

Retail Banking – US – October 2012

Introduction



“Retail banks are facing a lot of pressure right now. The economy, government regulators, and non-bank alternatives are all challenging their growth. However, there is a lot of opportunity out there for them, and they are gearing up to take advantage of it.”

– Robyn Kaiserman, Financial Services Analyst

- **How are banks seeking to make up revenue losses attributed to the costs of the Durbin Amendment?**
- **What are the trends in mobile banking?**
- **How are banks redefining their branch operations?**
- **What is the most popular marketing strategy banks are currently employing?**
- **How did Bank Transfer Day affect banks and credit unions?**

The retail banking industry has experienced several very difficult years. The industry’s role in the financial crisis eroded consumer trust, especially in their relationship with the megabanks, and some of the ensuing business decisions—such as additional and increased fees—have not been well-received by consumers. Since then, banks have been working overtime to reestablish the relationships they had before the crisis and adjust to the landscape that now exists. In the wake of the Great Recession, consumers have been loud and clear about what they want and don’t want from their banks and banks are making a concerted effort to listen to them. They are hoping to do this by becoming more accessible and transparent in their pricing, and expanding their online capabilities to accommodate consumer demands for increased convenience.

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This report is part of a series of reports, produced to provide you with a more holistic view of this market.

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For some consumers, however, the banks haven't moved fast enough or far enough and they have left their brick-and-mortar banks for alternatives such as credit unions or internet banks. While the brick-and-mortar banks are still the main players, it has helped them recognize that consumers have choices now. As a result, they are ramping up their technology, retooling their offerings, and developing the strategies that will help them successfully adjust themselves to changing consumer preferences and demands.

For some consumers, however, the banks haven't moved fast enough or far enough and they have left their brick-and-mortar

For the purposes of this report, Mintel commissioned exclusive consumer research through Toluna USA to explore consumer attitudes toward retail banking. Mintel was responsible for the study design, data analysis, and reporting. Fieldwork was conducted in May 2012 among a sample of 2,000 adults aged 18+ with access to the internet.

Mintel selects study respondents so that they are proportionally balanced to the entire U.S. adult population based on the key demographics of gender, age, household income, and region. Mintel also slightly oversamples, relative to the population, respondents that are Hispanic or black to ensure an adequate representation of these groups in our study results. Please note that Mintel's exclusive studies are conducted online and in English only. Hispanics who are not online and/or do not speak English are not included in our study results.

While race and Hispanic origin are separate demographic characteristics, Mintel often compares them to each other. Please note that the responses for race (white, black, Asian, Native American, or other race) will overlap those that also are Hispanic, because Hispanics can be of any race.

All estimated mail volume data and consumer direct mail marketing creatives found in the *Marketing Strategies* and other sections are provided by Mintel Comperemedia.

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