

# How You Can Grow on the Backs of the Big Banks in Tennessee

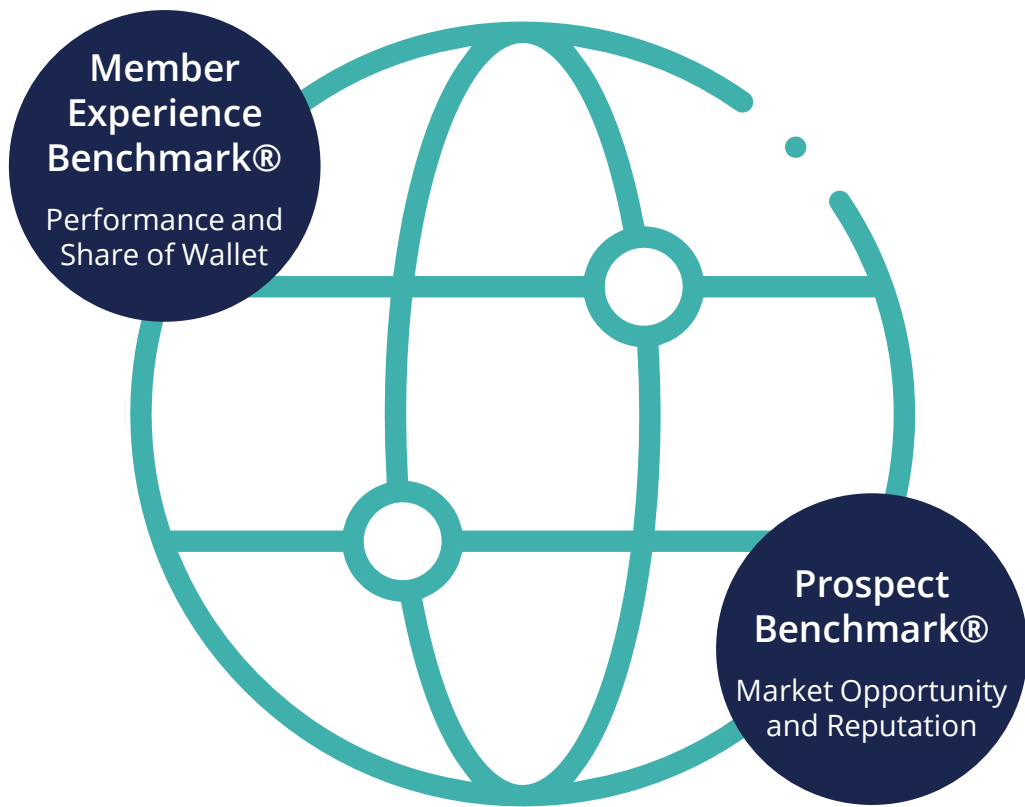
Tennessee Credit Union Connect 2023  
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# THE RIVEL BANKING BENCHMARKS®

Largest syndicated banking studies in the world



## Scope, Coverage, Accuracy

**280,000+**

Household and Business interviews



Repeated every six months



Double-blind and non-sponsored

**5,100+**

Financial Institutions across US



Representative by income, ethnicity, age, gender, etc.



Metrics evolving to meet market needs

*Every banking institution and every market in Tennessee is covered*

# Tennessee Customers Are Switching

Among 9,578 Interviews of Banking Customers and Members

## Prime Targets

32%

**Strategic opportunity:**  
vulnerable customers/  
members at their current bank

## Switching Soon

14%

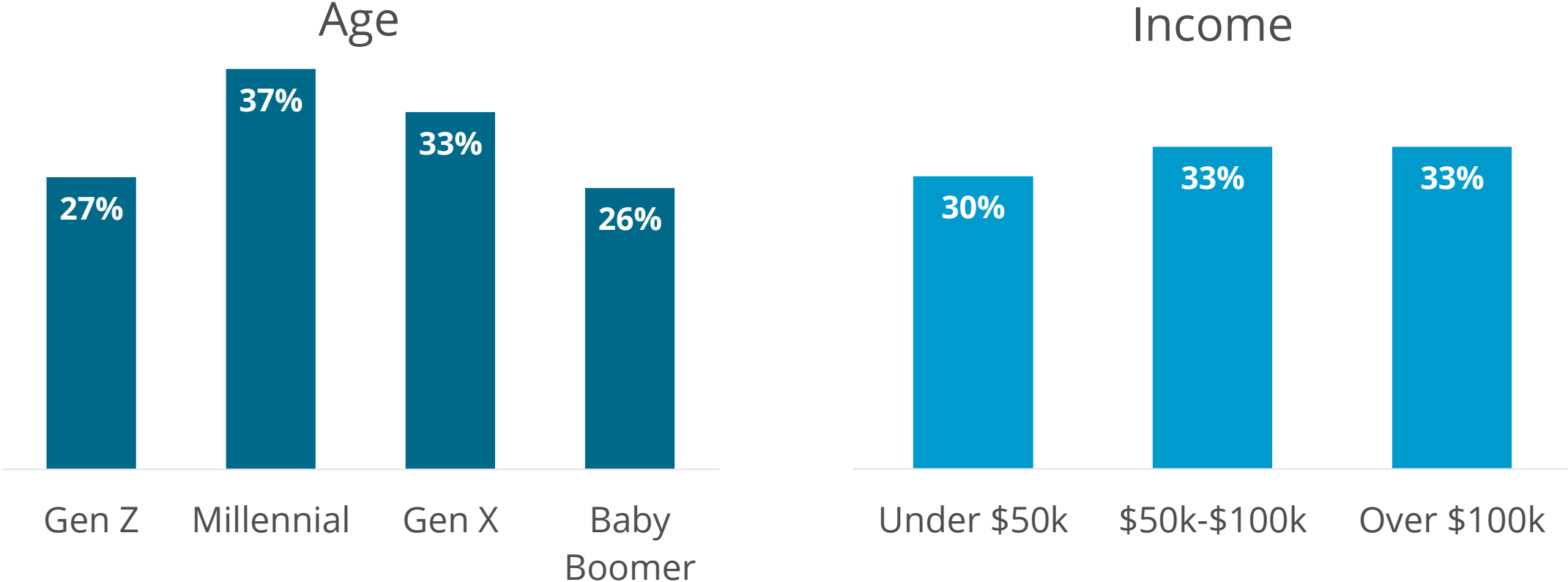
**Immediate opportunity:**  
customers/ members who will  
leave their bank in the next six  
months



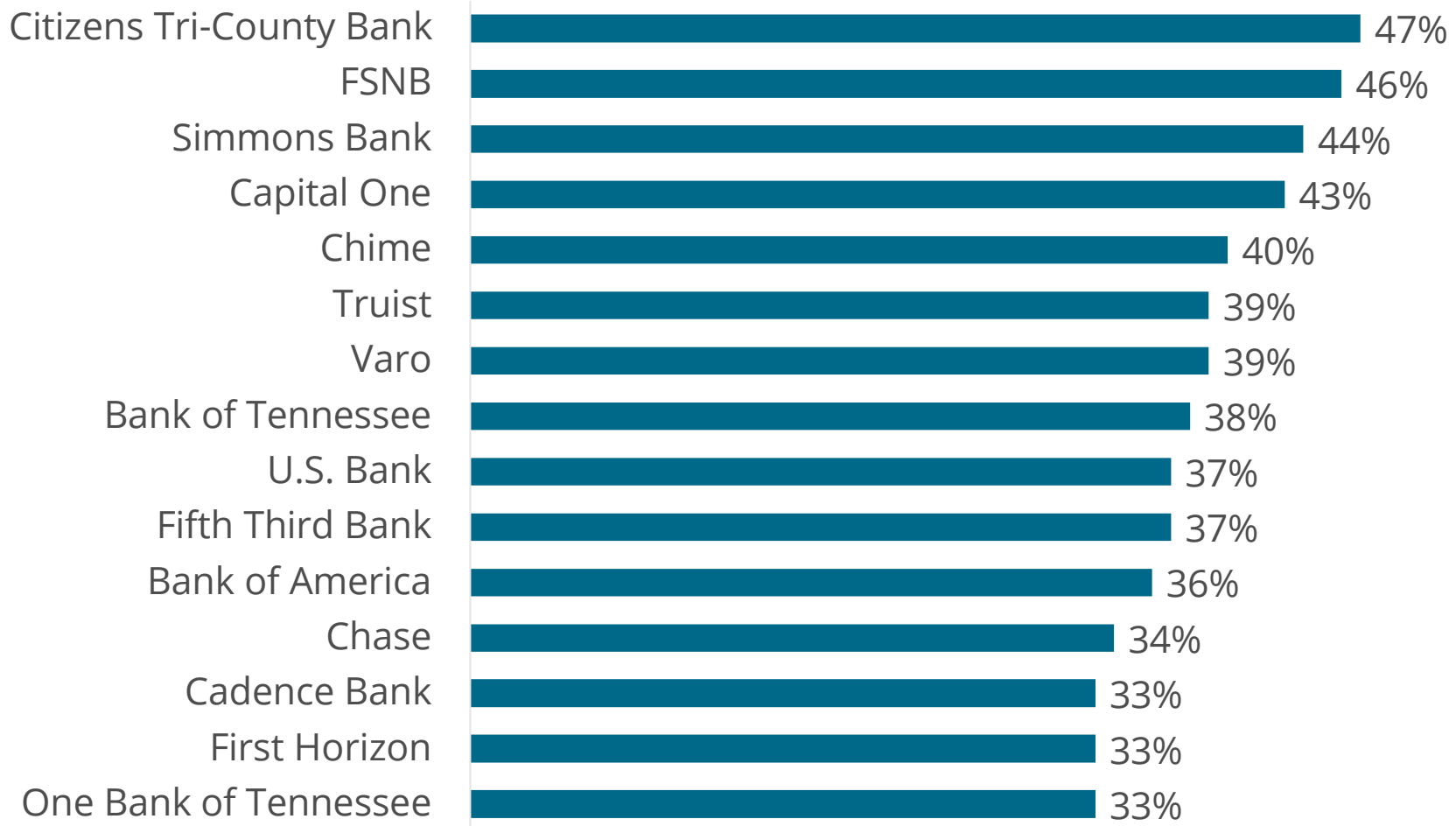
# Tennessee Customers Are Switching

Among “Vulnerable” Customers and Members

## *Likely to Switch Banks This Year*



# Where are Prime Targets Currently Banking?




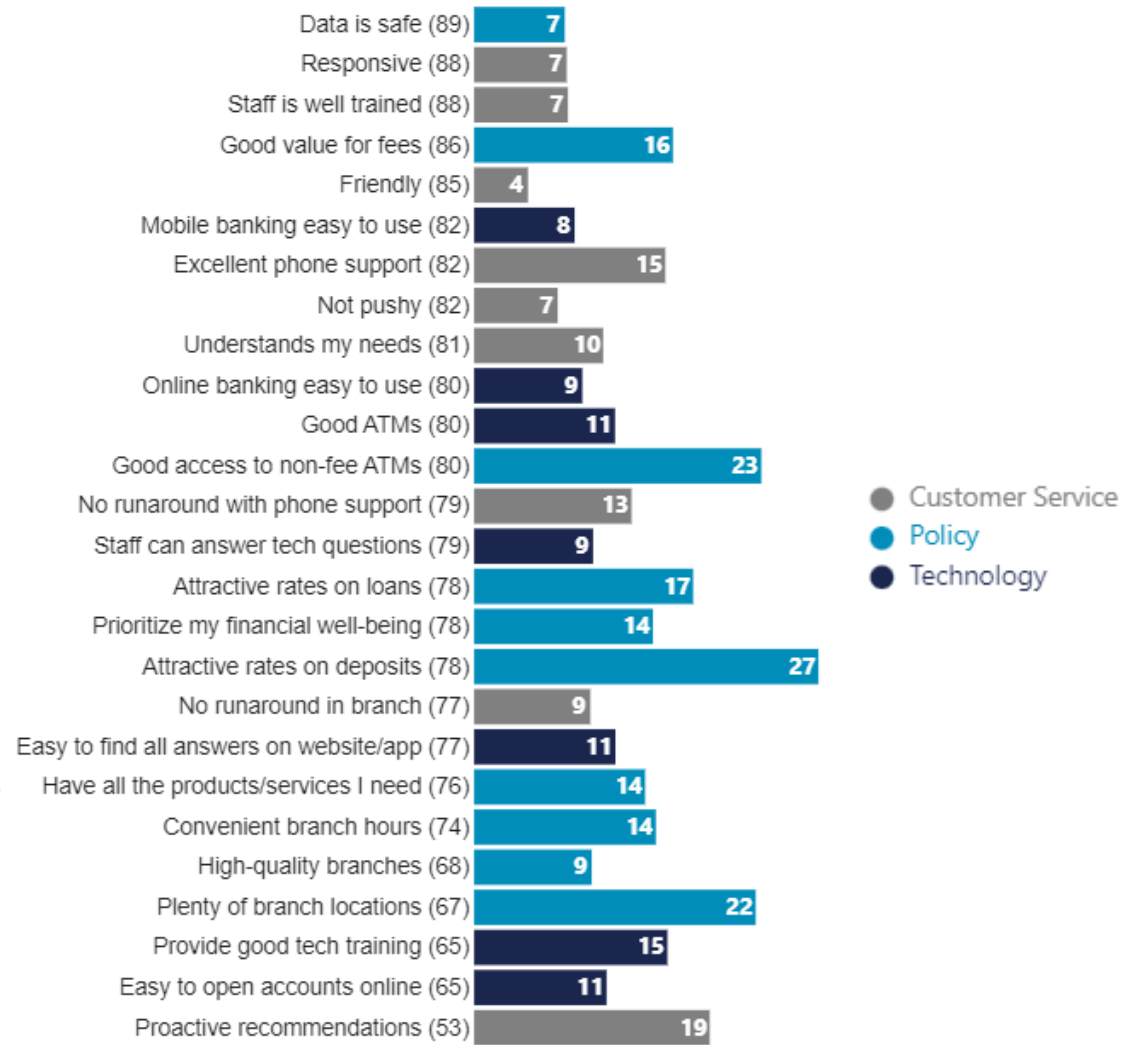
**LOCAL NORM**  
**33**

■ Percentage of Each Institution's Customers That Can Be Considered "Vulnerable"

# Drivers of Banking Dissatisfaction

## DISSATISFACTION \*

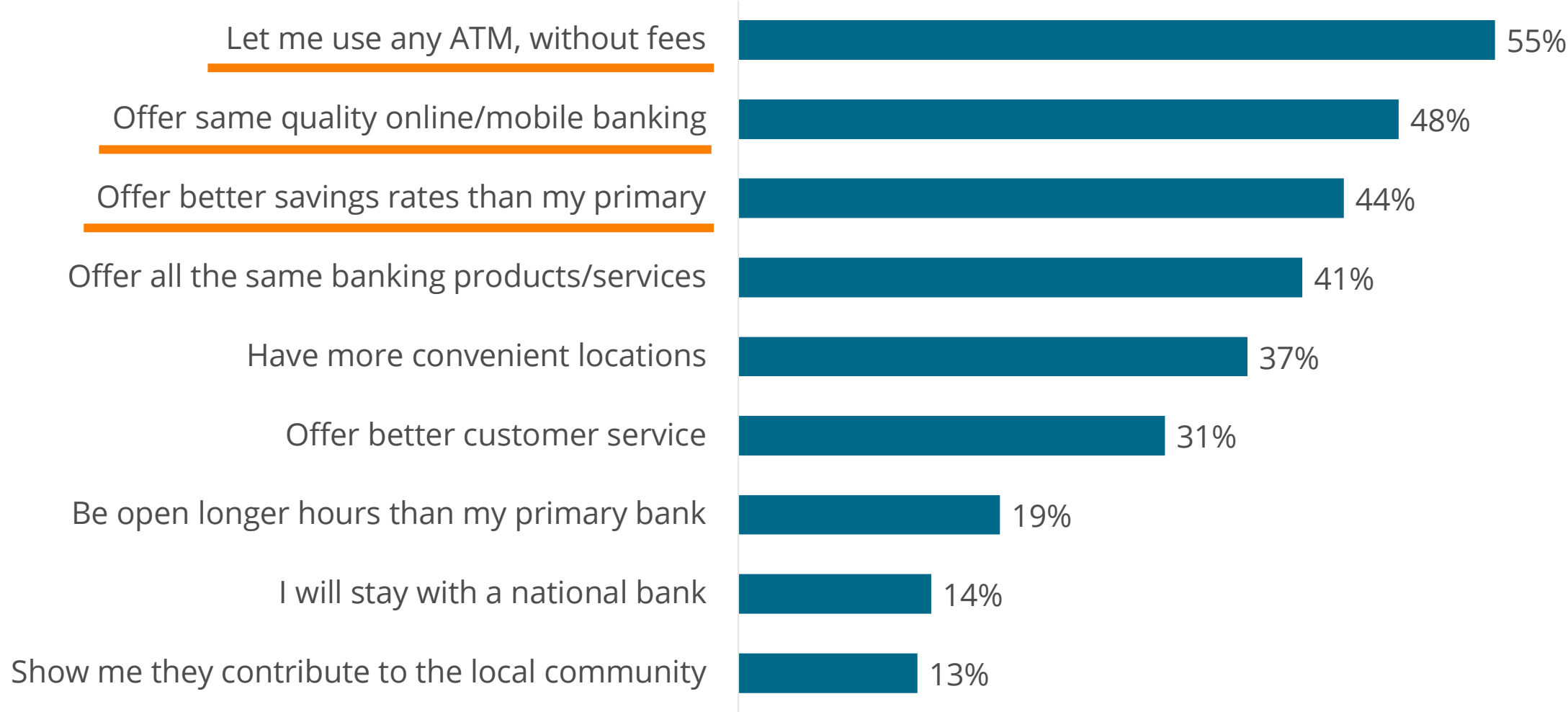
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- Customer service is *important*, but consumers are generally *satisfied*
- Making money and saving money is both *important* and has high levels of *dissatisfaction*
- Big banks are making strides on eliminating fees, how can credit unions compete?

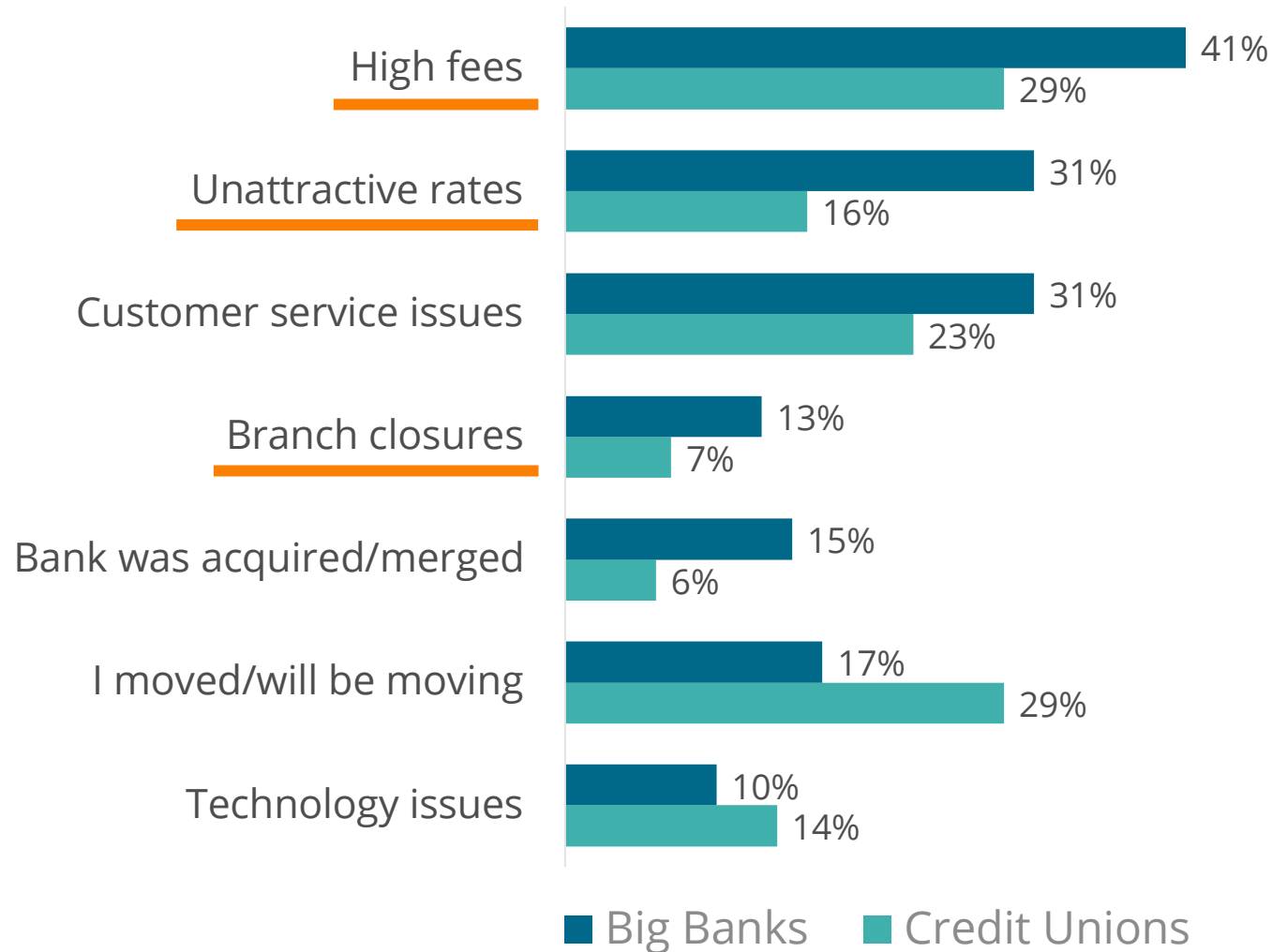
# How a Small Bank/CU Can Capture Big Bank Customers

Percentage of Respondents Indicating Each Item, Who Use National Banks



# Reasons a Customer or Member Might Leave

Percentage of Respondents Indicating Each Item, Who Might Leave, in Tennessee



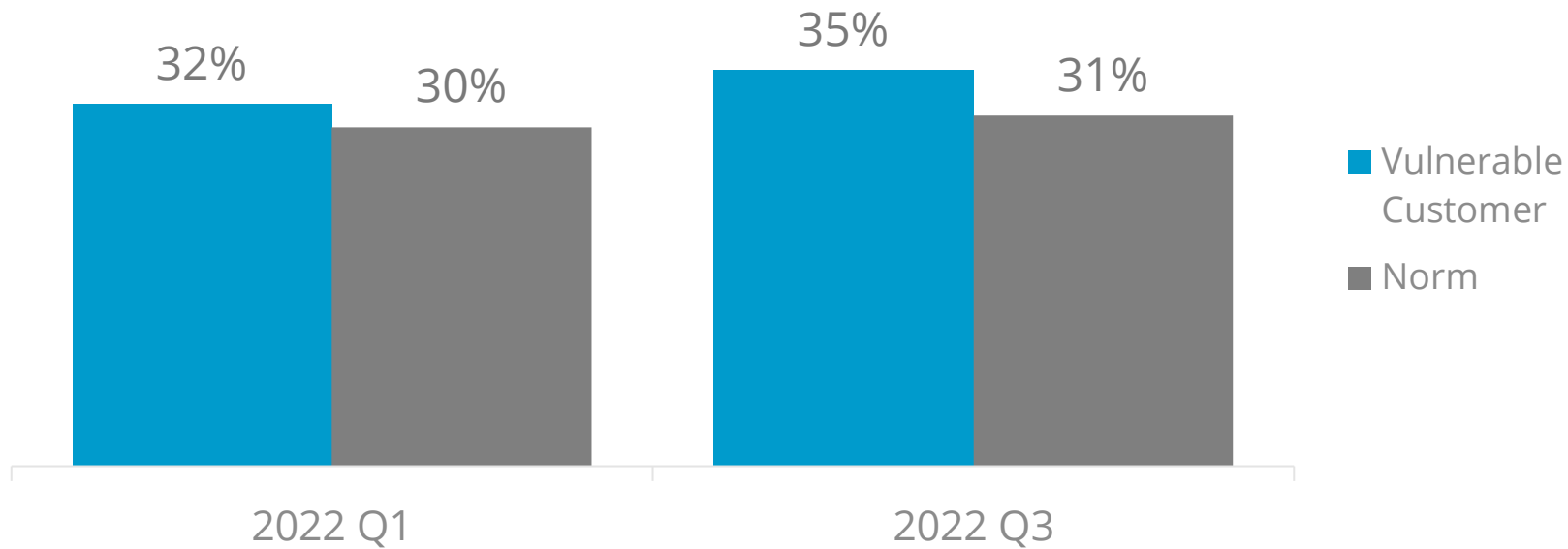




# Vulnerability of First Horizon Bank

“Vulnerable” Customers and Members

## *Pre-Merger & Post-Merger Announcement*

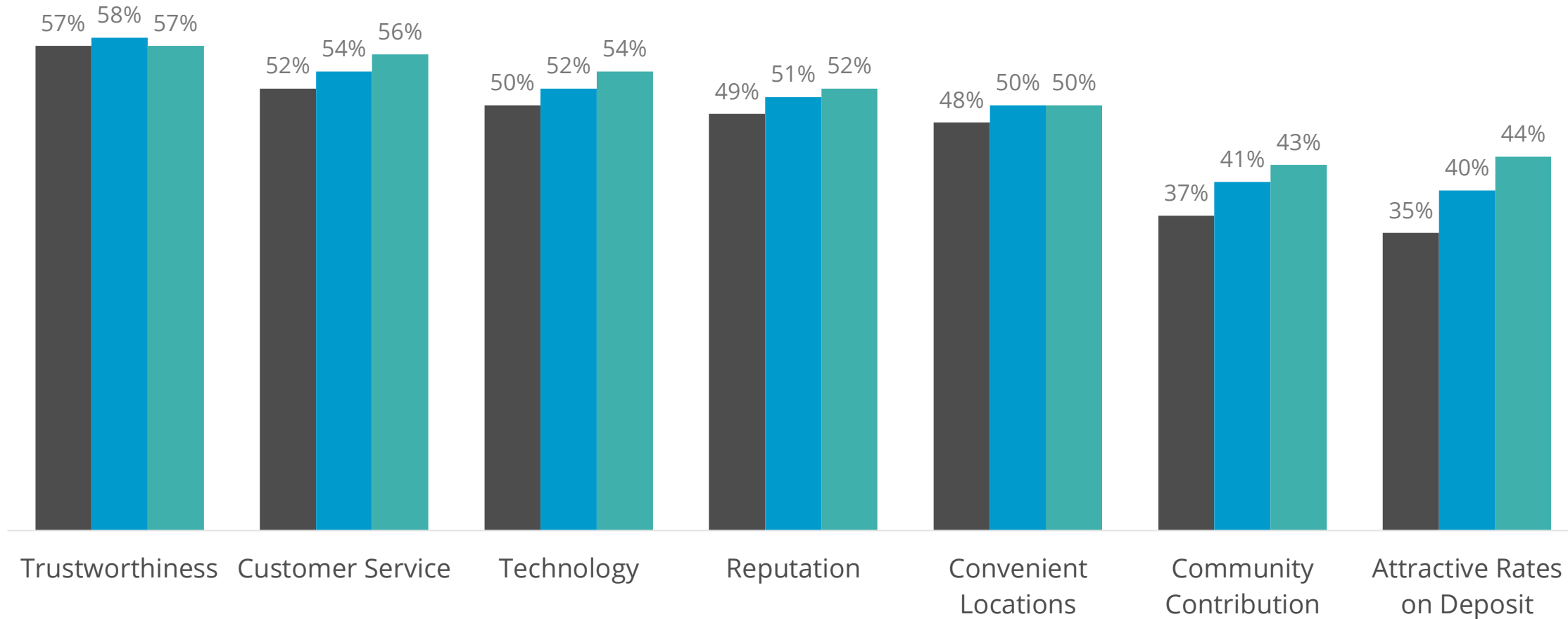


## Since last year:

- Customer loyalty down 6%
- Customer service experience down 2%
- Overall satisfaction with bank down 3%

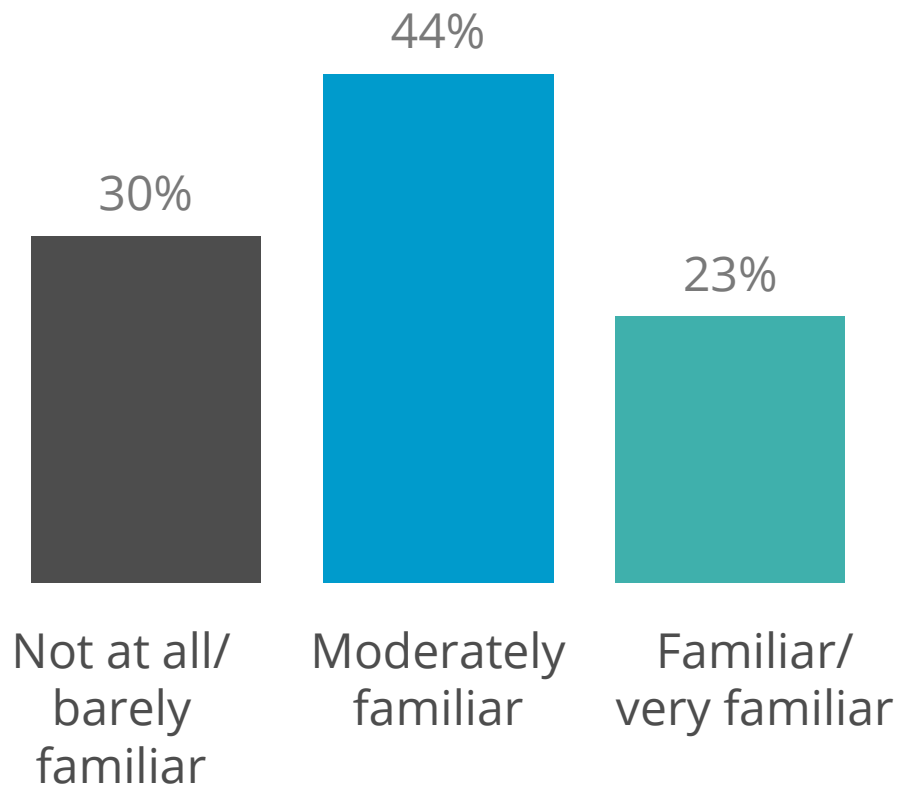
# First Horizon Key Metrics

Reputation and Prospect Ratings in Last 18 Months – Q3 2022 to Q3 2023



# Familiarity and Consideration of Credit Unions

Percentage of Respondents Indicating Each Item, in Tennessee



*75% say they **would consider** a credit union for their personal banking*

Above the national norm of 71% - high level of trust of CUs within Tennessee

# Customer Retention in Tennessee Tied to CUs

Where do members have better experiences?

*Among Top Ten Institutions in Rivel's customer and member research...*

Loyal Customers/  
Members

7 of 10

Seven of the top ten institutions in Tennessee with the highest Loyalty rates are CUs

Share of Wallet

7 of 10

Seven of the top ten institutions in Tennessee with the highest SOW are CUs

# Prospect Ratings on Important Metrics

Percentage of Respondents Indicating Each Item, in Tennessee

Credit Unions		Big Banks
67	Good Customer Service	53
67	Trustworthy	55
56	Attractive Deposit Rates	46
52	Strong Community Contribution	35
62	Strong Institutional Reputation	58
58	Good Technology	63
46	Convenient Locations	51

# Top 10 Reputation for Customer Service

Among Prospective Members, in Tennessee



*Prospective Member Ratings*

Tennessee | Q3 2023

Ascend FCU	ORNL FCU
Eastman CU	TVFCU
Home Federal Bank	UT CU
Knoxville Teacher's FCU	Wilson Bank & Trust
Knoxville TVA Employees CU	Y-12 FCU

# Top 10 Reputation for Trustworthiness

Among Prospective Members, in Tennessee



*Prospective Member Ratings*

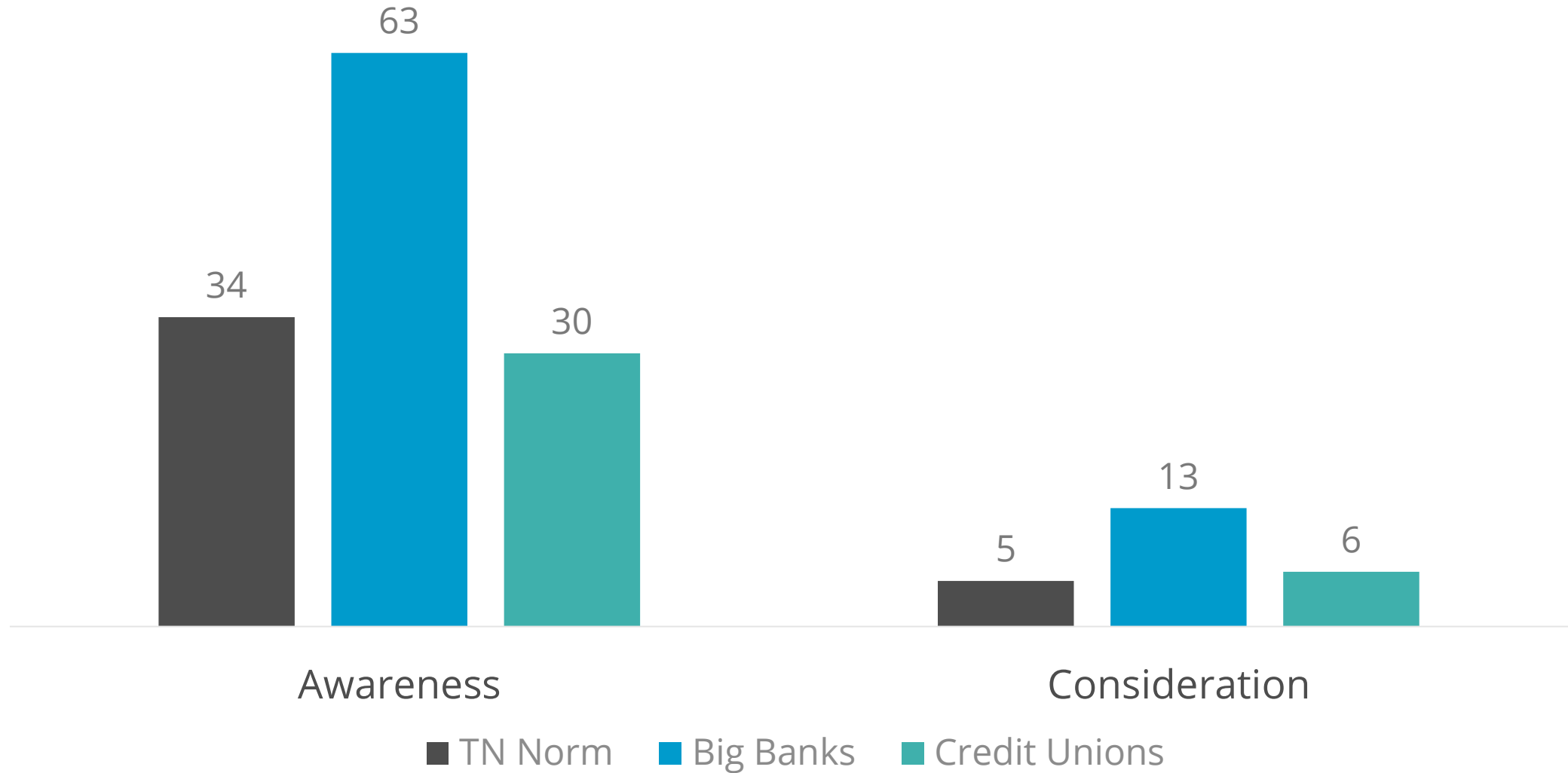
Tennessee | Q3 2023

Bank of Tennessee	Knoxville TVA Employees CU
Capital One	TVFCU
Chase	UT FCU
Eastman CU	Wilson Bank & Trust
Knoxville Teacher's FCU	Y-12 FCU



# Awareness and Consideration of Your Institution

Among Prospective Members, in Tennessee



# Top Consideration Scores of Credit Unions

Among Prospective Members, in Tennessee



Alcoa Tenn Federal Credit Union	Horizon Credit Union	Old Hickory Credit Union
Altra Federal Credit Union	Kingsport Press Credit Union	Orion Federal Credit Union
Ascend Federal Credit Union	Knoxville TVA Employees Credit Union	ORNL Federal Credit Union
Bowater Credit Union	Leaders Credit Union	Redstone Federal Credit Union
Eastman Credit Union	Lowland Credit Union	Select Seven Credit Union
Enrichment Federal Credit Union	Navy Federal Credit Union	Tennessee Valley Federal Credit Union
Fortera Credit Union	Northeast Community Credit Union	Y-12 Federal Credit Union

# Questions and Next Steps



We will walk you through a  
look at your historical,  
local data

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