offer that tool, they will download it from another provider."

Access to so much information can be overwhelming. Being digitally-savvy means that Millennials and Gen Z can easily fall into the financial information rabbit hole, getting questionable information from "fin-influencers" online. Don't wait for these consumers to come to you; instead, reach out and proactively

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[3] https://8460783.fs1.hubspotusercontent-na1.net/hubfs/8460783/0_White%20Papers%20Reports%20Ebooks/White%20Paper%20%7C%20Harris%20Poll%20%7C%20Attracting%20Gen%20Z%20and%20Millennials.pdf
[4] https://8460783.fs1.hubspotusercontent-na1.net/hubfs/8460783/0_White%20Papers%20Reports%20Ebooks/White%20Paper%20%7C%20Harris%20Poll%20%7C%20Attracting%20Gen%20Z%20and%20Millennials.pdf
[5] https://8460783.fs1.hubspotusercontent-na1.net/hubfs/8460783/0_White%20Papers%20Reports%20Ebooks/White%20Paper%20%7C%20Harris%20Poll%20%7C%20Attracting%20Gen%20Z%20and%20Millennials.pdf
[6] https://www.pymnts.com/consumer-finance/2024/79percent-of-millennials-and-gen-z-turn-to-social-media-for-financial-advice/

build relationships with younger generations who will associate your institution with financial literacy education.

Even though they have access to a plethora of digital financial information, 59% who use social media for financial information aren't confident they can tell the difference between accurate and inaccurate or bad advice.[7] It's no surprise then that regardless of how many financial sources they engage with, more than one in four Gen Zers say they are not confident in their financial knowledge and skills.[8]

Millennials and Gen Z who do ask their parents or other family members for financial advice may fare no better than those who rely on TikTok. Parents who struggle with credit card debt may be hesitant or embarrassed to offer financial advice to their children. Or, like 49% of U.S. adults, they may simply struggle with financial literacy.[9] Those who did not grow up with generational wealth may know little about investing, giving banks and credit unions another opportunity to educate the community and demonstrate that they care.

"Financial institutions are recognizing that they have a responsibility to provide trusted financial information not only to younger generations, but to their parents and grandparents as well," says Moen.

3. Deliver Innovative Products and Services

Banks and credit unions are used to helping consumers save for their children's education, purchase a home, or invest for retirement, but Millennials and Gen Z may have different priorities. Consider offering different products and services to younger customers and members based on their stage of life.

For example, younger generations tend to be more burdened by inflation than their parents, with 47% of Gen Z saying that inflation—rather than income, debt, or housing costs—is their biggest financial challenge.[10] Gen Z is more concerned about meeting their monthly expenses than older generations, with 44% saying they worry about bills, compared to 39% of Millennials, 31% of Gen X, and 19% of Baby Boomers.[11]

Millennials and Gen Z would likely gravitate toward financial institutions that provide digital tools that can help them stick to a budget and grow their emergency savings.

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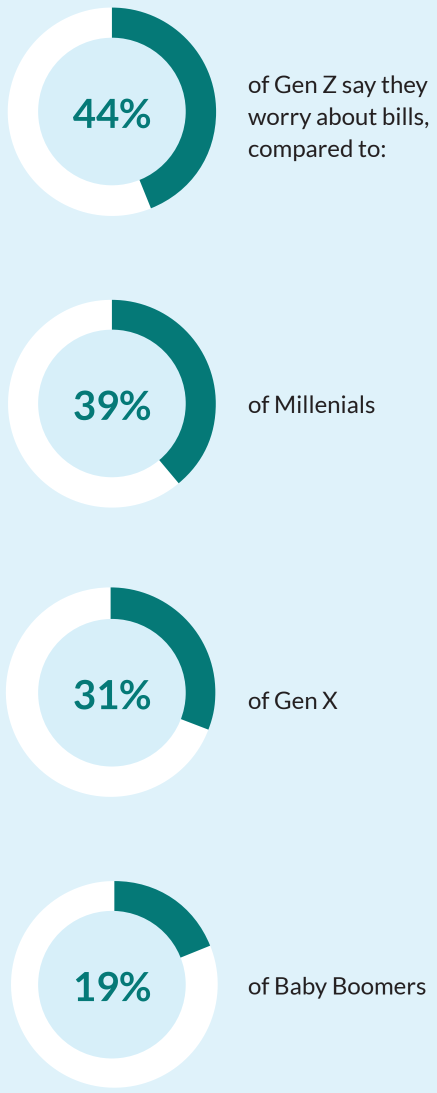
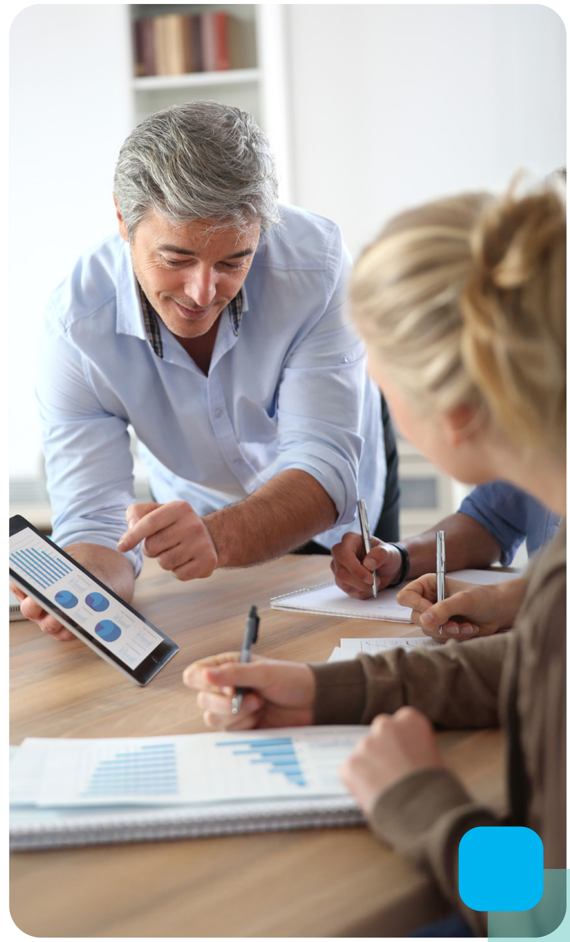


[7] https://www.intuit.com/blog/innovative-thinking/intuit-survey/
[8] https://wallethub.com/blog/generational-finances-survey/133122
[9] https://www.tiaa.org/content/dam/tiaa/institute/pdf/insights-report/2025-05/financial-literacy-and-retirement-fluency-in-america-p-fin-ir.pdf
[10] https://wallethub.com/blog/generational-finances-survey/133122
[11] https://www.limra.com/en/newsroom/industry-trends/2024/financial-literacy-month-helping-gen-z-and-millennial-consumers-navigate-todays-financial-landscape/

More than 60% of Millennials and Gen Z say that owning a home is a part of the American Dream,[12] but that dream is difficult to afford: The average home price in 1963 was $19,300. In first quarter 2025, the average price was $503,800.[13] Imagine the engagement you could generate by helping prospective homeowners navigate their home buying journey before they even have a downpayment.

Many Millennials and Gen Z also face crippling student loan debt. According to the U.S. Bureau of Labor Statistics, college tuition and fees are 1,538.43% higher in 2025 than they were in 1977.[14] Borrowers under 40 years old owe a total of $869 billion in student loans.[15] Help this group pay off this debt with innovative savings and lending products and manage it with an app.



4. Offer Financial Education that Drives Engagement

Learn what education and resources these younger consumers want, ask them. Collaborate with community development financial institutions (CDFIs), nonprofits, schools, and other organizations to provide financial counseling, support affordable housing initiatives, and facilitate small business development.

Deliver this information through K-12 education for the youngest of Gen Z (and the oldest of Gen Alpha), workshops, or by supporting community events. Demonstrate through action that your bank or credit union cares—really cares—about their financial well-being.

Offering financial education in classrooms is particularly powerful: 95% of students who currently receive financial information in a classroom setting find it helpful.[16] It's also popular, with 85% of U.S. high school students saying that they are interested in learning about financial topics in school.[17]

However, even though 29 states mandate that students take at least one personal finance course to graduate,[18] funding often falls short. School districts need private and community support, especially in underserved LMI communities.

Students who take multiple courses score higher in financial knowledge, attitudes, and behaviors than those that take a single course.[19] To have the biggest impact on students, teach foundational concepts in early grades and support a continuum of education through high school.

[12] https://www.bankrate.com/mortgages/homeownership-remains-centerpiece-of-american-dream/#sacrificing
[13] https://fred.stlouisfed.org/series/ASPUS
[14] https://www.in2013dollars.com/College-tuition-and-fees/price-inflation
[15] https://educationdata.org/student-loan-debt-by-age-group
[16] https://www.intuit.com/blog/innovative-thinking/intuit-survey/
[17] https://www.intuit.com/blog/innovative-thinking/intuit-survey/
[18] https://www.ngpf.org/live-us-dashboard/

5. Use Financial Education to Support CRA

Banks must comply with CRA mandates to demonstrate commitment to the economic well-being of LMI communities. But they should also embrace CRA as more than a check-the-box regulation and view it as an opportunity to engage with the LMI community through educational and community development initiatives.

For example, banks can offer free or low-cost financial education programs to LMI communities, covering topics like budgeting, saving, and managing debt. This can help increase financial literacy and empower individuals to make informed financial decisions.

Financial institutions can also work to make their products and services more accessible and affordable for LMI individuals, offering low-fee or free checking and savings accounts and implementing asset-building programs that help LMI households accumulate savings and invest for the future.

LMI families may be unfamiliar with wealth transfer, believing that only the wealthy need estate planning, trusts, and wills. Financial institutions can educate families about how intergenerational wealth impacts everyone regardless of income and guide families on how to navigate the transfer process and minimize tax implications.

Be Ready for the Wealth Transfer

The entire financial services industry will be vying for a piece of the $124 trillion wealth transfer pie. But don't wait; lay the foundation for success today so that your financial institution will be the one that Millennials and Gen Z trust to help them manage this wealth.

Attracting and retaining these groups requires rethinking how you reach out to and engage with younger consumers. Look for a partner to guide your institution in navigating generational shifts with customized offerings and education.

Offering targeted, relevant, and engaging financial education in a range of formats is a powerful method for amplifying your brand, building trust, and standing out as an institution that drives meaningful impact in their communities and is deserving of their trust.

About EVERFI

EVERFI is a leading education technology company that specializes in delivering digital learning solutions to address critical life skills, with financial education serving as one of its core focus areas. The company operates on a unique model where courses are offered online and free of charge to educators and students, with corporate partners providing sponsorship to support these educational initiatives. EVERFI offers comprehensive financial literacy programs spanning elementary through high school levels, covering essential topics including personal finance management, budgeting, credit, investing, and entrepreneurship through interactive, game-based digital lessons. Beyond K-12 education, EVERFI serves banks, credit unions, and other financial institutions seeking to fulfill Community Reinvestment Act requirements while also providing employee financial wellness programs for workplace settings.

[19] https://res.cloudinary.com/everfi/images/v1738948379/massmutual-year-3-research-report/massmutual-year-3-research-report.pdf?_i=AA