

# Contrarian Chase halfway to goal of 400 new branches, bucking digital shift

Article

The US banking giant said in 2018 that it would open 400 branches in new markets and has now opened 200 of those branches, per a bank executive [cited](#) by Reuters. Chase has

established branches in 16 new states since October 2018; the bank expects to set its footprint in 48 of the 50 US states by the end of this summer. Chase's strategy takes it to locations in major metropolitan areas in states new to it, such as Albuquerque, New Mexico, and Portland, Maine.

**An aggressive branch-opening strategy runs contrary to recent waves of branch closures by other major US banks as well as shifting banking channel trends.** The number of branches in the US slipped by 5.1% between 2017 and 2020—a loss of more than 4,400 branches, per data from National Community Investment Coalition cited by [Forbes](#). Banks like SunTrust and BB&T (now merged to form Truist) together closed 565 branches in that time frame. Capital One has closed 32% of its branches since 2017.

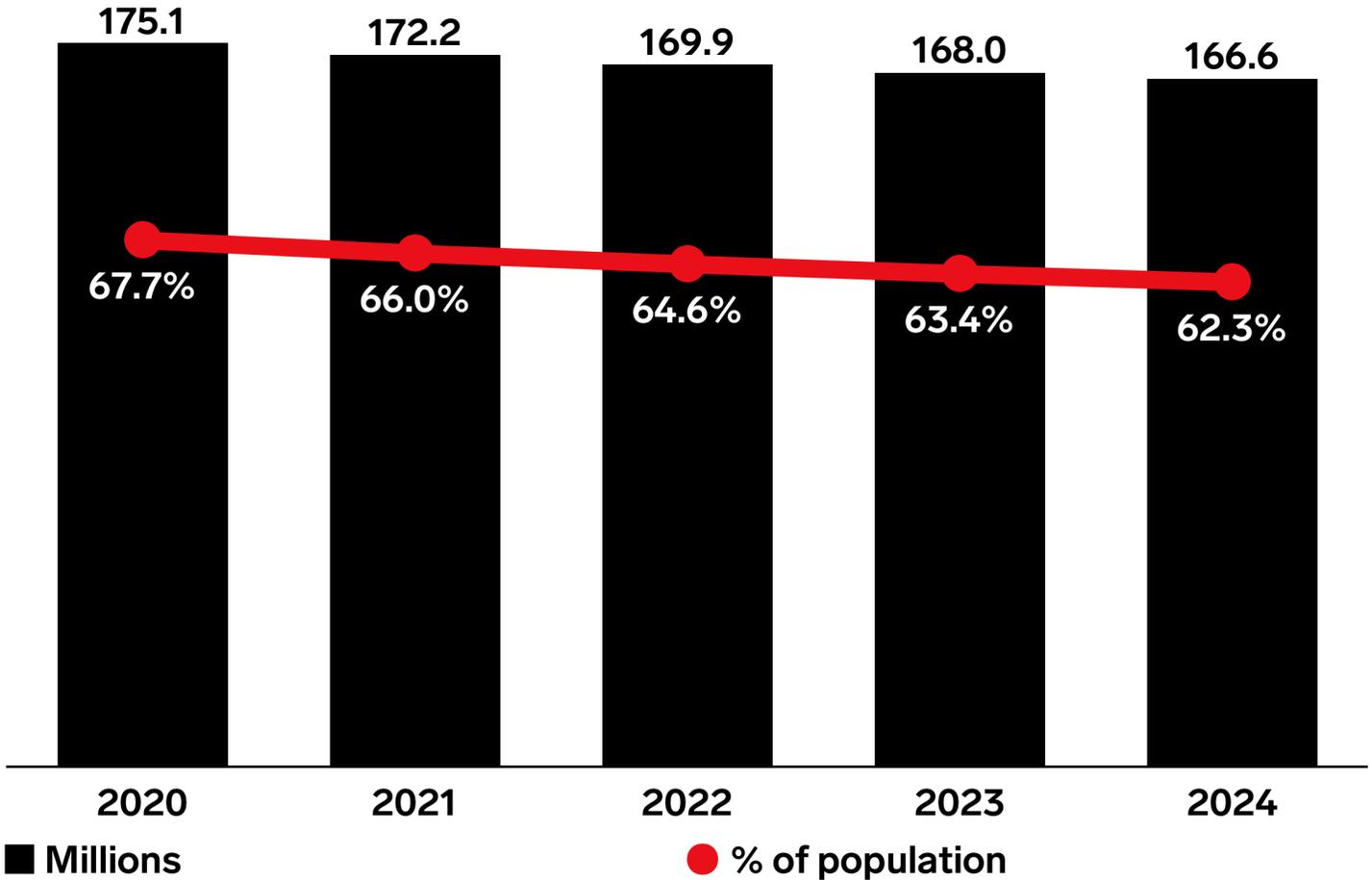
The pandemic also has unleashed a surge of digitization in banking—a trend set to continue in the post-pandemic era. The protracted crisis in the US cemented many customers' digital banking behavior, leading to an expected ongoing decline in annual branch usage through 2024, according to Insider Intelligence [forecasts](#).

**Sustained foot traffic could justify Chase's bet on branches as a cross-selling tool.** Chase CEO Jamie Dimon noted in the company's Q4 2020 earnings [call](#) that around “60% or 70% [of] accounts still open in branches,” and that the bank has “a million people a day” visiting branches.

If Chase's new branches maintain this foot traffic, and the bank can convert prospects into sales of more complex products like loans or mortgages, it could be worth the investment — despite the emergence of digital as the dominant banking frontier.

# In-Branch Banking Users and Penetration

US, 2020–2024



Note: Bank account holders ages 18+ who visit a bank, credit union, or a brokerage branch and see a representative in-person at least once per year; excludes ATM visits

Source: Insider Intelligence, June 2020

Methodology: Estimates are based on the analysis of survey and traffic data from research firms and regulatory agencies, historical trends, country-specific data, and demographic and socioeconomic factors.

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