

# KASASA®

## Consumers Loyal to Their Primary Financial Institution When Shopping for a Loan, says Kasasa® Study

*New study suggests that to attract borrowers, community banks and credit unions should offer new take-back loan™ versus compete on rate and speed*

- *Those age 50-59 are most likely to shop for loans at community banks or credit unions*
- *Those age 30-39 are most likely to shop for loans at megabanks*
- *All consumers show preference for new take-back loan™, with 9 out of 10 preferring it over comparably priced loans*
- *98% of consumers would refinance existing debt at the same rate for take-back functionality*

**AUSTIN, Texas, March 7, 2018** – A recent consumer study by Kasasa® revealed that unsurprisingly, consumers are significantly more likely to shop for a loan with an institution that they currently consider their primary financial institution. The 2016 survey gathered results from a panel of 1,050 consumers, who responded to a series of questions about their loan preferences and habits.

This is both good news and bad news for community banks and credit unions. The study drew on respondents from ages 18-59 from urban, suburban and rural districts, and found that those ages 50-59 are most likely to bank with a community bank or credit union, and therefore look for a loan there first. However, those ages 30-39 are more likely to bank with a megabank, and therefore shop there first for loans.

To attract borrowers across all age groups and not just young Baby Boomers, community financial institutions must have something new and unique to talk to consumers about. Financial institutions have historically competed on rates while emerging FinTechs and alternative lenders are touting speed of loan approvals, but neither of these are good enough to compete on. A superior front-end experience and quick lending decision are important to the borrower, but rushing them through the loan application and decisioning process is not the best approach. Consumers are not rushing to get into more debt; they want to quickly pay it off. To meet consumers' needs and wants, financial institutions must provide both a speedy application process and favorable rates, while also delivering a product that helps them pay off debt faster.

Introduced late last year, the Kasasa Loan™ gives consumers the ability to participate in take-backs™. Like many traditional loans, take-back loans allow borrowers to pay ahead on their loans to reduce their debt, but unlike other loans, borrowers can choose to take the extra payments back if life happens and they need that money back. The only product of its kind, Kasasa Loans eliminate the fear of parting with 'extra money' and reinforce positive financial decisions like paying off debt early.

The Kasasa Loan not only provides a competitive advantage for financial institutions, but it empowers the consumer to make better financial decisions and reduce debt. In fact, Kasasa Loans are preferred by nine out of ten consumers over comparably priced loans, and in extensive testing, 98 percent of consumers said they would refinance existing debt at the same rate in order to get a Kasasa Loan with the take-back functionality.

“The Kasasa Loan is changing the way financial institutions approach lending and the way consumers think about debt,” said Gabe Krajicek, CEO of Kasasa. “The most consumer-friendly financial product on the market, the Kasasa Loan™ gives consumers the flexibility and financial security to manage debt. And because it’s only available through community financial institutions, it helps local economies.”

Krajicek continued, “Community banks and credit unions are committed to their communities and known for their consumer-friendly policies in stark contrast to the predatory practices of the big banks. This product is the perfect offering to not only further support economic growth, but it’s something that’s good for consumers and something they want. It is truly a game-changer.”

Additionally, Kasasa Loans features a sleek, mobile-friendly dashboard that allows borrowers to manage their debt by showing them the status of their loan in seconds. Borrowers can also see the impact of payment changes before they make them, providing them more control and enabling them to make better financial decisions.

### **About Kasasa**

Kasasa is an award-winning financial technology and marketing technology provider. Based in Austin, Texas, with 350 employees, Kasasa helps more than 750 community financial institutions establish long lasting relationships with consumers residing in their local markets through its branded retail products, world class marketing capabilities, and expert consulting. The company reinvented checking and is now reinventing lending through its latest patent-pending offering, Kasasa Loans™. Learn more about Kasasa’s innovative products and services:

[Reward Checking Accounts](#)

[Kasasa Loan™ – The only loan with take-backs](#)

[Marketing & Technology - Connect](#)

[Websites That Sell](#)

[Consulting & Insights](#)

For more information, please visit [www.kasasa.com](http://www.kasasa.com), or visit them on Twitter [@Kasasa](#), [Facebook](#), or [LinkedIn](#).

###