



## Minorities, Millennials Among Those Who Pay the Most Bank Fees

*Average checking accountholder has had same account for 14 years*

NEW YORK – January 15, 2020 – Minorities, millennials and Northeasterners report paying more in bank fees than everyone else, according to a new Bankrate.com study. While the average U.S. checking accountholder indicates paying \$8 per month on fees like routine service charges, ATM fees and overdraft penalties, some segments of the population report spending as much as twice that amount. Click here for more information:

<https://www.bankrate.com/banking/best-banks-consumer-survey-2020/>

- While white checking accountholders report paying just \$5 per month in bank fees, the numbers are much higher for those identifying as Hispanic (\$16), black (\$12) or another race (\$8). More than three-quarters (78%) of white adults say they pay no bank fees in a typical month compared to 59% of Hispanics, 60% of blacks and 73% of other races.
- The typical millennial (ages 24-39) with a checking account pays \$13 per month in fees compared to \$9 for Gen X (ages 40-55) and \$3 for baby boomers (ages 56-74). Just 64% of millennials are fee-free in a standard month compared to 74% of Gen Xers and 80% of boomers.
- Those in the Northeast also tend to pay more on average (\$10) than Westerners (\$8), Southerners (\$7) and Midwesterners (\$7).

According to an earlier-released Bankrate.com [Checking Account and ATM Fee Study](#), the average out-of-network ATM withdrawal fee is \$4.72, a record high, the average overdraft fee is \$33.36, the average monthly account service fee is \$5.61 and just 42% of non-interest checking accounts are free without stipulation. While most of these fees can be avoided or waived (based on things like direct deposit or minimum balance requirements), those conditions aren't always easily attainable for all customers.

“While those getting paid in cash, living paycheck-to-paycheck or without convenient access to an in-network ATM are often paying the most right now, many individuals would save by spending just a little time to shop around to find less costly banking options,” said Bankrate.com senior economic analyst Mark Hamrick. “The truth is, it isn't that difficult or time consuming to move an account to another product or institution that better fits your lifestyle.”

Overall, customers appear reluctant to move their primary checking account. In fact, the average checking accountholder has stayed with the same bank or credit union for 14 years. Fewer than one-third (31%) have held their account at the same institution for five years or less while 35% have had the same account for more than 15 years.

What is the main reason for staying with a bank or credit union? Twenty-eight percent of checking account holders say they're happy with the customer service, 19% are attracted to low fees, 15% point to convenient branch or ATM locations, 13% think it would be a hassle to switch and 8% have simply not investigated other options. Fewer account holders cite the bank or credit union's reputation (6%) and online and mobile tools (5%).

To help consumers find the best options, Bankrate.com has released its annual [Best Banks lists](#). The winners are:

**Best Big Bank:** Capital One Bank  
**Best Credit Union:** Alliant Credit Union  
**Best Online Bank:** Radius Bank  
**Best Regional Bank:** Western State Bank

### **Methodology:**

Bankrate.com commissioned [YouGov Plc](#) to conduct the consumer survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,634 adults, including 2,285 who have a checking account with a bank/credit union. Fieldwork was undertaken on December 4-6, 2019. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

To determine the best banks, Bankrate gathered checking and savings account data from nine big banks, 44 online banks, 47 regional banks and 27 credit unions. Bankrate chose one checking account and one savings account from each institution. A number grade was assigned to each institution on a 100-point scale, looking at criteria including monthly service fees, interest rates, ATM fees, mobile app ratings and minimum deposit and minimum balance requirements. The most weight was given to savings interest rates and low-cost or free checking accounts.

### **About Bankrate.com:**

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