



## Royal Bank of Canada (TSX:RY): The Official Bank of Millennials?

### Description

You can't help but notice the millennial-friendly moves that **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) has been making of late, and I'm not just talking about the casting of Canadian millennial favourite Jay Baruchel in the bank's televised marketing campaigns.

The bank has been investing heavily on [tech initiatives](#) to better cater to young, tech-savvy audiences; it's studied the investment habits of millennials and has acted accordingly with convenient new investment products and services that leverage innovative new technologies.

Millennials value comforts and conveniences a lot more than prior generations, and when it comes to banking, the last thing millennials want to do is make the drive over to a physical branch or, goodness forbid, pick up the phone to perform a simple transaction. With online services like *MyAdvisor* and a platform that can allow one to prequalify for a mortgage in 60 seconds, the dreaded in-branch experience may soon become a thing of the past.

While many other big banks have also been investing heavily to be better equipped to deal with the technological age of banking, Royal Bank has arguably been one of the quickest to market with its convenient, new products and services that are essentially catered for the millennial generation. And, most importantly, Royal Bank has been aggressive with its promos and marketing campaigns to get through to those younger Canadians who demand more from their banks. That's where Jay Baruchel comes in!

With the rise of the neobank, 100% digital direct banks, which seems to have risen from out of nowhere over the past few years, it's become absolutely critical for the big financial institutions to leap into the arena of tech to retain market share from disruptive fintech firms that are looking to make an aggressive move on the turf of the banking behemoths that have been around for well over a century.

Tech titans are starting to dip their toes into the digital payments scene, while Bitcoin and other decentralized cryptocurrencies are finding a spot with millennials, the banks are going to be forced to reinvent themselves if they have the desire to maintain the width of their moats. High regulatory hurdles in the banking industry and high capital requirements are no longer deterring tech startups

from jumping into the realm of banking, as a recent piece entitled “Tech’s raid on the banks” in *The Economist* pointed out.

Indeed, the old-fashioned banks that your grandparents used are evolving to become more like technology companies, and the banks that have already embraced the move are the ones that are going to remain on the throne. As millennials move away from the old-school banks that aren’t meeting their needs, they’re going to gravitate towards more convenient, tech-savvy banks that are chockfull of new features. That’s Royal Bank’s big advantage over its slower peers.

Although Royal Bank is a great long-term bet on the future of banking, I’d encourage investors to [wait for a better price](#), preferably in the double-digit price range.

Stay hungry. Stay Foolish.

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