

Convenience rules as a reason consumers keep checking accounts for years

Article

The news: In spite of a wide variety of banking options, US consumers have **kept the same checking account for an average of over 17 years**, and retained their primary savings account

for nearly as long, [per](#) a new survey from Bankrate.

More on this: The longevity **held up across generations**. For example, Bankrate noted that older millennials, at ages 26 to 32, have kept their checking and primary savings accounts for an average of more than nine years and over seven years, respectively.

- Respondents over 55 years old have kept their checking accounts for the longest average period, at **24.6 years**.
- People ages 35 to 54 have done so for **14.1 years**.
- Young adults, ages 18 to 34, have kept theirs for an average of **7.6 years**.

Respondents frequently cited convenience as a reason for why they don't switch:

- **17%** said that their accounts were the ones they have always had.
- **14%** replied they have good customer service.
- **13%** said they have convenient ATM and branches.
- **10%** replied that switching would be too much of a hassle.

But the most commonly cited reason was unrelated to convenience, with **24% replying that they pay low or no monthly fees**. Bankrate notes that the majority of the survey's checking-account respondents, at 76%, said their accounts lack monthly fees.

The big takeaway: US consumers stick with their banks for long periods, in part, because it's not easy to change. In contrast, customers in the UK can do so [relatively easily](#) through the **Current Account Switch Service (CASS)**, which takes a lot of the hassle out of their hands.

Stateside switching could become easier, based on regulatory actions:

- **Consumer Financial Protection Bureau (CFPB) Director Rohit Chopra [recently expressed interest](#)** in the regulator **offering technology to make switching easier**.
- The bureau is currently [in the rule-making process](#) for regulation that would **allow customers to move their financial data** from one bank to another.

However, making it easier for people to switch may have a limited impact on whether they choose to do so, as account longevity also acts as a self-perpetuating factor. Banks looking to land new customers will need to invest in marketing and product differentiation as well as continuing to improve their digital customer experience:

- One way to do both is by exploring [the trend](#) of hyper-personalization of services and customer interactions. For example, in our look ahead for 2022 banking developments, [we pointed out](#) the examples of niche financial institutions, like **Daylight**, which specifically targets LGBT customers, and incumbents offering AI-powered interactive services, like **Bank of America's Erica**.
- Offering crypto-related services to customers who are interested in crypto could be a new area for product differentiation: A 2021 **Visa** survey of people in countries including the US [found](#) that **85%** of crypto owners expressed their interest in acquiring crypto from their banks and **39% of owners replied that they plan to switch banks within a year to do so**.

When Did US Adults Last Switch Their Primary Account to a New Bank?

% of respondents, Aug 2021



Note: n=5,103

Source: CivicScience as cited in company blog, Aug 17, 2021

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