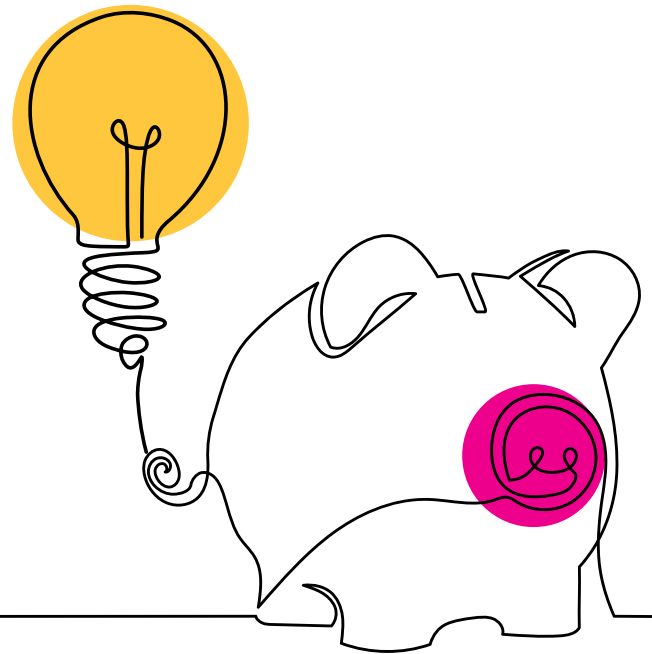




# How customer behaviors and perceptions might be impacting your financial brand.

In March 2023, Mower conducted an online survey among 1,014 U.S. adults who use at least one financial institution. Our goal was to gauge the average American's thoughts on financial fraud and thought leadership, as well as credit unions and other financial institutions. We've summarized our findings and some of the immediate implications for financial institutions in this report.



## The Financial Spectrum

Perceptions of different types of financial institutions matter.

Before you even get to sell in your brand's value proposition, you're fighting the perceptions based on the type of financial institution (FI) you are. Here's what FIs people most associate with different attributes.

### Competitive Rates



- 37%** Credit union
- 26%** National/regional bank
- 24%** Digital-only bank
- 13%** Community bank

### Customer Service



- 37%** Credit union
- 29%** Community bank
- 25%** National/regional bank
- 9%** Digital-only bank

### Digital Capabilities



- 52%** Digital-only bank
- 25%** National/regional bank
- 13%** Credit union
- 10%** Community bank



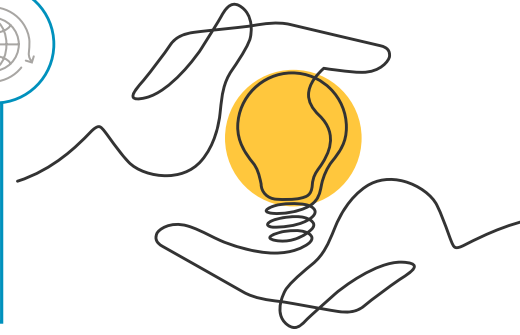
### Ease of Joining

- 30%** Digital-only bank
- 29%** National/regional bank
- 23%** Credit union
- 18%** Community bank



### Community Involvement

- 52%** Community bank
- 27%** Credit union
- 16%** National/regional bank
- 5%** Digital-only bank



## What's an FI to do?

### 1. Be aware.

Understanding what you're known for can help with positioning. Are you leaning into what your type of FI already owns? Are you going against current perceptions? Use these perceptions to help frame how your FI is special on each of these attributes.

### 2. Show and tell.

When building out what is differentiated about your brand, attempt to visually and verbally convey what working with your FI would look and feel like.

## Credit Unions

Many people don't understand how credit unions operate—here's how you can provide clarity.

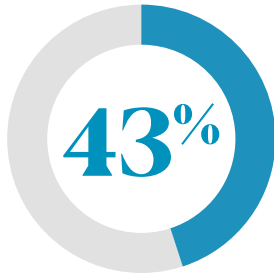
Despite being known for great rates and customer service, most people don't understand what makes CUs different and how they might benefit by using one.



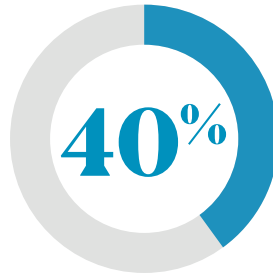
**of non-CU customers are very/  
extremely knowledgeable about  
how a credit union operates.**



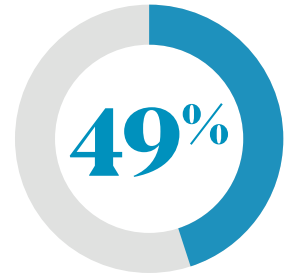
**of CU customers are very/  
extremely knowledgeable.**



aren't sure or disagree that profits from CUs are returned to members in the form of reduced fees, higher savings rates and lower loan rates.



believe CUs have limited account type offerings (e.g., mortgages, car loans, investment accounts).



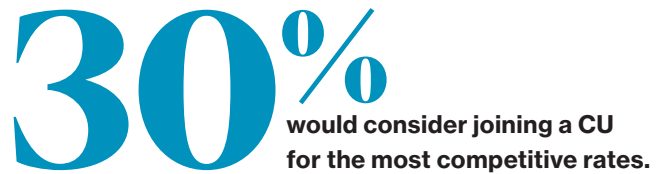
think CUs have strict membership eligibility criteria.

### Top factors that would entice people to join a credit union

Despite people admitting they don't know much about credit unions, CUs do benefit from some perceived benefits.

- **37% select CUs as best for rates.** CUs are mostly known for great rates (more so than national, regional, community and digital banks).
- **37% select CUs as best for customer service.** CUs are most associated with having good customer service.
- **52% select community banks as being most involved in and committed to local communities.** CUs are second only to community banks in perceptions that they are active in their communities.

Competitive rates are nearly **3x more** likely to entice someone to join a CU.



## So what can a CU do?

### 1. Educate.

Even more than you think you must. Be simple and clear about what makes CUs special. Clearly describe the benefits of CU membership and simply dispel myths. Tie this back to your specific CU. And add this education layer onto your efforts to raise awareness of your CU and your differentiation.

### 2. Leverage rates.

If rate chasing is what brings a person into the CU, own it. Don't try to change people's behaviors. Instead, ensure your experience tied to onboarding with a rate hook is exemplary. This is the first experience someone has with the CU, and it will set the tone for any future relationships. Once you have a member using one product, look for proactive nurture opportunities to cross-sell additional timely and relevant products based on the member's needs.



## Fraud

### Fraud is top of mind.

Consumers remain concerned about fraudulent activities, and their actions might be hurting your FI.



**1 in 2** set alerts for large or unusual purchases.



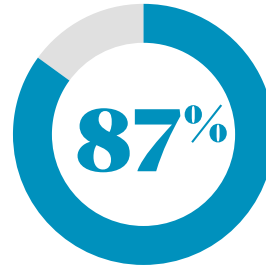
**1 in 3** limit their use of debit cards for online purchases.



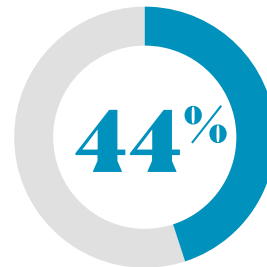
**1 in 4** limit their use of debit cards for in-store purchases.



**1 in 5** use identity theft protection services.



**87%** are at least somewhat concerned with fraud and their personal finances.



**44%** are interested in learning more about fraud from their financial institution.

Several product features and protections would make people more likely to consider a financial institution:



**60%**

want an FI that offers a guarantee against unauthorized access.



**44%**

want an FI that offers next-day cash reimbursement while disputes are being settled.



**44%**

want an FI that offers purchase notifications.



**31%**

want an FI that offers single-use credit cards.

# You're already very focused on preventing fraud. What else should you do?

## 1. Educate.

Emphasize what your institution does to help prevent fraud and react to fraud when it does occur. Even if this is not differentiated from the competitive set, put this messaging at the forefront. After rates, fraud is a topline compelling message.

## 2. Prioritize product enhancements.

People care about fraud protection. This is a place to differentiate, even with small product innovations. Emphasize product development around features that can be communicated externally.



## Financial Topics of Interest

### What do people want to learn about?

Several topics rise to the top for people to learn more from their financial institutions.



## What can you do with this information?

### 1. Start here.

Use this list as a starting point to prioritize your thought leadership content. Recognize the difference between what people want to learn about vs. what you want to teach them. What they want to learn makes great thought leadership content. What you want to teach them requires a closer alignment to their current pain points and moments of need to be relevant.

### 2. Analyze.

Use your Google Analytics / website analytics to determine topics that are pulling interest from your customers/ members and prospects. Consider using subject matter-experts to create short social media posts (written or video content) or blogs on the topic. Formulate earned media pitches that showcase your experts' unique takes on specific topics of interest—how they pertain to your region, your customers, your products and services.

With more than 30 years of experience in the financial services industry, we understand what drives success for regional banks and credit unions and the barriers you face daily. We can help you find your voice and map your path to strategic differentiation—all while using our proprietary brand methodology to build your brand while driving demand. Because Making Fierce Friends isn't just our tagline, it's what we do best.

