

KASASA

Millennials Reveal Top Reason for Switching Financial Institutions in Survey from Kasasa®

Rewards a primary switching motivator for Millennials

AUSTIN, TEXAS – Nov. 17, 2016 – A 2016 Kasasa Explores survey found that 83 percent of Millennials would switch banks if one offered more or better rewards. Previously, Kasasa's [2015 Consumer Banking Insights \(CBI\) Study](#) found that two thirds of Millennials (67%) say rewards are important when choosing a financial institution. The 2016 survey was conducted online by Harris Poll on behalf of Kasasa from April 8-12, 2016. It garnered responses from more than 2,000 U.S. adults age 18 and older.

Last year's study also found that nearly one in two consumers (45%) would be encouraged to switch institutions for higher interest rates earned for savings and checking accounts, and about two in five (41%) would be encouraged to switch for lower fees. Despite rewards being cited as a primary switching motivator, as well as higher interest rates and lower fees, the research showed 70 percent of Americans had never switched their primary bank. Millennials, however, seem more likely to do so; the [Millennial Disruption Index](#) found that one in three Millennials are open to switching banks in the next 90 days.

Kasasa Explores survey also found that 65 percent of Millennials are more open to switch to a community financial institution if it offered mobile services, such as mobile check deposit. An overwhelming majority of Americans (96%) across all generations say no fees are important when choosing a financial institution for their everyday banking needs. Additionally, 71 percent of consumers believe that free checking, ATM fee refunds, and access to the latest banking products are more important than the banking institution itself when choosing a bank, according to the 2015 CBI Study.

Community financial institutions (CFIs) can capitalize on these trends and increase market share by offering free checking and savings accounts that have a zero minimum balance and offer incentives like rewards, cash-back and ATM fee refunds. Kasasa accounts enable CFIs to drive new account growth, increase non-interest income and compete with megabanks by motivating consumers to engage more deeply and meaningfully with their CFI. In fact, according to a Kasasa survey, 93 percent of Kasasa accountholders say they like or love their Kasasa accounts, and two-thirds are very likely to recommend their Kasasa FI to friends.

“The largest generation in American history, Millennials are a crucial market segment for CFIs to attract and retain,” said Gabe Krajicek, CEO of Kasasa. “They have unique expectations and needs, including a strong interest in rewards, which our latest Kasasa Explores survey validates. Rewards are now a primary motivator for switching to another financial institution, especially among Millennials. CFIs that offer these types of incentives will substantially increase account growth, encourage stronger account retention, increase profitability and ultimately increase their competitiveness among megabanks.”

To download the complete report, please visit Kasasa.com/Rewards.

Survey Methodology

The 2016 Kasasa Explores survey was conducted online within the United States by Harris Poll on behalf of Kasasa, formerly BancVue, from April 8-12, 2016 among 2,090 adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. The 2015 [Consumer Banking Insights \(CBI\) Study](#) was conducted online within the United States by Harris Poll on behalf of Kasasa from January 5-9, 2015 among 1,002 U.S. adults (ages 18+). For complete survey methodology, including weighting variables, please contact Mary Curtis at 678-781-3074 or mcurtis@williammills.com.

About Kasasa

Kasasa® is the innovative leader in branded, community-powered banking products proven to drive profit and growth for community financial institutions. With unprecedented access to training, compliance, research, support resources and customized consulting, Kasasa’s flagship suite provides a research-based strategy leveraging the power of a branded relationship platform. Kasasa is making community financial institutions the topic of conversation for happy consumers nationwide. For more information, please visit www.kasasa.com, or visit them on Twitter [@Kasasa](#), [Facebook](#), or [LinkedIn](#).

#

Contacts

Mary York Cox

678-781-7217

mary@williammills.com