KASASA®

New Study Reveals That 56% of Individuals Who Will Not Bank Locally Cite Lack of Branches and ATMs

- *22% of individuals who will not bank locally cite lack of up-to-date technology*
- *21% of individuals who will not bank locally cite inferior product offerings*
- *51% of Americans believe local financial institutions lack the same offerings as megabanks or online-only banks*

AUSTIN, Texas, May 6, 2019 – Kasasa® recently commissioned a consumer study revealing that among individuals who would not consider opening a checking account with a local financial institution, the top reason why not, stated by 56 percent, is limited branch and ATM locations. The December 2018 study was conducted online by The Harris Poll and garnered responses from 2,018 U.S. adults age 18 and older.

In addition to a lack of branch or ATM locations, Kasasa's study revealed that a lack of up-to-date technology is another deterrent for opening an account at a local financial institution, with 22 percent of those who would not consider going local for checking accounts citing this as a factor. Modern technology appears to be most important to Millennials (ages 24-38) with 28 percent of those who wouldn't open a checking account with a local institution citing lack of modern technology compared to 18 percent of Gen X (ages 39-53) and 14 percent of Boomers (ages 54-74).

Also, inferior product offerings are the third most common reason for not selecting a local financial institution for checking account needs at 21 percent. In fact, 51 percent of Americans believe local financial institutions do not have the resources to offer the level of innovative, user-friendly products that national megabanks or online-only banks do.

While this study reveals the primary hesitations consumers have with choosing a local community bank or credit union, most seem to prefer them over megabanks (55 percent would consider a local financial institution to open a new checking account compared to 29 percent who would consider a national megabank). This underscores the importance of delivering and effectively communicating to prospective customers and members accessibility of branches and ATMs, along with innovative, technology-driven products.

Kasasa aims to help community banks and credit unions compete with and take back market share from megabanks by meeting consumer needs through innovative products that provide true value. Delivered through a nationally recognized brand, Kasasa's free, rewards-based checking and savings accounts require no minimum balance and enable community institutions to increase non-interest income and reduce overall expenses. Additionally, it offers rewards such as ATM fee refunds, supporting the number one reason consumers cite for not banking locally.

"The idea that community financial institutions don't offer the same products as megabanks is just not true," said Gabe Krajicek, CEO of Kasasa. "Kasasa was created to help community banks and credit unions compete aggressively with megabanks by offering products that are innovative, convenient and free to consumers. Local financial institutions must use their combined voice to make it known that they are offering similar, if not better, products than megabanks. This is how we will take back banking."

About Kasasa

Based in Austin, Texas with 450 employees, Kasasa® is a financial technology and marketing provider committed to driving results for over 900 community financial institutions by attracting, engaging, and retaining consumers. Kasasa does this through branded retail products, world class marketing, and expert consulting. For more information, please visit www.kasasa.com, or visit them on Twitter, Facebook, or LinkedIn.

Survey Method:

This survey was conducted online within the United States by The Harris Poll on behalf of Kasasa from December 18 - 20, 2018 among 2,018 U.S. 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. For complete survey methodology, including weighting variables and subgroup sample sizes, please contact Mary York at mary@williammills.com.