

Old national bank swot analysis

Business



This analysis of Old National Bank starts with a brief SWOT Analysis and then takes a look at the current deposit marketshare of Vanderburgh County in Indiana. SWOT Analysis

Strengths

- Excellent customer service
- Local Bank
- Offer more than just checking and savings account
- Variety of accounts to suit individuals' needs

Weaknesses

- Not a national bank
- Higher fees than other banks
- No free checking accounts
- Market limited to local area and surrounding counties

Opportunities

- Growing demand for increased customer service in banking
- Growing demand for increased accountability and responsibility in banking

Threats

- Competitors enticing ONB customers away with free checking accounts
- Increasing competition in local market
- Competes with Integra and Fifth-Third

Strengths/Opportunities

Old National Bank (ONB) is a local bank that places emphasis on customer service and provides many services besides deposit accounts for its customers, such as: investments, retirement accounts, personal and student loans, insurance, wealth management, credit cards, and travel services.

ONB also offers a variety of checking and savings accounts with a variety of fees and benefits. ONB tries to be a “one stop shop” for its customers. Because of recent events there has been an increasing demand in customer service in banking as well as increasing demand for accountability and responsibility in the banking industry as a whole.

ONB tries to focus on these improvements to keep its current customers and win new customers from its competitors. Weaknesses/Threats

The main weakness of ONB is the fact that it is a local bank, not a national bank like its competitors. Because of this, ONB has had to impose the new fee schedules that the government has imposed on the banking industry

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while its competitors have not. This means ONB does not have a free checking account anymore unlike its competitors. This been a huge blow to ONB and has caused ONB's competitors to try and entice away its customers with offers of free checking accounts.

To offset this, ONB has tried to promote the benefits of its different accounts.

For example, the Bank at Work checking account offers free money orders and cashier's checks. Deposit Marketshare Pending Ownership, including Bank, Savings Bank, Thrift Branches Ownership as of 10/13/2010, Branches and Deposits as of 6/30/2010 County: Vanderburgh, IN Source: <http://www.snl.com/irweblinkx/depositmarketshare.aspx?iid=100391> As can be seen from the table above, ONB has been on top in deposit marketshare in both 2009 and 2010.

However, ONB's marketshare has shrunk in the past year as well as the marketshare of its biggest competitor, Fifth Third Bancorp.

However, the marketshare of both ONB and Fifth-Third's competitor, Integra, has grown in the past year. Plus, the overall marketshare has increased in the past year. Both ONB and Fifth-Third are losing customers to Inetgra.

According to this information, ONB seem to be doing all right but it will need to work on keeping its current customers and attracting new customers if it wants to stay on top in Vanderburgh County, Indiana.