At the cross-border crossroads

Regional and community-based financial institutions must modernize now

They say money talks. Money also walks, runs, flies, crosses borders and seas, and bounces around the globe at lightning speed, all hours of the day, every single day. Shifts in how people live, work, and support loved ones across borders are fueling unprecedented demand for fast, affordable cross-border payments. The numbers tell the story.

- Global remittance volumes are on pace to surpass $860 billion this year, with outbound flows from the United States representing one of the largest slices of that growth.[1]
- Migrants account for approximately 185 million people worldwide.[2]
- Immigrant workers in the United States sent almost $100 billion overseas last year, often amounting to around 15% of their salary — or $300+ per month — spent toward supporting family and basic needs.[3]

But most of this moving money isn't transferred through a bank app. In fact, of the $170 billion sent from the United States to Latin America and the Caribbean in 2024, nearly 80% moved outside traditional banks.[4] Instead, it flowed through fintechs, neobanks, and money transfer apps that have quietly positioned themselves as the leaders in global remittances.

Account holder expectations have been radically reshaped by real-time, transparent, app-based experiences. For the majority of the working population in the era of convenience, moving money abroad should feel as easy as sending a text. If their financial institution (FI) can't deliver, they'll find one that will.

Cross-border isn't a niche service anymore; it's a frontline battle for primacy. FIs that fail to modernize risk becoming invisible in their account holders' financial lives. Those who act now have a rare chance to drive growth, deepen trust, and strengthen account holder relationships.

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The invisible risk: What banks and credit unions are really missing

Every month, community banks and credit unions are losing revenue due to silent attrition. By the time attrition shows up in account holder data, the switch is already complete. And those switches are happening more than most realize. A 2025 RFI Global Financial Services Trends and Predictions Mid-Year Review indicates that fintechs and neobanks continue to gain ground, particularly in the United States, where 31% of new primary bank accounts opened in the past 24 months were with challenger banks, up from 18% two years prior.[5]

Third-party remitters and other fintechs are no longer "just payment providers." They are steadily evolving into alternative FIs. They often begin by attracting customers with simple remittance services, then expand into wallets and savings tools that gradually pull more of the relationship away from the FI. Every remittance they handle is an opportunity to deepen trust, cross-sell services, and cement account primacy. For banks, the cost of ignoring these seemingly "small" transactions is significant.

According to Harvard Business Review, acquiring a new account holder can cost anywhere from 5 to 25 times more than the cost of retaining an existing one,[6] and loyalty that's lost often takes deposits, spend, and lending opportunities with it. Banks that stand still are slowly losing account primacy, loyalty, and business, one transfer at a time.

The cost of standing still	Program setup
Fee erosion • Quietly losing revenue as cross-border and deposit volume leaves their ecosystem • Missing opportunity for small-dollar, recurring payments that drive steady revenue	**Deposit growth** • Capturing organic revenue that would otherwise go to fintechs • Increasing deposits as account holders maintain accounts for seamless remittances • Winning new, younger customers
Infrastructure trap • Relying on legacy cores locks banks out of future embedded finance ecosystems • Difficulty integrating with emerging payment networks slows innovation	**Competitive differentiation** • Offering modern, app-based services that appeal to younger and digital-native account holders • Standing out in a crowded market as a digitally capable, people-centric FI
Reputational risk • Appearing outdated to account holders • Increasing risk of account holders "quiet quitting" as users slowly migrate to fintechs	**Account holder trust & retention** • Strengthening loyalty by offering convenient, near real-time cross-border services • Building trust through consistent, frictionless experiences
Diminished account primacy • Treating remittances purely as transactions undermines emotional connection and long-term account relevance	**High-value interactions** • Delivering lifeline services that meet both emotional and functional needs • Deepening relationships and restoring relevance
Operational strain • Elevating compliance and cross-border risk as processes remain manual, resource-intensive, and error-prone • Stretching staff further to manage outdated remittance processes	**Lower risk, higher efficiency** • Leveraging modern, white-label solutions to simplify compliance and reduce operational burden • Requiring zero upfront costs for solution implementation • Freeing resources to focus on account holder engagement and strategic initiatives

Why now? Seizing the cross-border opportunity today

For decades, cross-border payments were a niche service, deemed complex, risky, and expensive. Today, experts such as Hal Ramakers, SVP of Global Solutions at Brightwell, observe that these barriers are rapidly disappearing. According to Hal, account holders now expect seamless, app-based experiences, and fintechs have been quick to step in and meet that demand. For community banks and credit unions, now is the moment to act, or risk irrelevance.

Implementing these capabilities is no longer the uphill battle it once was. Solutions exist today that minimize IT lift, address compliance, and align incentives with adoption. Banks can offer global reach and near real-time capabilities without the upfront cost or operational complexity of building in-house.

By acting now, FIs of all sizes can differentiate themselves in a crowded market, retain account holders who might otherwise drift to fintechs, and even unlock new revenue streams from an underserved segment of the workforce: younger, digitally native customers who demand speed and transparency in their financial services.

> ***"Now is the time because consumers have spoken clearly that they want embedded services where they hold their funds. For the first time, community banks and credit unions can offer this and truly differentiate."***
>
> **— Hal Ramakers**
> SVP, Global Solutions, Brightwell

The clock is ticking. Fintechs aren't waiting, and neither are account holders. Every remittance represents someone putting their trust in a financial partner to reach across borders to support their family and friends. FIs that modernize their cross-border capabilities now can deepen loyalty, maintain account primacy, and remain relevant in a fast-changing financial world. Those that hesitate risk losing both business and the chance to make a meaningful impact.

Visit **www.brightwell.com** or **schedule a demo** of Brightwell's ReadyRemit solution with a member of our team.

Sources and further reading:

[1] World Bank Group, Remittances
[2] The Indian Express, India's top 10 remittance sources in FY24
[3] World Bank Group, Remittance Flows Continue to Grow in 2023
[4] The Dialogue, The State of the Remittance Industry and an Outlook for 2025
[5] RFI Global, Financial Services Trends and Predictions 2025: Mid-year review
[6] MiaRec, The Financial Impact Of Customer Churn