

# 2017 BICSS

## Banking Industry Customer Satisfaction Survey

Now in its eleventh year, the KPMG Banking Industry Satisfaction Survey was launched to heighten the consciousness of service delivery in Nigerian banks. This year's survey covered about 27,500 retail customers, 3,500 SMEs and 490 corporate/commercial organisations. Customer selection in the wholesale banking segment was driven by a need to ensure inclusion of organisations in each major business sector. Retail respondents were selected to reflect the country's demographic and geographic diversity.

### Key highlights

This year's survey shows that Nigerian banks continue to make progress in delivering better customer experience. Compared to the prior year, we observed an increase in satisfaction levels in the retail segment - a reflection of the continued investment and focus on this segment across the industry over the last few years. However, customers still have major pain points such as clarity of charges, branch queues and response time.

### The digital dilemma

Digital is the new normal for many customers. Compared to 2015, there has been a spike in the proportion of customers using internet and mobile banking from 22% and 20% to 41% and 48% respectively. Having a mobile strategy is no longer a choice for banks but a necessity; not only in the business-to-customer (B2C) context but also in business-to-business (B2B) relationships. The latter is becoming increasingly necessary as corporate customers are demanding the same types of experiences obtained from their B2C relationships with their banks.

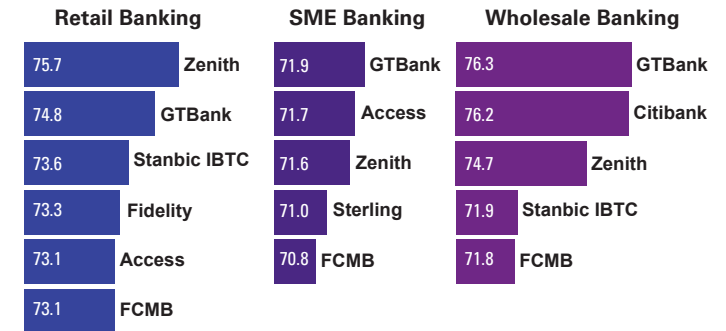
The Nigerian market remains very diverse and dynamic presenting a dilemma for banks on how to keep pace with sophisticated customer demands on one hand and a very traditional group of customers on the other hand. Sophisticated customers, typically belonging (but not limited) to a younger customer demographic are bringing the same levels of

expectations forged by experiences with leading technology brands into banking. Notably, customers under 30 were the least satisfied customer group and more likely than any other to switch banks. At the same time, banks still have to deal with a significant group of customers who are either late adopters or not keen to use digital channels. Some of the most common reasons given by these customers include lack of awareness, complex onboarding processes and lack of trust and confidence in the security of these channels. But there is hope, four-in-ten customers who do not use either mobile or internet banking today say they will like to use them in the future, if these barriers are addressed.

Despite the progress made on the digital front, human interaction continues to remain integral to the customer experience, particularly at key experience points such as seeking financial advice and making complaints. 75% of customers will still visit a branch to make complaints today but are open to using digital or non-physical channels such as the contact centre, video and social media that still afford some form of human interaction.

For corporates, success still lies in the strength of relationships with their banks with the relationship manager playing a vital role. Nearly half of corporates scored their relationship managers high on the level of knowledge of their business but banks fell short on proactive engagement and turnaround time.

## Top 5 Customer-focused Banks



### SME customer experience still lagging

SMEs rated banks lower than both retail and corporate customers generally due to a perceived lack of understanding of this segment. Only three-in-ten SMEs were very satisfied with their bank's knowledge of their businesses compared to half for larger corporates. This segment also continues to remain underserved by banks as the survey indicates that only one-in-ten SMEs have accessed bank credit in the past year.

### Getting the customer experience right

What is clear is that the banks that will win are those that obsess about customers with a view to meeting and exceeding their expectations. Investing in understanding the customer and their interactions with the bank across all touch points will be a major lever for driving customer-focused change and improvements.

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The annual Banking Industry Customer Satisfaction Survey (BICSS) is a publication of the Management Consulting practice of KPMG Advisory Services. The Management Consulting practice provides strategy, business transformation, digital transformation, data analytics, program management and human resources advisory services.

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