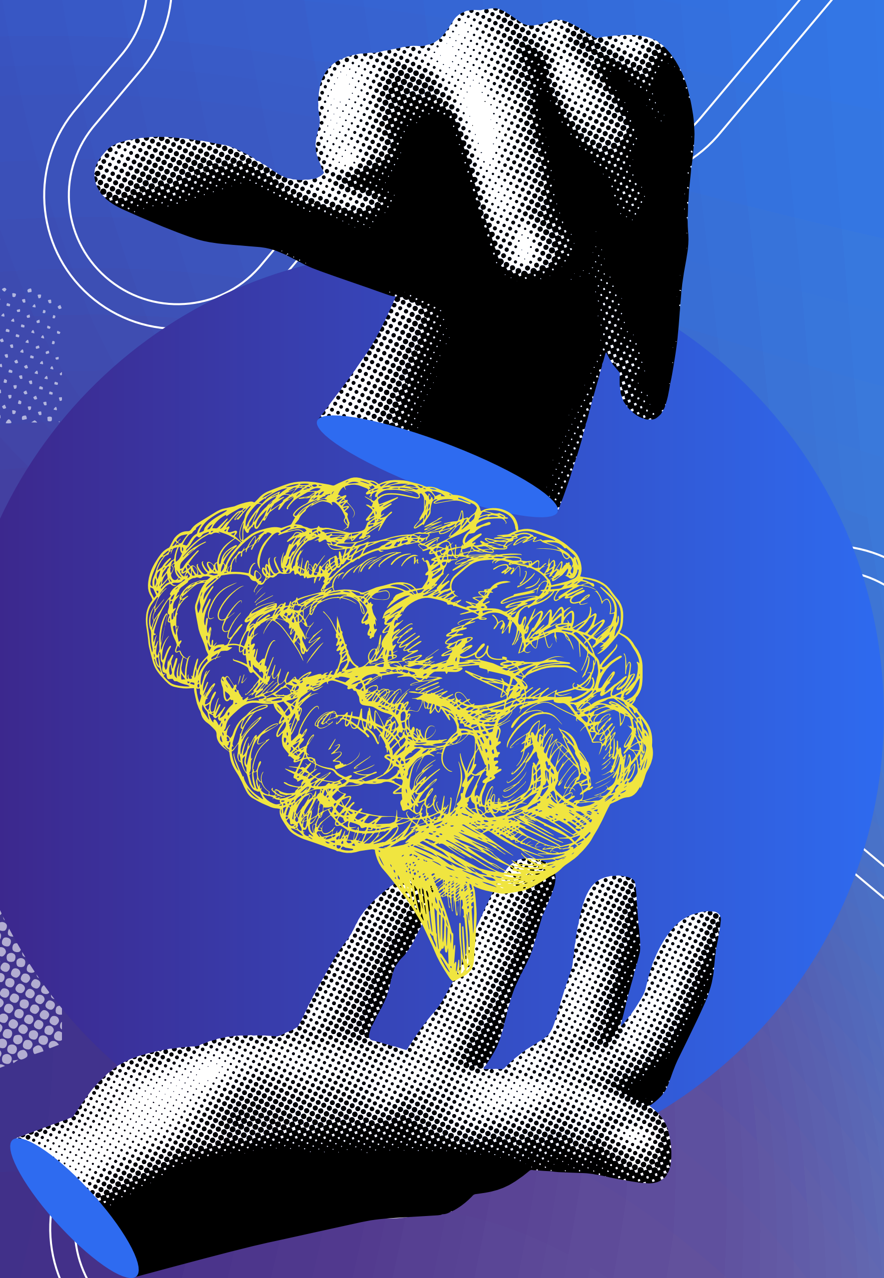
June 2026 Playbook

AI at the FI

Inside Credit Unions' Demand-Execution Gap



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AI at the FI: Inside Credit Unions' Demand-Execution Gap was produced in collaboration with Velera, and PYMNTS Intelligence is grateful for the company's support and insight. PYMNTS Intelligence retains full editorial control over the following findings, methodology and data analysis.

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What's **at Stake**

Imagine a young professional using an app on her mobile phone to sort through last month's media subscriptions and flag the ones she forgot or no longer wants so that she can redirect money to her student loan. Or a small business owner telling a chat assistant to compare three lines of commercial credit and explain the pros and cons in plain language.

Consumers and small businesses aren't asking their financial institutions for a magic wand. They just want artificial intelligence tools that offer practical help tracking expenses, managing bills, finding better products and getting clearer guidance on credit and cash flow.

77%

of Gen Z consumers are interested in **AI-powered financial advice tools.**

Nearly six in 10 (59%) individuals who are credit union members and seven out of 10 (71%) small and medium-sized business (SMB) members say they want AI-driven money management tools from their financial institutions. But the broad demand fragments across dozens of use cases, rather than clustering around any single feature.

Demand for AI-powered money advice tools is strongest among the younger consumers credit unions most need to win over as members, and weakest among the members they already have. Across all financial institutions, meaning both credit unions and banks, 59% of consumers are interested in AI-driven money advice tools. That includes Gen Z at 77%, former credit union members at 74% and millennials at 73%. Just over seven in 10 SMB members (71%) are interested, slightly below the 75% measured across all financial institutions. SMB members with more than $1 million a year in revenue register 83% interest.

What these consumers and business owners want is practical. Use cases focused on money management lead: tracking bills (22%), tips for saving and managing credit (21%) and budgeting (20%). AI-initiated purchases draw just 9%. This pattern shows that members want AI to think about their money before they trust it to move their money. For product designers, this means that it's worth prioritizing conversational, advisory use cases over autonomous, transaction-heavy ones. Institutions that start with advice and guidance will meet a key need without having to overcome any massive trust barriers.

On the supply side, neither credit unions nor FinTechs are keeping pace in meeting this demand. Only one in four credit unions and one in three FinTechs currently offer AI chat support, the most basic capability. For AI-driven financial advice and payments, the numbers drop to the mid-teens. Nearly half of all credit unions have no plans to offer AI for payments at all. Even their six-year outlook still leaves most at lower adoption levels on every capability.

That underscores a familiar pattern: The intent to adopt AI-driven tools is there, but the investment isn't.

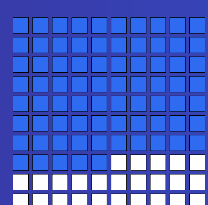
Six in 10 credit unions cite personalized digital experiences as their top member acquisition strategy. Half specifically point to AI and conversational assistants. Yet only 47% list AI automation as an innovation focus area, ranking it ninth of 13 behind data analytics (69%), new payment user experience tools (67%) and data security (67%). FinTechs show the same pattern. Half prioritize AI automation but invest more heavily in compliance (60%), data security (70%) and analytics (61%).

The latest installment of the **Credit Union Innovation Readiness in 2026 series**, created by PYMNTS Intelligence in collaboration with Velera, draws from a survey of nearly 14,000 U.S. consumers and nearly 2,500 SMBs conducted Oct. 31–Dec. 30, 2025. It also draws from a survey of 500 credit union executives conducted Oct. 22–Nov. 21, 2025, and a survey of 100 FinTechs conducted in the same period. The results reveal that consumers and SMBs want AI now, but most financial institutions are still building the capabilities that would meet that demand.

KEY **FINDINGS**

01 WIDESPREAD DEMAND

SMBs want AI assistance from their financial institution even more than consumers do, and demand is strongest among the highest-value segments.



75%

of SMBs and 59% of consumers would use at least one AI assistant feature from their financial institution.

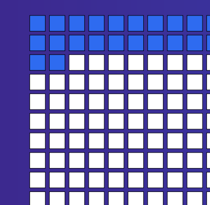
02 CLOSING THE GAP

Credit unions can narrow the AI readiness gap if they can deliver on the plans they currently have in the pipeline.

Emerging credit unions are projected to reach a portfolio performance score of 60 by 2029, matching today's strongest performers.

03 TRUST FIRST

Credit union members want AI to help them understand their money more than they want it to take any action.



22%

of consumers and 31% of SMBs want expense tracking capabilities, while just 9% and 11%, respectively, are interested in AI-initiated purchases.

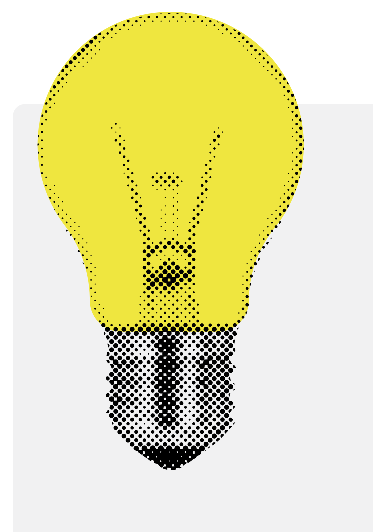
04 PLAYING CATCHUP

Credit unions say AI matters for growth, but they're not making it a top priority.

Agentic AI ranks ninth among 13 innovation priorities for credit unions.

PYMNTS in Depth

There's already strong demand for AI among consumers and SMBs, but most financial institutions have yet to deliver these capabilities at scale.

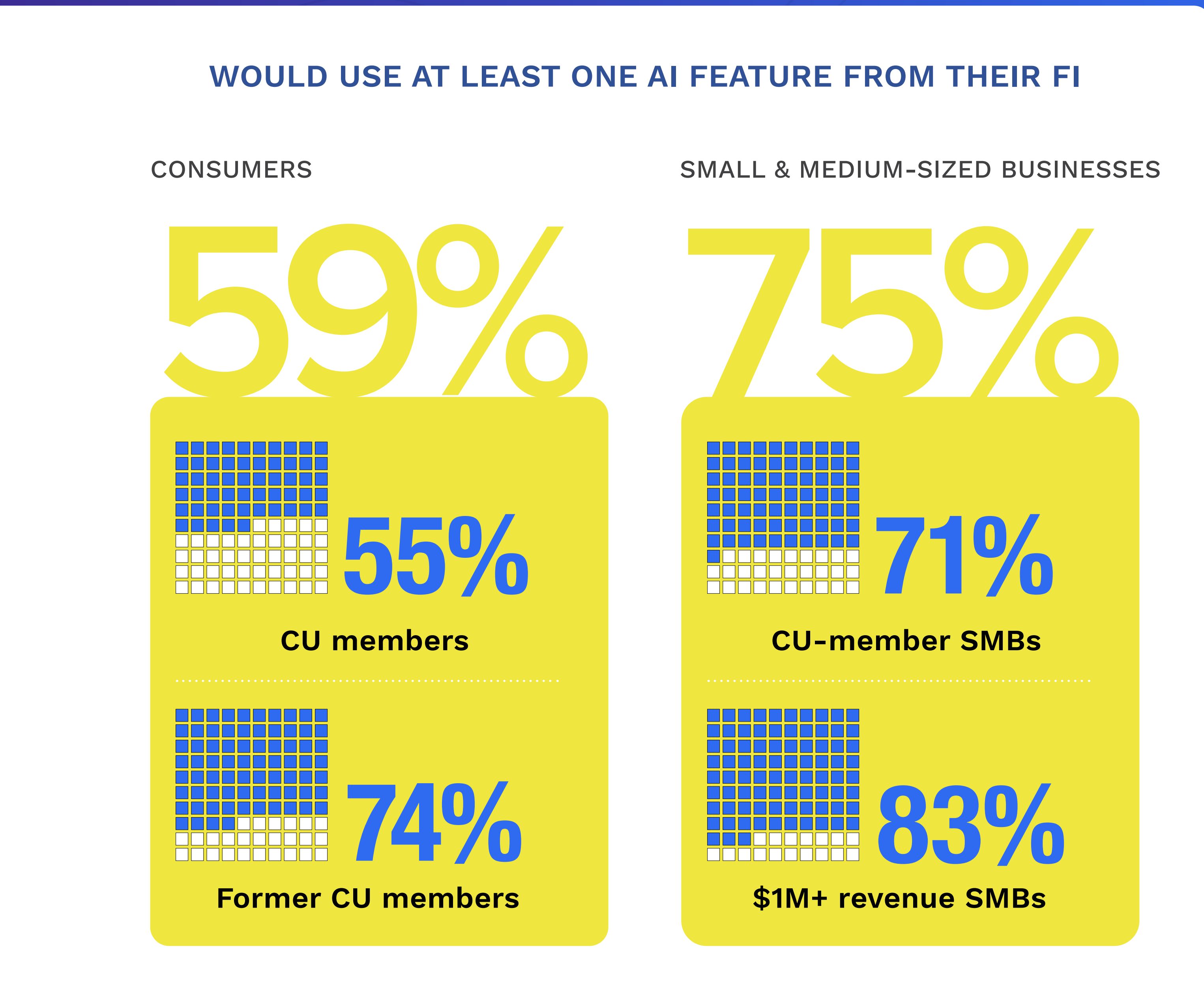


75%

of SMBs would use at least **one AI feature from their FI in the next two years.**

I.
SMBs want AI assistance from their financial institution even more than consumers, and demand is strongest among the highest-value segments.

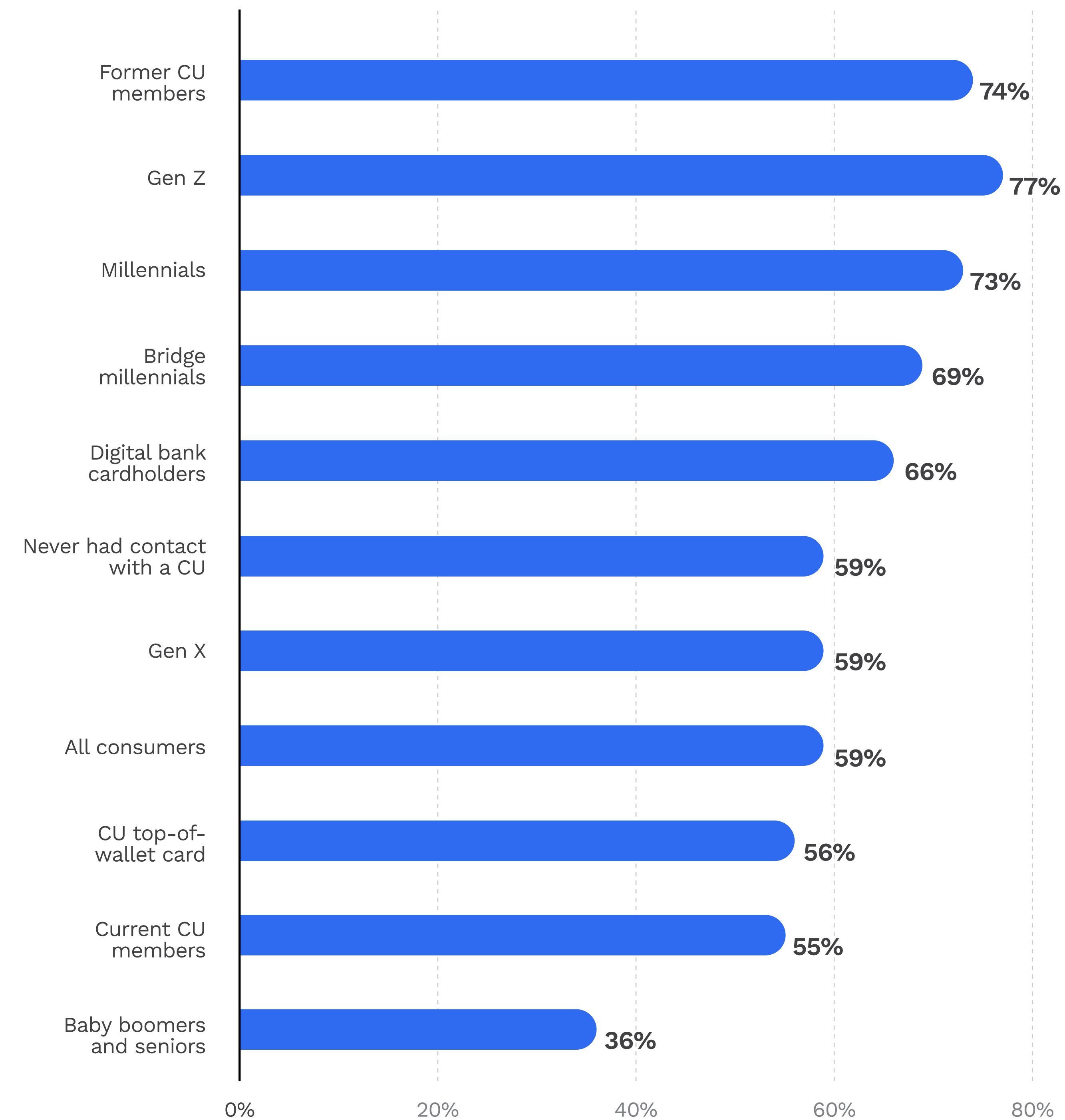
Demand for AI-driven tools from financial institutions is high among both consumers and small and medium-sized businesses, but SMB appetite is stronger. In the consumer sample, 59% said they would use at least one AI feature from their financial institution in the next two years. Among SMBs, that figure rises to 75%.



Within the consumer base, the strongest interest comes from the segments credit unions most want to attract as members. Gen Z shows 77% interest, millennials 73% and former credit union members 74%. Current credit union members register 55%, which is substantial but notably lower than the overall average. That gap suggests AI is both a retention play and a way both to re-engage people who've left and win younger consumers before their loyalty is solidified elsewhere.

FIGURE 1:

Consumer interest in AI



Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N= 13,918: Complete consumer responses, fielded Oct. 31–Dec. 30, 2025

Among SMBs, 83% of businesses with more than $1 million in revenue show interest, compared with 63% for businesses under $250,000 in revenue. More than three in four (77%) of SMBs that turned a profit last year show interest, compared to 45% of those with losses. The split signals that demand is strongest among business owners whose firms are actively growing, managing complexity and likely looking for more digital assistance. Credit unions have the option to use AI not only to serve the members they already have but also to win the ones they most need.

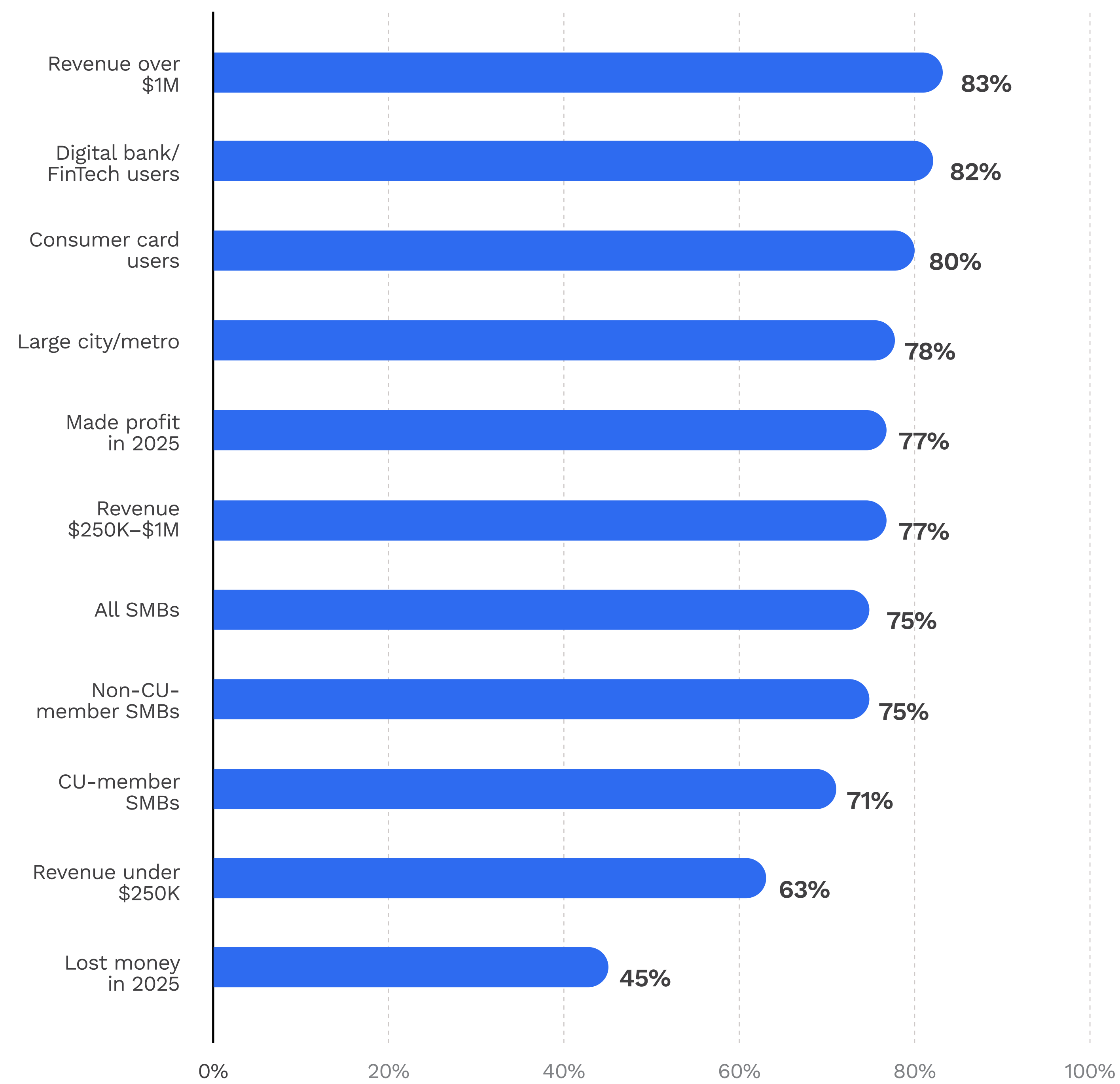
77%

of profitable SMBs show interest in adopting at least one AI feature from their FI, **versus 45% of non-profitable ones.**

FIGURE 2:

SMB interest in AI

Share of SMBs interested in at least one AI feature from their financial institution, by segment



Source: PYMNTS Intelligence

AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026

N= 2,474: Complete SMB responses, fielded Oct. 31–Dec. 30, 2025

II. Credit unions can narrow the AI readiness gap if they can deliver on plans currently in the pipeline.

Right now, supply of AI tools is lagging demand at credit unions. Only 25% of credit unions offer AI chat, 17% offer financial advice and 16% offer AI payments. Even among the most innovative credit unions, those shares only amount to 30%, 22% and 20%, respectively.

While those numbers may seem bleak, innovation plans paint a more optimistic picture. By 2029, 49% of top-tier credit unions are projected to have AI chat and 47% financial advice, while middle-tier institutions are expected to hit 53% on chat and 46% on advice. Effectively, the middle tier is closing in on the top tier, and the tier gap may become much smaller than it is today.

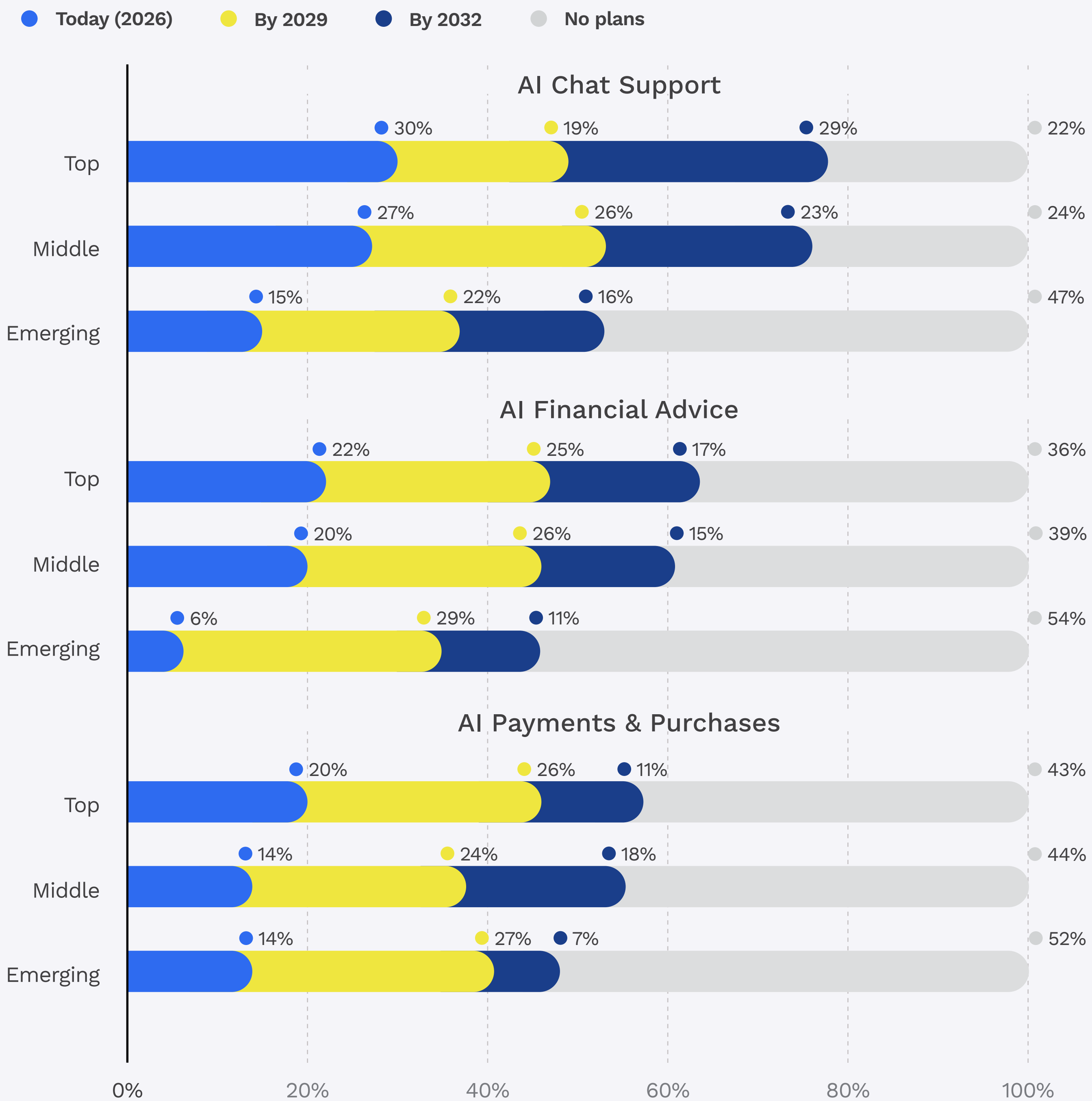
Innovation will be even faster among the lowest tier, the emerging credit unions. These smaller institutions start from lower baselines, but their projected gains are large. By 2029, the emerging tier is projected to reach 35% to 41% across three core capabilities (AI-driven finance advice, payments and services), and its portfolio score will rise to 60, which is where today's top tier stands. (The portfolio is ranked from 0 to 100. A score of 50 means a credit union is offering 50% of the products/services and features/capabilities that consumers/SMBs are demanding the most. See methodology for details.)

That doesn't mean the field suddenly becomes equal, given that those top performers are continuing to innovate. Still, it shows that AI could shrink performance gaps in the credit union market.

FIGURE 3:

AI innovation timelines

Share of CUs offering each AI capability by performance tier: today (2026), within 3 years (by 2029) and within 6 years (by 2032)



Source: PYMNTS Intelligence

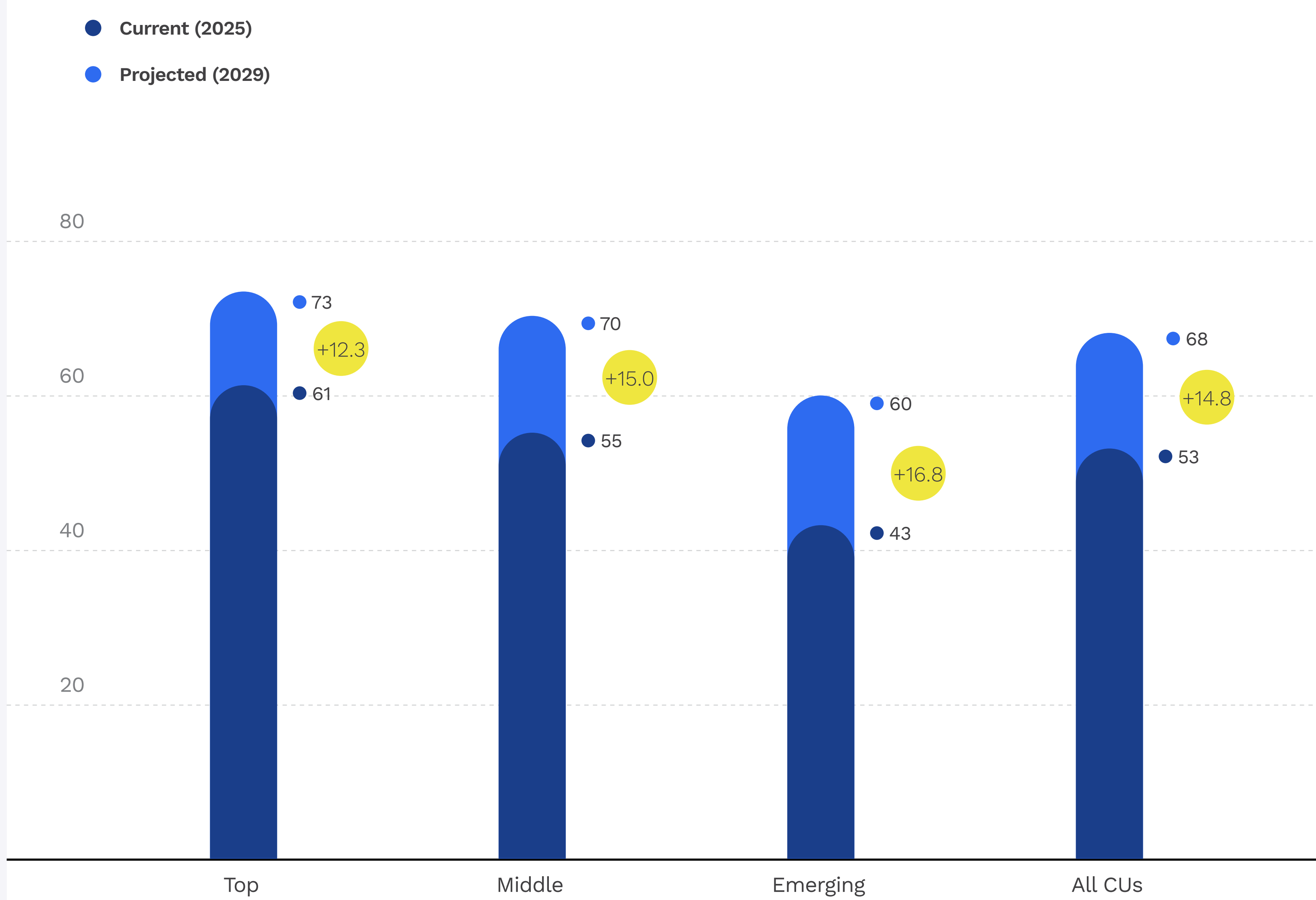
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026

N= 500: Credit union executives, fielded from Oct. 22–Nov. 21, 2025

FIGURE 4A:

Credit union innovation scores

November 2025 portfolio score vs. projected 2029 score, assuming all announced build plans become a reality



Source: PYMNTS Intelligence

AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026

N= 500: Credit union executives, fielded from Oct. 22–Nov. 21, 2025

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FIGURE 4B:
Innovation scores

November 2025 portfolio score vs. projected 2029 score, assuming all announced build plans become a reality

Bottom tier catches up

43 → 60

Bottom-tier CUs could launch faster-tier standards today (60.4), highest gain of any tier, +16.8 pts.

Middle and top converge

3.3 pt gap

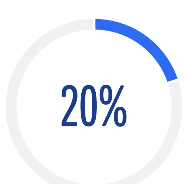
Top-middle gap narrows from 5.3 points today to 3.3 by 2029 (72.9 vs. 69.6), closing for the first time in the series.

Every tier gains

+14.8 pts

All CU portfolio scores rise from 53.3 to 68.1 points. Bottom and middle tiers gain fastest.

TOP TIER

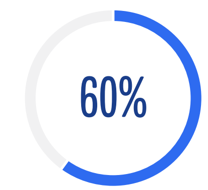


of credit unions

PROFILE

- Larger institutions; over-indexed on $1B+ assets and 10+ branches
- Higher urban/suburban branch concentration
- Most are "Early launchers" or "Quick followers" on product innovation
- Lead on: new payment user experience (96%), member engagement (82%), data security (82%)
- Strong current AI chat deployment (30%) and AI advice

MIDDLE TIER

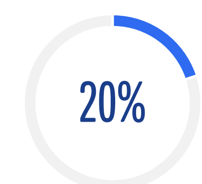


of credit unions

PROFILE

- The largest tier by count; includes the broad majority of CUs
- Mix of asset sizes and branch footprints
- Mostly "Followers" or "Quick followers" on launch strategy
- Close to the all-CU average across most innovation dimensions
- Current AI chat (27%) and advice (20%) near the top tier

EMERGING TIER



of credit unions

PROFILE

- Smaller institutions; over-indexed on <$500M assets and <10 branches
- Higher rural/small-town branch concentration
- Mix of "Followers" and "Laggers" on launch strategy
- Underweight on new payment user experience (40%), member engagement (30%)
- But ambitious on AI payments pipeline (41%)

How the 2029 projection works: The projected 2029 score treats everything each CU says it will offer in the next three years as if it exists, then re-scores their portfolio. Consumer versus SMB product focus is held fixed. This is a "what-if everything goes right" score.

Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N= 500: Credit union executives, fielded from Oct. 22–Nov. 21, 2025

These changes may drive a new competitive playbook. If smaller institutions can get to a respectable AI offering through their announced pipelines, then AI stops being a luxury reserved for the largest players. It becomes a baseline expectation. Leaders must build a portfolio that can keep pace as the rest of the market catches up.

FinTechs show a similar pattern of ambition without full execution. Today, 32% of FinTechs offer AI chat support, 16% offer financial advice and 12% offer AI for payments and purchases. That gives FinTechs a modest lead over credit unions in chat but not in advice or payments. The result is not a clear FinTech advantage so much as a narrow edge in the most basic capability.

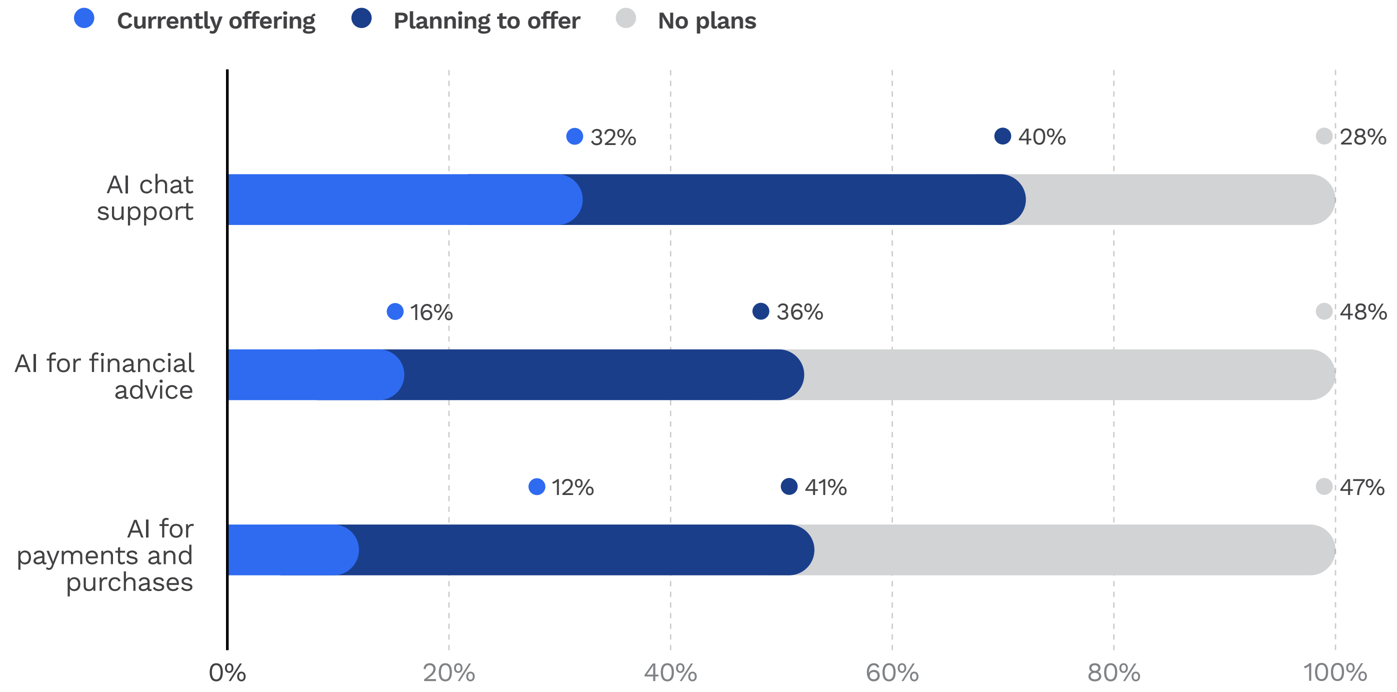
That lead may not widen much. Forty percent of FinTechs say they will offer AI chat within six years, reaching 72% by 2032, while 52% will be offering financial advice within six years, and 53% will offer AI payments or purchases at the same period. Those are meaningful gains, but they still leave a large share of the market without AI, especially for more complex capabilities.

In general, the credit union and FinTech curves are moving in the same direction at roughly the same pace, limiting any advantage for either side at the moment. Neither has yet built an unassailable lead in the areas of AI that consumers and SMBs want most.

FIGURE 5:

FinTech innovation pipelines

FinTech AI capability status as of Nov. 2025



	Credit unions	FinTech	Gap
AI chat support	25%	32%	+7 pp
AI for financial advice	17%	16%	-1 pp
AI for payments and purchases	16%	12%	-4 pp

Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N= 100: FinTech executives, fielded from Oct. 22–Nov. 21, 2025

III.

Credit union members want AI to help them understand their money more than they want it to take any action.

The strongest demand is for AI tools focused on money management capabilities. Consumers want help tracking bills and subscriptions (22%), saving money and understanding credit (21%), discovering products (20%) and budgeting (20%).

Clearly, trust is a top priority. People want AI to help them understand their finances, but they may not be ready for it to transact on their behalf. That is likely why AI-initiated purchases draw only 9% among consumers. Even among consumers open to digital tools, the appetite for autonomy is limited. AI that explains, organizes and recommends has a wider audience than AI that acts on its own.

Gen Z consumers are more willing than the average person to let AI make purchases, at 17%, but this likely comes from greater demand for AI overall. For instance, 25% of zillenials want AI to help them create budgets, a figure that is also well above the sample overall.

Current credit union members are relatively cautious about transactional features, while recent former members are slightly more open to them. For institutions, the path forward centers on building AI-powered money management value first, then earning the right to do more.

FIGURE 6:

Consumer AI use cases
Share of consumers interested in each AI feature from their financial institution

Top use cases, CU subgroup comparison (% interested)				
Use case	**All**	**Current CU member**	**Former CU member (<10 yrs)**	**Former CU member (any)**
Tracking bills/ subscriptions	22%	22%	18%	19%
Tips for saving, debt, credit	21%	21%	21%	25%
Finding products to buy	20%	20%	25%	23%
Creating a budget	20%	20%	20%	23%
Paying bills/ subscriptions	19%	19%	22%	26%
Comparing financial products	17%	15%	18%	17%
Reviewing fees	15%	15%	11%	16%
Understanding credit report	15%	13%	16%	22%
Saving digital wallet info	10%	8%	11%	16%
Saving payment credentials	10%	8%	8%	12%
Letting AI make purchases	9%	5%	10%	18%

Current CU members

- Mirror the all-consumer pattern on top advisory use cases (tracking bills, tips, budgeting).
- Notably less interested in AI-initiated purchases (5% vs. 9% avg.) and saving wallet info (8% vs. 10%).
- Retention opportunity: Deliver advisory AI first to the 55% who already want it.

Recent former CU members

- Over-index on transactional: paying bills (22% vs. 19%) and finding products (25% vs. 20%).
- AI purchases at 10% (vs. 9% avg.), open to transactional AI at slightly elevated rates.
- Reacquisition opportunity: CUs could re-win them with differentiated AI feature sets.

Gen Z (acquisition target)

- Letting AI make purchases 17% vs. 9% avg.
- Budget creation 25% vs. 20% avg.
- Saving digital wallet info 15% vs. 10% avg.

Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N: 13,918: Complete consumer responses, fielded Oct. 31-Dec. 30, 2025

SMBs show a similar pattern, with 31% interested in AI for expense tracking. Additionally, 22% want AI to help them find suppliers, compare financial products, give them tips on cash flow and create their budgets. These are practical tasks tied to daily financial management—valuable but not flashy.

FIGURE 7:

SMB AI use cases
Share of SMBs interested in each AI feature from their financial institution

Top use cases, SMB subgroup comparison (% interested)

Use case	All SMBs	CU SMB	Non-CU SMB	$1M+ rev.
Tracking expenses, bills	31%	29%	31%	36%
Finding suppliers/ products	22%	19%	23%	25%
Comparing financial products	22%	15%	23%	27%
Tips for cash flow/ credit	22%	21%	22%	25%
Creating a budget	22%	20%	22%	24%
Paying bills/ invoices	21%	19%	22%	24%
Reviewing fees	21%	12%	22%	27%
Understanding credit reports	20%	15%	19%	23%
Saving digital wallet info	17%	17%	16%	20%
Saving payment credentials	14%	12%	14%	19%
Letting AI make purchases	11%	10%	12%	14%

CU-member SMBs

- 71% want AI, slightly below the 75% SMB average.
- Under-index on fee reviews (12% vs. 21%) and product comparisons (15% vs. 22%), suggesting current CU relationships cover these.
- Over-index slightly on saving digital wallet info (17% vs. 16%).

$1M+ revenue SMBs

- 83% interest, highest overall.
- Over-index on expense tracking (36%), reviewing fees (27%), product comparisons (27%).
- Acquisition opportunity: growth-stage SMBs CUs compete hardest for.

Digital bank/card users

- 80%–82% interest, highest for transactional AI.
- Over-index on saving digital wallet info (20%) and payment credentials (17%).
- Already comfortable with digital-first tools; ready for AI transactional features.

Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N= 2,474: Complete SMB responses, fielded Oct. 31–Dec. 30, 2025

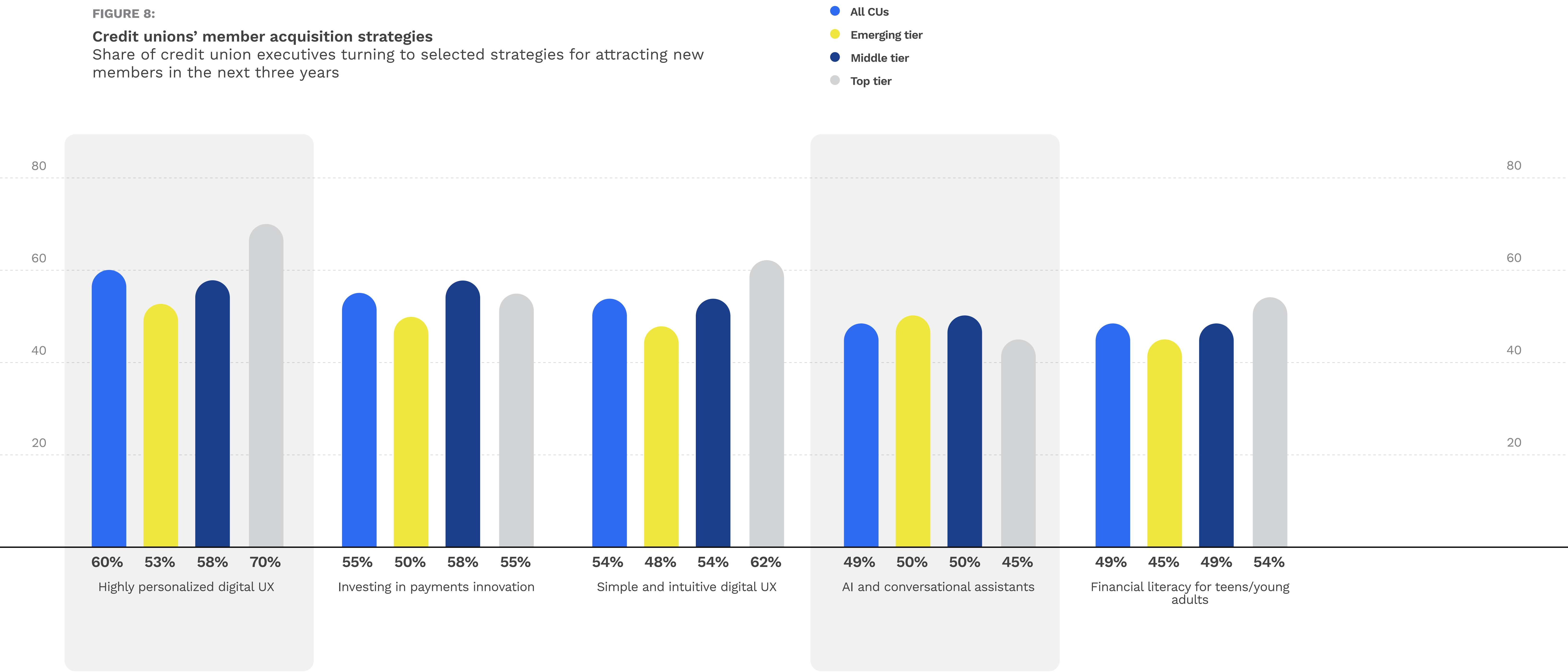
IV. Credit unions say AI matters for growth, but they're not making it a top priority.

For now, there's a major gap between intent and execution. Credit unions obviously recognize AI as an important member acquisition tool. Nearly half (49%) cite AI and conversational assistants as a strategy for attracting new members, and 60% cite personalized digital experiences. Yet when it comes time to setting their priorities for innovation, AI agents rank ninth among 13 areas. Data analytics, new payment user experience (UX) and data security all rank much higher. It seems that institutions value AI in theory, but they're not yet making a major investment in it.

49% of CUs see AI and conversational assistants as a **path to new members.**

FIGURE 8:

Credit unions' member acquisition strategies
Share of credit union executives turning to selected strategies for attracting new members in the next three years

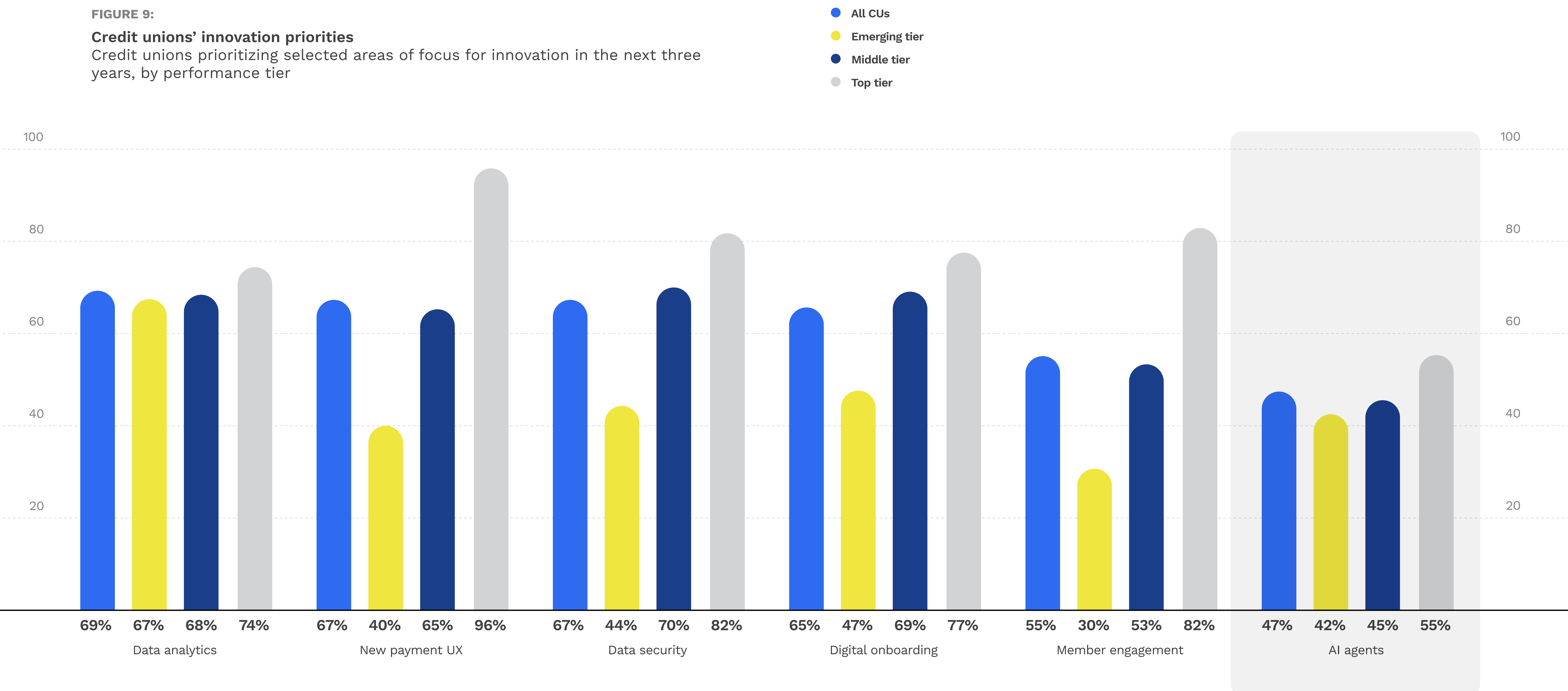


Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N= 500: Credit union executives, fielded from Oct. 22–Nov. 21, 2025

FIGURE 9:

Credit unions' innovation priorities

Credit unions prioritizing selected areas of focus for innovation in the next three years, by performance tier



Source: PYMNTS Intelligence

AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026

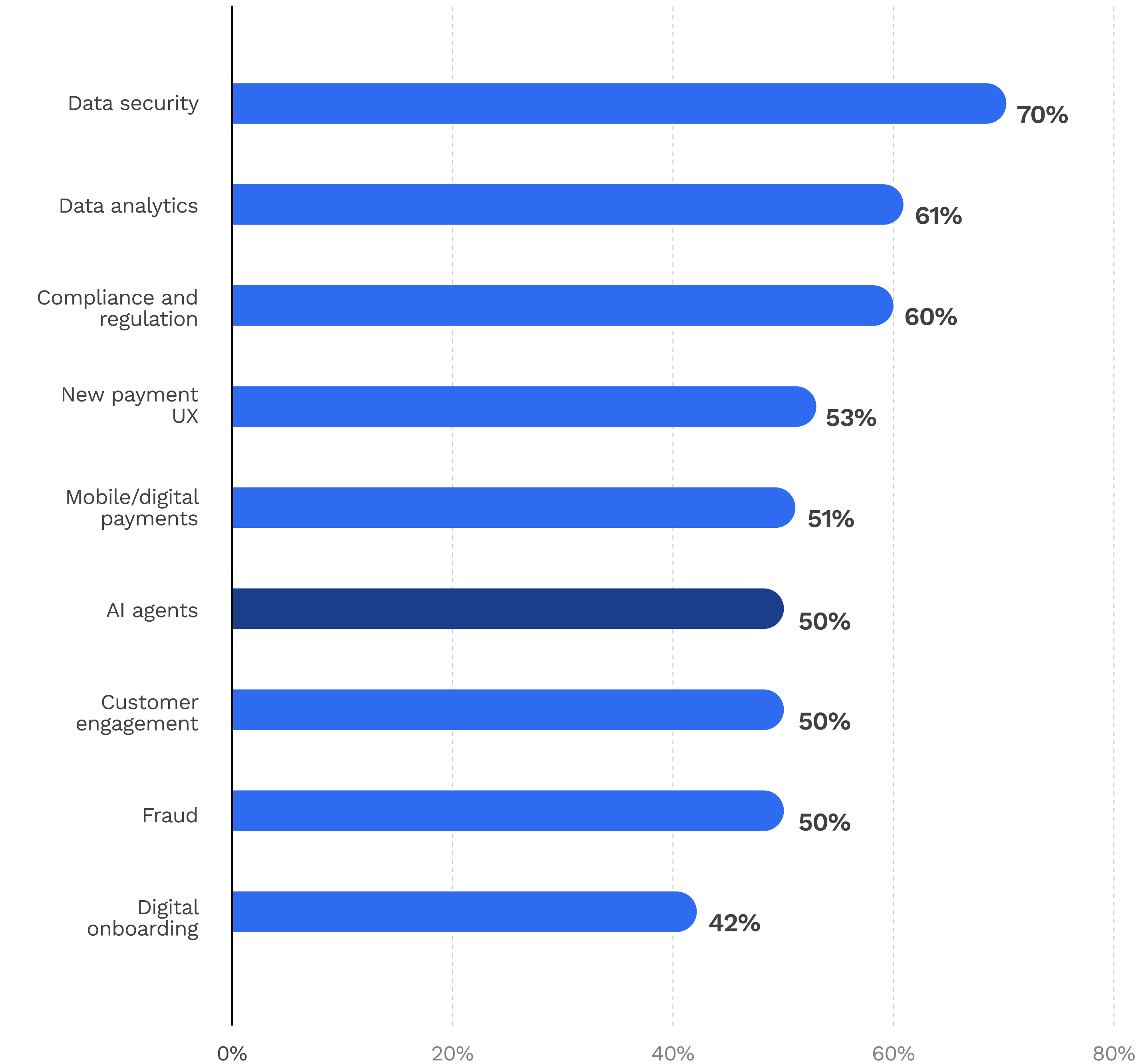
N= 500: Credit union executives, fielded from Oct. 22–Nov. 21, 2025

FinTechs show a similar pattern. They are somewhat ahead of credit unions on AI chat support, but they also place greater emphasis on compliance, security and analytics than on AI. Institutions may want to offer more AI, but they are already allocating much of their budget elsewhere.

The risk is that if credit unions wait for perfect conditions, they may discover that the market has already moved. Smaller institutions have a particular challenge here because they may see the opportunity clearly, but they lack the internal scale to build quickly. That's why they may not want to wait to build everything in-house.

FIGURE 10:

Fintechs' innovation priorities
FinTech focus areas for innovation in the next three years



Source: PYMNTS Intelligence
AI at the FI: Inside Credit Unions' Demand-Execution Gap, May 2026
N= 100: FinTech executives, fielded from Oct. 22, 2025–Nov. 21, 2025

ACTIONABLE **INSIGHTS**

01

Credit unions should treat AI as an acquisition tool, not just a service upgrade. The strongest demand comes from Gen Z, millennials, former credit union members and higher-revenue SMBs—high-value demographics that financial institutions want to attract. A practical AI rollout should focus on use cases that help these groups manage money day to day, because that is where demand is most visible and where the incentives to switch providers are strongest.

02

Plan for a market that will even out over time. The shrinking innovation gap means AI won't stay a top-tier advantage for long. Smaller credit unions should think in terms of fast deployment through partnerships to keep pace, while larger institutions should assume that today's lead can narrow quickly if execution slows.

03

For now, the best AI products are money management-focused. The data shows a clear trust ladder, with higher interest in tracking, budgeting and credit guidance than in autonomous purchases. Credit unions should start with conversational tools that explain cash flow, flag bills and suggest next steps. Those features align with demand and require less-risky integration than payment execution.

04

Close the gap between intent and actual investment. AI is already on the acquisition agenda, but it is still losing resources to data, payments and security. The right response is not to abandon those priorities. It is to connect them more directly to AI delivery so that the technology becomes a central part of the operating roadmap rather than some distant future concept.

Methodology

This report is based on four parallel surveys conducted for the Credit Union Innovation Readiness study, a PYMNTS Intelligence series created in collaboration with Velera. The consumer survey included 13,918 U.S. adults and was fielded Oct. 31–Dec. 30, 2025. It was balanced to match the U.S. adult population by age, gender, education and income.

The SMB survey included 2,474 U.S.-based small and medium–sized businesses and was fielded over the same period. Respondents were asked which AI assistant features they would likely use for their business in the next two years.

The credit union executive survey included 500 executives, fielded Oct. 22–Nov. 21, 2025, and measured current and planned AI capabilities, acquisition strategies and innovation priorities.

The FinTech executive survey included 100 executives and was fielded across corresponding periods, with this analysis focusing on the most recent wave in November 2025.

Percentages are rounded to whole numbers. Where the report describes a segment as more likely than average, that comparison reflects the percentage-point difference between the segment and the overall sample average.

Portfolio performance scores are for the following products/services and features/capabilities that credit unions currently offer or are projected to offer:

Products and services:

- Debit cards
- Credit cards
- Checks
- Student loans
- Same-day ACH
- Contactless debit cards
- Business lines of credit
- Instant payments (FedNow, RTP network)
- Small-business credit
- P2P payments
- Credit-builder loans
- Zelle
- Debt consolidation loans
- Buy now, pay later
- Early wage access
- Cryptocurrency transactions

Features and capabilities:

- Online banking
- Mobile banking
- Call center or customer service
- Mobile wallets
- Card transaction management or alerts
- Digital onboarding
- Biometric authentication or digital identity
- Mobile credit card apps
- Loyalty or rewards programs
- Disputes or chargebacks
- AI-operated chat customer support
- Instant card issuance to a digital wallet
- Cross-border/multi-currency
- AI conversational assistant for financial advice and management
- AI conversational assistant for making payments and purchases

ABOUT

PYMNTS INTELLIGENCE

PYMNTS Intelligence is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multi-lingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

velera

Velera is the nation's premier payments credit union service organization (CUSO) and an integrated financial technology solutions provider. With over four decades of industry experience and a commitment to service excellence and innovation, the company serves more than 4,000 financial institutions throughout North America, operating with velocity to help its clients keep pace with the rapid momentum of change and fuel growth in the new era of financial services. Velera leverages its expertise and resources on behalf of credit unions and their members, offering an end-to-end product portfolio that includes payment processing, fraud and risk management, data and analytics, digital banking, instant payments, strategic consulting, collections, ATM and POS networks, shared branching and 24/7/365 member support via its contact centers. For more information, visit velera.com.

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