New Kasasa Study Finds Gen Z and Millennials Twice as Likely as Gen X and Boomers to Cite Lagging Technology as a Barrier to Banking Locally

Of those who would not consider local financial institutions to open a checking account, 31% of Gen Z and Millennials combined cite lagging technology as reason to not bank with a community bank or credit union

AUSTIN, TX – According to a recent Kasasa® commissioned study, of those who would not consider opening a checking account with a community bank or credit union, Gen Z (ages 18-23) and Millennials (ages 24-38) combined are twice as likely as their Gen X (ages 39-53) and Boomer (ages 54-74) counterparts combined (31 percent versus 15 percent) to cite lagging technology as a barrier to banking locally, indicating the importance of modern technology for attracting younger customers. The study was conducted online by The Harris Poll in December 2018 and garnered responses from 2,018 U.S. adults ages 18 and older.

Lagging technology is not the only reason many cite as a barrier to banking local. From the study, 21 percent of Americans who would not consider opening a checking account with a community bank or credit union cite inferior product offerings as a reason for not considering a local financial institution.

However, only one-third of Americans (33 percent) think megabanks are more likely than local financial institutions to offer innovative banking products. In fact, 40 percent of Americans believe that megabanks and local financial intuitions are equally as likely to offer innovative products.

These findings reveal an opportunity for community financial institutions. A strong majority of Americans (75 percent), would choose a local institution over a national megabank if they had comparable banking products. Moreover, most Americans (85 percent) believe local institutions can meet most of their financial needs. This could mean that to attract more customers, local institutions must raise awareness within their communities of their offerings. In fact, Kasasa's study showed that 83 percent of Americans would take action if they saw advertisements for a banking product or service that interested them.

Kasasa works with community banks and credit unions to deliver modern, innovative products through a nationally recognized brand. Additionally, its omnichannel marketing solutions further drive local institutions' ability to compete with megabanks and their expansive marketing budgets by complementing the institution's existing value proposition. As a result, community banks and credit unions raise awareness of their offerings without exhausting internal resources to then acquire more of their rightful share of the market.

“Often, community banks and credit union leaders wear many hats to tackle big goals, all with limited resources,” said Gabe Krajicek, CEO of Kasasa. “For a small, community financial institution that may only have a couple of branches, a few advertisements circulating and a few perks to offer, it’s easy to be overlooked by potential customers. However, we know that consumers want to bank locally and are fed up with big banks. Through a national brand and a collective voice, together, we can take back banking and compete against the megabanks.”

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, among whom 899 would not consider opening a checking account with a community bank/credit union. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.