

# Introduction

At Mobiquity, we help credit unions improve their digital customer experience every day. One of the things that excites us most is how the playing field has never been more level. Features that were once only available to customers of the largest corporations can now be offered by the bank around the corner. Which led us to wonder: when banks of all sizes can provide consumers a great digital experience, who's in the best position to win?

In December of 2021, we surveyed over 1,000 US consumers to understand where they do their primary banking, how satisfied they are, what constitutes the ideal banking experience, and the role digital tools play.

Our research revealed:

- While consumers ascribed many positive attributes to credit unions, most used large, national banks for their primary account needs.
- Digital tools are important, especially to the youngest generations we surveyed.
- Most believed that large, national banks had superior digital experiences.

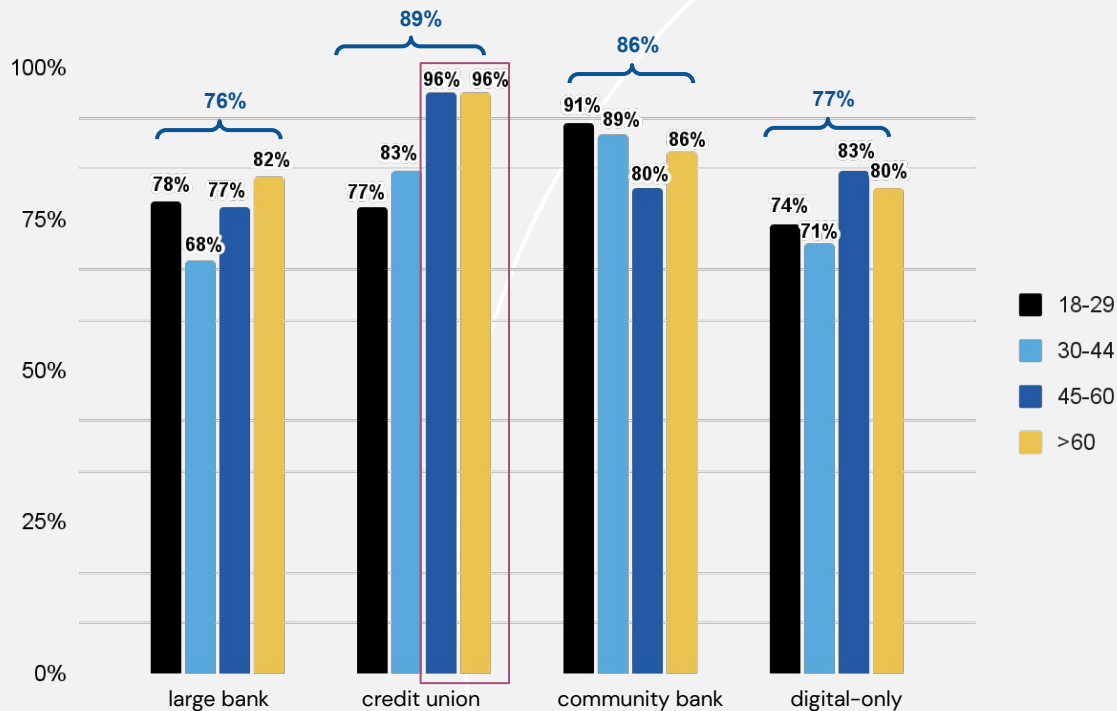
*"It's no surprise that the digital experience continues to be a driving force for customers when choosing a banking institution. Our research found that those who are currently banking at credit unions do so because of the community feel and level of customer service. If credit unions can master converting that same level of customer service into a digital banking experience, they have the potential to capture the business of younger generations and those to come."*

**Matthew Williamson**

VP of Global Financial Services at Mobiquity

**We encourage you to read  
on to learn more.**

# When it comes to consumer sentiment, credit unions are in an enviable position.



Satisfaction was highest among those who banked at credit unions and community banks for their primary banking needs - particularly among those over 45.

% satisfied or very satisfied

# Consumers tend to have more positive feelings toward credit unions – so why do they continue to use larger banks in such high numbers?

Among those who do their primary banking with credit unions:

- **89%** are satisfied or very satisfied – the highest satisfaction rate when compared to all other banks
- This jumps to **96%** among those over 45

Among all consumers:

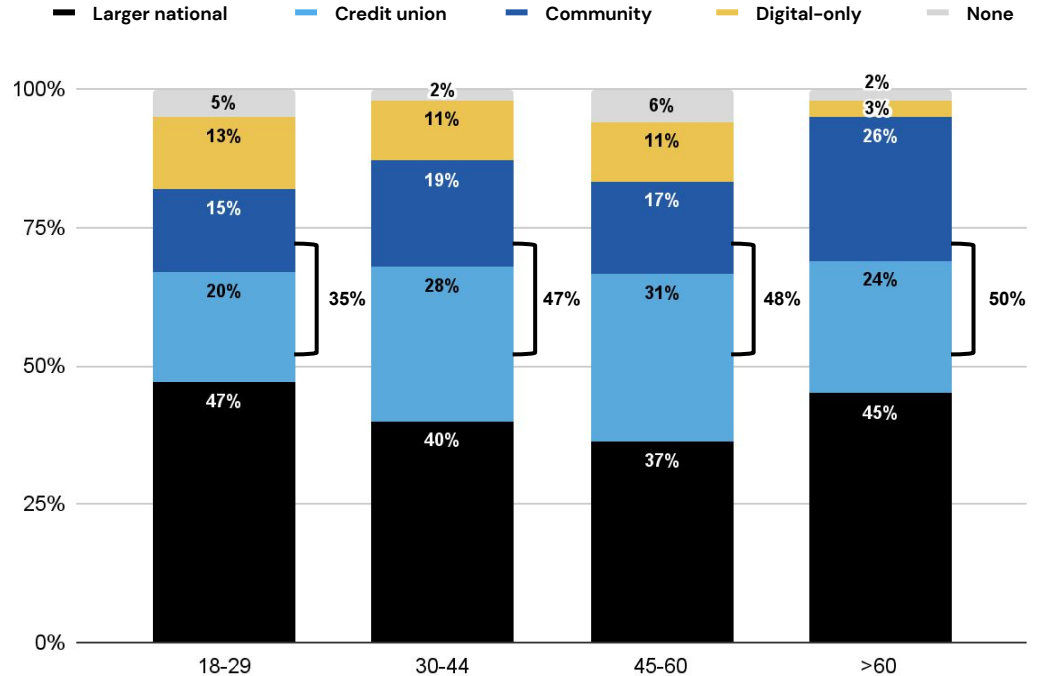
- They are **3x less likely** to think that “credit unions are more concerned with making profits than looking out for their customers” versus national banks
- **50% agree** “that credit unions care more about their members versus large banks”
- **58% agree** “they prefer to do business with banks that invest locally”

Despite these statistics, most people do not bank with a credit union. Our goal was to understand the factors that contribute to this.

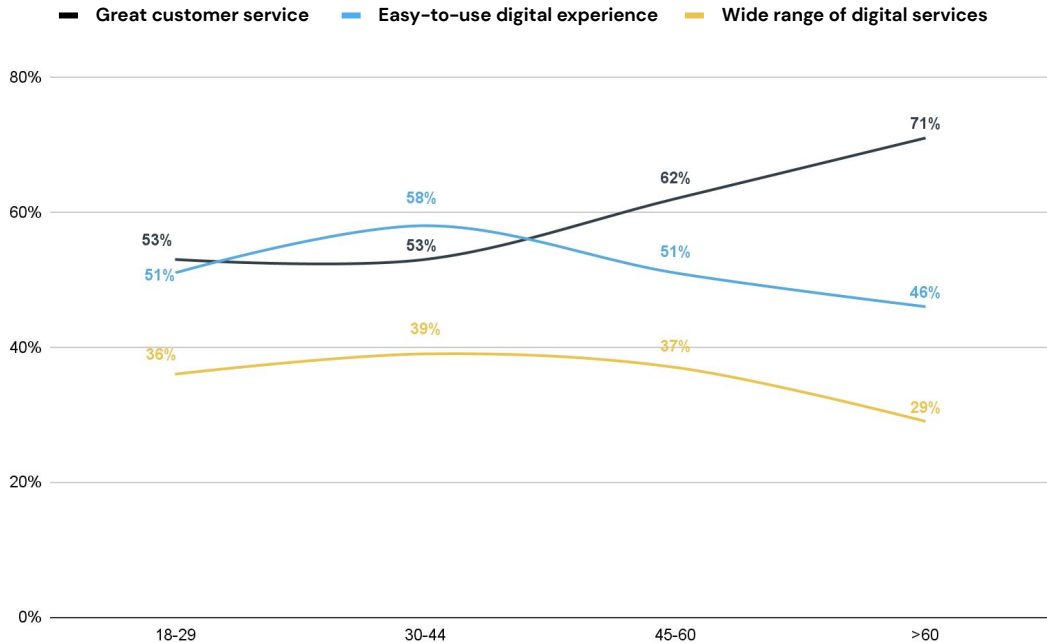
	Respondents	% of total
Large National Bank	570	45%
Credit Union	305	24%
Community Bank	237	19%
Digital-only Bank	126	10%
No Bank Account	31	2%
	<b>1269</b>	<b>100%</b>

# One thing we noticed right away is that generation had an influence on banking behavior.

- There was a sharp decline in digital-only bank usage for those over 60. A difference of 10% between the oldest and youngest group.
- Older generations were much more likely to use a smaller bank such as a credit union or community bank. While 35% of our youngest group used a smaller bank, ½ of those over 60 choose a smaller institution.

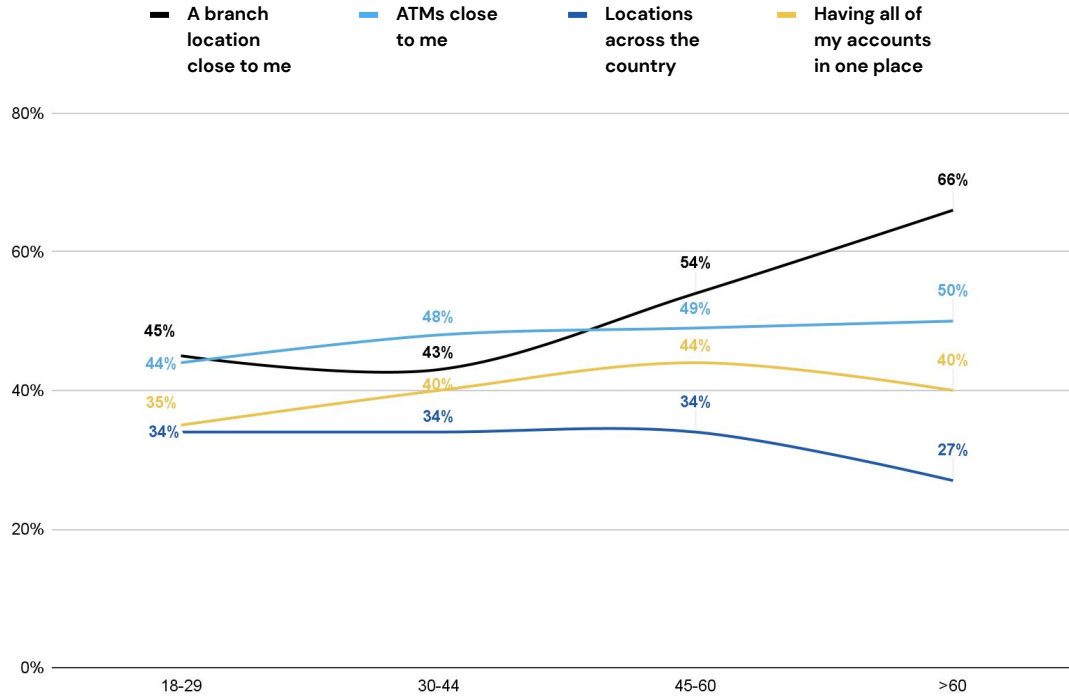


# Looking at what respondents considered the “ideal banking experience,” interesting differences between what older and younger consumers want emerged.



- Digital experiences contributed more to the ideal banking experience of those 60 and under.
- Younger demographics, placed greater importance on “easy-to-use digital experiences.” Those 60 and under consistently ranked it in their top 3, vs those >60 who placed it as their 5th most important attribute.
- Having a “wide range of digital tools” was also directionally more highly ranked by those 60 and under.

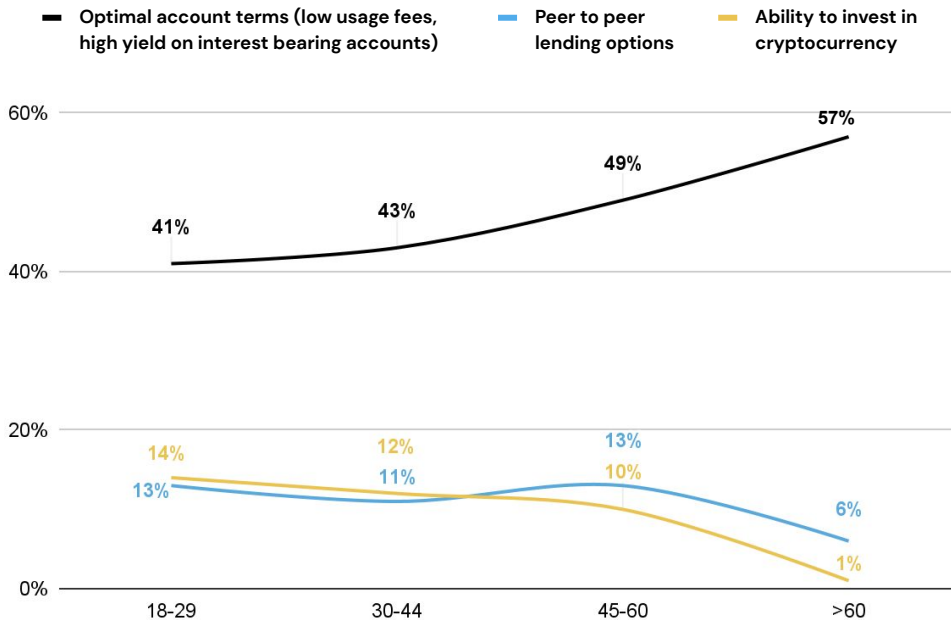
# We also saw age related differences in how factors of convenience influenced an ideal banking experience.



- Perhaps because they are more reliant on digital tools, younger consumers placed less importance on proximity to a branch location.
- Those over 60 were 20+% more likely to include close proximity to a bank location as a top 3 attribute in an ideal bank versus those younger than 44.

Optimal account terms favorability increased proportionally with age, with the oldest participants ranking it the highest and youngest ranking it the lowest across the groups.

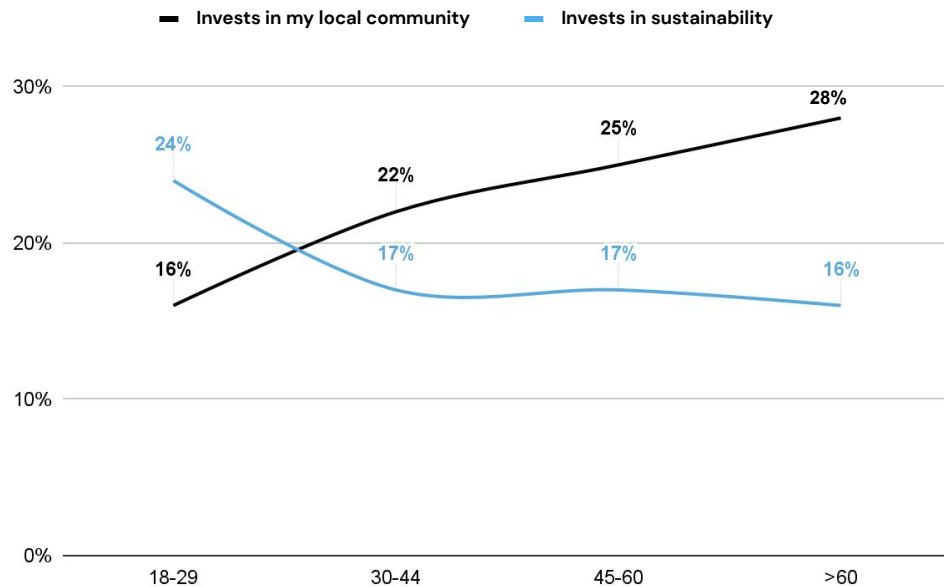
The opposite was true with peer to peer lending and cryptocurrency that was more important to younger groups.



Older generations placed more importance on banks investing in their local communities, while younger consumers were more concerned with investment in sustainability.

Interestingly, we saw an inverse relationship across the age groups about the importance they placed on sustainability and local investing at their ideal bank.

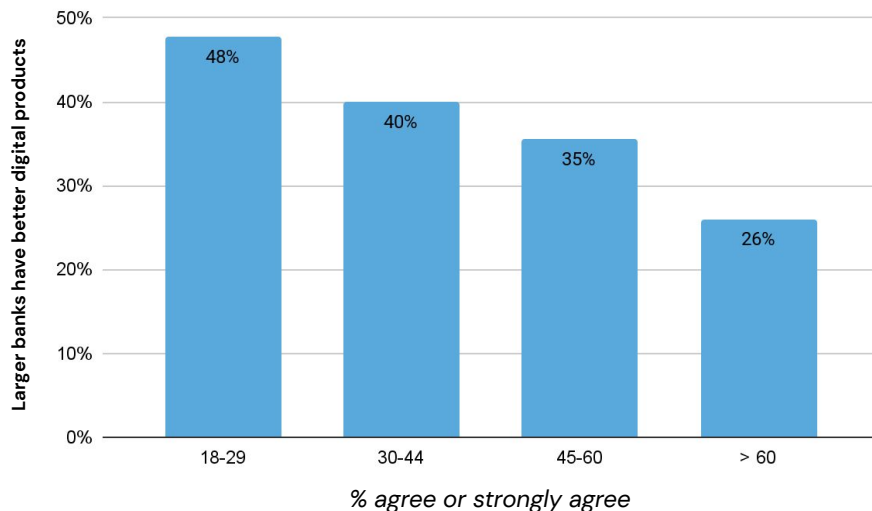
## ESG





# Almost half of our youngest participants said they'd switch to a smaller bank if they had better digital tools. This attitude decreased with age.

*Agreement that I'd be more likely to switch to a credit union or small bank if the online banking was as good as the services at a larger, national bank*



Those under 30 were almost 20% more likely than those over 60 to agree that they'd be more likely to switch for better digital banking tools.

# Conclusion

The opportunity for credit unions to capitalize on the advantages of digital transformation has never been greater. Credit unions know how to create great customer experiences and need only to scale those experiences in the digital realm. When we consider the future of credit unions, this opportunity becomes an imperative – in order to maintain a young customer base, digital tools are a necessity.

The good news is that if you're not where you need to be in your digital transformation journey, it's not too late. If you need help figuring out where to start, let's talk! Mobiquity has worked with banks of all sizes, across the globe to plot their digital course. We look forward to hearing from you.

We'd love to hear from you!  
[www.mobiquity.com](http://www.mobiquity.com)  
[info@mobiquityinc.com](mailto:info@mobiquityinc.com)