

Big Banks at Risk on “Bank Transfer Day”

New data from The Harris Poll shows that Big Banks could learn from credit unions on delivering an exceptional customer experience

NEW YORK, N.Y. – November 3, 2011 –Big Banks may be vulnerable to losing customers to credit unions on November 5th, Bank Transfer Day, where according to social media, tens of thousands have signed up to drop Big Banks in favor of joining a credit union. While credit unions enjoy best in class customer retention rates (87% Extremely/Very Likely to Continue), the nation’s largest banks fail to engender the same degrees of loyalty from their customers. For example, only two in five of Bank of America’s customers are extremely or very likely to continue (40%), as are less than half of JP Morgan Chase’s customers (46%) and just over half of Wells Fargo/Wachovia’s customers (54%).

These are some of the results of **The Harris Poll** of 2,463 adults surveyed online between October 10 and 17, 2011 by [Harris Interactive](#).

“Customers express their loyalty through their actions, but the underlying motivation for these actions is rooted in the degree to which the bank connects with its customers on both a rational and emotional level; which in turn impacts their future intentions of continuing to use and recommend their bank to others. In the Harris Poll we employed our Simple 7 approach to measuring the strength of a consumers’ relationship with their primary bank. In doing so, we evaluate each bank using seven questions to reflect a customer’s rational vs. emotional connection and future intentions about their banking relationship,” says Carol Gstalter, executive vice president of Market and Customer Insights at Harris Interactive.

The latest results of the Harris Poll Simple 7 on Banking indicate that Credit Unions provide customers with a better overall experience than banks, particularly Big Banks. For example, Credit Union members are three times as likely as customers of Bank of America to experience a trustworthy relationship (74% vs. 25%) and feel valued as a customer (72% vs. 24%), primary drivers of a strong emotional commitment to a relationship.

Clearly the level of frustration with Big Banks is high and people are leveraging traditional and social media to share their stories. On Facebook, thousands have signed up to leave Big Banks in favor of joining a Credit Union. While the numbers showing support of the page (“liking”) are not high in comparison with other pages with similar causes, almost 50% of those who like the ‘Bank Transfer Day’ page are forwarding, discussing and chatting on Facebook about the cause (compared with a chat percentage of 32% for the Occupy Wall Street movement). Perhaps some banks are beginning to listen to customer dissatisfaction given this week’s retreat of monthly debit card fees. This level of consumer engagement and resulting action may indicate a groundswell of support for customers to stop being so historically passive when it comes to switching their primary bank.

So What?

Let’s face it, there are barriers to switching. It’s a time-consuming and complex task to evaluate alternatives and switch your primary bank. While only one-quarter to one-third of Big Bank customers are experiencing a positive overall relationship, almost half are likely to continue to use the same institutions. Are we at a tipping point? Community and regional banks, along with credit unions, are providing consumers with more information, help, and tools to make informed financial decisions – will these initiatives combat the historical inertia?

The bottom line: Big Banks will need to make real changes to earn back the trust of their customers. Even more, they'll need to do it quickly before a regional competitor, community bank, or credit union figures out how to make it simple for customers to switch to partners who provide an exceptional customer experience.

TABLE 1
LIKELIHOOD TO CONTINUE TO USE

"How likely are you to continue to use [BANK] as your primary bank in the near future?"

Base: Uses a primary bank

	Total Banks & credit unions	Bank of America	JP Morgan Chase	Wells Fargo/Wachovia	Credit Unions (All)	Banks excluding credit unions
	%	%	%	%	%	%
EXTREMELY/VERY LIKELY (NET)	62	40	46	54	87	58
Extremely likely	37	14	26	24	61	34
Very likely	25	25	20	30	26	24
Likely	23	31	33	24	10	24
NOT LIKELY (NET)	15	29	21	22	3	17
Somewhat likely	12	20	18	16	1	14
Not at all likely	3	9	3	6	2	4

Note: Percentages may not add up to 100% due to rounding

TABLE 2
TRUSTWORTHY RELATIONSHIP

"How would you rate [BANK] at ensuring a trustworthy relationship with you?"

Base: Uses a primary bank

	Total Banks & credit unions	Bank of America	JP Morgan Chase	Wells Fargo/Wachovia	Credit Unions (All)	Banks excluding credit unions
	%	%	%	%	%	%
EXCELLENT/VERY GOOD (NET)	48	25	33	37	74	45
Excellent	22	7	13	12	33	20
Very good	27	18	21	26	41	25
Good	33	37	34	35	22	34
FAIR/POOR (NET)	19	38	33	27	4	21
Fair	14	26	25	19	4	16
Poor	5	12	8	8	*	5

Note: Percentages may not add up to 100% due to rounding; * indicates less than 0.5%

TABLE 3
VALUING YOU AS A CUSTOMER

"How would you rate [BANK] at valuing you as a customer?"

Base: Uses a primary bank

	Total Banks & credit unions	Bank of America	JP Morgan Chase	Wells Fargo/ Wachovia	Credit Unions (All)	Banks excluding credit unions
	%	%	%	%	%	%
EXCELLENT/VERY GOOD (NET)	47	24	34	34	72	43
Excellent	21	5	12	11	33	20
Very good	26	19	23	24	39	24
Good	31	34	35	36	19	33
FAIR/POOR (NET)	22	42	30	30	9	24
Fair	17	28	25	20	9	18
Poor	5	15	5	10	*	6

Note: Percentages may not add up to 100% due to rounding; * indicates less than 0.5%

TABLE 4
OVERALL SATISFACTION

"How would you rate your overall satisfaction with [BANK]?"

Base: Uses a primary bank

	Total Banks & credit unions	Bank of America	JP Morgan Chase	Wells Fargo/ Wachovia	Credit Unions (All)	Banks excluding credit unions
	%	%	%	%	%	%
EXTREMELY/VERY SATISFIED (NET)	47	27	31	34	73	44
Extremely satisfied	19	6	12	13	28	18
Very Satisfied	28	21	19	21	45	26
Satisfied	31	32	37	41	18	32
SOMEWHAT/NOT AT ALL SATISFIED (NET)	22	41	32	24	10	24
Somewhat satisfied	18	30	29	17	10	20
Not at all satisfied	4	10	2	7	-	4

Note: Percentages may not add up to 100% due to rounding; "-" indicates no response

Methodology

This **Harris Poll** was conducted online within the United States between October 10 and 17, 2011 among 2,463 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are

misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the adult population. Because the sample is based on those who agreed to participate in the Harris Interactive panel, no estimates of theoretical sampling error can be calculated.

Social media analysis was conducted online using both Facebook page-level statistics as well as data from Harris Interactive's Research Lifestreaming panel. Research Lifestreamers are Harris Poll Online panelists who have given us permission to listen in to their private conversations on their social networks. 50,411 Lifestreamers were observed during the time period of 9/1/2011 - 10/20/2011.

These statements conform to the principles of disclosure of the National Council on Public Polls.

The results of this Harris Poll may not be used in advertising, marketing or promotion without the prior written permission of Harris Interactive.

J40806
Q910, 920, 925, 930

The Harris Poll® #115, November 3, 2011

By Carol M. Gstalder, EVP, Market and Customer Insights, Harris Interactive

About Harris Interactive

[Harris Interactive](#) is one of the world's leading custom market research firms, leveraging research, technology, and business acumen to transform relevant insight into actionable foresight. Known widely for the Harris Poll and for pioneering innovative research methodologies, Harris offers expertise in a wide range of industries including healthcare, technology, public affairs, energy, telecommunications, financial services, insurance, media, retail, restaurant, and consumer package goods. Serving clients in over 215 countries and territories through our North American and European offices and a network of independent market research firms, Harris specializes in delivering research solutions that help us – and our clients – stay ahead of what's next. For more information, please visit www.harrisinteractive.com.