

DatumEvolve

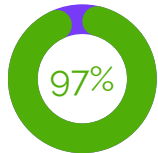
# Embracing Digital Natives:

## Why Credit Unions Must Adapt to Stay Competitive

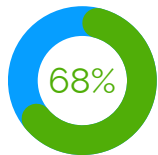
Individuals raised in the digital age are reshaping member behavior and expectations at an unprecedented pace

Digital natives are individuals who grew up in the era of pervasive digital technology. Immersed in a world where technology is ubiquitous, They effortlessly navigate digital devices and platforms, seamlessly integrating them into various aspects of their lives, from communication and entertainment to learning. Unlike their predecessors, digital immigrants, who had to adapt to technology later in life, digital natives possess an innate fluency with digital tools and exhibit a profound understanding of their functionalities.

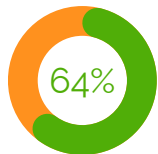
### KEY STATISTICS



**Tech-Savvy Generation:** Digital Natives, also known as Generation Z and Millennials, have grown up in a world immersed in technology. According to Pew Research Center, 97% of Americans aged 18 to 29 own a smartphone, highlighting their high level of tech adoption.



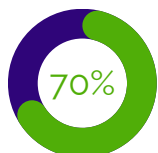
**Preference for Digital Channels:** Digital Natives prefer digital channels for communication, shopping, and entertainment. A study by Accenture found that 68% of Gen Z consumers prefer to make purchases online, emphasizing the importance of digital commerce platforms for reaching this demographic.



**Demand for Personalization:** Digital Natives expect personalized experiences from businesses. Salesforce reports that 64% of consumers expect tailored engagement based on past interactions, indicating a growing demand for personalized digital marketing efforts.



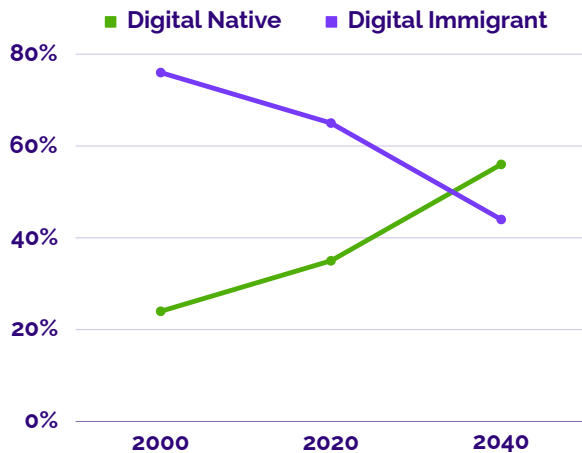
**Mobile-First Mentality:** Mobile devices are central to the lives of Digital Natives. According to eMarketer, the average daily time spent on mobile devices by Gen Z is over four hours, highlighting the need for businesses to prioritize mobile optimization and responsive design.



**Influence on Purchase Decisions:** Digital Natives have significant influence over family spending and purchasing decisions. A study by IBM found that 70% of Gen Z consumers influence family decisions on electronics purchases, underscoring their importance as a consumer demographic

## THE ECONOMIC IMPACT OF DIGITAL NATIVES

Digital Natives represent a powerful demographic force and have far-reaching economic implications for businesses across all industries, not just as consumers of products and services, but in their expectations as members of the workforce. Credit Unions must understand their preferences, embrace digital transformation, and prioritize innovation to position themselves for success in an increasingly digital and competitive marketplace.



By 2035 Digital Natives are estimated to become the dominant consumer demographic, requiring that businesses adapt their strategies to meet their preferences and expectations. Failure to do so risks losing market share to competitors who are better aligned with the needs of this demographic. The first step of this adaptation requires Digital Transformation.

Embracing digital transformation opens up new opportunities for innovation and growth. Credit Unions that invest in technology to enhance member experiences, streamline operations, and deliver personalized offerings stand to gain a competitive edge in the marketplace.

Digital Natives will quickly become the economic majority and will eventually be the only Demographic. Digital Transformation not only ensures viability as an employer, but allows Credit Unions to remain competitive and relevant in an increasingly digital-first world. Here are key steps Credit Unions can take to adapt to the expectations of Digital Natives:

**Document and Process Digitization:** Convert paper documents and antiquated manual processes to digital using Enterprise Content Management software like OnBase.

**Invest in Technology:** Implement technologies such as artificial intelligence, robotic process automation, data analytics and workflow automation to enhance operational efficiency, create visibility, ensure accuracy and increase productivity, allowing you to deliver seamless digital experiences to customers.

**Personalize Customer Interactions:** Leverage newly captured data points to implement personalized marketing strategies and tailored customer experiences that cater to the individual preferences of Digital Natives, driving engagement, increasing relevance and capturing customer loyalty.

**Optimize for Mobile:** Ensure that your digital assets, including websites, apps, and marketing campaigns, are optimized for mobile devices to cater to the mobile-first mindset of Digital Natives.

**Embrace Agility and Innovation:** Foster a culture of innovation and agility within your organization, enabling rapid adaptation to changing consumer preferences and market dynamics.



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