U.S. Bank Customers vs. Credit Union Members

Comparative Analysis of Deposits, Demographics, Products & Channel Behavior

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Author's Note

I adore good research and believe this is a resource for a better understanding the differences between bank and credit union customers. Why is that important? While both types of financial institutions have some similar products, the ownership, operational styles and expectations of customers create differences. If you are selling technology, services or data to banks and credit unions, it's best to have an appreciation of the nuances of each.

"Figures don't lie, but…" runs through my mind as I share this report because it draws on a number of sources, most of which were not designed to complement the other. Associations, for example, tend to publish information that supports their members and points of view. We have blended diverse sources to create a directional picture of the landscape.

This report was created and edited by humans, with the help of LLMs for research. I hope you enjoy it.

Scott Mills

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Executive Summary

U.S. bank customers and credit union members represent two distinct financial services profiles shaped by ownership structure, pricing philosophy, and community orientation. Banks – as for-profit, shareholder-owned institutions – dominate scale, digital investment, and product breadth. Credit unions – as not-for-profit member cooperatives – lead on trust, rate competitiveness, and relationship depth.

Key takeaways at-a-glance:

- Banks control over 90% of U.S. financial institution assets; two large banks alone exceed the entire CU sector in assets
- Credit union membership grew steadily from 129.6M (2021) to 144.7M (2025), with deposits per member rising to $14,305
- Bank customers tend to be more urban, higher-income, and hold a broader product suite; CU members skew middle-income and community-oriented with deeper core relationships
- Both channels are predominantly digital, but bank customers are more self-service oriented while CU members prefer human-assisted digital interactions
- Credit unions hold a significant trust advantage (65% vs. 25% trust rates); banks increasingly compete on convenience and technology

This report consolidates research from multiple authoritative sources to provide a clear, data-backed comparison across four key dimensions: deposits, demographics, product usage, and channel behavior. Sources include: FDIC Statistics at a Glance; NCUA Quarterly Data Summary; CFPB National Age-Friendly Banking Survey (2024); ACSI Finance Study 2025; J.D. Power 2025 U.S. Credit Union Satisfaction Study; McKinsey Digital Imperative for Credit Unions; Federal Reserve Philadelphia Community Development Brief; NCUA national rate comparisons (S&P Global Market Intelligence); peer-reviewed academic research (PMC/NCBI).

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1. Institutional Context & Market Scale

Banks and credit unions differ fundamentally in structure, mission, and scale – differences that cascade into every aspect of customer behavior.

Ownership & Mission

- Banks are for-profit, shareholder-owned; they optimize for return on equity and growth
- Credit unions are not-for-profit cooperatives owned by members; they return value through better rates, lower fees, and personalized service
- Credit unions are tax-exempt at the federal level; banks bear full corporate income tax obligations
- Federal credit unions restrict membership by “field of membership” (common bond – employer, community, association); banks are generally open-access

Market Scale

- Banks control over 90% of total U.S. financial institution assets
- 83% of U.S. adults hold a bank account; 31–32% belong to a credit union (many overlap)
- The average bank operates ~20 branches; the average credit union ~5 branches
- Roughly 45% of credit unions operate a single location, reinforcing a localized, relationship-driven experience
- Banks operate approximately 4× as many total branches as credit unions nationwide

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2. Deposits & Balance Trends (2021–2025)

The deposit environment diverged meaningfully between banks and credit unions over the 2021–2025 period, driven by pandemic-era liquidity shifts, rising interest rates, and structural differences in membership growth.

Year	Banks: Domestic Deposits (T$)	YoY	CUs: Total Shares & Deposits (T$)	YoY	CU Members (M)	CU Deposits per Member ($)
2021	$18.19T	—	$1.79T	—	129.6M	$13,812
2022	$17.73T	-2.6%	$1.85T	+3.4%	135.3M	$13,673
2023	$17.35T	-2.1%	$1.88T	+1.6%	139.3M	$13,496
2024	$17.75T	+2.3%	$1.96T	+4.3%	142.3M	$13,774
2025	$18.44T	+3.9%	$2.07T	+5.6%	144.7M	$14,305

Sources: FDIC Statistics at a Glance; NCUA Quarterly Data Summary (author calculations)

Key Deposit Observations

- Bank domestic deposits dipped from $18.19T (2021) to $17.35T (2023) – the first annual decline since the mid-1990s – before rebounding to $18.44T in 2025
- The 2022–2023 bank deposit decline was concentrated at the largest institutions and driven by post-pandemic normalization, rising rates pulling funds into higher-yield alternatives, and outflows following several prominent bank failures in early 2023
- Credit union shares and deposits grew every year: +$280B from 2021–2025, a steadier trajectory reflecting lower rate sensitivity among members
- Deposits per CU branch (~$69M) run about 28% below the bank average (~$97M), reflecting the mass-market, retail-focused nature of credit union membership
- Bank deposit bases benefit from higher-balance commercial and affluent retail segments, boosting per-branch and per-customer averages

Additional Resource: ProSight Financial Association https://www.prosightfa.org/insights/institutions-pulling-from-a-bag-of-diverse-tactics-to-win-deposits/

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3. Customer Demographics

Demographic profiles between institution types overlap substantially but show consistent skews supported by multiple data sources.

Primary Institution Split

- Per the CFPB National Age-Friendly Banking Survey (2024): 69.0% report a bank as their primary financial institution; 24.0% a credit union; 6.2% an online-only bank
- Among adults 60+, the online-only share drops to 2.2% – demonstrating a strong age gradient in digital-primary adoption

Age

- Credit unions historically over-index with Gen X and Baby Boomers, and among mid-career and public-sector workers (teachers, municipal employees, SEG-based occupations)
- Large national banks over-index with younger digital adopters, particularly through mobile-first and fintech-adjacent offerings
- Credit unions are investing in digital to attract younger members and gradually closing the age gap

Income & Geography

- Large banks over-index in urban and higher-income markets
- Credit unions retain strength in local, community, and occupational niches – particularly suburban and non-metro markets where the “people helping people” ethos resonates
- Credit union deposit growth varies materially by state: in 2025 Q4, median growth ranged from +7.0% (New Hampshire) to -0.7% (New Jersey)
- Note: A complete bank-vs-CU demographic cross-tab (income, race/ethnicity, education) is not publicly available from primary regulatory sources – the observations above are directional, not definitive

Additional resource: Nuuvia https://nuuvia.com

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4. Product Penetration & Relationship Depth

Precise “products per customer” data is largely proprietary at the institution level. However, consistent patterns emerge across industry research.

Bank Customers: Breadth Over Depth

- Banks offer a broader product suite: multiple deposit accounts, credit cards, mortgages, HELOCs, investment/wealth management, and small business/corporate products
- This breadth supports higher cross-sell per relationship, especially at large regionals and national institutions
- Bank retail customers frequently hold multiple deposit accounts plus at least one credit card, and possibly a mortgage or investment account with the same institution
- 77% of CFPB survey respondents reported holding another asset at their primary institution; 58% held at least one loan/credit product – indicating broad relationship extension beyond a single product

Credit Union Members: Depth Over Breadth

- Credit unions are strongest in core retail: checking, savings, auto loans, personal loans, and increasingly cards and mortgages
- Members often hold 1–3 core products at their CU and emphasize relationship quality over product count
- Card and mortgage penetration varies significantly by the size and sophistication of the credit union
- Higher product depth per relationship (trust-based cross-sell) even with fewer total product categories

Additional Resource: OptimaFI https://optimafi.com/growth-solutions/

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5. Channel Usage & Interaction Behavior

Both institution types now operate in a predominantly digital environment, but starting points, investment levels, and member expectations differ meaningfully.

Channel (Past Month)	Banks	Credit Unions
Mobile app (primary channel)	~55%	~50%
Digital interactions overall	~85%	~89%
Branch visit	Declining; complex needs only	Still meaningful; relationship-driven
Call center / human escalation	Lower	Higher
App Store rating (engagement proxy)	4.8–4.9 / 5 (mega/regional banks)	4.4 / 5 (McKinsey)

Sources: CFPB NAFBS 2024; McKinsey Digital Imperative for Credit Unions; industry benchmarks

Digital Channels

- Across all adults with a bank or CU account (CFPB 2024): 75.9% used their institution's mobile app in the past month; 54.9% used the website via desktop
- Banks made earlier and heavier investments in feature-rich mobile apps, integrated card controls, P2P payments, and digital account opening – bank customers are more accustomed to end-to-end self-service journeys
- Credit unions are rapidly catching up, with emphasis on chat, call-back, and human-assisted digital support; members adopt mobile at similar rates once modern offerings are available
- McKinsey reports credit union apps average 4.4/5 on Apple's App Store, below mega banks (4.9) and regional banks (4.8) – an engagement signal indicating a digital gap remains

Branch & In-Person

- 44.8% of customers at traditional banks or credit unions visited a branch in the past month (CFPB 2024)
- For adults 60+, branch usage rises to 58.4% while mobile drops to 53.6% – a strong age gradient in channel preference
- Bank customers visit branches primarily for complex needs and advisory services; the correlation between branch count and deposit growth has weakened
- Credit union members rely on fewer locations but receive more personalized service per visit – sustaining loyalty even with thinner physical networks

Contact Center & Human Support

- Bank customers are more likely to expect self-service resolution and frictionless channel escalation (app → agent) without re-explaining issues
- Credit union members are more tolerant of human-mediated workflows when they are high-touch; they respond well to proactive outreach and personalized support via phone, branch, and assisted chat
- Credit unions are encouraged to "bank on chat" – members already live on messaging apps and expect the same intimacy digitally as they receive in-branch

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6. Pricing, Rates & Fee Dynamics

Credit unions generally offer more favorable rates on term deposits and key lending products, while banks retain advantages on certain liquid deposit accounts.

Product (National Average, 2024 Q4)	Credit Unions	Banks	Advantage
1-Year CD ($10K)	3.11%	2.36%	Credit Union ✓
3-Month CD ($10K)	2.02%	1.55%	Credit Union ✓
Money Market ($2.5K)	0.74%	0.55%	Credit Union ✓
Interest Checking ($2.5K)	0.15%	0.21%	Bank ✓
Regular Savings ($2.5K)	0.20%	0.33%	Bank ✓
Classic Credit Card APR	12.78%	15.49%	Credit Union ✓
30-Year Fixed Mortgage	6.73%	6.84%	Credit Union (slight) ✓

Source: NCUA national rate comparisons, S&P Global Market Intelligence data, 2024 Q4

Fee Trends

- Overdraft/NSF fee revenue at banks fell 51% from 2019 to 2023 (CFPB) – from ~$12B+ to $5.83B – driven by voluntary fee reductions and elimination at many large institutions
- Credit unions are generally perceived as lower-fee institutions, reinforcing the member-friendly value narrative
- Comparable system-wide overdraft/NSF data for credit unions is not consolidated in the same form in primary regulatory sources

Additional Resource: CD Valet https://www.cdvalet.com

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7. Trust, Satisfaction & Loyalty

Trust

- Approximately 65% of Americans say they trust credit unions vs. roughly 25% who trust large banks – a persistent gap that has remained post-financial crisis
- Credit unions' member-ownership model and community focus are the primary drivers of this trust premium

Satisfaction – A Study-Dependent Result

- ACSI Finance Study 2025: Banks score 80/100; Credit unions score 79/100 – banks have outperformed credit unions in this index for several consecutive years, with lower complaint incidence at CUs (9%) vs. banks (13%)
- J.D. Power 2025 U.S. Credit Union Satisfaction Study: Credit unions score 729 overall, 74 points above the U.S. retail bank average – a significant divergence
- These results are not contradictory; they reflect different instruments, samples, and weighting systems. ACSI captures broader satisfaction dimensions (including digital convenience); J.D. Power emphasizes relationship and service quality

Loyalty & Retention

- Approximately 17% of consumers are likely to switch financial institutions in any given year – a higher attrition challenge for banks
- Credit unions sustain loyalty through relationship banking, member-ownership alignment, and personalized service even as their digital platforms mature
- Banks compete on convenience, scale, and technology – but product unbundling and rate shopping erode relationship depth

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8. Consolidated Comparison Table

The following table provides a side-by-side summary of the key differentiators between typical U.S. bank customers and credit union members.

Dimension	Typical Bank Customer	Typical Credit Union Member
Institutional footprint	Large for-profit entity; national/regional reach; extensive branch & ATM network	Member-owned cooperative; community/SEG-focused; smaller, localized network
Deposits per branch	~$97M avg. branch deposit base; boosted by affluent & commercial segments	~$69M avg. branch deposit base (~28% smaller); mass-market retail focus
Demographic skew	More urban, higher-income; strong digital adoption among younger consumers	Mid-income, community/ occupational niches; historically older but growing younger
Products used	Broader suite: multiple deposit accounts, cards, mortgages, HELOCs, wealth/SMB	Deeper in core retail: checking, savings, auto/personal loans; fewer specialty products
Digital adoption	High; ~55% use mobile as primary channel; expectation of end-to-end self-service	Rapidly growing; ~50% mobile-primary; emphasis on assisted digital with human support
Branch behavior	Used for complex needs; less tied to deposit growth; declining reliance	Fewer locations but deeper relationships; loyalty sustained by high-touch service
Trust & satisfaction	Lower trust at large banks (25% trust); ACSI 2025: banks score 80/100	Higher trust (65%+ trust CUs); J.D. Power 2025: CUs score 74 pts above bank avg.
Rate sensitivity	Higher; customers move funds for yield and liquidity	Lower; members maintain balances longer with stronger loyalty
Loyalty / attrition	Moderate; ~17% likely to switch institutions in a given year	High; member-ownership model reinforces retention and advocacy

Additional Resource: White Clay https://www.whiteclay.com

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9. Strategic Implications

For Banks

- The competitive advantage lies in scale, digital investment, and product breadth – but loyalty and relationship depth remain vulnerabilities
- As the branch-deposit growth correlation weakens, doubling down on omnichannel consistency and personalization becomes critical
- Younger, digital-native customers are a natural strength; retaining them as their financial needs mature (mortgages, wealth) requires proactive cross-sell strategies

For Credit Unions

- The trust premium and member satisfaction advantage are the most durable differentiators – protect and amplify them
- Closing the digital capability gap (app experience, digital account opening, automated service) is the primary strategic imperative to attract younger members
- The “primary relationship” is the battleground – many CU members use their credit union as a secondary relationship; converting to primary institution status drives deposits, product depth, and lifetime value

For Both

- The competitive battleground has evolved: it is no longer digital vs. branch – it is primary relationship ownership
- Omnichannel consistency (seamless transitions between mobile, branch, and call center) is now table stakes across both institution types
- Fee transparency and pricing competitiveness continue to influence switching decisions, particularly in the 17% of consumers likely to switch in a given year

Additional Resource: Endurance Advisory Partners https://enduranceadvisory.com

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Appendix: Data Gaps & Methodology Notes

Several important data gaps limit the precision of bank-vs-credit-union comparisons from publicly available primary sources:

- Per-customer bank deposits (consumer-only) are not directly observable from FDIC domestic deposit aggregates, as bank call reports do not publish unique retail customer counts
- Demographic profiles by primary institution type (race/ethnicity, income, education, geography) are directionally available in survey data but are not presented as clean bank-vs-CU cross-tabs in the cited primary sources
- Average products per customer at the same institution is largely proprietary; CFPB survey data provides partial indicators (presence of other assets/loans at primary FI) but not a full multi-product mean by institution segment
- Channel usage (branch vs. mobile vs. web vs. call center) split by institution type is not consistently published in public regulatory summary tables; third-party studies provide directional evidence of digital gaps

Here are all 12 verified sources:

1. **FDIC Statistics at a Glance** – fdic.gov/quarterly-banking-profile/fdic-statistics-glance
2. **FDIC Quarterly Banking Profile – Q4 2025** – fdic.gov/quarterly-banking-profile/quarterly-banking-profile-q4-2025
3. **NCUA Quarterly Data Summary – Q4 2025** – ncua.gov/files/publications/analysis/quarterly-data-summary-2025-Q4.pdf
4. **NCUA Quarterly U.S. Map Review – Q4 2025** – ncua.gov/analysis/.../fourth-quarter-2025
5. **NCUA Quarterly U.S. Map Review – Q4 2024** – ncua.gov/analysis/.../fourth-quarter-2024
6. **NCUA Credit Union and Bank Rates 2024 Q4** – ncua.gov/analysis/cuso-economic-data/credit-union-bank-rates/credit-union-and-bank-rates-2024-q4
7. **CFPB National Age-Friendly Banking Survey – Technical Report** – files.consumerfinance.gov/f/documents/cfpb_nafbs-puf-technical-report_2026-03.pdf
8. **CFPB NAFBS Highlights Event** – consumerfinance.gov/about-us/events/archive-past-events/get-to-know-how-people-use-banks-today/
9. **CFPB Overdraft/NSF Data Spotlight 2023** – consumerfinance.gov/data-research/research-reports/data-spotlight-overdraft-nsf-revenue-in-2023...
10. **ACSI Finance Study 2025** – theacsi.org/wp-content/uploads/2025/02/25feb_Finance-Study_FINAL.pdf
11. **J.D. Power 2025 U.S. Credit Union Satisfaction Study** – jdpower.com/business/press-releases/2025-us-credit-union-satisfaction-study
12. **McKinsey: The Digital Imperative for Credit Unions** – mckinsey.com/industries/financial-services/our-insights/the-digital-imperative-for-credit-unions

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