



# Customer expectations across generations: the key factors that drive engagement

What the data reveals about building deeper brand relationships

# PAYMENT CONNECTIVITY

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Imagine a young adult getting access to exclusive card design options along with digital payment features tailored to their lifestyle via their bank app. Or a busy professional seamlessly connecting abroad with proactive eSIM data plan suggestions from their mobile operator. Or even a retiree enjoying personalized loyalty offers sent directly to their inbox. Product and service personalization can take many forms, but not every type will align with the expectations of each age group.

Plenty of factors influence consumer decision making today. As brands thrive to differentiate from competition, they need to consider what customization means and how it matters for different age groups so they can **refine their customer strategies and maximize engagement**. To get insights into how personalization expectations differ across age groups (younger individuals, Millennials, and older adults), IDEMIA Secure Transactions (IST) conducted a study with BVA Xsights in Brazil, France, Japan and the US.<sup>1</sup> What we found is that **each generation values product and service customization differently and has distinct preferences for how it is delivered**.

## Young people (15-29): The champions of seamless personalization

As digital natives, 15–29-year-olds are the most enthusiastic about hyper-personalized offers. This generation has grown up in a world where **data-driven experiences** are commonplace, leading them to expect tailored services as the norm. Their interactions with brands, both online and offline, often revolve around how well their personal preferences are met.

### High expectations for personalization

Across the four countries surveyed, younger consumers (along with Millennials) are leading the way in demanding personalization. In Brazil, for example, half of consumers below 30 consider it essential that a brand personalizes products and services offered to them (compared to 1 in 4 among older adults). Meanwhile in France, Japan and the US, this applies to around 30% of younger individuals, versus around 15% of older adults.

Younger customers (notably in France and in the US) expect brands to understand their unique preferences and **deliver tailored experiences, proactively**. This is exactly what Romania's largest bank, Banca Transilvania did: after the huge success of its digital card with the UNTOLD music festival, it decided to release a limited-edition illuminated physical card. With its festival-inspired design, this card instantly resonated with electronic music fans, reflecting their lifestyle while offering them a sense of exclusivity.

**Digital natives are more likely to opt for a personalized online shopping experience, where they can first express their preferences** and then be offered products or services that match their profile—by contrast with older adults who generally prefer having as many options as possible when searching online, even if it means following a standard journey.

## Customization expectations even reinforced by AI

In this younger age group, the emergence of AI in everyday life has raised even further personalization expectations. Smarter chatbots, AI-powered recommendation engines like those on Netflix and Amazon, and tools for easy product comparisons have shown how tailored, real-time experiences can enhance convenience. This drives younger generations to expect similar levels of customization across all sectors. In the US for example, close to 70% confirm the impact of AI on their personalization expectations. Even in France, where the effect of AI democratization is less significant on the overall population, the emergence of these technologies is fueling expectations of more than half of younger consumers.

As data-powered recommendations continue to shape increasingly personalized consumer journeys, crafting a smooth and flexible service experience is more important than ever. In the telecom sector, **the rollout of eSIM technology comes at the perfect time for MNOs and MVNOs looking to tailor mobile plans to different age groups**. Some providers leverage the greater marketing flexibility enabled by eSIM to market budget-friendly, no-contract plans with student discounts<sup>2</sup> while others design specialized gap-year data packages for young globetrotters<sup>3</sup>.

## A strong preference for mobile interactions

Unsurprisingly, smartphones are the preferred means of interaction for this group, multiplying the channels through which brands can reach out to them. In Brazil, half of younger consumers turn to social media and 1 in 4 use the brand mobile app for receiving information about the brands they follow. In France, SMS, social media, and mobile apps are also key channels to reach those under 30, along with phone calls in the USA and Japan. **To reach out to these ultra-connected consumers FinTechs and banks can rely on digital-first solutions**, providing their clients with secure digital payment options along with customization features for their physical cards directly from their smartphones.

## Beyond the screen: the value of in-store visits for digital natives

What is more striking is that digital natives, notably in Japan, are even more likely than their elders to seek human interaction. In fact, **younger people frequently engage in hybrid shopping journeys**—a habit that is picked up by Millennials as well. In France, this trend is particularly pronounced among those under 30, with 70% engaging in this behavior regularly or systematically, compared to an average of 54% nationally—while in Brazil, Japan, and the US, this trend is more evenly distributed across younger individuals and Millennials.

Overall, this generation is driving a shift in how brands engage with consumers, expecting personalized experiences that align with their fast-paced, digital lifestyles. They seek seamless integration between physical and digital touchpoints, with an emphasis on brands anticipating their needs rather than just reacting to them. This presents an opportunity for digital wallet providers who, after winning over consumers for P2P and e-commerce transactions, now want to extend their services into in-store payments. **From a click online to a tap in store, the continuity of the experience is now possible** thanks to the Tap to Pay by Account solution developed by IDEMIA Secure Transactions.

## Millennials (30-49): Balancing personalization efficiency and privacy

Consumers between the ages of 30 and 49 have also embraced personalization, but with a more pragmatic approach. While they appreciate the value of personalization, they are more cautious about how brands use their data. For them, **hyper-personalization must deliver tangible benefits** to justify the collection and use of personal information.

## Personalization as a fundamental expectation

The study shows that a large percentage of Millennials in all four countries value customization. In Brazil, an overwhelming 96% of respondents in this group consider it important, compared to 90% in Japan, 82% in the US and 79% in France. This age group is also most responsive to service personalization as a driver of brand loyalty, particularly in Japan and Brazil.

## Practical motivations to share data

In exchange for sharing personal data and preferences, modern consumers have come to expect more than simply receiving gifts or discounts. The assurance that their data will be used securely, along with the trust they place in the brands, weighs almost as much in their willingness to share information as the benefits they expect in return. This is particularly true for Millennials.

The personalization that appeals most to this generation is functional and practical. They are looking for customized offers and recommendations that **align with their work and family commitments**. Whether it's a personalized offer for an appliance or a tailored recommendation for a family car, they appreciate personalization that simplifies their busy lives. For them, personalization must be convenient, efficient and add value to their daily routines.

## Older adults (50+): Simplicity and control in personalization

Older adults (50+) are generally the least enthusiastic about personalized experiences. While they recognize the benefits, particularly in terms of convenience, they are **less accustomed to digital environments** that rely heavily on personalization.

## A conservative approach to personalization

The study shows that only around 15% of older adults in Japan, France and the U.S. consider personalized products and services essential. This is much lower than in other age groups. In contrast, Brazil stands out, with nearly 30% of older respondents saying that a brand should offer them personalized products or services. This difference highlights the **varying levels of comfort with personalization across countries and cultures**.

## Traditional channels still reign

Older adults predominantly prefer email (around 60-70% in all four countries) and other traditional methods of engagement such as SMS, phone calls or even regular mail (still favored by 21% in this age group in the US), over newer digital platforms. This offers fewer personalization options to brands targeting this age group. Compared to younger people, older adults are significantly **less likely to seek information on new offers or discounts on social media**, with only 3% in France and 7% in the US expressing interest in this channel. The only exception is in Brazil where 25% of older respondents stay connected with brands on social media, reflecting a more digitally engaged older population than in other countries.

Older adults are also less likely to engage in hybrid journeys: less than 50% of this age group in France, the US and Japan alternate between in-store visits and websites or mobile apps at least regularly.

## Convenience and trust above all

For this generation, personalization is more about **convenience, trust, and ease of interaction** with brands than it is about real-time customization or the use of innovative technologies like AI. In France for instance, only 22% of older respondents declared their expectations for personalization have evolved with the rise of AI tools. Older adults value personalization when it simplifies their lives, such as personalized loyalty programs or service reminders for frequently purchased items.

They positively respond to personalization when it is clearly explained and transparently delivered. Brands seeking to engage this demographic should **emphasize trust and data security** to ensure that their personalization efforts are seen as helpful rather than intrusive.

## Tailoring hyper-personalization across generations

The multifaceted personalization expectations of different generations create both challenges and opportunities for brands. While younger consumers are the most enthusiastic about tailored offers and expect seamless integration across digital and physical channels, Millennials are focused on practicality, seeking personalized services that add clear value to their lives. Older adults also value personalization when it provides convenience, but they tend to be more concerned with maintaining control over their data and mastering their own choices.

For service providers such as banks and mobile operators, these generational contrasts present opportunities to bring additional value to their customers and to differentiate in highly competitive markets. **Delivering a consistent, high-quality user experience across all channels** – whether online, in-store, or in hybrid journeys – becomes essential to build stronger, more loyal relationships with customers, regardless of their age or preferred methods of interaction.

At IDEMIA Secure Transactions, we believe that understanding the personalization expectations of each generation and the various ways they interact with brands provides opportunities for our clients to strengthen customer relationships. With distinctive products and seamless services that adapt to customers both in-person and online while meeting their demand for security and privacy protection, **we make it possible.**

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<sup>1</sup> Market trend analysis and figures based on an online survey conducted by BVA Xsight for IDEMIA Secure Transactions from July 24th to 31st, 2024. Panel of 4,027 people in total composed of 4 representative population samples aged 15 and over in Brazil, France, Japan and the USA.

<sup>2</sup> [https://www.lycamobile.us/blog/en/best-phone-plans-for-students-in-the-usa-affordable-no-contract/?\\_\\_cf\\_chl\\_f\\_tk=oBwEhWC9VgJO18XASM83oWBaaCgOLqZB9cBVPz4L6tU-1757603195-1.0.1.1-RcibYSdw71x9J\\_hRqp2eU4Tc1Zu5l\\_ussgciEz9XhCA](https://www.lycamobile.us/blog/en/best-phone-plans-for-students-in-the-usa-affordable-no-contract/?__cf_chl_f_tk=oBwEhWC9VgJO18XASM83oWBaaCgOLqZB9cBVPz4L6tU-1757603195-1.0.1.1-RcibYSdw71x9J_hRqp2eU4Tc1Zu5l_ussgciEz9XhCA)

<sup>3</sup> <https://yohomobile.com/fr-FR/esim-gap-year-young-globetrotters-travel-2025>

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