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Trust Recipe: Customers Give SunTrust and USAA
High Marks on Trust in new Hearts & Wallets Report

Success Metrics for Top Industry Performers: From Retirement Advice to Who's Tops With the Single Ladies

(Rye, NY) – SunTrust and USAA earn high marks on trust from their customers in a new report on success metrics and top performers across the financial services industry from **Hearts & Wallets,** the source for retail investor data and insights.

The *Stores & Success Metrics* insight module from the annual Hearts & Wallets Investor Quantitative Database™ (IQ Database™) analyzes customer success metrics nationally for the top 27 investment, banking and retirement plan participant firms, or "stores," cited most often by their customers in the most recent wave of over 5,000 U.S. households surveyed. The IQ Database is the broadest and deepest single dataset of consumer financial behaviors and attitudes, encompassing 35,000 consumers since 2010. The latest report measures customer loyalty, including the Hearts & Wallets score – the intent to invest more and recommend. Also featured are analyses by specific customer types, including brokerage, employer-sponsored retirement plan (ESRP) participants, and the in-demand marketing demographic of single women.

Complex Recipe for Trust
Although success metrics may vary depending on the firm's business model – investment (self, hybrid, full-service), employer-sponsored plan provider or bank, the trust success metric has broad applicability across providers. To be rated as a Top Performer nationally, a firm must have customer ratings distinctly higher in comparison to other stores. Hearts & Wallets ratings published in this report encompass all customer types and are weighted to national assets and age to be comparable across stores and years (*see methodology at the end of the release for more information*.)

Earning high trust marks from 2 of 3 customers as Top Performers are **SunTrust** (NYSE: STI) and **USAA**. Both firms perform well despite being in the bank category, which receives lower trust scores overall, as do service models for employer-sponsored retirement plan (ESRP) participants, compared to higher scores for investment stores in general, as well as service models for brokerage customers at diversified firms. In general, financial services institutions have room to improve on trust with less than half of U.S. households placing high trust in their primary or secondary stores (firms where they have the most money). On a positive note, trust is trending upward over time, with blended national top-two box scores rising from 39% in 2013 to 43% in 2016.

"Trust should be an important success metric to all providers," said Laura Varas, CEO and founder of Hearts & Wallets. "Hearts & Wallets ongoing research for the past seven years has found higher trust is related to higher consumer saving, a greater willingness to seek help, more openness to new solutions and better financial health. Both consumers and the industry benefit by increasing trust. Although the trust recipe is complex, consumer understanding of how a company earns money is number one of several drivers of trust."

Intent to Invest and Recommend

The Hearts & Wallets score assesses the customer's intent to invest more and intent to recommend, providing a prediction of future opportunity. Top Performers among all customer types are **Charles Schwab** (NASDAQ: SCHW), **Edward Jones**, SunTrust, USAA and **Vanguard.** Overall, consumers are more likely to recommend their primary and secondary stores in 2016 than they were in 2013 (72%, up from 66%).

Brokerage customers as a whole give higher Hearts & Wallets scores to their stores than the broader cross section of national households of all providers. Hearts & Wallets score Top Performers among brokerage customers are **Bank of America** (NYSE: BAC), **Capital One** (NYSE: COF), Charles Schwab, **Fidelity** and Vanguard. Employer-sponsored retirement plan participants give higher or lower Hearts & Wallets scores than overall customers, depending on the business mix.

All the Single Ladies

Single women – never married, divorced and widowed of all ages – total about 20% of all customers across leading stores. Edward Jones is the Top Performer for this demographic. Single women tend to be generally more discerning, giving lower Hearts & Wallets scores to almost every store than overall national customers do.

"Hearts & Wallets believes 'female' is only a broad starting point for a customer type," Varas said. "Women living on their own may be an interesting design persona to develop solutions or tailor marketing, with additional variables to provide actionable insight."

Other Success Metric Leaders

Top Performers as **primary sources of retirement advice** are Edward Jones, Morgan Stanley and Ameriprise with Charles Schwab, Fidelity and Merrill Lynch following closely.

The **Bank of America enterprise** leads all providers as having the **most relationships** with U.S. households. Nationally, banks have the broadest access to consumers, reaching 7 of 10 consumer households who have a relationship with a bank, and 4 in 10 consumer households nationally cite a bank as their **primary source of retirement advice**. In the investment category, self-service now reaches 41% of all households while full-service reaches 21%. As service model hybrids of live and technology advice become the norm, old-fashioned distinctions like self-service or "direct" and full-service or "intermediary" continue to lose relevance.

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"Bank of America's reach into U.S. consumer households is growing thanks to how it helps consumers easily understand options for service tiers of self, mid-level and full-service with its Bank of America, Merrill Edge and Merrill Lynch subbrands," Varas said. "Even though Bank of America does this better than most stores, Consumers and regulators are crying out for new models to understand value-add and why some services have higher or lower prices, and Hearts & Wallets is honored to be leading discussions of what should define service model categories. Clear-cut differentiation of categories is positive for consumers and the industry."

Methodology
Stores & Success Metrics is drawn from the section of the Hearts & Wallets Investor Quantitative Database (IQ Database) that analyzes retail provider "store" success metrics, including trust ratings and other loyalty measures for the 27 big banks, brokerages, employer and mutual fund firms cited most often by over 5,000 IQ Database participants. To be cited as a Top Performer, firms must be rated distinctively higher by their customers than other provider ratings. The report also provides Hearts & Wallets scores – intent to invest and recommend for the 27 firms. Specific customer type analyses include brokerage and employer-sponsored retirement plan (ESRP) participants and single women.

About Hearts & Wallets
Hearts & Wallets is a data and consulting firm focused on understanding the drivers behind retail investor decision making. Combining a consumer marketing framework with financial services operating experience, the company's mission is to be a catalyst for consumer-driven innovation in retail investing and saving. Hearts & Wallets works with leading financial providers to improve the effectiveness of their marketing communications, solution design and service delivery. For more information visit www.heartsandwallets.com.

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