

Marqeta Survey: The Front Door of a Bank Is Now an App, Not a Physical Branch, as Shift to Digital-Only Banking Intensifies

October 30, 2019

Twice as many Americans expect to use a banking app than visit a physical bank branch in the next three months, with more than 60 percent doing the majority of their banking online.

LAS VEGAS--([BUSINESS WIRE](#))--Mobile banking apps have surpassed physical branches as the most critical touchpoint of the banking experience, [according to a new survey of U.S. and U.K. consumers](#) by [Marqeta](#), the first global modern card issuing platform.

"This research shows that the vast majority of consumers act digital-first and mobile-first when interacting with their banks. This upends how banks need to think about the market, with an app and a card accounting for almost all banking interactions"

[Tweet this](#)

The survey of more than 2,000 U.S. and U.K. adults, conducted by Propeller Insights on behalf of Marqeta, also found that digital banks are gaining strong market traction as secondary banking options used in tandem with traditional banks but still face some significant hurdles to mass adoption as primary banking solutions.

The front door of a bank is an app, not a branch

One of the most striking results of the survey is how much more greatly people value the digital banking experience over the physical equivalent: 62% of Americans already do the majority of their banking online, compared to just 31% of Americans who say they primarily bank in person. Only a third of Americans (33%) say they would be inconvenienced if their bank closed all of their physical locations tomorrow.

Likewise, 69% of Americans expect to use their mobile banking app regularly in the next three months, while just 30% expect to visit a physical bank branch.

Digital banks are gaining strong market traction as a secondary banking option

While only a minority of Americans (14%) use a digital bank exclusively, almost half of Americans (46%) use a digital banking service in tandem with their traditional bank.

As consumer relationships with traditional banks cool, it seems that digital banks are, at least in part, picking up the slack:

- Only 17% of Americans adults say they're completely satisfied with their traditional bank
- 30% of Americans have considered changing banks in the last year
- 74% of Americans say they'd consider digital banks as an alternative if they make the change

Inertia is the biggest ally of traditional banks

What's stopping people from going completely digital? A fifth (20%) of Americans feel it's simply too much work to switch banks; a quarter (25%) feel it would be too interruptive, and 15% say they wouldn't know where to start.

But digital banks also have some work to do to earn the trust of consumers:

- More than half of Americans (54%) feel a digital bank is a riskier place to store their money
- 48% of Americans say they would limit how much money they'd deposit into a digital bank.
- 41% of people who use a digital bank as their sole banking provider experienced a bank error in the past year, compared to just 21% of people using a traditional bank.

Commenting on the survey findings, Vidya Peters, Marqeta's Chief Marketing Officer, said it's clear that people are re-evaluating their banking options more than ever before, but digital banks need to do more to win the trust and confidence of customers.

"This research shows that the vast majority of consumers act digital-first and mobile-first when interacting with their banks. This upends how banks need to think about the market, with an app and a card accounting for almost all banking interactions," Peters said. "This shift has paved the way for an entirely new cohort of digital-only banks and is a large driver behind why Marqeta sees modern card issuing growing into an \$80 trillion opportunity by 2030. But it also puts huge demand on new innovators to get their offering right, attracting in consumers with a reliable banking product they can feel confident and secure in."

[Download Marqeta's full digital banking survey report here.](#)

About Marqeta

Marqeta is the first global modern card issuing platform, providing the most advanced infrastructure and tools for building highly configurable payment cards. With its open API, the Marqeta platform is designed for businesses who want a simple and tailored way of managing payment programs so that they can create world-class experiences and power new modes of commerce. Marqeta is headquartered in Oakland, California. For more information, visit www.marqeta.com, [Twitter](#) and [LinkedIn](#).

Contacts

James Robinson

jrobinson@margeta.com