New Crisis Survey Reveals Younger Generations More Concerned About Social Issues at Their Bank Than Boomers

Older generations more likely turned off by compliance violations

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ATLANTA, GEORGIA, UNITED STATES, April 12, 2021 /EINPresswire.com/ -- York Public Relations, the nation's top brand awareness and crisis PR firm dedicated exclusively to financial institutions and fintechs, today revealed vast differences between generations that would cause them to break up with their bank. The survey was conducted online by The Harris Poll on behalf of York Public Relations, garnering responses from 2,053 U.S. adults age 18 and older.

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> *Mary York, CEO of York Public Relations*

Baby Boomers (ages 56-74) are more likely than Gen Z (ages 18-23), Millennials (ages 24-39) and Gen X (ages 40-55) to say they would leave a bank if it had FDIC/government violations (66% vs. 44%, 46% and 58%, respectively). An overwhelming majority of Americans (84%) say that they would leave a bank if it experienced certain crises, with the number one deterrent across all generations being FDIC/government violations (56%).

This could mean bad news for banks subjected to stricter enforcement in 2021. Since the start of the year, regulators have hit banks with millions of dollars in penalties, including a $12.5 million penalty against New York-based Apple Bank for alleged AML violations and a $390 million penalty against Capital One for "willfully failing to implement and maintain" an effective AML program. However, a recent report from the FDIC showed that compliance violations among community banks dropped 30% in 2020 compared to the previous year.

Meanwhile, younger generations are more likely than Boomers to say they would leave a bank if a bank employee was involved in an organizational misdeed (26% each of Gen Z & Millennials, 23% of Gen X vs. 16% of Boomers). An organizational misdeed is typically classified by one of three categories, including: 1) deception, a malicious and intentional act that impacts customers or employees; 2) skewed management values to achieve short term gains but neglect social values; and 3) misconduct by either breaking the law or conducting business in an immoral and unethical manner.

Gen Z and Millennials are also more likely than Boomers to say they would drop their bank if it was part of a discrimination lawsuit (39% & 30% vs. 21%). Fortunately, the number of discrimination charges hit an all-time low last year and has been steadily decreasing for the last four years, according to the Equal Employment Opportunity Commission's (EEOC) 2020 year-end report. The EEOC's data shows there were 67,448 charges of discrimination filed in 2020 – 5,227 fewer charges of discrimination than in 2019.

However, employer payouts have hit record highs and can be extremely costly for organizations. According to the EEOC's Agency Financial Report for 2020, the EEOC secured over $535.4 million for employees alleging discrimination in the private sector and within local governments. This is the highest amount in 16 years. Retaliation remains the most frequently alleged claim, representing 55.8 percent of all charges filed, followed by disability discrimination.

"There is a clear difference among age groups of what offends them most, making it imperative that banks and credit unions understand their customer or member base and what drives engagement and retention," said Mary York, CEO of York Public Relations.

Additionally, younger generations are more concerned than older generations whether a bank receives negative reviews/comments on social media (25% of Gen Z, 23% of Millennials, 17% of Gen X vs. 9% of Boomers). This could be very problematic. With nearly half of the global population on social media and the sharp rise in social media-related crises over the last decade, it is likely that any crisis will make its way to one or more social platforms. Even more, it takes roughly 40 positive reviews to undo damage from one negative review, according to studies.

"There is a clear difference among age groups of what offends them most, making it imperative that banks and credit unions understand their customer or member base and what drives engagement and retention," said Mary York, CEO of York Public Relations. "Moreover, FIs must have a crisis plan in place with appropriate responses and messaging for different groups. If not, you run the risk of not meeting their specific concerns and needs, which may hinder any ability to retain them after a crisis.”

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About York Public Relations
York Public Relations is a brand awareness and crisis public relations firm dedicated exclusively to financial institutions and fintechs. The firm serves clients ranging from community banks, credit unions and mortgage lenders, early- and late-stage fintech startups, and public and privately-held financial technology companies. For more information, please visit www.yorkpublicrelations.com.

Survey Method
This survey was conducted online within the United States by The Harris Poll on behalf of York Public Relations from October 6-8, 2020 among 2,053 U.S. adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables and subgroup sample sizes, please contact Mary York at mary@yorkpublicrelations.com.

Mary York
York Public Relations
+ 18006837685
email us here
Visit us on social media:
Twitter
LinkedIn
