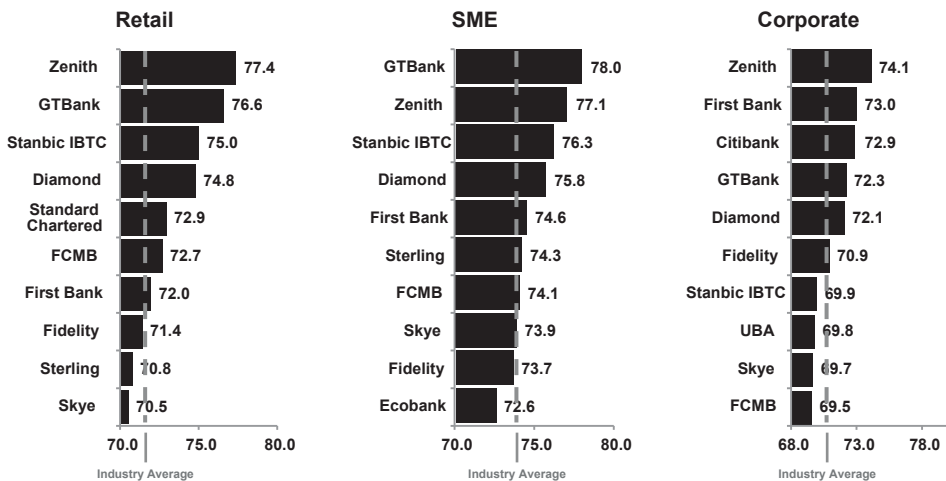


**KPMG's Annual Banking Industry Customer Satisfaction Survey (BICSS) – 7th Edition**

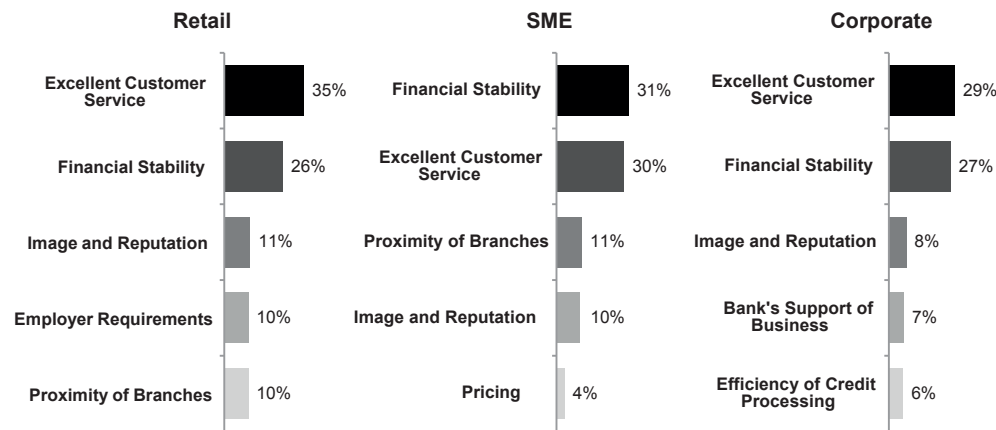
The KPMG BICSS was launched in 2007 to heighten the consciousness of service delivery among Nigerian banks. Over the last few years, we have seen banks continue to realign their service delivery strategies in response to changing customer expectations and behaviour. For the first time in five years, excellent customer service has replaced financial stability as the top reason why retail and corporate customers maintain banking relationships.

This year's survey covered more than 14,000 retail customers, 3,000 SMEs and over 400 corporate/ commercial organisations across the country. Customer selection across the business segments i.e. corporate/commercial and SME was driven by a need to ensure inclusion of companies in each major business sector. Retail respondents were selected to reflect the major demographic groups through a random sampling approach that ensured representation across many locations in Nigeria. As usual, the Customer Satisfaction Index (CSI) used to assess the banks is composed of five key factors - Convenience, Product/Service Offering, Transaction Methods and Systems, Pricing and Customer Care.

**Top 10 Most Customer-Focused Banks**



**Top Reasons for Maintaining Banking Relationships**



**Other Key Highlights**

**Changing priorities...**

As the dust from the financial crisis settles and fears about safety of deposits take the back seat, customers are now putting service quality at the front of their banking relationship agenda. Our findings reveal that customers are increasingly willing to shop around for banking services that meet their needs – about 10% of respondents expressed willingness to switch banks within the next 1-3months – a fairly significant number considering that over 40% of respondents already hold more than one bank account. We predict that competition for loyalty amongst banks will be the next battlefield.

**Increasing adoption of alternate channels**

As banks explore more avenues of engaging their customers, our findings reveal that their efforts are yielding positive results. When compared to last year's results, more customers are using alternate channels for bank transactions. 13% of retail respondents surveyed use internet banking

(up from 7%), POS (15%, up from 6%), mobile payments (6%, up from 2%), contact centre (12%, up from 5%) and mobile banking (10%, up from 6%). The ATM remains the most utilised alternate channel with nine-in-ten customers using it within the last year.

Social media (i.e. Facebook, Twitter etc) is also gaining grounds as a means of customer interaction. However, only 9% of customers interact with their banks using these platforms against 70% of users who use it for other personal purposes. We expect to see a major growth in the number of customer interactions via these platforms.

**The future of banking...**

This year, we also introduced a survey to understand the perceptions of young professionals on how they intend to interact with their banks in the future – about 50% will prefer not to visit a branch while 15% will only visit a branch to apply for new products which presents an interesting challenge for banks in their continuous quest to engage this segment.