

# 2021 Crowe Branch Benchmarking Survey Highlights



The 2021 Crowe Branch Benchmarking Survey includes detailed information on a total of 247 branches from 43 banks. The participating banks represented a cross section of the industry by size and demographic.

The survey results provide metrics and benchmarks for branch productivity and account portfolios, as well as information on staffing levels and uses of technology. The survey was conducted in the first quarter of 2021 and gathered 12-month performance numbers for each branch. The following are several observations that showcase the trends and comparisons evident in the survey results.

Through visiting bank branches during this COVID-19 pandemic, it's clear that the reliance on mobile and online banking is on the rise. With customer expectations changing, and a greater emphasis on digital banking, banks will have no choice but to change the ways in which they function to allow for the best customer experience. Many branches are still in the midst of transforming the way they interact with customers, with some even turning to virtual appointments with bankers and business partners. In order to keep up with the rise in online banking, these services will become essential in order to maintain customer retention as well as winning new customers; in particular younger customers that have already embraced digital platforms.

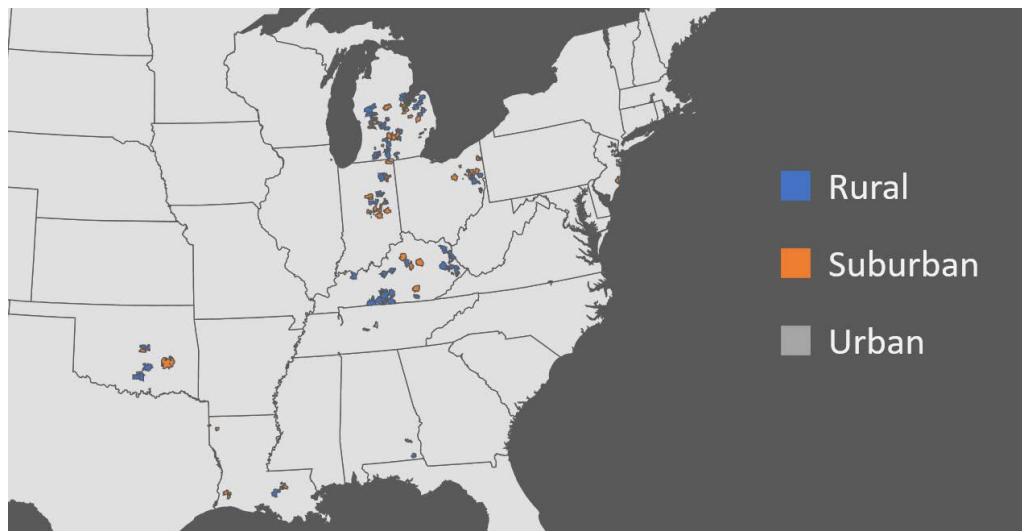
Purchase the full report at:  
<https://buy.crowe.com/product/branch-survey>

---

## 2021 Branch Survey Participants

As seen in Exhibit 1, the 2021 branch locations are classified based on the population of the trade area in which they reside. Populations less than 50,000 are categorized as rural, those between 50,000 to 100,000 are categorized as suburban, and those greater than 100,000 are categorized as urban.

### Exhibit 1: Branch Locations



As illustrated in Exhibit 1, the 247 branches included in this year's survey represent a wide range of locations across the Midwest, the East, and the South. These branches also denote a diverse range of municipalities within these regions in terms of population size and demographics. The participating branches reside in cities with populations that range from 1,000 to 3 million. Additionally, median household income in these cities ranges from around \$28,000 to \$140,000. As branch traffic, volumes, and portfolios vary drastically based on the surrounding area, it is critical to segment branches based on the demographic area in order to provide a more realistic and valuable comparison of branches.

The bar graph in Exhibit 2 is a breakdown of branch expectations when it comes to branch traffic going forward. With an uptick in online and mobile banking during the pandemic, 79% of branches surveyed do not expect branch traffic to return to past volumes until at least the end of the year. 37% of branches don't foresee volumes ever returning to normal. While branch traffic has been declining for the last decade, the pandemic has forced many customers who were not using digital channels to begin doing so. With this shift, it will be critical to monitor traffic and the need of each branch in a bank's network to determine its value and ongoing need.

### Exhibit 2: Branch Volume

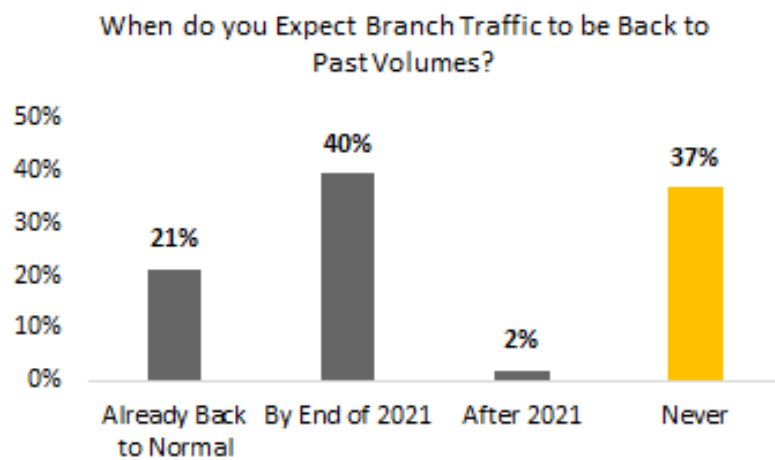
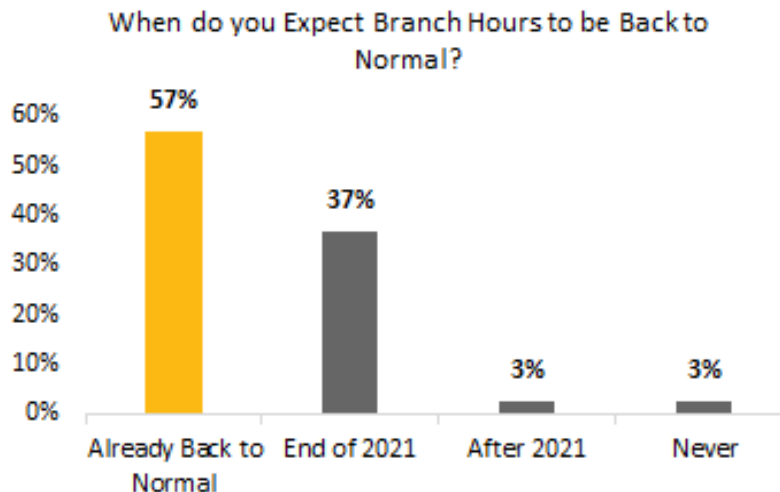


Exhibit 3 is a bar graph showing branch opinions of when their hours will return to the norm. During the pandemic, less foot traffic meant shortening branch hours and moving around staff to assist at other branches. 43% of branches responded that their hours will not return to normal until at least the end of 2021.

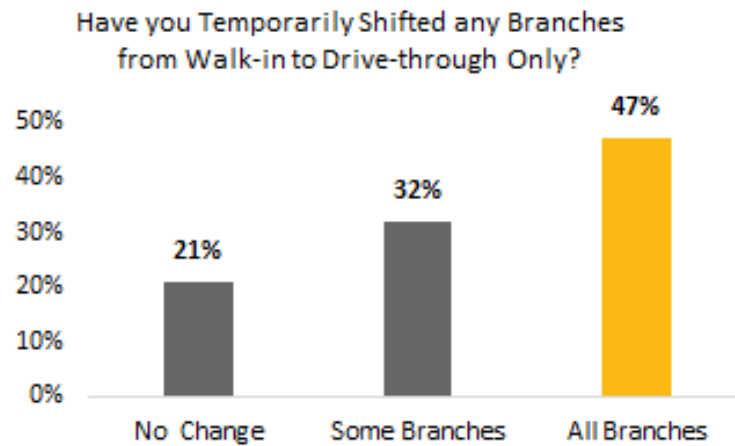
### Exhibit 3: Branch Hours



## Branch Design

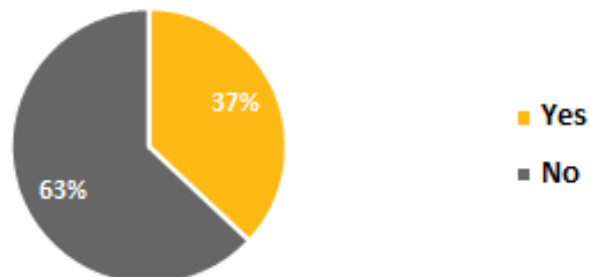
As a result of changing hours and branch traffic, banks are looking into the redesign of their branches. With nearly half of banks claiming that they had temporarily turned branches into drive-through only during the pandemic, it's clear that some banks are re-evaluating their branch locations and layouts. Of those planning a redesign, about half attributed it to changes in customer behaviors. This could look like permanent drive-through only branches, having some branches absorb others, or even more easily accessible locations for the customer's benefit.

### Exhibit 4: Drive-through Branches



### Exhibit 5: Branch Locations/Layouts

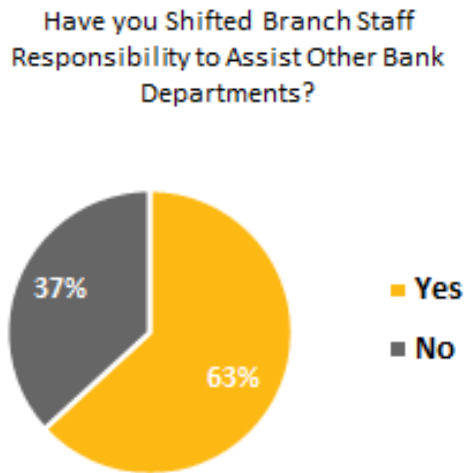
Are you Looking to Redesign Branch Locations and Layouts?



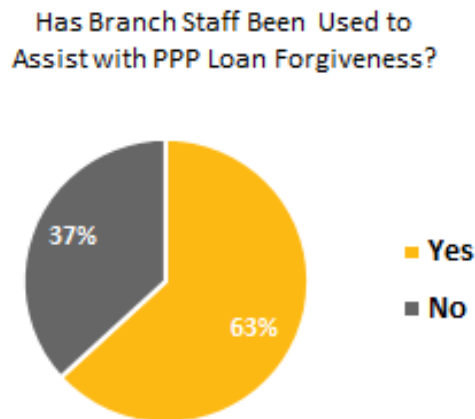
## Shifting Responsibility

As customer needs changed during the pandemic, branches were required to make changes as well. A great example of this was with the Paycheck Protection Program (PPP). Nearly two thirds of branches reported that they had to shift staff responsibilities to assist other bank departments, and the same amount reported that staff had been used to assist with PPP loan forgiveness. This shift has allowed branch staff to be utilized in other initiatives and afforded hourly employees a chance to maintain their wages.

### Exhibit 6: Assisting other Bank Departments



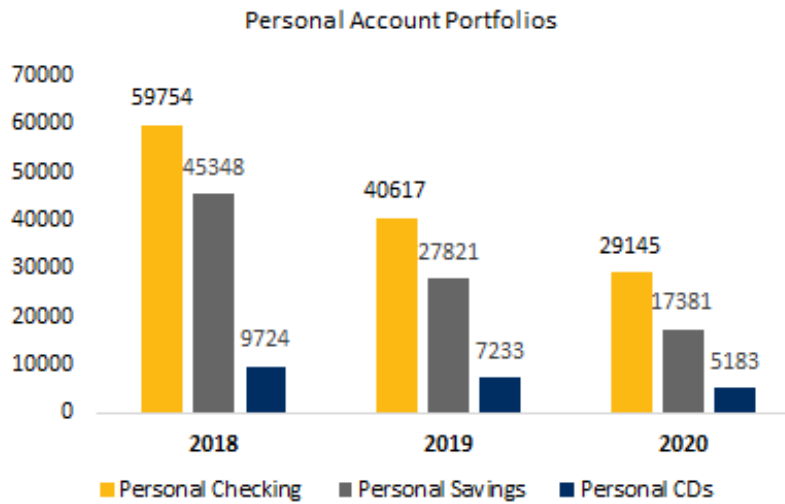
### Exhibit 7: Paycheck Protection Program



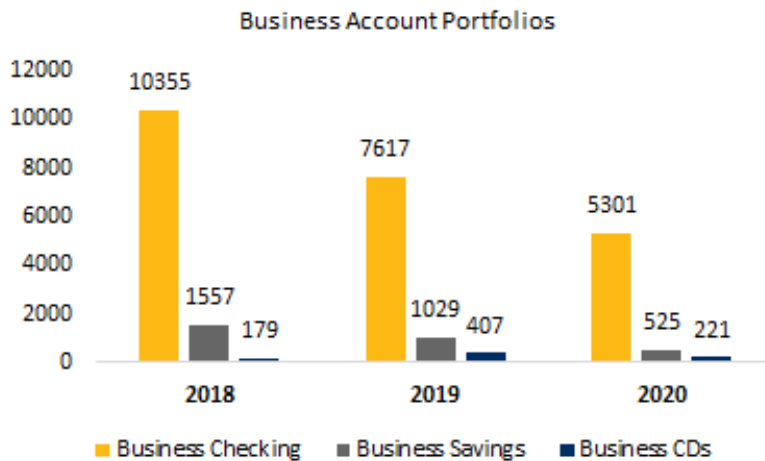
## Checking, Savings, and CDs

Over the last 3 years, there's been a decline in the amount of personal and business accounts per branch. Customers now more than ever are seeking out ways to make their banking experience more digital, including the adoption of online banking providers over traditional banks. As a result, we see some customers re-evaluating their options, and a gradual loss in the number of accounts per branch. This may all be tied back to changing customer expectations, the adoption of digital banking, and the rise of online/mobile banking. Because of all these factors, the next several years will be pivotal for financial institutions.

### Exhibit 6: Personal Accounts



### Exhibit 7: Business Accounts



---

## Notable Highlights

### Digital Adoption



**95%**

of banks agreed that digital adoption, such as online/mobile banking has increased over the last year

### Applying for a Loan



**49%**

of banks said that customers cannot apply for a loan online

### Opening a Deposit Account



**40%**

of banks said that customers cannot open a deposit account online

## Other Notable Highlights

### Closed Branches



**3%**

On average, 3% of branches will not be reopened at all

### Branch Network



**43%**

of banks said that changes to their branch network or operations are part of their 2021 strategic plan





## Learn More

Need help evaluating the value of your branch network and retail strategy? Contact Crowe for help utilizing our proprietary Crowe Branch Value methodology.

Logan Lavelle  
+1 312 948 5799  
[logan.lavelle@crowe.com](mailto:logan.lavelle@crowe.com)

Nick Moore  
+1 616 233 5658  
[nicholas.moore@crowe.com](mailto:nicholas.moore@crowe.com)

Tim Reimink  
Managing Director  
+1 616 774 6711  
[timothy.reimink@crowe.com](mailto:timothy.reimink@crowe.com)

Purchase the full report at:  
<https://buy.crowe.com/product/branch-survey>

[crowe.com](https://www.crowe.com)