

CREDIT UNION SATISFACTION INDEX

YEAR-END REPORT | 2019

*How Credit Unions Can
Keep Beating Banks in CX*



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INTRODUCTION

Credit union members report that they have a better experience with their credit union than bank customers do with their bank. Credit unions can match bank offerings while also providing superior service. According to the Credit Union National Association (CUNA), credit unions “provide the same products and services as banks, but with unmatched service, convenience and cost.”

CFI Group surveys credit union members and bank customers annually to measure the customer and member experience and provide recommendations to credit unions on how to compete to grow their business.

Source: <https://www.cuna.org/>

The results of our study identify five ways credit unions can outperform banks for customer experience.

- Leverage Strong Member Engagement
- Promote the Community-Centric Purpose
- Emphasize Minimal Fees and Low Loan Rates
- Continue Online and Mobile App Development
- Improve the Problem Resolution Process

CFI GROUP SOLUTIONS FOR CREDIT UNIONS



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CEO

Sheri manages offices across four continents from the CFI Group world headquarters in Ann Arbor, Michigan.



RODGER PARK
Director of Customer Analytics

Rodger manages accounts in the public/military sector as well as consumer and business-to-business contexts.



MARK GALAUNER
Senior Customer Insights Consultant

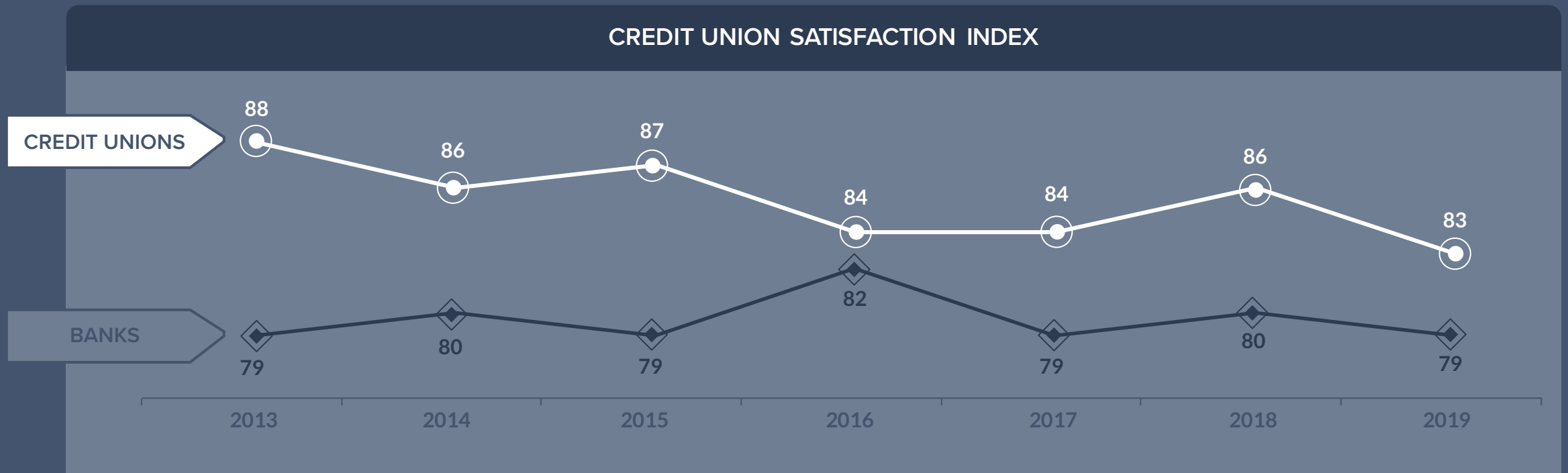
Mark manages a portfolio of accounts in the fields of financial services, retail, and government.

A pink piggy bank sits on a wooden surface, surrounded by several US dollar bills. In the foreground, a row of five green paper cutouts of people holding hands is visible. The scene is lit with warm, soft light, creating a sense of financial stability and community.

CREDIT UNION SATISFACTION INDEX (CUSI)

CREDIT UNION SATISFACTION INDEX (CUSI) DROPS

The Credit Union Satisfaction Index (CUSI) is 83, as measured on a 0-100 scale. CUSI is calculated based on feedback from a panel of 500 respondents who have a current financial relationship with a credit union. Satisfaction with credit unions historically has run several points higher than satisfaction with banks. Heading into 2020, CUSI slipped 3 points, compared to a 1-point drop in bank satisfaction.



DROP IN SATISFACTION DUE TO DECLINE IN KEY DRIVERS

Key satisfaction drivers declined across the board, except for Problem Resolution and ATM.

	2018	2019	Δ	
SATISFACTION INDEX	86	83	-3	
DRIVERS	BRANCH STAFF	92	90	-2
	CONTACT CENTER STAFF	91	89	-2
	ONLINE BANKING	90	88	-2
	MOBILE APPLICATIONS	88	87	-1
	BRANCH CONVENIENCE	85	84	-1
	INFORMATION/COMMUNICATIONS	87	83	-4
	PRODUCTS AND SERVICES	86	83	-3
	RATES AND FEES	81	80	-1
	PROBLEM RESOLUTION	74	78	+4
	ATM	77	78	+1

TO IMPROVE CUSI IN 2020, CREDIT UNIONS NEED TO FOCUS ON FIVE KEY AREAS

Of five key credit union areas, four are current credit union strengths: member engagement, community support, low fees and loan rates, and mobile app development. The fifth area—Problem Resolution—is a relative weakness that, if improved, would have a sizeable effect on overall credit union CX and member satisfaction.

MEMBER ENGAGEMENT

1

LEVERAGE
STRONG MEMBER
ENGAGEMENT

COMMUNITY SUPPORT

2

PROMOTE THE
COMMUNITY-
CENTRIC PURPOSE

LOW RATES and LOAN FEES

3

EMPHASIZE
MINIMAL FEES
AND LOW
LOAN RATES

MOBILE APP DEVELOPMENT

4

CONTINUE
ONLINE AND
MOBILE APP
DEVELOPMENT

PROBLEM RESOLUTION

5

IMPROVE THE
PROBLEM
RESOLUTION
PROCESS



2 OUT OF 5

CREDIT UNION MEMBERS SAY
THEY RECOMMENDED THEIR
CREDIT UNION TO OTHERS
OVER THE PAST 12 MONTHS

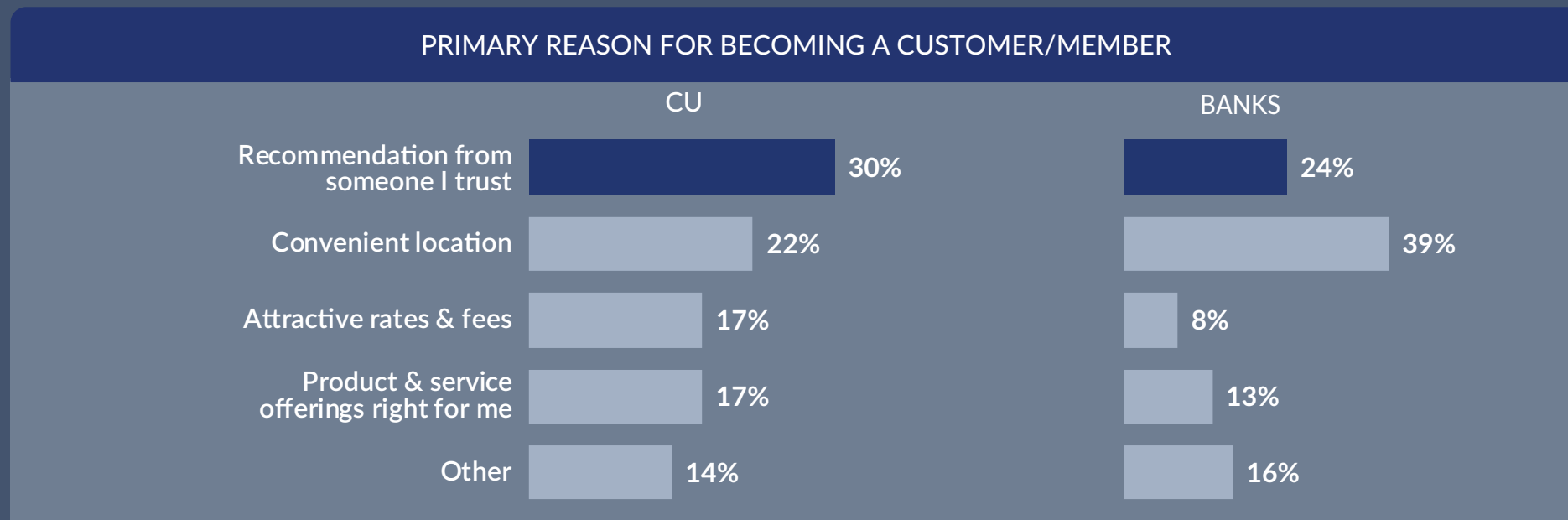
1

LEVERAGE STRONG MEMBER ENGAGEMENT

STRONG MEMBER ENGAGEMENT DRIVES WORD-OF-MOUTH RECOMMENDATIONS

Credit union members are more likely than bank customers to remain and to recommend the institution to others. This is particularly important for credit unions since 30% are members primarily because someone they trust recommended the credit union to them.

	CU	BANKS	Δ
LIKELIHOOD REMAIN A CUSTOMER/MEMBER	92	88	+4
LIKELIHOOD RECOMMEND TO OTHERS	86	80	+6





82%

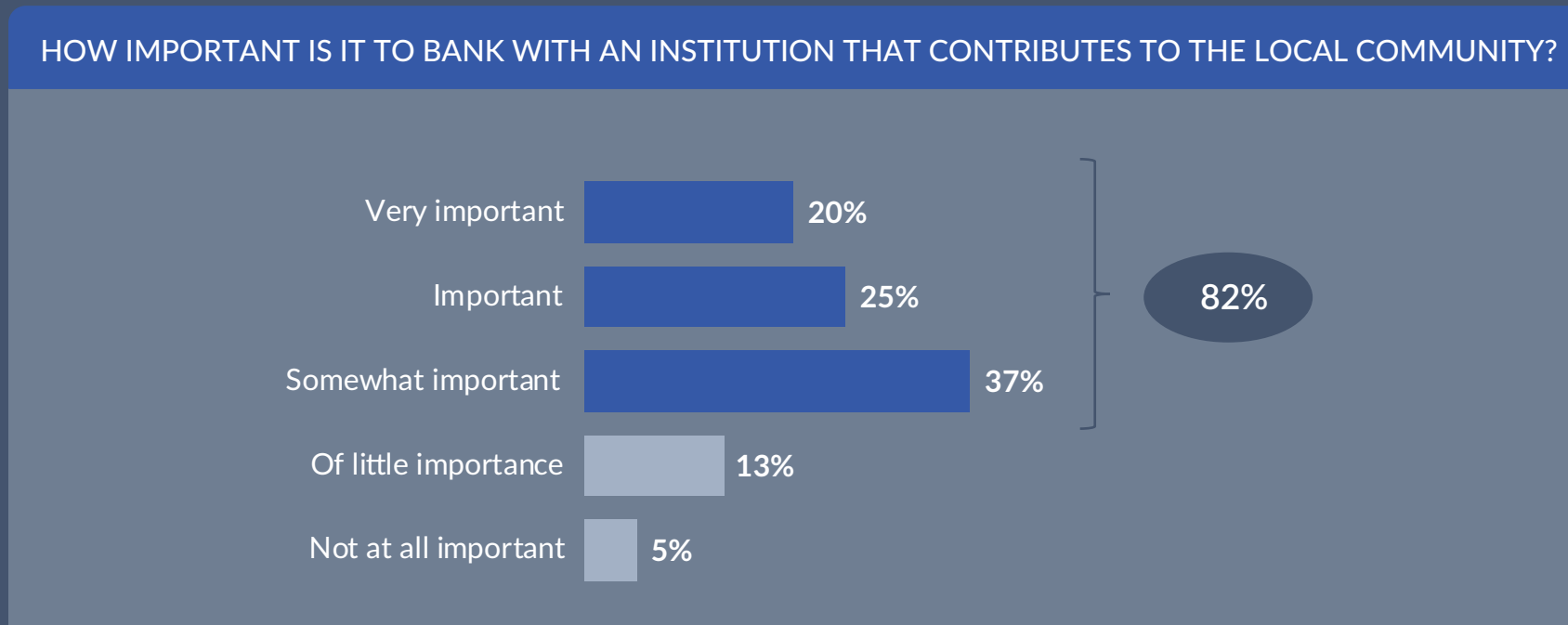
OF CU MEMBERS SAY IT'S AT LEAST SOMEWHAT IMPORTANT TO BANK WITH AN INSTITUTION THAT CONTRIBUTES TO THE LOCAL COMMUNITY

2

PROMOTE THE COMMUNITY-CENTRIC PURPOSE

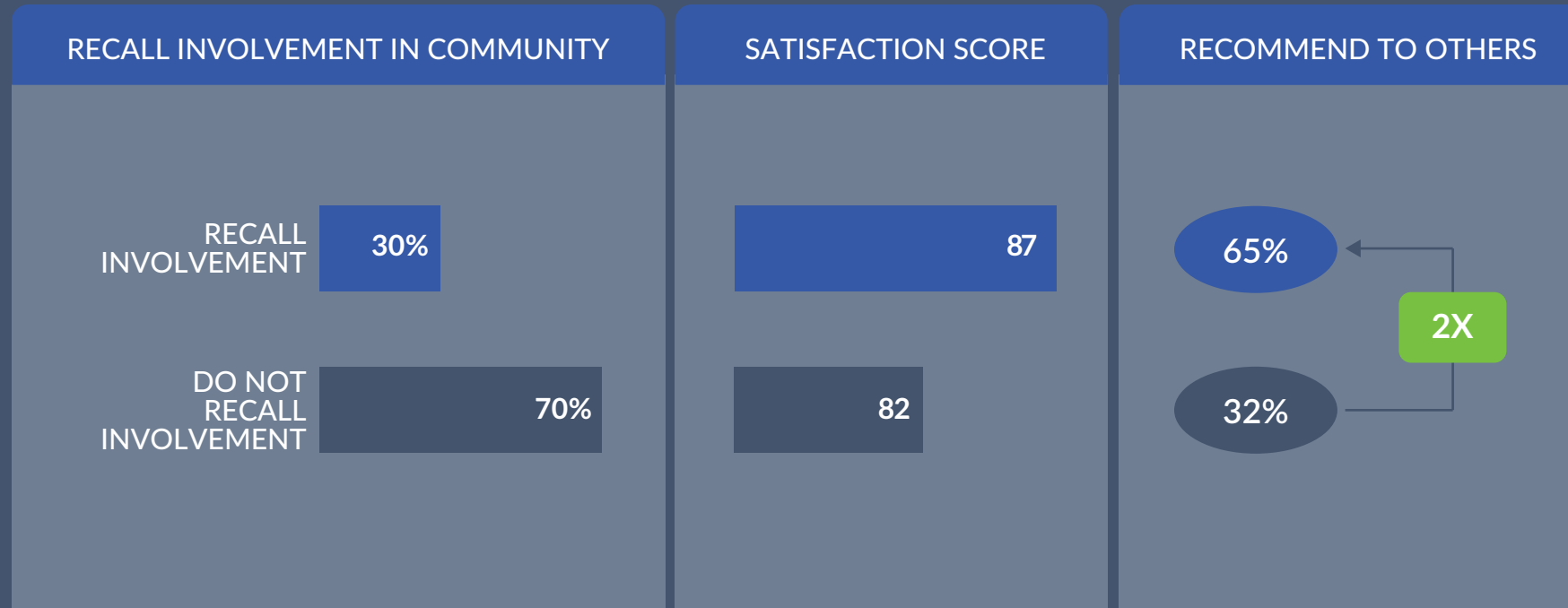
CONSUMERS BELIEVE THAT COMMUNITY INVOLVEMENT IS IMPORTANT

Most credit union members say it is at least somewhat important to bank with an institution that contributes to local community projects.



COMMUNITY INVOLVEMENT LEADS TO MORE RECOMMENDATIONS FROM MEMBERS

Credit unions have an opportunity to increase awareness around community involvement. Those who see active involvement in the community are twice as likely to recommend the credit union, compared to those who do not recall seeing involvement.





CU MEMBERS RATE THEIR FEES

14%

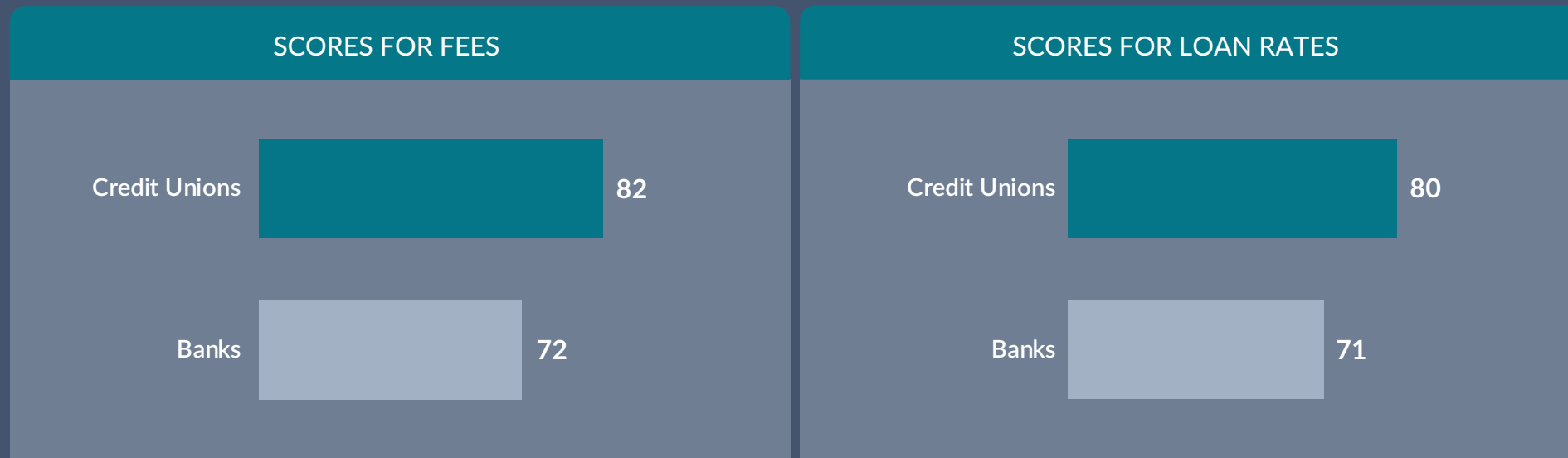
BETTER THAN THE RATING
GIVEN BY BANK CUSTOMERS
FOR THEIR FEES

3

EMPHASIZE MINIMAL FEES AND LOW LOAN RATES

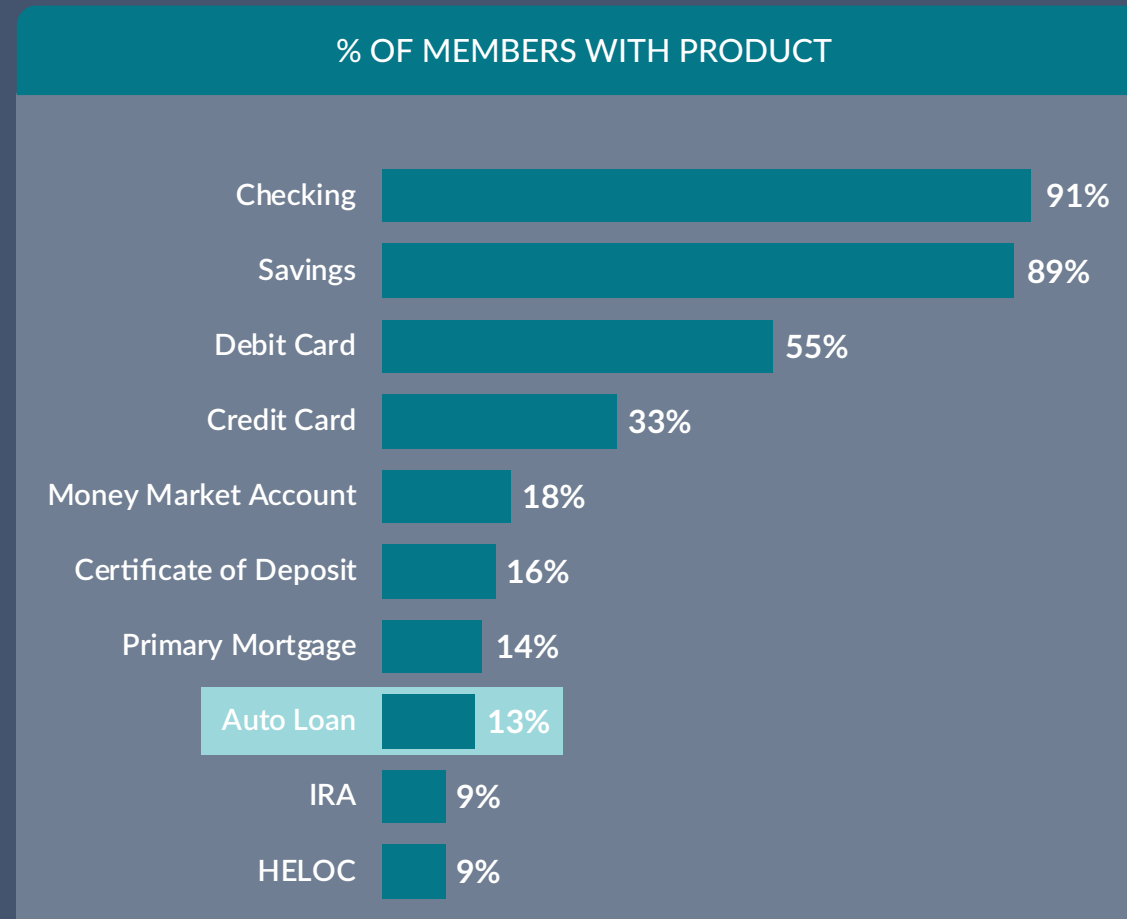
MEMBERS APPRECIATE THE MINIMAL FEES AND LOW LOAN INTEREST RATES

One of the most striking differences between credit unions and banks is how customers and members view fees and loan interest rates. Credit union members have a more positive view of their fees and loan rates than bank customers.



CREDIT UNIONS HAVE AN OPPORTUNITY TO GROW AUTO LOANS

Only 13% of credit union members say they have an auto loan with their credit union. With 85%* of new passenger vehicles being financed over the past two years, credit unions have an opportunity to capture some of this large potential market.



*Source: <https://www.experian.com/blogs/ask-experian/research/auto-loan-debt-study/>



1 OUT OF 5

CU MEMBERS SAY THEY
CONDUCT ALL THEIR
BANKING ACTIVITIES
WITHOUT INTERACTING
WITH A PERSON

4

CONTINUE ONLINE AND MOBILE APP DEVELOPMENT

MEMBERS ARE PLEASED WITH THE ONLINE AND MOBILE BANKING EXPERIENCE

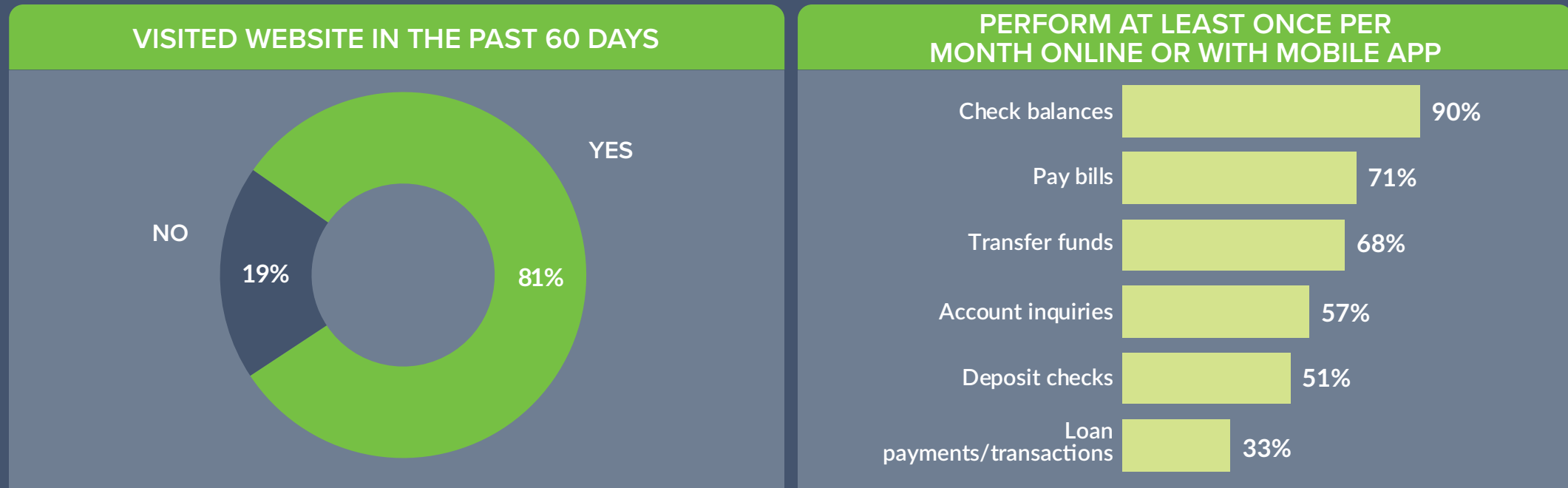
Credit unions have made significant strides in online banking and mobile app development. The digital CX superiority previously enjoyed by banks has disappeared and credit unions now surpass banks on the digital experience.

ONLINE BANKING	CU	BANKS	Δ
EASE OF COMPLETING TRANSACTIONS	88	85	+3
EASE OF SETTING UP ONLINE BILL PAY	87	85	+2
MANAGING ACCOUNT INFORMATION	88	85	+3

MOBILE APP	CU	BANKS	Δ
EASE OF COMPLETING ACTIVITIES	87	84	+3
NAVIGATION OF THE APP	87	85	+2
COMPREHENSIVENESS OF THE APP	86	84	+2

CONTINUE TO IMPLEMENT ONLINE AND MOBILE APP TECHNOLOGY

Credit union members actively visit the website and regularly perform common activities, such as check balances, pay bills, and transfer funds.



1 OUT OF 8

MEMBERS SAY THEY HAVE
HAD A PROBLEM WITH
THEIR CU OVER THE PAST 12
MONTHS

5

IMPROVE THE PROBLEM RESOLUTION PROCESS

MEMBER SATISFACTION IS 10% LOWER FOR THOSE WHO EXPERIENCED A PROBLEM

Problem resolution is a relative weakness for credit unions, which can negatively impact retention and recommendations.

MEASURE	DID NOT EXPERIENCE A PROBLEM	EXPERIENCED A PROBLEM	Δ
MEMBER SATISFACTION	84	76	-8
LIKELIHOOD TO REMAIN A MEMBER	93	85	-8
LIKELIHOOD TO USE ADDITIONAL SERVICES	88	80	-8
LIKELIHOOD TO RECOMMEND THE CU	87	80	-7

ABOUT THE APPROACH

This study is the seventh edition of the CFI Group Credit Union Satisfaction Index (CUSI) survey designed to determine how well credit unions are faring in the current retail banking environment.

CFI Group asked 500 credit union members and 691 bank customers across the U.S. to rate their member/customer experience with their primary financial institution (i.e., the institution where they conduct at least the majority of their banking). The Credit Union Satisfaction Index looks not only at overall satisfaction for credit unions, but also examines the key drivers of satisfaction and important business outcomes affected by member satisfaction.

Contact us to find out more about CFI Group resources and expertise available to help you measure and manage the member experience and grow your business.

ABOUT US

Since 1988, CFI Group has delivered customer experience measurement and business insights from its Ann Arbor, Michigan headquarters and a network of global offices. As founding partner of the American Customer Satisfaction Index (ACSI), CFI Group is the only company within the United States licensed to apply customized ACSI methodology in both the private and public sectors. Using this patented technology and top research experts, CFI Group uncovers the business drivers and financial impact of customer experience.

For more information, visit [cfigroup.com](https://www.cfigroup.com) or contact:



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