

Raising the bar: Customer experience in UAE retail banking

The UAE's banking sector is highly competitive, with several locally established and international retail and wholesale banks. The nature of the market, combined with generalized product and service offerings, has compelled banks to differentiate themselves on the promise of customer experience (CX) and digital banking. In addition, the pandemic has led to a rapid increase in the adoption of digital channels. As a result, banks in the UAE are focused on providing a broad, frictionless, and personalized customer journey through online channels.

Leading from the front

The UAE's retail banks are increasingly embracing customer-led transformation, harnessing digital technologies in new and innovative ways. According to KPMG's 2020 UAE customer excellence experience report, the financial services sector (along with the utilities sector) has seen the largest increase in focus on customer experience. The top three performers were HSBC, Emirates NBD and Abu Dhabi Commercial Bank.⁴

A common theme among top-performing banks has been augmenting customer touch points with innovative technology to improve customers' banking experience. For instance, Emirates NBD has focused on accelerating its digital capabilities, including artificial intelligence and machine learning. This has led to simplified customer processes. For example, customers can open a new account in minutes or use an interactive teller machine which allows completion of most transactions without the need to visit a branch.⁵

Banks have been focused on creating an integrated and effortless digital customer experience, without human intervention—the main objective being to reduce turnaround time. Many have digitized complex processes and wide-ranging customer journeys, cutting across front,

middle and back offices. These journeys are driven by business rules, triggers and events on the back end. The result is an intuitive and self-guiding user experience for front-end channels, such as mobile applications and web portals.

Prioritizing the customer experience

The UAE market is witnessing revolutionary changes with respect to digital banking. Organizations are prioritizing the improvement of customer convenience, service delivery and innovation. Shifts in banking include locally established banks launching digital spinoffs targeted at technologically savvy and younger users, such as LIV by Emirates NBD and Mashreq Neo by Mashreq Bank.⁶ On the other hand, recent announcements of digital-only banks such as Zand, Dubai-based YAP and Abu Dhabi-based ADQ neobank, indicate a push towards digitization. This potentially elevates customer experience whilst driving operational efficiencies for banks to balance their cost-to-income ratio.

Banks should therefore strive to become distinguishable by the degree to which their customer experience efforts are integrated and connected. The boundaries between front and back offices are blurring and banks are becoming closer to their customers, driven to innovate by the insights they gain. Customer-centric banks today are structuring their operations in new and exciting ways. They are seeing customer experience as a source of commercial value: not just a differentiator versus competition, but a mechanism for potential superior profitability.

⁴ 2020 UAE Customer Experience Excellence report, [Link](#)

⁵ 2020 UAE Customer Experience Excellence report, [Link](#)

⁶ Wamda: The slow rise of neobanking in the Middle East, [Link](#)

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