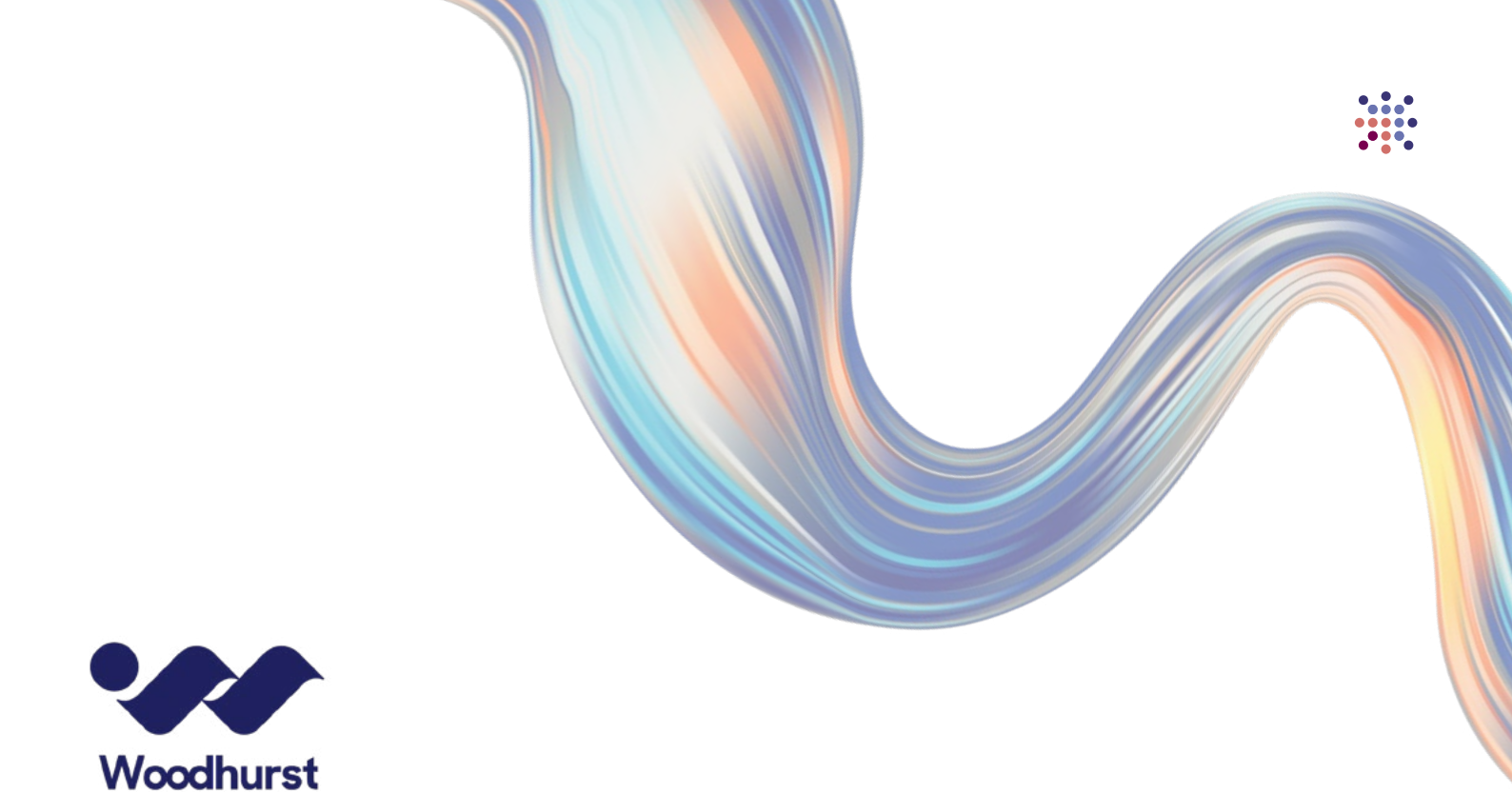

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6: The changing nature of consumer savings

Executive Summary

- By 2050, the concept of a standalone "savings product" is likely to become obsolete, replaced by AI-driven, hyper-personalised ecosystems.
- AI agents will increasingly act as brokers, owning much of the customer relationship, particularly in the early stages, by sourcing options via prompts like "find me the best rate" or "show me ethical options."
- For building societies, this represents a fundamental shift: competition moves away from product features towards relevance within agent-led ecosystems.
- Success will depend on being visible and consistently selected by AI-driven intermediaries, such as technology platforms, fintechs and digital marketplaces.
- However, not all customers will move in the same direction: many will embrace AI-mediated, automated journeys, while others will continue to prioritise human interaction, trust and community presence.
- The opportunity for building societies is to compete in these ecosystems while broadening their role in supporting financial wellbeing across customers' life stages, building on their enduring strengths in trust, service and community.

The evolution of savings: from products to AI-orchestrated outcomes

By 2050, the traditional model of savings, customers selecting and managing discrete accounts, will give way to a fluid, AI-driven experience embedded within broader financial ecosystems. Customers will increasingly interact through aggregator platforms or AI agents, using prompts such as "find me the best rate," "optimise my savings," or "show me ethical options."

Behind the scenes, funds will be dynamically allocated across providers based on rate competitiveness, alignment to goals and values, trust signals, and ease of integration. In this environment, customer relationships are no longer exclusively owned by providers, distribution is mediated by platforms and agents, and selection becomes continuous rather than a one-off decision.

At the same time, saving shifts from a product to an outcome. Customers will think less themselves in terms of accounts and balances, and more about financial security, lifestyle choices, supporting causes, and intergenerational wealth. Savings becomes an enabler of life goals, with journeys that are continuous, adaptive, and shaped by relevance rather than just financial return. There will be more embedded savings journeys, whether via the workplace with dynamic payroll deductions, or as people go about their lives.

While technology reshapes delivery, underlying behaviours remain consistent: customers will still earn, spend, aspire to home ownership, plan for retirement, support family, and seek security. What changes is how these goals are achieved. Future generations will be AI native (comfortable delegating decisions to AI) and less attached to individual institutions.

Two customer scenarios for the future

To illustrate how these shifts could play out, where no single financial services player fully owns the data or customer relationship, we will explore two persona-based scenarios to clarify how this model operates across different segments of the population:

Scenario 1: Alexandra the AI-orchestrated saver

Alexandra is 29 and does not have a direct relationship with any financial institution. Her financial life is managed entirely through a single AI assistant, which acts as her interface, adviser and execution layer. She does not log into banking apps, compare products or engage with providers directly.

When Alexandra receives income, such as a bonus, she interacts only with her AI assistant. It prompts her with options such as "allocate towards your home goal", "increase flexibility", or "prioritise ethical outcomes". With a simple confirmation, her funds are distributed automatically across multiple providers without her needing to know where her money is held.

Behind the scenes, her savings are dynamically allocated. Alexandra's AI interacts directly with financial institutions' own pricing and product engines, which generate tailored savings arrangements for her situation. For example, this could include specific lock-in periods aligned to her home-buying timeline, with rates that adjust accordingly. The AI continuously scans the market, shifting funds between providers based on rate competitiveness, ethical alignment, trust signals and suitability to her goals. A provider may gain or lose her balance instantaneously, not because she has switched, but because her AI has. In ultra-liquid AI-driven markets, providers may need to

redesign how savings are structured to manage faster movement of funds. This could include greater use of notice periods, dynamic pricing and incentives for stability, tailored to individual customer needs.
Alexandra rarely sees the names of the institutions holding her money. Her experience is shaped entirely by her AI assistant, which translates complex activity into simple outcomes, such as "you are on track to reach your goal in 14 months". In this world, traditional loyalty weakens significantly: Alexandra cares less about who holds her savings and more about whether her financial goals are being achieved. For providers, relevance depends less on being chosen directly by customers and more on being selected by AI systems operating on their behalf.

For building societies, relevance in Alexandra's world depends on being visible, accessible and effective within AI-driven interactions. Success will depend not just on rates, but on the ability to deliver personalised, trusted and differentiated value within an AI-mediated financial ecosystem. This could involve interacting more on ancillary services or information and guidance.

Scenario 2: David
the trust-led, community-focused saver

David is 70 and approaching retirement. He is highly digitally capable, but chooses not to rely on AI for significant financial decisions. He uses digital tools to organise information, compare options and prepare for conversations, but does not delegate control. For him, financial decisions carry emotional weight, particularly as he plans for retirement, inheritance and later-life care.

When David reviews his financial position, he may begin with an AI-generated summary or comparison, but he uses this only as a starting point. He wants to understand the implications of decisions in a more human context, including how they affect his family now and in the future, his lifestyle and his long-term security.

David places a high value on judgement, not just information. He seeks out institutions that provide access to experienced advisors who can guide him through complex decisions and provide reassurance. This is not driven by an aversion to technology, but by a preference for accountability and trust when the stakes are high.

Over time, David consolidates his financial relationships with a small number of institutions that he trusts to act in his best interests. He expects continuity, recognition and a clear understanding of his circumstances. Digital channels are used to support this relationship, but not replace it.

In this world, the value of human interaction increases rather than decreases for certain segments. Institutions that can provide trusted advice, continuity and reassurance become more important, even as much of the market shifts toward automation.

2050 savings journeys

PHASE 1	PHASE 2	PHASE 3	PHASE 4	PHASE 5
Trigger	**Explore**	**Guidance**	**Decision & Setup**	**Ongoing & Evolve**
A financial need or life event prompts a desire to save	Options are explored independently using digital tools or AI	Advice or recommendations are received from AI tools or a trusted human	The choice is made and savings are set up with support if needed	Savings are managed over time and adjusted as life and goals change

Alexandra, 29 AI-orchestrated journey

1	2	3	4	5
Alexandra chats with her AI agent about her goals and what she wants to achieve	Her AI agent researches across the market and comes back with tailored savings options and comparisons	Alexandra discusses the recommendations with her AI agent and finalises her preferred option	Her AI agent handles setup and comes back to Alexandra for confirmations or approvals when needed	Alexandra receives a monthly financial progress overview from her AI agent with insights and recommendations

Alexandra Touchpoints

- AI agent chat and discussion
- AI agent curated comparisons and options
- AI agent advice and guidance
- AI agent notifications for confirmations and approvals
- AI agent monthly progress overview and insights

David, 70 Human/AI hybrid journey

1	2	3	4	5
A life event or change in circumstances prompts David to review his savings	David uses AI tools to research options and understand what may suit him	He takes key points from AI and speaks with a human advisor for clarity and re-assurance	David decides and sets up his savings with help from his advisor and digital tools	David stays in touch with his advisor and reviews his savings as his life evolves

David Touchpoints

- Email, website or branch
- AI research tools
- Human advisor (in person, phone or video)
- Digital or branch channels
- Ongoing advisor interactions

Strategic implications for building societies and credit unions

The future of savings is a dual reality. Building societies must operate effectively within AI-driven ecosystems while reinforcing their core strengths in trust, service and community. To align to this future, organisations should focus on five key priorities:

1. Become "agent-ready": ensure services can be surfaced by AI intermediaries.

- Expose products via APIs and Open Finance infrastructure.
- Enable real-time decisioning and execution.

2. Compete on continuous selection: shift from locking customers in to being repeatedly chosen.

- Strengthen pricing agility, rate forecasting.
- Respond quickly to market changes.
- Build loyalty and reward mechanisms.

3. Build data and personalisation capabilities: move beyond static products to adaptive services.

- Invest in data infrastructure and analytics.
- Enable dynamic, goal-driven propositions, and support transitions between different savings motivations (also regular saving, emergency buffers, payroll savings, low-balance savers, financial coaching, later-life planning, etc.)

4. Redefine the role of products: position savings as part of broader financial journeys relating to building financial resilience and wellbeing across different lifestages. Build on the example that credit unions already set on financial wellbeing journeys, combining saving and borrowing and embedding financial education.

- Design savings propositions for a more fluid, AI-driven market.
- Design for integration into external ecosystems, including integrating with advice, investments, pensions and care.

5. Deliver dual experiences: support both AI-led and human-led journeys.

- Enable automated, AI-mediated experiences.
- Strengthen high-touch, trust-led interactions, including embedding coaching.

Conclusion

- The shift to AI-driven financial ecosystems will fundamentally reshape how savings are accessed, managed and experienced.
- As AI agents take on a greater role in distribution and early-stage customer relationships, often acting as brokers, success will depend on being visible, accessible and consistently selected within these environments.
- The implication for organisations is to prioritise becoming "agent-ready" while strengthening what cannot be commoditised, thinking beyond products to broader life-stage related needs.
- This includes investing in data and pricing capabilities, exposing products through open infrastructure and APIs, and ensuring propositions can be easily surfaced and selected.
- Organisations must shift from locking customers in to earning repeated selection through relevance, responsiveness and differentiated value.
- At the same time, trust, human support and community presence must be deliberately integrated to remain both digitally relevant and meaningfully human in 2050.