



2017 Trust in Banking

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Banking is fundamentally an industry of trust. Without a foundation of reliability, financial institutions will see their accountholders flee to competitors. Without established goodwill with accountholders, FIs will struggle to deepen financial relationships. Depending on how FIs respond, fraud can either be an opportunity to bolster accountholders' faith in their bank or credit union or undermine it dramatically. Ultimately, building accountholders' trust requires a multifaceted approach to engagement across all areas of accountholders' financial lives.

Key questions discussed in this report:

- Which financial institutions in the U.S. are most trusted by their accountholders?
- What individual characteristics influence individuals' trust in their bank or credit union?
- How does fraud affect victims' trust in their financial institution?
- What measures can financial institutions take to bolster accountholders' trust?

Consumer data in this report is based on information collected in two random-sample panel surveys:

- November 2016 survey of 5,028 consumers. For questions answered by all 5,028 respondents, the maximum margin of sampling error is +/- 1.40 percentage points at the 95% confidence level.
- May 2016 survey of 10,639 consumers. For questions answered by all 10,639 respondents, the maximum margin of sampling error is +/- 0.95 percentage points at the 95% confidence level.

Financial institution rankings were derived from responses to four questions by respondents identifying each bank or credit union as their primary financial institution:

- My primary financial institution is looking out for my best interests.
- My primary financial institution takes necessary steps to prevent fraud on my account.
- My primary financial institution protects me from loss in the event of fraud.
- My primary financial institution keeps my personal information safe.

Respondents indicated their agreement with each statement on a scale of 1 to 10, with 8 to 10 considered agreement and 1 to 7 considered disagreement or neutrality. Overall trust scores were composed of a weighted average of the four component responses. To control for demographic factors that may influence trust, but which are outside of the financial institution's control, rankings were based on a regression model taking into account primary bank, age, income, gender, and military status.

N by financial institution varies: 38-560.

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