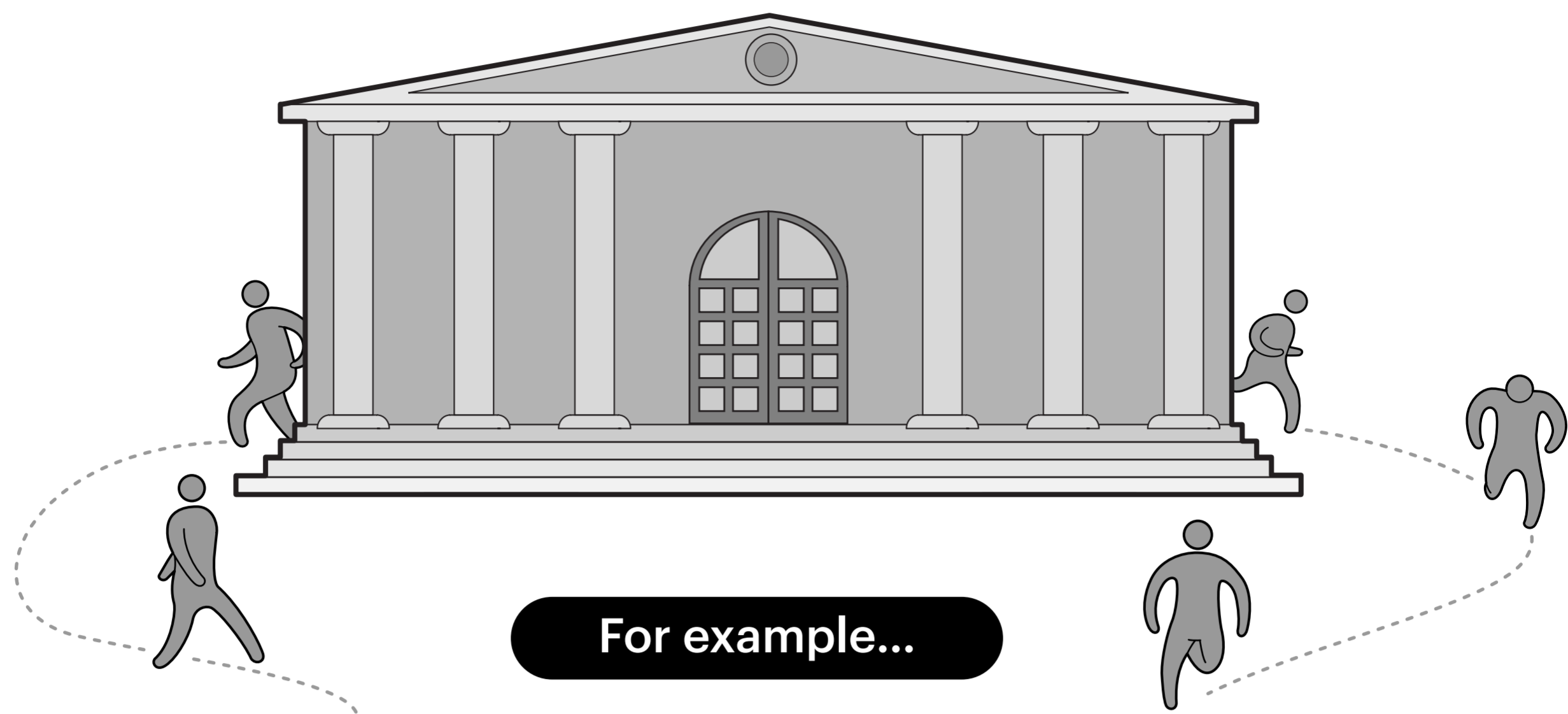


# How Banks Can Stop Hidden Defections

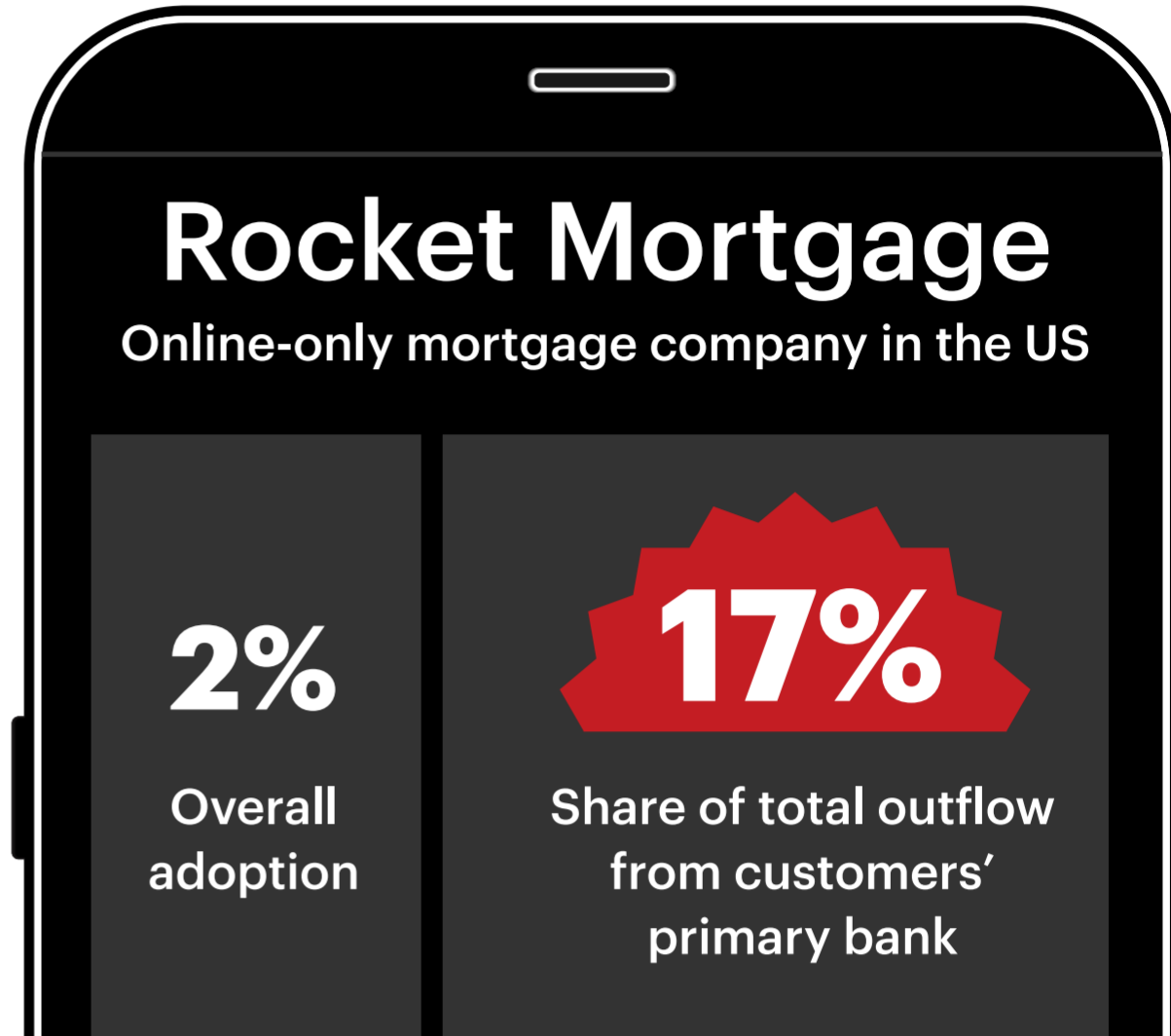
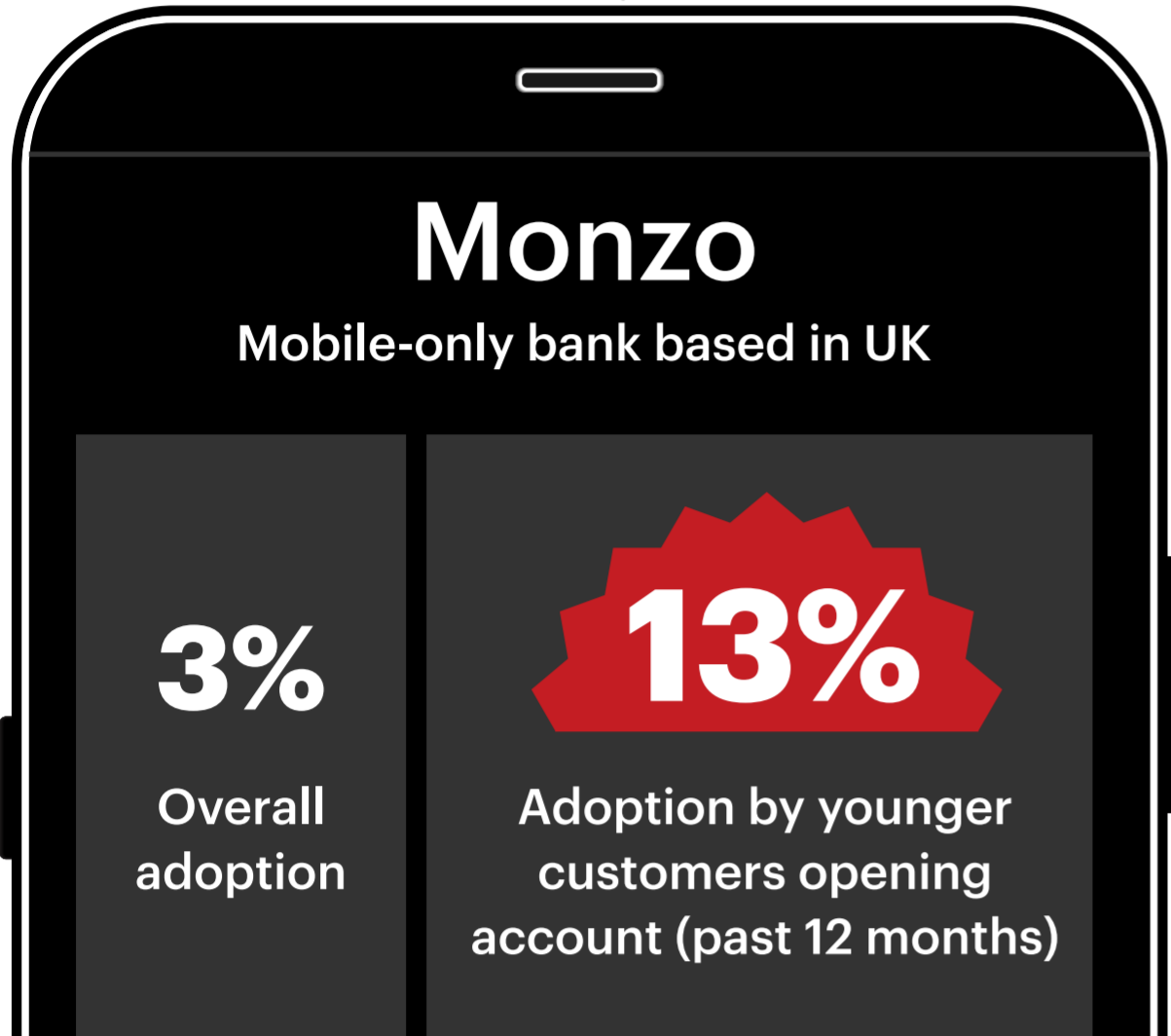
Traditional banks are losing customers to digital insurgents and may not even know it. Here's how banks can fight back.

## BIG BANKS ARE LEAKING CUSTOMERS

Despite a low overall share initially, digitally native companies are grabbing an outsized share of new business from traditional banks.



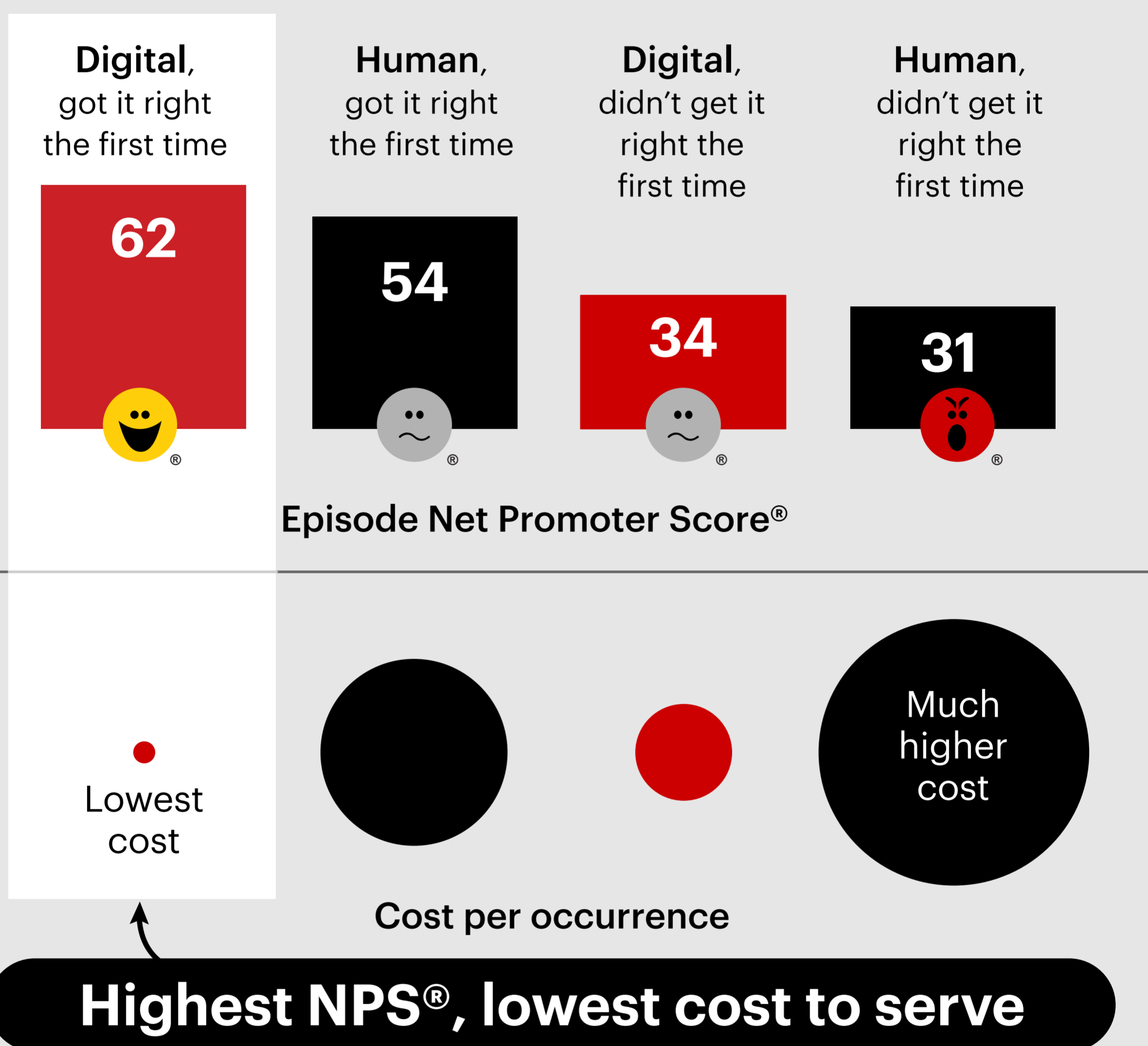
For example...



## HOW TO PLUG THE LEAKS

It pays for banks to use digital to solve customer needs the first time, without forcing them to resort to a phone call or branch visit.

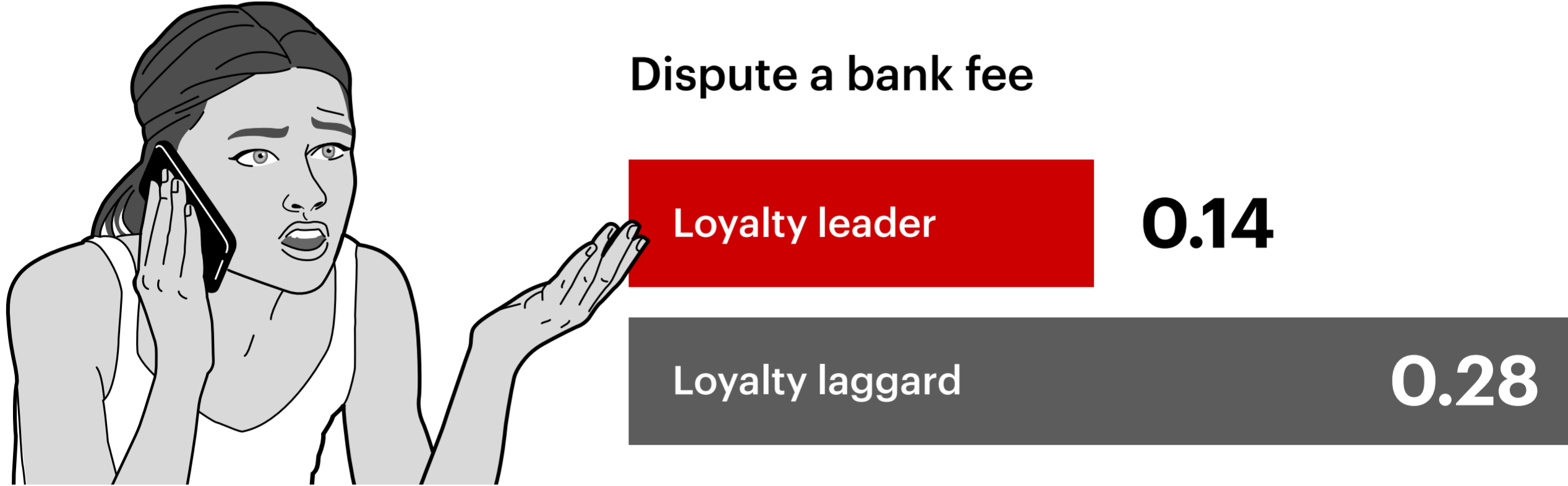
Episodes of opening a new checking account at 20 major traditional US banks



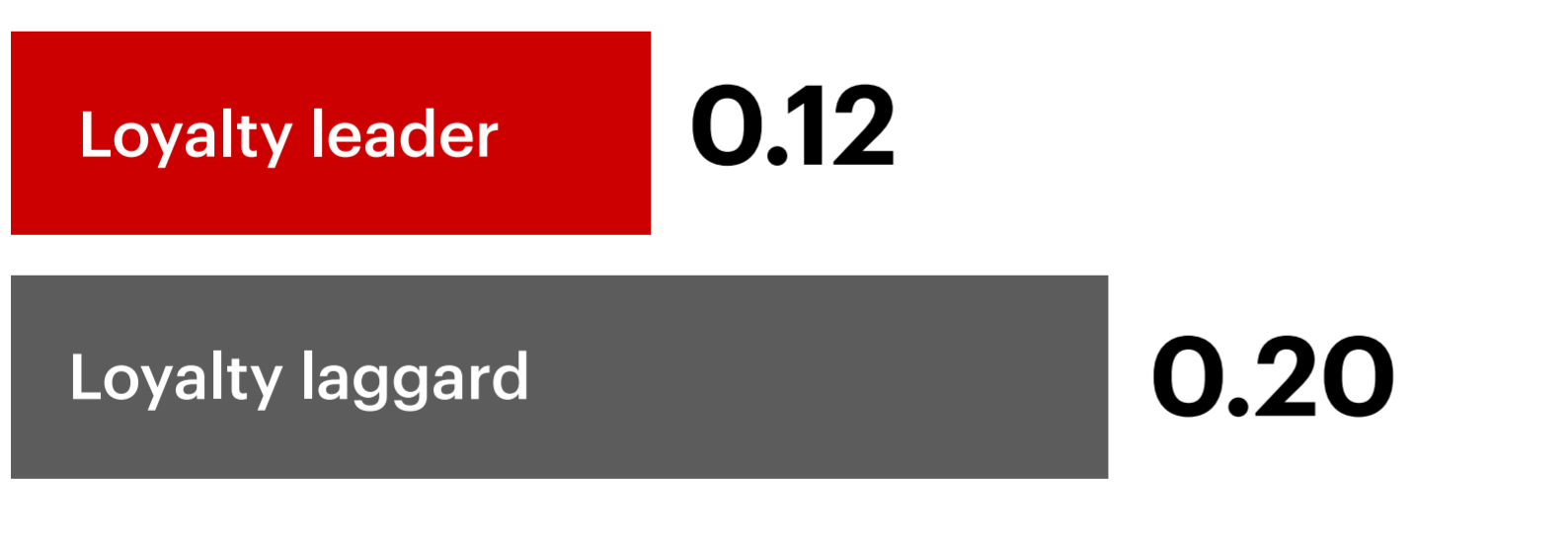
## KILL THE ANNOYING EPISODES

Banks can also boost loyalty by reducing episodes likely to annoy, such as fee disputes and having a card declined at the point of sale.

Average number of episodes annually per US respondent, checking and savings



Address a declined point-of-sale transaction



## LOYALTY PAYS OFF

Customers who are promoters of their bank:

- Own more products
- Spend more on primary credit card
- Are more likely to buy next product from primary bank



Ultimately, they are **less likely to defect to competitors.**

Read more:

As Retail Banks Leak Value, Here's How to Stop It  
www.bain.com/bank-loyalty-2019