



2020 Banking Industry Customer Experience Survey: Ghana Retail Banking Insights

“Heightened Customer Expectations
in the New Reality and Beyond”

October 2020



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Senior Partner
of KPMG in
Ghana

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Foreword

Customers are the fuel that feed the engine of banks – from balance sheet stability to profitable growth and long term sustainability. More than ever before, getting customer experience right creates an enduring competitive advantage not just for banks but all service providers whether in private or public sector. For financial services providers, it is a critical success factor, especially in this new reality and going forward.

COVID-19 has disrupted businesses and their operating models. However, customers' expectations regarding service experience remains undisrupted. Banks must do more to meet the heightened customer experience expectations. It is in this light that the KPMG 2020 Retail Banking Customer Experience Survey for Ghana was conducted to provide insights for banks.

The KPMG Six Pillars methodology for customer experience was used for this survey. The report highlights the survey results on Customer Experience survey against the Six Pillars.

KPMG's Six Pillars of Customer Experience excellence are a set of qualitative factors that organisations combine intricately to craft an outstanding relationship with customers. Organisations that have mastered the use of these Pillars obtain outstanding results in their customer experience.

In this report, we demonstrate how retail banks in Ghana have performed across all the Six Pillars. I am excited to introduce to you the KPMG Six Pillars which have been developed after a decade of research and practice. They are: Expectations, Integrity, Resolution, Time and Effort, Personalisation and Empathy.

In the new reality of our world today, the Pillars provide an invaluable guide to navigating the changes required to achieving excellence in both customer and employee experiences in your organisation. We observed from our survey that expectation pillar is the strongest for increasing customer loyalty and scored highest (76.5%). Integrity pillar scored the least (65.9%) in our survey, an area of concern for customers that banks must improve on.

Banks must focus on the customer by defining a clear customer strategy with the customer experience at the heart of their corporate strategy. The starting point is customer experience maturity assessment underpinned by insights from data and analytics.

Furthermore, our survey reveals that, accelerating digital agenda is now a survival and business sustainability issue. Customers demand convenience through digital channels that are secure and safe in terms of cyber security risks.

Certainly, the digital customer has been activated and accelerated by the COVID-19 pandemic. It is imperative that banks that already have digital service offerings take advantage of this opportunity by continuing to enhance the experiences of their customers while keeping them safe.

For the digital laggards, the message is clear- digitise or die. If you missed the digital boat, please get onto a speed boat, but safety of your customers and your bank is critical in the digital world. Don't stand still is our advice on both customer strategy and digital strategy.

Banks are implored to walk in the shoes of their customers, identify attributes(personas) of their customer segments and enhance customers' experiences across different touch points.

I believe the insights from this report can inform your customer strategy and digital transformation. KPMG stands ready to journey with you on this road.

Thank you.



Anthony Sarpong
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KPMG in Ghana

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REMARKS BY MRS. ELSIE ADDO AWADZI, SECOND DEPUTY GOVERNOR, BANK OF GHANA, AT THE LAUNCH OF KPMG BANKING INDUSTRY CUSTOMER EXPERIENCE SURVEY, ON 27TH OCTOBER 2020



Elsie Addo Awadzi
Second Deputy
Governor
Bank of Ghana

Senior Partner, Management and Staff of KPMG Ghana, Distinguished Guests, Ladies and Gentlemen. I am honoured to be the guest speaker for this event, the launch of KPMG's 2020 Banking Industry Customer Experience Survey. I bring warm felicitations from Governor Ernest Addison and the entire Management team at the Bank of Ghana.

Over the last three years, the Bank of Ghana has undertaken a number of key reforms to promote resilience and efficiency in the banking sector. Due to these recent reforms, the banking sector is now well-capitalised, liquid, and resilient even in the midst of the Covid-19 pandemic with its unprecedented economic impacts.

The Bank of Ghana responded to the pandemic by taking unprecedented policy and regulatory measures including a monetary policy rate cut of 150 basis points, a reduction in the capital conservation buffer and cash reserve requirements for banks, fee waivers and an increase in transaction limits on some digital financial services. These measures have helped banks to provide relief to their customers by reducing lending rates, restructuring loan repayments, and providing additional loans, among other things.

Banks are also increasingly offering their customers more digital channels to transact business safely, underpinned by our regulatory approach and investments in critical infrastructure that have enabled interoperability and effective partnerships between banks and payment service providers. All of these measures are helping to speed up Ghana's economic recovery efforts ahead of what was initially projected at the onset of the pandemic.

The KPMG report provides very useful insights for the banking industry as well as for the Bank of Ghana as a regulator. The trends reported in the survey report show that customers are increasingly more discerning, and are demanding banking relationships and products and services that are responsive to their evolving needs. Customers require

accessible, agile, cost-effective, reliable, timely, and safe banking services, and will choose a bank they can trust to deliver on these. Banks that understand and are guided by these demands will be able to retain their customers' confidence and loyalty. I sincerely hope that banks will leverage the insights contained in this report to better serve the Ghanaian banking public and continue to grow in significance and impact.

Meanwhile, the Bank of Ghana has intensified supervision of banks to promote transparency, integrity, and safety in transactions between banks and their customers, and the provision of adequate and timely redress for customer grievances. Our Consumer Recourse Mechanism Guidelines, Disclosure and Product Transparency Rules,

and our Cyber Security Directive, all provide clear requirements that banks must meet on an ongoing basis to promote operational efficiency, resilience, consumer protection, and confidence in the sector.

I applaud KPMG's thought leadership in the production of this survey, and I trust that it will serve as an invaluable guide for the banking industry as they seek to continually deliver value to their customers.

I hereby declare the survey report launched, and I thank you all for your kind attention.



The Age of the customer...

“ ..that it is the age of the customer is stating the obvious. In the customer age, the most successful enterprises will have to reinvent themselves to systematically understand and serve increasingly powerful customers ”

KPMG, 2020



Insights from the KPMG Banking Industry Customer Experience Survey



Major customer shifts happening

Insights from customer surveys...



2016- KPMG Banking Industry Customer Experience Survey



2019-KPMG Banking On the Future_ Millennials Insights



2020: KPMG Banking Customer Experience Survey _ Retail Banks

Nearly 13years in Nigeria...

What is shifting?



Changing customer profiles, demographics and expectations

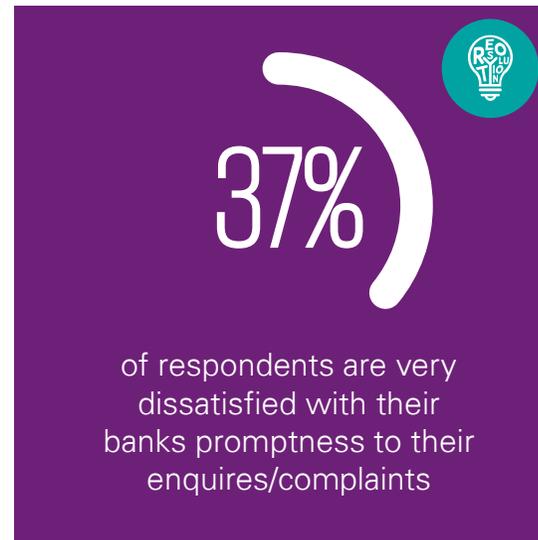
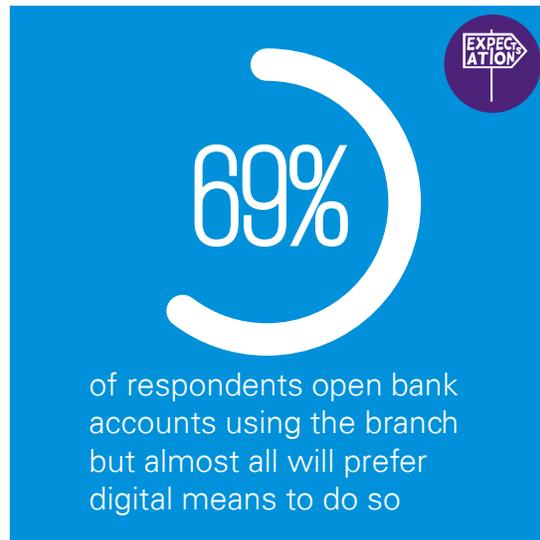
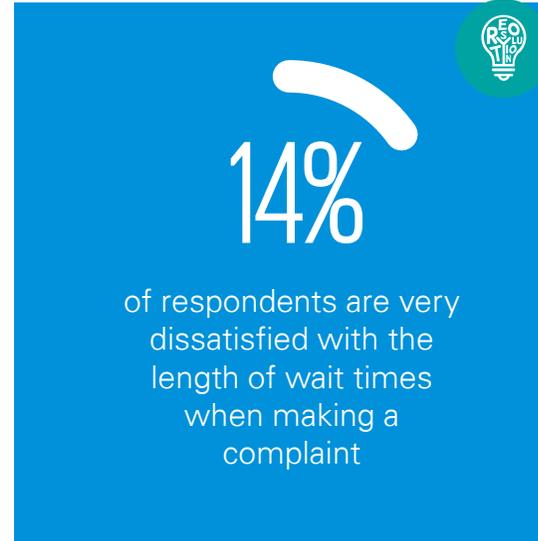
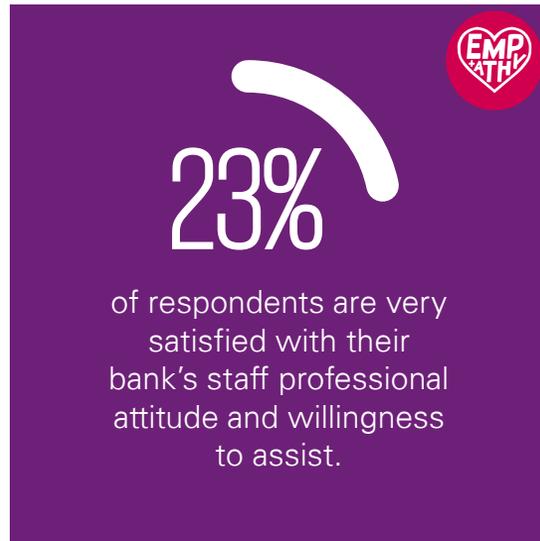
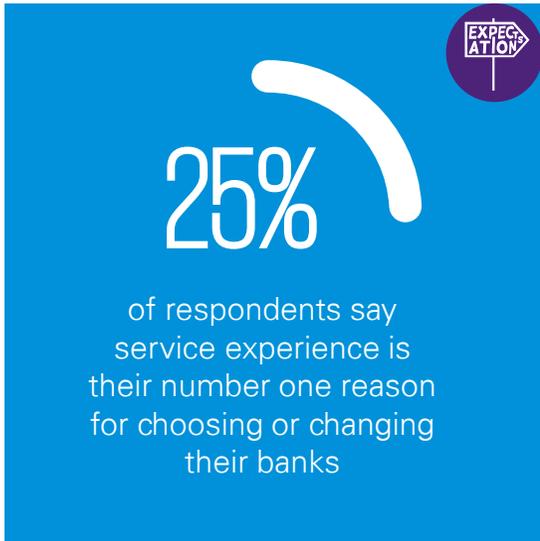


Shifting channel usage in favour of digital, COVID-19 is an accelerator

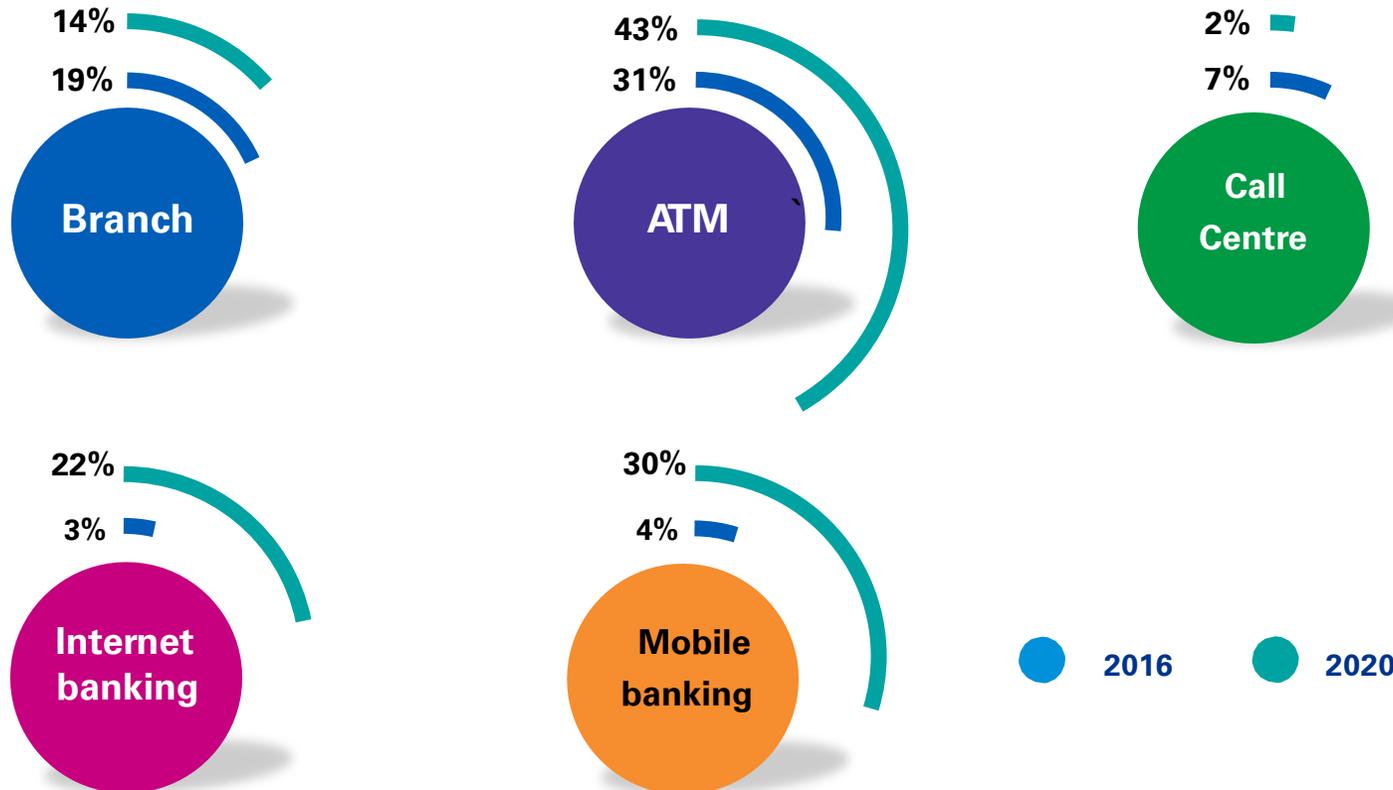


Changes at the top: CX leaders today are not leaders tomorrow

2020 KPMG Retail Banking Customer Experience (CX) in Ghana - Highlights



Shifting Channel Usage(weekly) - 2016 vs 2020 KPMG insights



Key Insights

- Branch usage decreasing in favour of digital channels_ mobile first
- ATM, Mobile and Internet banking accelerated by COVID-19?
- Call Centre usage declining as complaints go social- Complaints made via Facebook, Instagram, Twitter

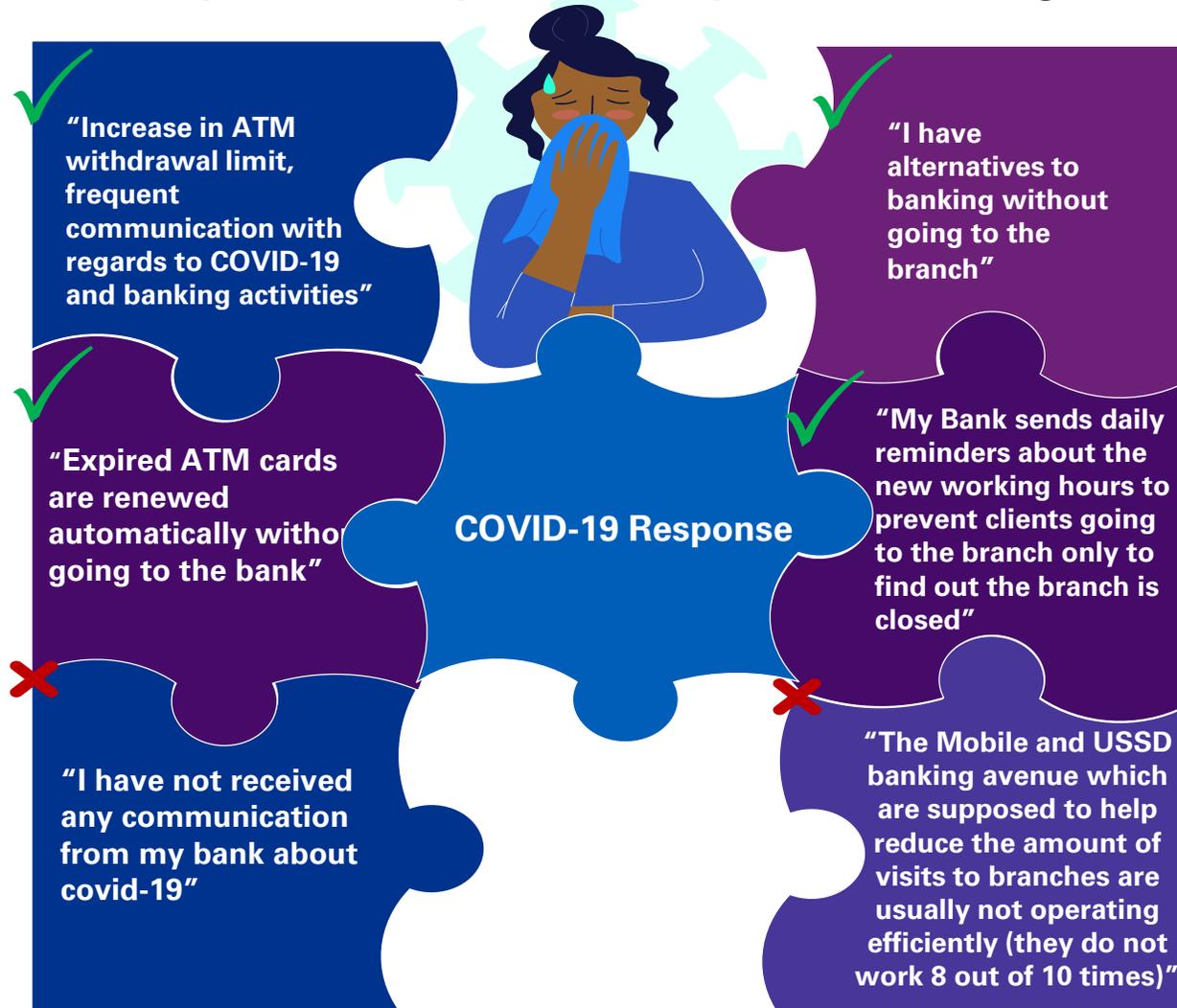
“The Covid-19 pandemic has completely changed the banking terrain. Therefore, banks that quickly accelerate their digital offerings are likely to experience growth. As Millennials have in 2020 shifted focus significantly to digital experiences, so should banks do – Banks must think digital and act digital to remain relevant in the future of banking”



John Awuah
Chief Executive Officer
Ghana Association of Bankers

Customers say their banks were responsive during COVID-19

How responsive was your bank to your needs during the COVID-19?



90%

of respondents were aware of their banks support during to the pandemic .

In terms of satisfaction, customers of CAL Bank were most satisfied with measures put in place followed by ABSA and Stanbic and Standard Chartered in third position



Negative Feedback



Positive Feedback



The impact of COVID-19 will undoubtedly be a challenge for our banking profession, but it is also an opportunity to demonstrate how our technical and professional skills, creativity, empathy and judgement can be deployed to support very vulnerable customers and businesses in distress. An opportunity to show how banking has a positive social purpose, and that we bankers care about our customers' financial health”



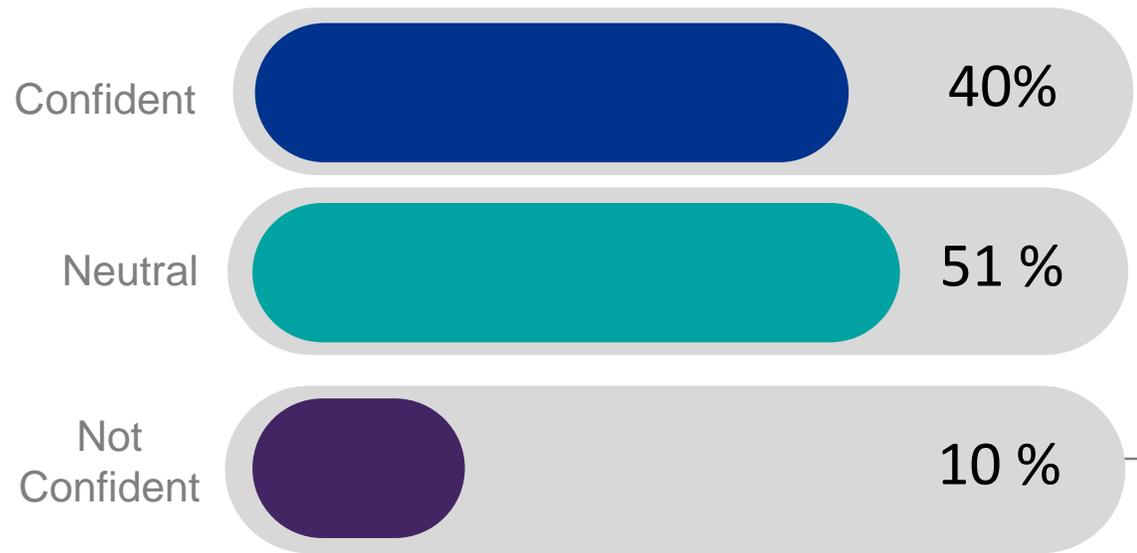
Charles Ofori-Acquah

CEO, Chartered Institute of Bankers

Banking Industry Clean up and confidence in banks

Banking customers are still confident in their banks post the regulatory clean up

How has the recent financial clean-up impacted your confidence in Banks?



Following the financial clean-up, where are you likely/willing to invest (deposit) your money – Top 3?



Beyond Regulation...



We join the many to congratulate the Bank of Ghana for winning the **Central bank of the year award 2020** and **Dr Ernest Addison**, for winning the **Governor of the year award 2020** for Sub-Saharan Africa.

“The 5R approach (rebuilding capital, reforming regulation, restructuring banks, reducing systemic risks and restoring governance) in banks is important. We note the efforts being made by the Bank of Ghana, the Chartered Institute of Bankers (CIB), Ghana and others, to put ethics and professionalism back on the agenda of banks.

Embedding ethics, professionalism and simply treating customers fairly, are not “a nice to do” for banks. These are the fundamentals to building a sustainable banking business model, excellence in customer experience and a safe financial system.”

“Excellence in customer experience creates enduring competitive advantage for organisations. The customer experience, however, is a reflection of the employee experience, because both go hand-in-hand. Indeed, banking is a people business. Let’s re-professionalise banking together, with a laser focus attention on the customer!”



Robert Dzato

Lead, Financial Services Strategy
KPMG In Ghana



Customer Experience
Excellence -state of
play using KPMG's Six
Pillars of Customer
Excellence



KPMG Customer Experience Excellence Methodology

The Six Pillars of Customer Experience Excellence

-  **Guiding international best practice**
-  **Over a decade of research**
-  **Across KPMG global network**
-  **Over 4 million consumer evaluations**



Personalisation

Using individualised attention to drive an emotional connection.



Resolution

Turning a poor experience into a great one.



Integrity

Being trustworthy and engendering trust.



Expectations

Managing, meeting and exceeding customer expectations.



Time and Effort

Minimising customer effort and creating frictionless processes.

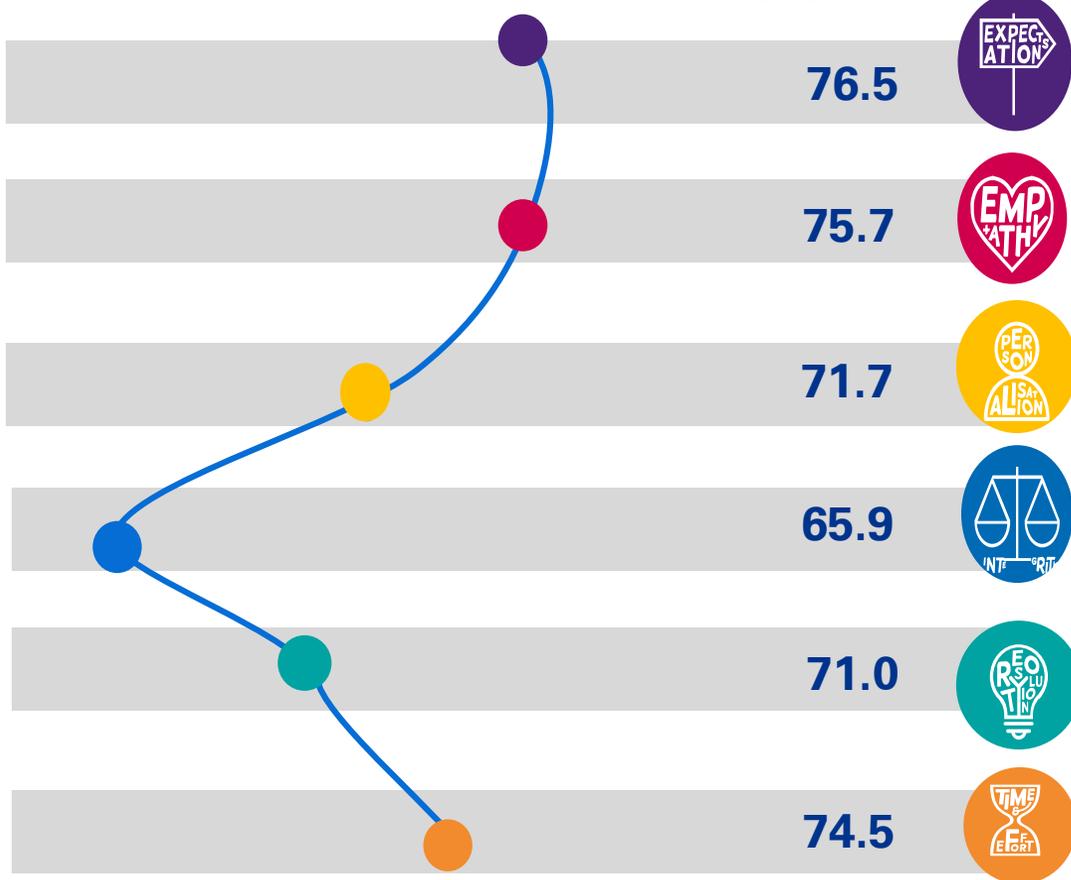


Empathy

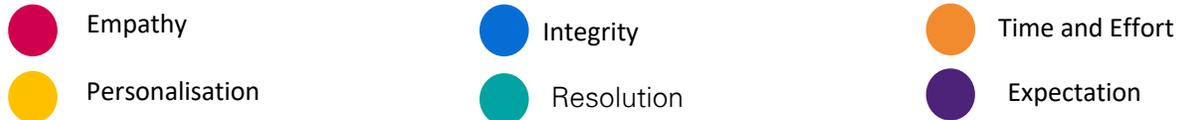
Achieving an understanding of the customer's circumstances to drive deep rapport.

State of Play: Banking Customer Experience in Ghana across using our Six Pillars

Banking Customer Experience (Scores) in Ghana across KPMG's Six Pillars for Customer Experience Excellence - Integrity scored lowest



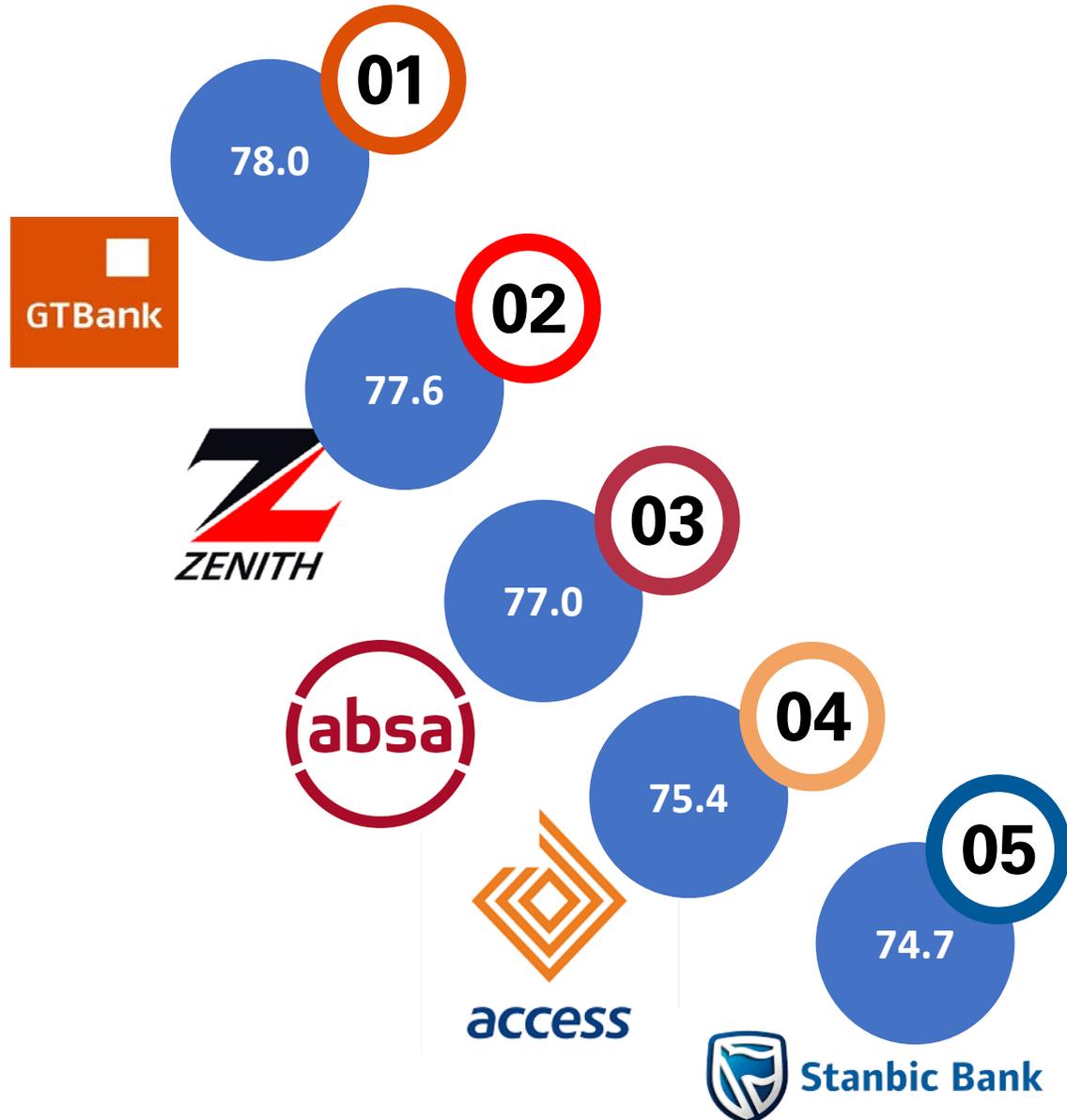
Source: 2020 KPMG Ghana Banking Industry Customer Experience Survey



Insights on Performance – Retail Banks in Ghana

- **Expectations** - Banking customers suggest that their banks provide a consistent service every time they use them
- **Integrity** - Customers want their banks to:
 - ✓ Stand for something more than profit
 - ✓ Keep to their brand promise
- Banks should fully implement BoG Guidelines:
 - ✓ The Consumer Recourse Mechanism Guidelines emphasise **“Resolution”**
 - ✓ Disclosure and Product Transparency Rules emphasise **“Integrity”** in disclosure and application of charges to loan products

2020 Customer Experience Leaders - Top 5 Retail Banks in Ghana



Few Customer Experience Excellence Delighters :



- ✓ Regular messages recommending customised services and products



- ✓ No wait times at the branches
- ✓ Transact online without going to the branch



- ✓ Clear messaging about fees & charges



- ✓ 80% of the time staff are professional and willing to assist
- ✓ Interact with Bank staff via WhatsApp



- ✓ Instant issuance of debit cards
- ✓ Up-time of ATMs and availability of cash almost every time



- ✓ Take regular feedback from customers
- ✓ Complaints shared via Twitter, redress within 30 minutes



Transforming your customer experience - message for bank CEOs



In transforming the customer experience(cx), remember...

Resolution is key in delivering integrity



Customer experience is a journey...



Customers want to minimize Time & Effort



The digital shift & millennials power



“What customers experience is a reflection of employee experience. Therefore, there should be an alignment of the organisation’s culture and strategy. ”



Daniel S. Adoteye

Partner, Deal Advisory & Management Consulting

KPMG in Ghana



Looking Ahead



Future of Customer Experience

Insight-led



Harness data to help develop a real-time and multi-dimensional view of the customer

Innovative



Develop compelling customer value propositions

Intentional



Design a seamless and personal customer, employee and partner experience

Empowered



Create a customer centric organisation and culture

Digitally-enabled



Architect intelligent digital technologies and platforms for humans

Outside in

Human First

“...**essentially**, banks will need to understand the data they have about their customers, the focus should be beyond an investment in data mining tools; rather how the data drives day-to-day activities”

”



Andrew Akoto
Partner & Head of Advisory
KPMG in Ghana

Imperatives for CX transformation



1

Customer Strategy

2

Digital Transformation

3

Data Analytics and Insights

4

Cyber Security

5

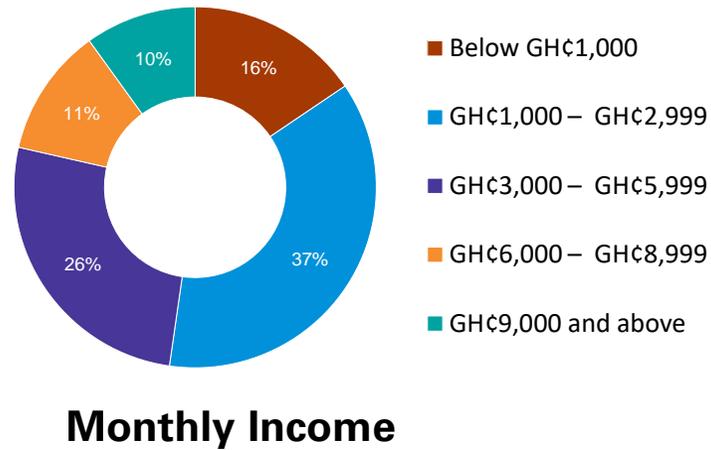
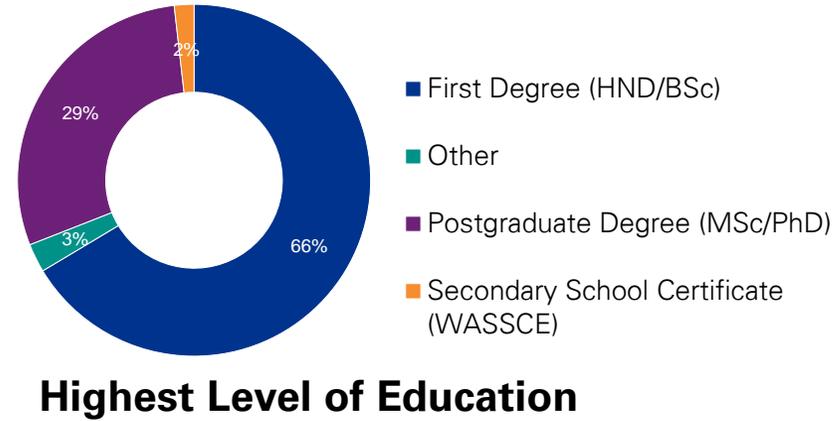
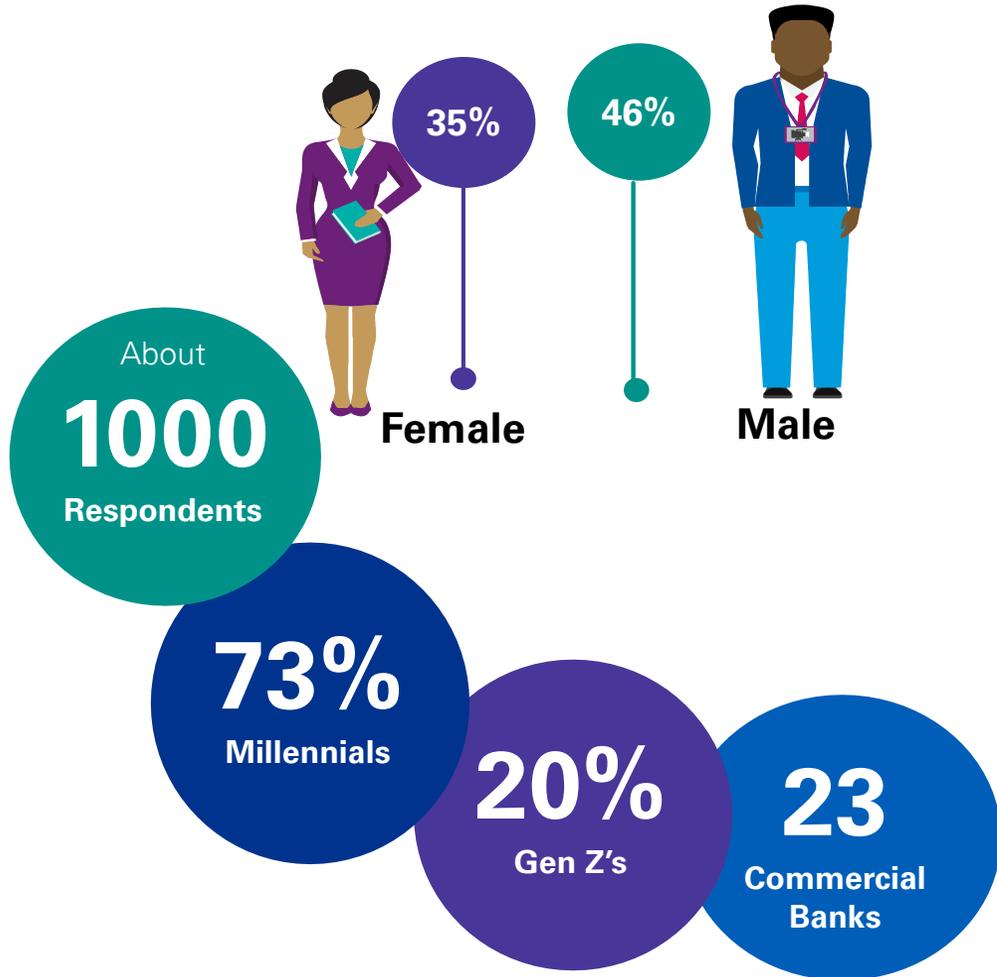
Employee Experience



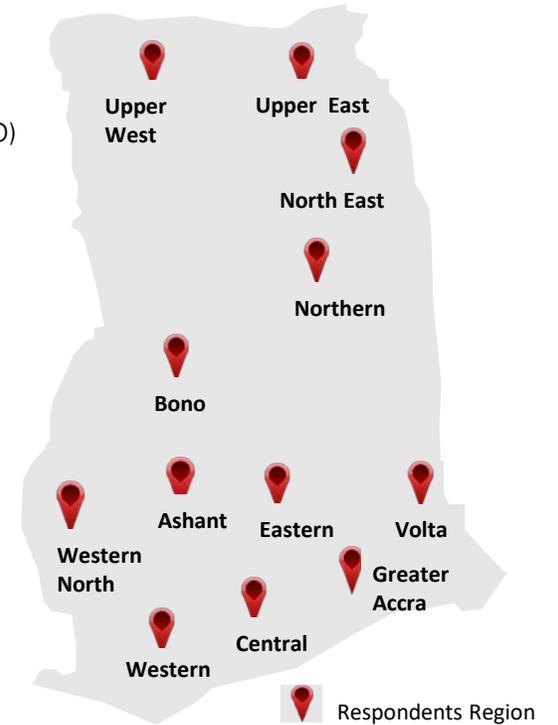
About the 2020 Survey



2020 KPMG Banking Customer Highlights- Demographics



... across Ghana



*19% of respondents did not indicate their gender
 Gen Z's refer to respondents from the ages of 5 to 25. For this year's survey the respondents were 18 years and above
 Millennials refer to respondents from the ages of 26 to 40



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