2025 Banking Predictions

MANTL co-founder and CTO Benjamin Conant shares the trends that will have the biggest impact on banks and credit unions in 2025. Here's what he had to say.

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Digital account opening will expand beyond standard products

Financial institutions will increasingly offer online account opening for a wider array of account types - including trusts, escrows, and minor accounts - moving beyond traditional checking and savings products. As customers expect more from their banking experiences, niche accounts will become key differentiators in 2025, allowing banks and credit unions to attract specialized customer segments. This trend will enable financial institutions to scale, pursue national growth strategies, as desired, and tap into underserved markets with tailored offerings. Leveraging automated workflows will reduce the operational burden of managing complex account types, unlocking new revenue streams with minimal friction. Institutions that fail to support these products online in the coming year will risk losing market share to more tech-forward competitors.

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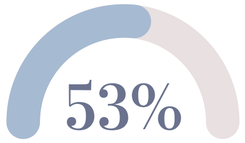

of credit unions are prioritizing small business deposits

Credit Unions will accelerate business account origination

Growing deposits is the number one strategic priority for credit unions in 2025, and 53% of credit unions are prioritizing small business deposits. As competition for small business clients intensifies, credit unions will leverage technology to streamline business account opening online and in-branch to meet businesses' rising expectations for speed and simplicity. Embracing automation in the business account opening process will reduce manual processes, making it easier for credit unions to support more complex business structures, like LLCs and partnerships, and focus on the unique needs of its business members. The ability to onboard business clients quickly and securely in under ten minutes will not only drive operational efficiency but also become a competitive advantage. Credit unions that credit unions that prioritize better business account opening will be well-positioned to increase wallet share in the business banking sector and build deeper relationships with businesses in their community in 2025.

End-to-end Loan Origination Systems will become standard

Banks and credit unions will adopt comprehensive loan origination systems (LOS) that combine back-end decision-making engines with built-in, user-friendly point-of-sale interfaces. Historically, financial institutions have used disjointed systems for loan processing, leading to slow approvals and poor customer experiences. In 2025, we expect a shift toward LOS platforms that are deeply integrated with the front-end application process, enabling streamlined loan applications and faster credit decisions. Advanced fraud detection and automated underwriting will become table stakes, reducing friction and operational costs. Institutions that modernize their LOS offerings will see higher approval rates, faster loan disbursement, and increased customer satisfaction.

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Banks and credit unions will embrace branch modernization to drive growth and back-office efficiency

Branches and the technology supporting them will be a competitive advantage or strategic liability in 2025, depending on the urgency placed on modernization. In the year ahead, there will be a critical focus on modernizing bank branches to drive growth, increase back-office efficiency, and deepen customer relationships. As the role of the bank branch continues to evolve, the industry is recognizing that its most traditional service channel has fallen behind the digital transformation curve. Digitizing in-branch commercial and retail deposit account opening will optimize employee efficiency and turn transactions into conversations that create meaningful customer engagements, increase customer retention, and create more opportunities for cross-selling. Institutions that prioritize digitizing the in-branch account opening experience in 2025 will save hundreds of hours a month on in-branch account opening and increase customer satisfaction.

Increased M&A activity among regional banks

Merger and acquisition (M&A) activity among regional banks is expected to surge in 2025 as institutions seek economies of scale to combat rising operational costs and tougher regulatory demands. The Trump administration is anticipated to ease restrictions on bank mergers, creating a more favorable environment for consolidation. Banks in a position to acquire should view technology as a strategic lever throughout the acquisition process. First, targeting institutions with outdated technology presents an opportunity to introduce advanced systems, driving efficiency in the combined entity. Second, financial institutions considering acquisitions must also assess their own technology stacks to ensure readiness and alignment with best-of-breed solutions. Lastly, banks must view technology partners as strategic assets to streamline integration and operations. Partnering with technology providers who are experienced in managing acquisitions, core banking conversions, and change management best practices can facilitate smoother transitions and maximize the benefits of consolidation.

About MANTL

MANTL is a financial technology firm offering the industry's first Relationship Banking Platform. MANTL's unified account origination technology empowers banks and credit unions to seamlessly open loan and deposit accounts on any banking channel in real time. MANTL Deposit Origination is among the fastest and most performant solutions on the market; consumers can open a new deposit account in under three minutes, businesses can open a new deposit account in under 10 minutes, and MANTL customers raise billions in core deposits each month. MANTL Loan Origination simplifies each step in the loan process, automating up to 100% of loan application decisions to ensure a smooth, high-quality experience from personal loans to business financing. Founded in 2016, MANTL is a privately held company headquartered in New Jersey with the backing of prominent venture capital investors. For more information, visit mantl.com or follow MANTL on LinkedIn.