



5 Service Decisions Financial Institutions Get Wrong Without **Customer Insight**

Why assumptions lead to misaligned services
and how market research changes the outcome.

Prioritizing Feature Parity Over Customer Pain Points

THE ISSUE:

FIs expand digital capabilities and features without understanding which problems customers are actually trying to solve.

THE STAT:

77% of consumers prefer managing accounts via mobile app or online, yet digital productivity has declined significantly since 2021.

THE MISS:

Institutions chase feature checklists instead of fixing the **top 3–5 friction points** customers encounter most often.



Designing Products Without Understanding Customer Workflows

THE ISSUE:

Products and features are built around internal capabilities or competitor parity, not around what customers are actually trying to accomplish.

THE STAT:

Mobile banking apps offer dozens of features, yet customers consistently rely on only a small core set for everyday banking.

THE MISS:

Without insight into how customers actually use products, FIs deliver features that technically work but don't drive adoption, primacy, or long-term value.



Applying National Strategies to Local Markets

THE ISSUE:

FIs apply national strategies without accounting for meaningful regional differences in customer expectations and behavior.

THE STAT:

In 2023–2024, deposit levels varied dramatically by region—for example, Chicago grew **1.8%** while San Francisco declined **16.3%**—yet most national strategies don't account for these local market dynamics.

THE MISS:

Without local insight, FIs miss opportunities to tailor offerings where growth potential is highest.



Treating All Generations the Same

THE ISSUE:

FIs offer uniform products despite very different generational behaviors and expectations.

THE STAT:

Gen Z: Values financial education, intuitive UX, and frequent digital engagement

Millennials: Prioritize convenience, speed, and integrated digital tools

Gen X / Boomers: Place higher value on trust, branch access, and human support

THE MISS:

One-size-fits-all experiences fail to fully serve any generation.



Reacting to Attrition Instead of Detecting Early Signals

THE ISSUE:

FIs often discover relationship risk only after balances begin to move.

THE STAT:

89% of consumers say they're satisfied with their financial institution, yet **17%** were likely to switch in 2025. That number rises to **37%** when another institution better meets their needs.

THE MISS:

Without ongoing insight into primacy and relevance, institutions react after value has already eroded.





The Same Root Cause Every Time

All five mistakes stem from decisions driven by:

- **Internal assumptions**
- **Competitive benchmarking alone**
- **Industry trends**

Instead of ongoing customer insight into real needs, behaviors, and decision drivers.

What Changes With Customer Insight



Institutions that use research-driven decisions see:

- **Higher digital adoption**
- **Stronger deposit retention**
- **Better generational engagement**
- **Engagement and loyalty, not passive satisfaction**
- **Earlier signals of relationship risk**

They ask customers before they build, launch, and invest.



Stop Guessing. Start Knowing.

Market Research turns better
decisions into measurable growth.



Connect with us at sales@cspfiles.com

SOURCES:

ABA (2024); Cornerstone Advisors, Digital Banking Performance Metrics (2024); Emerald Publishing / Harvard Business Review Loyalty Research (2024); FDIC Summary of Deposits (2024); Javelin Strategy & Research; Drive Research Banking Trends (2025); Gen Z Banking Studies (2024–2025); Forrester & BAI Financial Services Research (2023–2024).