pwc

senteo

Customer Experience Index – 2010

THE STATE OF RETAIL BANKING FOLLOWING THE FINANCIAL CRISIS



RUSSIA | UKRAINE | THE CZECH REPUBLIC | SLOVAKIA

TABLE OF CONTENTS

FOREWORD 3
WHAT IS THE CUSTOMER EXPERIENCE INDEX? 5
THE VALUE OF THIS STUDY 7
ABOUT THE 2010 STUDY 9
MYSTERY SHOPPER PROFILE 9
CUSTOMER EXPERIENCE TRENDS SINCE 2009 11
KEY PROOFS OF CONCEPT 13
SUMMARY OF FINDINGS 17
- CUSTOMER EXPERIENCE INDEX – 2010 SUMMARY TABLE 18
- BRAND 21
- COMMUNICATIONS 22
- ENVIRONMENT 23
- OFFERING 24
- CULTURE 25

APPENDIX 1: APPROACH TO CONDUCTING THE STUDY 27
APPENDIX 2: SCORE CHARTS & RANKINGS 29
- Country rankings and observations
  - Russia 30
  - Ukraine 35
  - The Czech Republic 36
  - Slovakia 37
- Rankings by category and mystery shopper comments
  - Brand 38
  - Communications 40
  - Environment 42
  - Offering 44
  - Culture 46
  - Sales effectiveness – New! 48

ABOUT US 50
  - PwC 50
  - Senteo Inc. 51



FOREWORD

We are proud to present you with the 2010 edition of the Customer Experience Index (CEI), an annual study covering the retail banking industry from the customer's point of view. As in the previous three years, this report has been produced by PwC and Senteo, who have partnered together to conduct the study and publish its findings.

This year we have decided to expand the territory covered by our study, which was originally done only in Russia, and to include three other countries from Central and Eastern Europe (CEE). Thus, this year's CEI report includes Russia, Ukraine, the Czech Republic and Slovakia. In total, the study covers over 90 retail banks that were selected based on their size and market presence in each respective country.

The lingering effects of the worldwide financial crisis have given cause to worry. Although the worst seems to be over, retail banks are experiencing a difficult period of transformation requiring both firm internal controls and greater focus on the customer. Being competitive and successful today in Central and Eastern Europe is a difficult challenge compared to the pre-crisis period of steady growth and prosperity.

Many banks have taken important lessons from the crisis, such as proper, albeit conservative, treasury management, quality of credit portfolios, risk management, effective cost controls, IT and automation, etc. However, much of the efforts were initially directed internally, while sometimes forgetting the customers or not doing enough to ensure the strength of the relationship.

Once the "internal bleeding" stopped across the CEE region around the middle of 2010, the banks gradually returned their focus to customers in an effort to regain any lost ground in the quality of the relationship and to initiate new sales. At the same time, however, customers have grown more sensitive to their personal finances and the way they are treated by the banks and now, instead of merely expecting a good service offering and care, they are demanding it.

There have been waves of migration from one bank to another during the recent market volatility and, therefore, the customer loyalty factor has gained more prominence from the strategic point of view. Gaining, maintaining, and building customer loyalty will likely remain among the biggest objectives for retail banks, next to better customer service and a client-oriented culture.

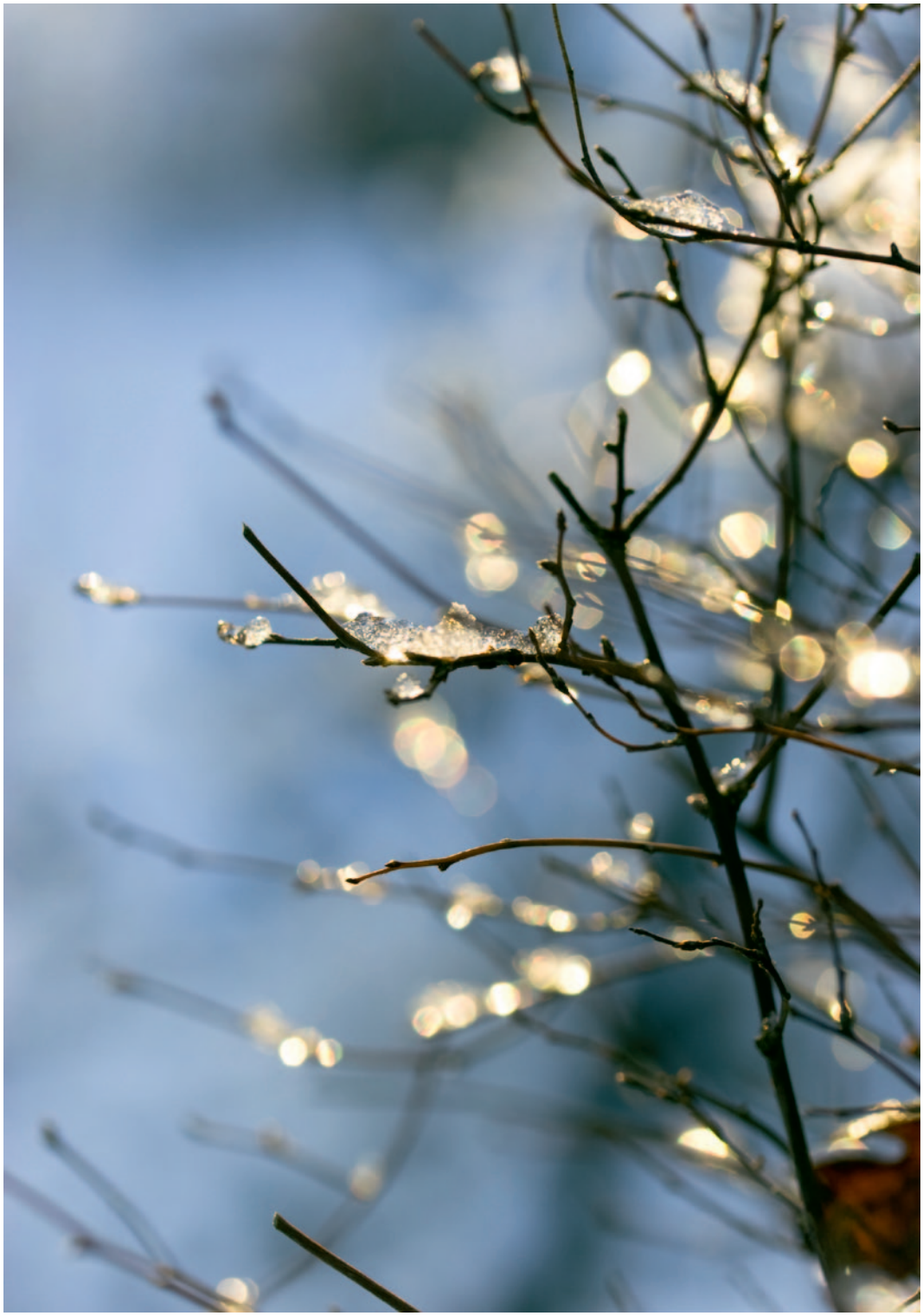
On behalf of Senteo and PwC, we hope that you will enjoy reading this report and, as always, please do not hesitate to contact us with any questions.



Michael Ruckman
Founder and President
Senteo Inc.



Chris Barrett
CEE Financial Services Advisory Leader
PwC



WHAT IS THE CUSTOMER EXPERIENCE INDEX?

The Customer Experience Index (CEI) was created to provide a new benchmark for retail banks and a tool for measuring the quality and consistency of customer experience. The CEI ranks banks based on their performance in key areas that are of particular importance to potential customers. In our study, we used a team of mystery shoppers, coached by PwC, who posed as potential customers.

While gathering data for the study, we relied on a special scorecard developed by Senteo. This scorecard included a series of questions that the mystery shoppers needed to answer at the end of each bank visit. The purpose of the scorecard was to measure the following elements that contribute to the overall customer experience:

Brand – How appealing is the brand and its positioning directed at customers? How well can customers identify with the brand's perceived values?

Communications – How effective are the advertising and promotional activities in generating customer interest? How clearly are values and benefits communicated to the customer?

Environment – How accessible, intuitive, easy to use, and consistent are customer touch points?

Offering – How well does the offering meet the needs of the customer? How well is the product packaged to create value for customers?

Culture – How efficient is the organization in creating an internal customer-centric culture? How well do bank employees interact with customers?



Individually, each of these elements makes a unique contribution to the way customers view the banks and, when combined, they form the overall customer experience.

All conclusions in this study are based on the actual experiences of the mystery shoppers. The primary focus of the study was directed at the physical channel of distribution (i.e. bank branches), as this proved to be the best overall point of contact with customers in terms of our ability to measure each bank's performance in the five elements discussed above.

The methodology used in the survey is explained in more detail in Appendix 1 (page 27) of this report.



THE VALUE OF THIS STUDY

This study is of particular value and interest to the general managers of retail banks, as well as department managers for retail business, strategy development, marketing and customer service.

The CEI provides a new benchmark for the retail banking industry and offers practical insight into the key areas that may contribute to a bank's successful performance within the retail segment.

This study aims to provide its readers, especially retail banking professionals, a unique view into the minds of bank customers as they experience contact with banks in a real bank environment.

Essentially, retail banks are service providers, just like tour operators, airlines, hotels, or telecommunication companies. Unlike manufactured products that are sold through retail outlets, banking services are themselves intangible and are merely solutions for the tangible needs of the client. As such, it is difficult to think of retail banking services as physical objects that have a certain shape, size and color. These qualities prevent service providers from exercising the same amount of power as their manufacturing counterparts, who make products that can more easily generate customers' desire to purchase and use them.

Service customers, especially in retail banking, can be pickier when making their choice, less emotionally involved with the products, more sensitive to price and less loyal to the brand. In addition, they are almost always sensitive to how they are treated personally.

For these reasons, the concept of customer experience is vital, because it is a powerful tool that can change the way customers view banks and how banks do business with their customers.

A positive customer experience at a retail bank means that a customer feels that his or her expectations were met or surpassed. He or she received exactly what was needed, or maybe even more. The treatment he or she received was satisfactory or even spectacular. Dealing with the bank was both pleasant and useful. He or she is definitely willing to become and remain a client. And, finally, this customer is willing to recommend the bank to his or her friends or family. In this scenario, customers naturally become less sensitive to the price they pay for the bank's service or any mistakes on the part of the bank. This ultimately leads to greater loyalty and not just satisfaction, which is the goal of any business. A loyal relationship between the customer and the bank provides security against competitors' attempts to lure customers away.

This study measures the performance of the specific levers that govern the customer experience mechanism and hold sway over the retail customer.

We wholeheartedly believe that if retail banks should choose to focus on the quality, uniqueness and consistency of the customer experience that they create, the overall conditions of the retail banking market will continue to develop and improve.



ABOUT THE 2010 STUDY

The 2010 CEI includes four countries that represent a significant part of the Central and Eastern European banking market. Specifically, the report covers Russia, Ukraine, the Czech Republic and Slovakia.

In its first three years, the study was only conducted in Russia, mainly because the idea for it was born there. However, because of the CEI's instant popularity among professionals and the success of the first three publications in Russia, we have decided to expand both the study's scope and territory. This decision received a great deal of support from a number of banking and consulting professionals who think that the current business environment, especially after the most painful period of the financial crisis, provides ample proof that customer experience is important.

The 2010 study also includes several new and interesting aspects. For instance, the banks that have been selected for inclusion in the report have also been scored based on the sales effectiveness seen at their branches.

With regard to Russia, where the study was conducted for a fourth consecutive year, we have added a number of charts and rankings using historical comparisons of performance indicators from different years. In addition, the overall number of banks selected was increased slightly to accommodate a few additional banks that have met our selection criteria.

During the course of the study, we analyzed 90 retail banks across four countries and made over 1000 personal visits. The scale of our efforts makes this year's study stand out from previous years, and we hope to continue expanding it in the future, both in developing and mature markets, in order to foster a greater dialogue on the topic of customer experience.

MYSTERY SHOPPER PROFILE

As mentioned before, the CEI was conducted by the mystery shoppers, coached by PwC, posing as regular customers and collecting relevant data for the study. Everyone on the team possessed the same basic characteristics and used standard cover stories. Below is a quick description of them as a customer segment.

AGE:	21 – 25
SEX:	Male / female
EDUCATION:	College degree
EMPLOYMENT:	Full-time
INCOME LEVEL	US$ 1500 – 2 000/month
TYPE OF RESIDENCE:	Rented
MARITAL STATUS:	Single
TRANSPORTATION:	Public transportation



CUSTOMER EXPERIENCE TRENDS SINCE 2009

Prior to the crisis, the competitive landscape in retail banking was still evolving. Many banks, especially in Russia and Ukraine, but also elsewhere in the CEE region, were focused on growing their footprint and rapidly expanding market share, both through often expensive acquisitions and aggressive new business promotions. At the same time, other banks were still waiting in the wings, looking for the right opportunity to enter the market. Since the crisis, the landscape has settled, as it seems. There are few signs of new entrants, while some existing players may well be waiting for the best time to make their exit.

During the worst period of the economic crisis, the majority of banking institutions focused on lowering costs, increasing efficiency and standardising and optimising processes. The question is, were they successful? And if so, what's next?

Throughout most of 2009, banks were stocking up on cash and working to attract retail depositors. For example, in Russia, only four of the 41 banks studied this year have displayed losses in overall deposits (year on year Q3 statistics, based on Central Bank data)[1]. By the end of 2010, however, banks have mostly sated their appetite for deposits and turned their attention back to credit. The rapid and consistent drop in deposit rates attests to this fact. While this is, in general, a positive sign for the economy and consumers alike, it does not quite reveal the answer to the fundamental question: "Have banks learned a valuable lesson, or is it "back to business as usual"?

Indeed, complacency is a dangerous pandemic. The wide gap that exists in the banks' performance in our study continues to pose concern year after year. Although some banks, to give them all due credit, have notably improved by moving towards customer-friendly business models, we continue to see major shortcomings in general.

In 2010, there was a visible level of volatility in market share, especially among mid-level banks. The economic recovery certainly calls for active competition, but whether banks are aligning themselves more with their customers is yet to be seen. One thing is certain: the fight to maintain or gain more market share is unfolding with renewed strength. Even the largest banks, including those with government backing, cannot afford to be idle, and this is evident from the amount of advertising going on.

Ultimately, however, only things like product innovation and personalization, service quality improvement, enhanced speed and efficiency of services, greater access and convenience are the true signs of a better banking environment. Customers are quick to notice improvements like these and tend to value them even more now than before the crisis. If anything, the average customer has become more demanding and expects better treatment from all service providers, banks or otherwise. The status quo is no longer an option as competition grows fiercer during the economic rebound.

[1]Source: Central Bank of the Russian Federation, Form 101.



KEY PROOFS OF CONCEPT

Customer experience makes a difference. This statement is supported by numerous observations that we have analysed during the last four years. Each year, we find renewed proof that customer experience, in fact, impacts several critical business key performance indicators (KPIs), as well as such things as customer loyalty and satisfaction. In a challenging economic environment like the one we are in now, such findings provide practical value.

SALES EFFECTIVENESS

This year's study introduces a special segment dedicated to sales effectiveness. During their branch visits, the mystery shoppers also assessed the quality of interaction with the sales staff, as well as a number of other factors that play a role in sales effectiveness. For instance:

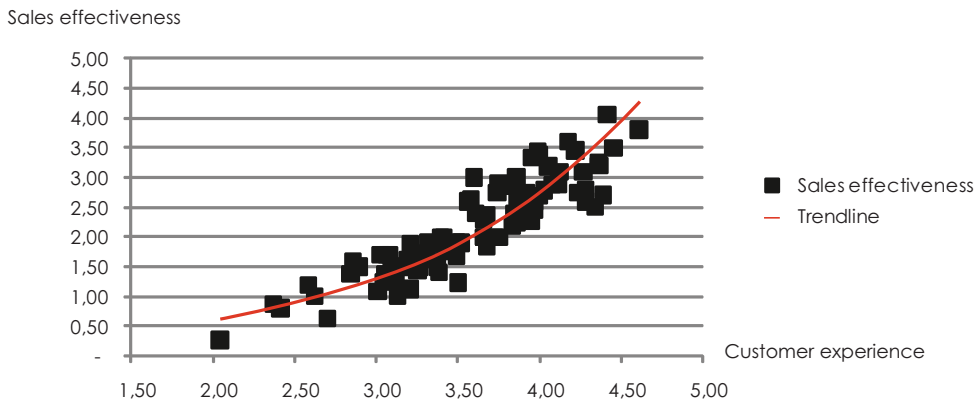
- Is it easy to get a sales person's attention?
- Is there a clear separation between the sales and service functions?
- Are bank employees proactive when dealing with customers?
- Do bank employees ask appropriate exploratory questions to initiate a conversation?
- Do bank employees make an attempt to cross-sell or up-sell the bank's services?

Using similar questions, we designed a special scorecard that was used during each visit. As an added benefit, the scorecard contained a number of additional elements that aimed to reveal the connection between sales effectiveness and relationship-building. We also took note of any customer-oriented sales methods that the banks applied.

As a result, in all of the participating countries, we found a strong correlation between sales effectiveness and customer experience, as shown in the graph below.

These findings suggest that banks with high scores in customer experience also score well in sales effectiveness. More detailed information on the sales effectiveness performance results appears in Appendix 2 of this report (see page 48).

Figure 1: The relationship between customer experience and sales effectiveness (data for all banks in CEI 2010)

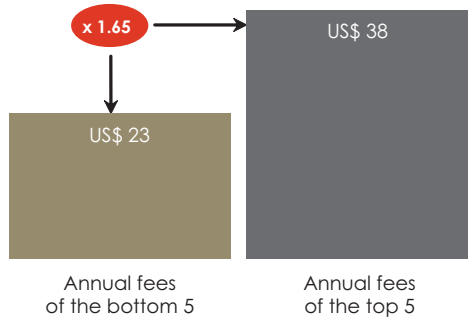


PRICE PROPOSITION

We have also uncovered notable differences in the price proposition between the CEI's top and bottom 5 banks, using standard banking products as examples. The point was to test whether customer experience deters customer price sensitivity and, if so, how great of an effect it can have on the actual price of some of the most basic banking products easily found in any bank on the market.

As a result of this exercise (carried out in Russia and Ukraine since they have the biggest performance gap), we have confirmed, yet again, as in 2007, 2008, and 2009, that the annual commission for even such commoditized products as MasterCard Standard or Visa Classic debit cards continues to be higher at the top-rated banks, compared to those that scored the lowest.

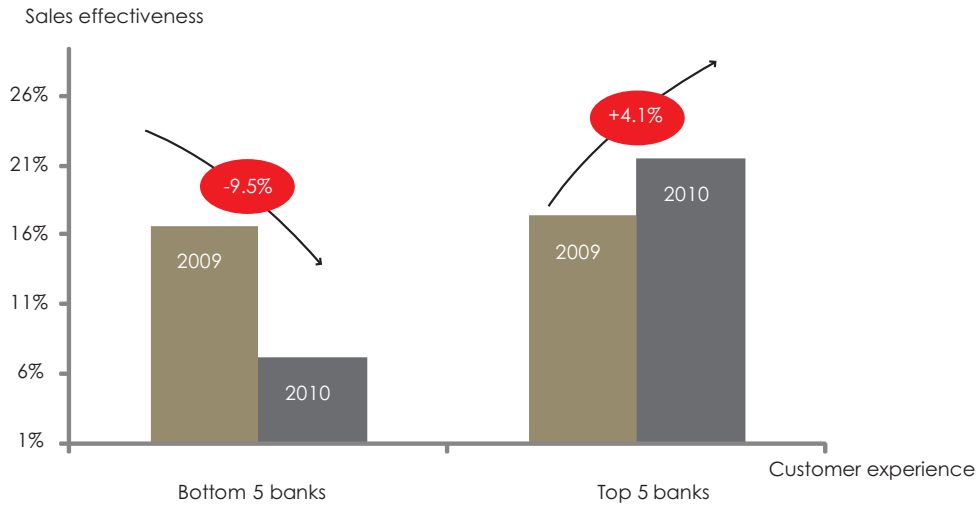
Figure 2: Price comparison for Visa Classic & MasterCard Standard debit cards



SHARE OF DEMAND DEPOSITS

Almost everyone would agree that a demand deposit is usually an indicator of a customer's core relationship with the bank. Demand deposit accounts are usually interest-free or low-interest accounts. So, people certainly do not have them to earn interest. We tend to believe that the dynamic between demand deposits and term deposits reveals interesting truths about customer loyalty.

Figure 3: Share of demand deposits vs. total deposits (%), based on Q3 2009 and Q3 2010 statistical analysis of reported deposit balances



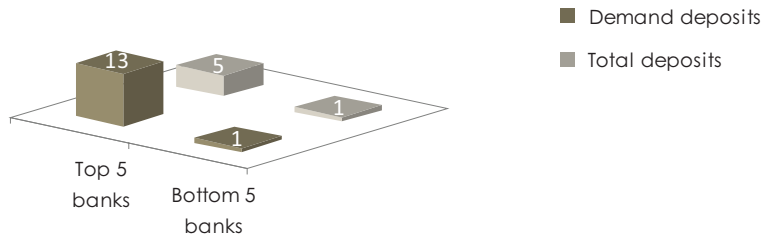
We therefore decided to investigate the level of retail demand deposit balances found among the banks participating in the study and then compare the results with the CEI. This particular research exercise was carried out in Russia and Ukraine, where we witnessed the highest customer experience disparity (i.e. performance gap) among the banks. For the comparison, we chose the top and bottom 5 banks in the rating and applied the statistical data acquired from the Central Banks of each country. This research yielded an interesting dynamic showing that banks with higher customer experience scores tend to have a larger share of demand deposit balances when compared to their total deposit balances. To better illustrate this point, we used Q3 2010 and Q3 2009 statistics (see figure below).

The lower share of demand deposit balances in banks with low CEI scores also speaks to the fact that customers prefer not to keep their day-to-day money at banks with poor customer experience. It is true that these banks can lure customers into term-deposit accounts if the promised yield rates are high. In fact, as of November 2010, yield rates for typical one-year term deposits at the same group of lower-ranked banks were, on average, 3% higher than those offered by higher-ranked banks. This suggests that banks that maintain a better level of customer experience also enjoy lower funding costs.

Evidently, judging by the level of demand deposits, customers choose to keep their "core relationship" with banks that serve them better and provide a better customer experience. It is also interesting to note that the level of demand deposit balances at banks with low CEI scores fell in 2010 (from 16% to 6%, on average), while their better-performing competitors in the CEI enjoyed notable growth in demand deposit balances (from 16% to 21%). Currently, banks with better customer experience maintain a ratio that is three times that of their poor-performing competitors (i.e. % share of demand deposits vs. total deposits).

If we look at this same group of banks (top 5 vs. bottom 5) in terms of the volume of total deposit balances and corresponding demand deposit balances, the difference is even more shocking. We have discovered that while total deposit balances at top-ranked banks are about five times higher, the volume of their accumulated demand balance amount is 13 times that of banks with the lowest CEI scores.

Figure 4: Proportional inequalities between total deposits and demand deposits among retail banks scoring in the Top and Bottom 5 of the CEI 2010 (Russia and Ukraine, where the performance gap is the biggest)



In conclusion, we believe these statistics confirm an important hypothesis that banks with better customer experience are more successful at forming "core banking relationships" with their customers.

Customers vote with their money, after all, and they make the ultimate decision with whom to keep their main banking relationship. Banks that manage to gain that kind of trust from customers end up winning a very important battle in this all-too-competitive retail banking market.



SUMMARY OF FINDINGS

Generally, we have observed the same trend as in previous years that there is a significant difference between the results of top-performing banks and low-performing banks. This gap suggests that there is still a lot of room for improvement throughout the retail banking industry. However, in the case of Russia, where we have studied customer experience since 2007, we have noted a modest year-on-year growth trend in total performance.

This year's CEI reveals several interesting things, especially due to the timing of the study. The worldwide economic crisis has, undoubtedly, wiped out a great deal of the positive momentum that was building up in Central and Eastern Europe over the years running up to 2008. However, we are seeing some improvement in customer experience that leads us to believe that the retail banking industry is finally beginning to recover.

In addition to the overall results next part of the report will also cover the study's general findings, divided into five areas: Brand, Communications, Environment, Offering and Culture. The performance in these areas helps us to better understand how customer experience is formed and applied in practice. The banks' performance in these categories produced their combined (total) score for customer experience, based on a scale of 1 to 5 where 5 is the highest.

Country by country rankings of retail banks can be found in Appendix 2 of this report (page 29).

In addition, this year's report includes a special study of sales effectiveness. Banks were assessed on a number of performance criteria that allowed us to uncover relevant information about the sales processes, sales support methods, sales staff performance quality, relationship-building techniques and so on, which were all important contributors to forming each bank's overall sales effectiveness score.

Table 1: CEI 2010 Summary Table

Russia			Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Alfa-Bank	4.36	VTB Bank	4.61
2	Citibank	4.12	OTP Bank	4.45
3	Absolut Bank	4.12	VAB Bank	4.39
4	Raiffeisenbank	4.08	Erste Bank	4.36
5	VTB24	4.05	Universal Bank	4.34
6	Banca Intesa	4.00	Raiffaisenbank Aval	4.28
7	MDM Bank	3.92	Alfa Bank	4.28
8	BSGV	3.88	SBERBANK OF RUSSIA JSC	4.27
9	CREDIT BANK OF MOSCOW	3.86	PUMB	4.24
10	BANK URALSIB	3.83	UkrSibbank	4.22
11	Promsvyazbank	3.75	Piraeus Bank	4.18
12	MBRD	3.74	Kreditprombank	3.86
13	UniCredit Bank	3.68	Ukrsotsbank	3.84
14	NOMOS-BANK	3.66	Delta Bank	3.83
15	National Bank TRUST	3.60	Bank FORUM	3.66
16	Probusinessbank	3.58	Swedbank	3.66
17	B&N BANK	3.52	INDEXBANK	3.61
18	SMP Bank	3.49	The Credit Dnepr Bank	3.56
19	Sberbank	3.48	PrivatBank	3.50
20	The Bank of Moscow	3.41	Finance & Credit Bank	3.49
21	Russian Standard Bank	3.40	Ukreksimbank	3.49
22	Home Credit & Finance Bank	3.32	Pivdennyi Bank	3.42
23	OTP Bank (Russia)	3.30	Dongorbank	3.38
24	Bank Vozrozhdenie	3.27	UkrGasBank	3.32
25	ROSBANK	3.25	KREDOBANK	3.28
26	Bank ZENIT	3.23	Praveks-Bank	3.08
27	UNIASTRUM BANK	3.21	RODOVID BANK	3.03
28	“Master-Bank” (JSB)	3.21	Khreschatyk	2.90
29	Sobinbank	3.20	BROKBUSINESSBANK	2.59
30	Bank “SOYUZ”	3.20	Prominvestbank	2.42
31	Bank Petrocommerce	3.13	Oschadbank	2.04
32	TransCreditBank	3.09		
33	GLOBEX Bank	3.07		
34	Gazprombank	3.06		
35	Russ-Bank	3.05		
36	Credit Europe Bank	3.01		
37	Moscow Industrial Bank	2.86		
38	Orient Express Bank	2.85		
39	GE Money Bank	2.71		
40	Transcapitalbank	2.63		
41	Sovcombank	2.37		

The Czech Republic			Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.41	Tatra banka	4.00
2	Ceska Sporitelna	4.06	VUB	3.96
3	UniCredit Bank	4.03	UniCredit Bank	3.94
4	Komercni banka	3.99	Slovenska sporitelna	3.76
5	CSOB	3.97	Dexia	3.68
6	GE Money Bank	3.95	OTP Banka	3.66
7	mBank	3.86	CSOB Banka	3.38
8	Volksbank CZ	3.72	VOLKSBANK Slovensko	3.25
9	Citibank	3.39		
10	Postovni Sporitelna	3.12		

Table 2: CEI 2010 Country Leaders Board

Country	Brand	Communications	Environment	Offering	Culture
Russia	Alfa-Bank	Alfa-Bank	Citibank	Alfa-Bank	Banca Intesa
Ukraine	Universal Bank	VTB Bank	VTB Bank	UkrSibbank	VTB Bank
The Czech Republic	Raiffeisenbank	Raiffeisenbank	Raiffeisenbank	Raiffeisenbank	Raiffeisenbank
Slovakia	Tatrabanka	UniCredit Bank	Dexia Banka	VUB	Tatrabanka

The country leader chart shows the level of prominence a bank may have in a market. As in the case of Raiffeisenbank (in the Czech Republic and Slovakia) and Alfa-Bank (Russia), certain banks are able to distinguish themselves very well. Raiffeisenbank has been especially impressive, as it earned the title of undisputed leader in customer experience in the Czech Republic.

Slovakia and Ukraine produced much more diverse leader boards. It would be interesting to follow these markets more closely in future studies. Ukraine would be especially intriguing, given the number of retail banks with sizeable distribution networks operating there.

As far as Russia is concerned, Alfa-Bank continues to impress with its consistency after leading the overall CEI rankings in Russia for the fourth consecutive year. From time to time, other banks manage to beat Alfa-Bank in one category or another (e.g. Citibank and Banca Intesa in 2010, Raiffeisenbank in 2009, MDM Bank in 2008), but the bank's keen and consistent focus on customer experience continues to set it apart from its rivals.

Another interesting observation to be made here is that foreign banks often dominate in each respective market in customer experience (aside from Russia). The explanation for this could be the fact that Western banks manage to bring and successfully implement their best practices in a developing market, while local banks still lack the appropriate methodology to develop a strong and consistent customer experience.

BRAND

QUICK OVERVIEW OF INTERNATIONAL BEST PRACTICE

A successful brand must have certain visual and psychological characteristics. In the case of banks, branding strategy should focus on the following key areas:

- Image
- Values and attributes
- Positioning
- Visibility
- Representation in the bank branch

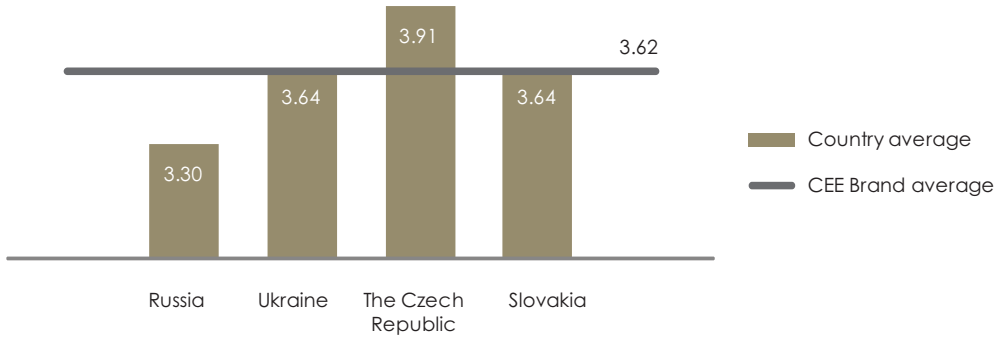
A bank's brand image helps generate a perception among potential customers. That image should be properly positioned to different audiences in order to target their emotions and create a meaningful connection. When such a connection exists, the customer has successfully "identified" with the company. The brand's values and attributes convey the bank's attitude towards customers, which is supposed to attract customers rather than to push them away.

Based on these key elements, customers may form certain associations and expectations regarding the company's offering and its culture. International best practice in retail banking seeks to exceed the customer's expectations by controlling the brand experience and creating the impression that it is unique and special.

OBSERVATIONS

The banks had an average score of 3.62 in terms of Brand. The Czech Republic performed the best (3.91), while Russia scored the lowest (3.30).

Figure 5: CEI 2010: BRAND (CEE)



Some of the key factors impacting Brand performance include visibility of the brand on external and internal signage; integration of the brand into the branch's interior design and style; brand compatibility throughout merchandizing and communication systems; perceived brand positioning and representation of brand values throughout contact with customers.

COMMUNICATIONS

QUICK OVERVIEW OF BEST PRACTICE

Once the brand is properly positioned in the market, it is important to have a consistent and effective form of promoting the organisation. Effective communications are about fostering sales using the proper tone and message for each specific customer segment.

Communications at the point of sale need to be distributed through special areas of the branch to express the correct message and initiate a conversation with customers.

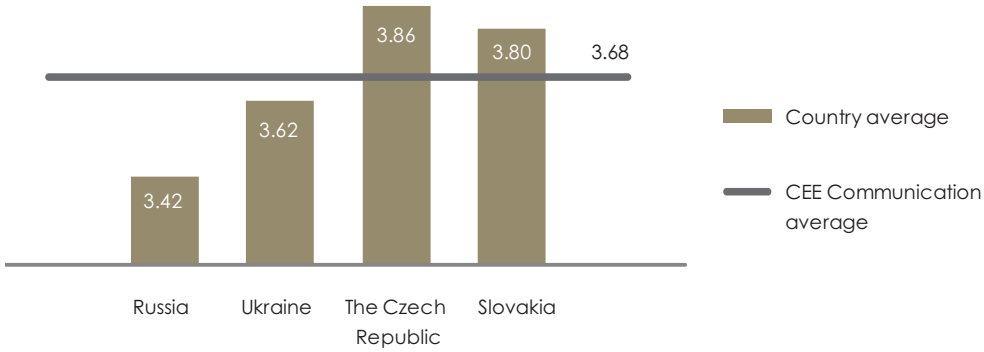
Communication elements should also be arranged in a logical order. Every zone in the branch requires certain types of communications. They must be able to establish a more intimate dialogue with customers who are already inside the bank's retail environment.

Window merchandizing requires catchy, general messages and imagery to attract people's attention in just a few passing seconds.

OBSERVATIONS

The banks scored an average of 3.68 in Communications. As in the case of Brand, the highest score belonged to the Czech Republic (3.86), and the lowest score was observed in Russia (3.42).

Figure 6: CEI 2010: COMMUNICATIONS (CEE)



The key contributing factors in this area include systemisation and uniformity of communications and promotional information, proper placement and accessibility of communications, overall quality and presentation, up-to-date and relevant content, availability and proper use of professional-looking product packaging and a clearly visible communication zoning strategy.

Unfortunately, there are still many instances of messy, seemingly disorganised and ineffectively used communications in customer environments. While in some cases, especially at banks that have scored well in the Index, we have observed very impressive communication approaches using digital merchandising, discovery zones full of product or service-related communications and stylised customer magazines, as opposed to leaflets and brochures.

ENVIRONMENT

QUICK OVERVIEW OF BEST PRACTICE

Bank branch environments are extremely important because they are the primary site of customer interaction. Most bank customers in Russia still prefer to visit a branch to do their banking or resolve a particular issue. A bank branch, just like any other retail environment, should be a pleasant place to visit. Proper space planning according to customer zones and internal navigation methods to direct customers can significantly increase efficiency.

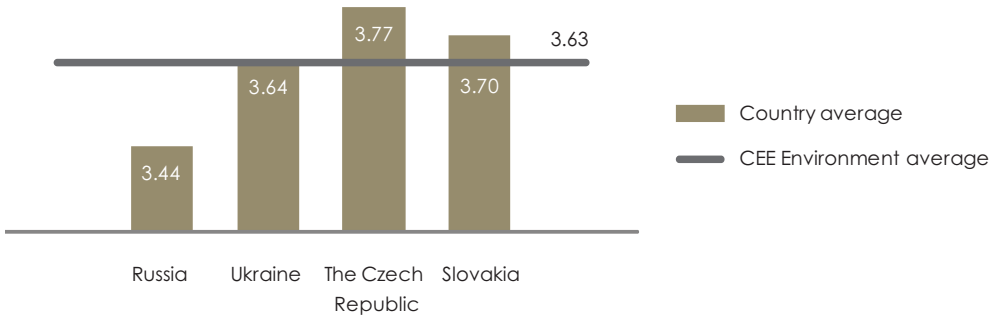
Well-planned environments leverage the effect of a space's physical structure and organization to provide customers with the best conditions in which to conduct their personal business quickly and pleasantly. Features of successful branch environments can include improved brand position and communication, higher customer satisfaction, differentiation from competitors and higher perceived value for investors.

The branch is also a place of work. Well-designed and well-maintained environments can have numerous benefits such as higher employee productivity, satisfaction and retention, and a greater level of adherence to corporate vision, mission and values.

OBSERVATIONS

In the Environment category, the banks in the study had an average score of 3.64, with a slightly higher level of performance in the Czech Republic (3.77). The Russian average proved to be the lowest of the four countries with a score of 3.44, mainly due to the vast gap between that country's best and the worst performers.

Figure 7: CEI 2010: ENVIRONMENT (CEE)



The key factors influencing environment scores included easy and intuitive navigation for customers, comfortable surroundings; proper interior zoning and layout; convenient waiting areas and a 24-hour service zone with proper consideration of how to manage lines, lack of physical barriers hindering customer movement inside the main customer area, starting from the entrance, application of proper brand-style design and other features meant to please visitors.

OFFERING

QUICK OVERVIEW OF BEST PRACTICE

The product offering is the single most important area of any business. Successful sales depend on the quality of the offering and how it meets customer demand.

During the sales process, the offering represents a certain promise to the customer. If that promise clearly responds to a particular need, then the customer is likely to make a purchase. After the sale, the customer begins to use the acquired products and services. At this stage, the banks work to support the customer and to encourage loyalty through a number of additional benefits and incentives. Typically, customer loyalty is achieved through a strong relationship between the customer and the bank.

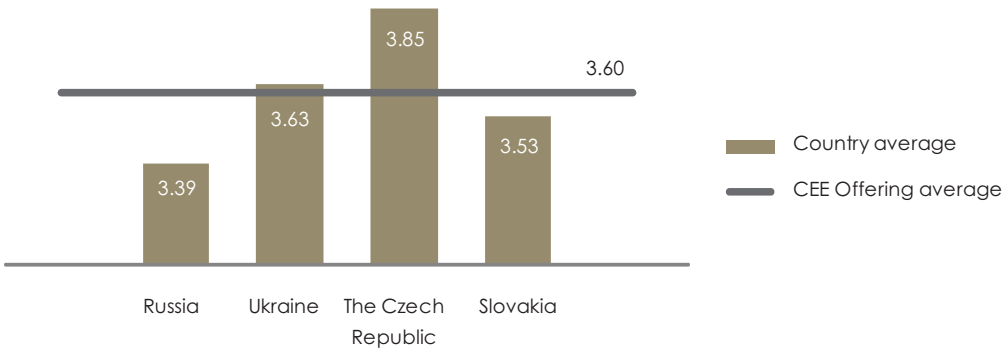
The transcending nature of the bank-client relationship helps to desensitize customers' focus on things like pricing and, instead, concentrate on the general benefits of that relationship.

In banking, financial product offerings typically provide solutions for various lifestyle needs. Whether it is an auto-loan, a mortgage or a deposit account, customers extract certain benefits that directly affect their lifestyles and serve a useful purpose. Therefore, when judging the quality of bank offerings, it is important to analyze the strength of tangible product benefits, and the quality of bank-customer interaction, loyalty programs and relationship-building techniques used by the bank.

OBSERVATIONS

Our findings in the Offering category reveal a varied level of performance between the countries in the study. The Czech Republic had the highest score with 3.85, while came Russia in last with just 3.39.

Figure 8: CEI 2010: OFFERING (CEE)



In our overall assessment, we used factors including product positioning as a solution to a client need; the offering's flexibility and uniqueness; a sales process focused on generating a relationship with the customer; the perceived value of the product's/service's benefit outweighing the cost for the customer; and easy-to–understand products with built-in convenience in terms of access, use, functionality and incentives.

CULTURE

QUICK OVERVIEW OF BEST PRACTICE

While all of the abovementioned customer experience categories are very important to a customer, they cannot bond together without a good culture. In fact, culture can have a deciding and detrimental effect on the overall customer experience.

The internal culture of the organization is comprised of the attitudes, experiences, beliefs and values that play a significant role in consolidating a bank's approach in the eyes of the customer. Customers often judge an organization by its employees.

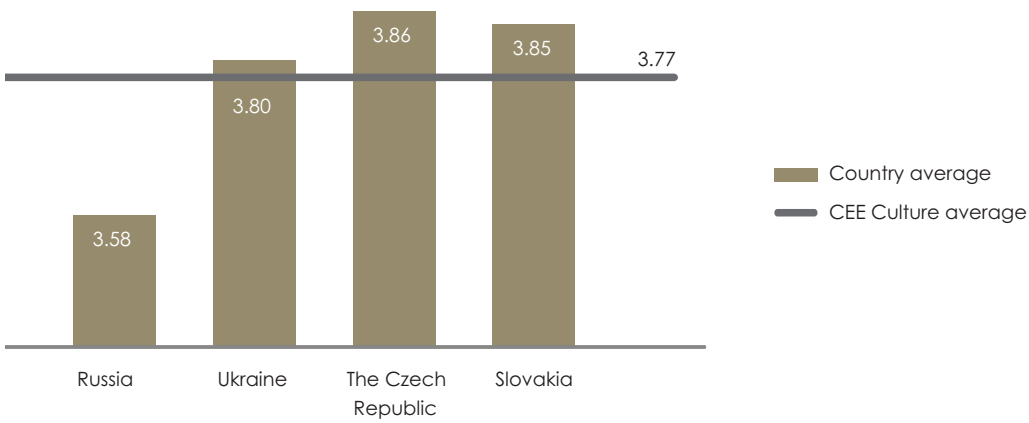
Customers want to feel important and be treated courteously and professionally. Whether a prospective customer or an existing one, individuals interpret a bank's culture as the single most important factor contributing to the quality of their relationship with the bank. Poor staff performance in terms of culture not only influences customer service, but also impacts customer loyalty, retention, sales and the bank's reputation.

Retail-oriented organizations around the world emphasize developing and maintaining a strong internal employee culture. Front-line staff in bank branches and call-centers has a unique responsibility in the overall organization as they interact directly with customers.

OBSERVATIONS

The banks' performance in the Culture category yielded an average score of 3.65. Once again, the Czech Republic took the lead, this time with a score of 3.86. Russia took the last place with 3.58.

Figure 9: CEI 2010: ENVIRONMENT (CEE)



Elements that were instrumental in this assessment included a genuine desire to assist customers; apparent customer service standards employed by the banks; proper presentation of the company image; a positive attitude toward customers; general helpfulness and adequate knowledge about various services; attention to customer needs; and efficient ways of handling customer requests.



APPENDIX 1: Approach to Conducting the Study

The CEI was created to measure the performance of retail financial institutions according to customer experience. Another purpose of the Index is to provide a new benchmark for retail banks.

Prior to conducting the study, consultants from PwC verified the methodology Senteo used to create the official survey scorecard.

A group of mystery shoppers, specially trained for this study by PwC, visited branches of the selected banks and behaved like ordinary customers. They conducted the survey using a list of 30 questions that guided the scoring process. Furthermore, we collected personal commentaries after each branch visit in order to gather additional insight and testimonials.

Final performance assessments were made after careful review and data analysis, ranking banks according to the cumulative scores from their respective branches.

Each bank branch was visited multiple times, by multiple individuals and at different times of day to ensure the consistency and accuracy of the results. Branches that scored significantly lower or higher than others were checked again. Likewise, banks whose total scores significantly differed from their performance last year (+/- 5 positions in the rankings) were double-checked.

Bank selection criteria:

The initial list of banks to be surveyed was made and prioritized based on the volume of retail deposits and loans as of June 1, 2010 (according to Central Bank data)[2]. The list of banks and branches included in the study was then further modified based on other criteria, such as:

- Significant retail focus (as only retail branches were visited in this study)
- Significant national retail presence (and a minimum of five branches in the capital city)
- The presence of both sales and operational functions in the branches

This year, the selection process yielded 41 banks in Russia, 31 in Ukraine, 10 in the Czech Republic and 8 in Slovakia.

Data analysis:

$$\text{Total Score} = \frac{\text{AVE (Brand + Communications + Environment + Offering + Culture)}}{5}$$

Individual country rankings were based on data analysis using the banks' cumulative performance scores.

In the case of Russia, the only country with historical CEI data, we conducted a comparative analysis in order to track various trends and changes.

[2] Source: The Central Bank of the Russian Federation, Form 101



APPENDIX 2: Score Charts & Rankings

This section of the report shows the performance rankings for each country that participated in the study.

Below is the order in which these results will be shown, along with a few relevant comments concerning each country.

1. Russia
2. Ukraine
3. The Czech Republic
4. Slovakia

Following the country-by-country results, the next section of Appendix 2 shows the results for each of the six performance categories for all of the study countries combined.

- Brand
- Communications
- Environment
- Offering
- Culture
- Sales effectiveness

For added benefit, we have included a number of personal commentaries from the mystery shoppers after their branch visits. These commentaries, both positive and negative, reflect their personal views and opinions and serve only to describe their experiences as potential bank customers.

RUSSIA

Given the data collected in Russia since 2007, we decided to dedicate more space in this section to Russia in order to reflect the year-on-year changes that have taken place over this period. In this year's study, we selected 41 banks in Russia, compared to 38 in 2009. One bank (Baltiyskiy Bank) was dropped from the list this year because it did not meet the study's criteria, and four new banks were added: SMP Bank, Transcapitalbank, Oriental Express Bank and Sovkombank.

In the years since 2007, some banks have been added or removed from the annual rankings due to mergers, acquisitions, disqualification or qualification. Therefore, the comparative rankings based on year-on-year performance indicators are only shown for those banks that have remained on the list for the last two consecutive years. In other words, we did not include banks that are new to the list in 2010 or banks that have dropped from the list in our comparative rankings.

Table 3: CEI in Russia (historical data)

	2007	2008	2009	2010
Brand	3.40	3.37	3.40	3.30
Communications	3.47	3.30	3.50	3.42
Environment	3.25	3.32	3.30	3.44
Offering	3.10	3.31	3.35	3.39
Culture	3.39	3.64	3.48	3.58
Average	**3.32**	**3.38**	**3.41**	**3.43**

Interestingly, from the historical data based on four years of CEI results measured in Russia, we can observe a slight, yet positive trend despite the pressures of the crisis. This is, certainly, an encouragement. However, we believe that had it not been for the crisis, this trend would have been much more positive.

Note: The performance rankings are based on the total cumulative score (total average score) from the sum of the scores in each element (Brand, Communications, Environment, Offering and Culture).

Figure 10: CEI in Russia (trend)

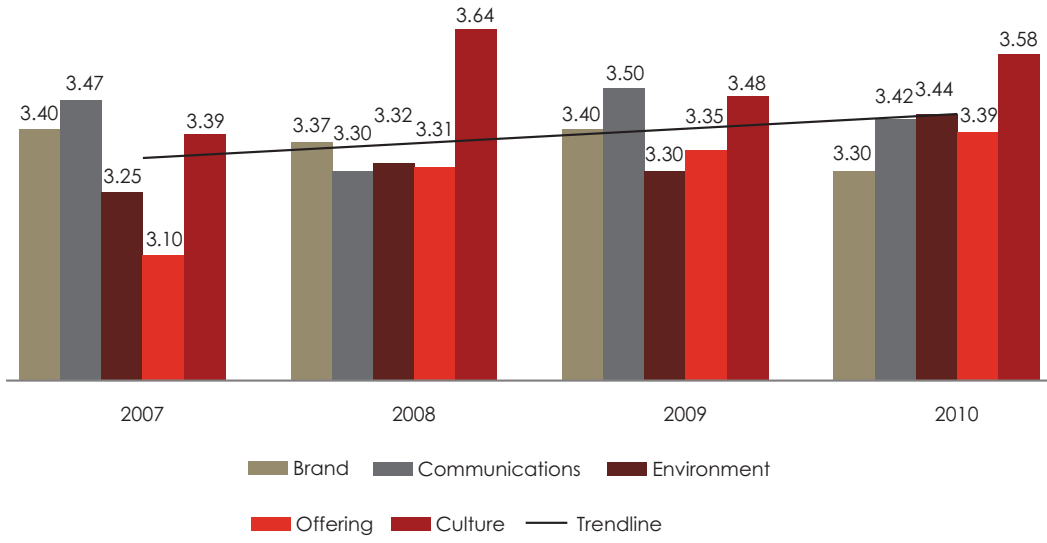


Table 4: CEI 2010 in Russia (overall results)

Rank	Bank name	Brand	Communications	Environment	Offering	Culture	Total
1	Alfa-Bank	4.30	4.42	4.23	4.45	4.42	4.36
2	Citibank	4.18	3.96	4.32	3.88	4.26	4.12
3	Absolut Bank	4.15	4.20	4.18	3.88	4.18	4.12
4	Raiffeisenbank	3.98	4.18	3.89	4.08	4.26	4.08
5	VTB24	4.00	4.02	4.05	3.97	4.20	4.05
6	Banca Intesa	3.40	3.88	4.18	4.08	4.48	4.00
7	MDM Bank	3.93	3.73	4.08	3.60	4.28	3.92
8	BSGV	3.80	3.84	3.86	3.92	4.00	3.88
9	CREDIT BANK OF MOSCOW	3.79	3.81	3.81	3.56	4.31	3.86
10	BANK URALSIB	3.61	3.84	3.57	4.09	4.04	3.83
11	Promsvyazbank	3.76	3.80	3.66	3.62	3.92	3.75
12	MBRD	3.58	3.88	3.90	3.40	3.95	3.74
13	UniCredit Bank	3.70	3.81	3.54	3.51	3.81	3.68
14	NOMOS-Bank	3.43	3.65	3.60	3.70	3.93	3.66
15	TRUST National Bank	3.43	3.58	3.63	3.60	3.78	3.60
16	Probusinessbank	3.30	3.08	3.83	3.58	4.13	3.58
17	B&N Bank	3.54	3.60	3.78	3.22	3.46	3.52
18	SMP Bank	3.37	3.47	3.62	3.53	3.47	3.49
19	Sberbank	3.71	3.52	3.10	3.52	3.57	3.48
Russia average		**3.30**	**3.42**	**3.44**	**3.39**	**3.58**	**3.43**
20	The Bank of Moscow	3.41	3.47	3.29	3.46	3.43	3.41
21	Russian Standard Bank	3.33	3.48	3.23	3.50	3.45	3.40
22	Home Credit Bank	3.33	3.33	3.48	3.20	3.28	3.32
23	OTP Bank	3.47	3.66	3.21	3.09	3.09	3,30
24	Bank Vozrozhdenie	3.00	3.43	3.63	3.13	3.18	3.27
25	Rosbank	2.91	3.15	3.05	3.66	3.49	3.25
26	Bank ZENIT	3.00	3.33	3.55	3.03	3.25	3.23
27	UNIASTRUM BANK	2.89	3.14	3.16	3.33	3.54	3.21
28	"Master-Bank" (JSB)	3.10	3.36	3.14	3.24	3.20	3.21
30	Bank Soyuz	3.10	3.35	3.23	3.05	3.25	3.20
29	Sobinbank	3.13	3.25	3.10	3.40	3.10	3.20
31	Bank Petrocommerce	3.18	2.95	3.03	3.18	3,33	3,13
32	TransCreditBank	3.05	3.00	3.03	3.30	3.08	3.09
33	GLOBEXBANK	3.02	3.14	3.42	2.66	3.10	3.07
34	Gazprombank	2.73	3.28	3.13	3.05	3.10	3.06
35	Russ-Bank	2.55	3.08	2.88	3.38	3.35	3.05
36	Credit Europe Bank	2.88	2.97	2.73	3.27	3.20	3.01
37	Moscow Industrial Bank	2,75	2,80	2,82	2.80	3.12	2.86
38	Orient Express Bank	2,25	2,58	3,08	2.73	3.60	2.85
39	GE Money Bank	2,75	2,58	2,83	2.73	2.65	2.71
40	Transcapitalbank	2,50	2,88	2,53	2.45	2.78	2.63
41	Sovcombank	2,10	1,98	2,58	2.35	2.85	2.37

In this year's top 10, there are equal numbers of Russian banks and banks with foreign capital. New to the Top 10 list is the CREDIT BANK OF MOSCOW (No. 9), while UniCredit Bank has fallen from that group into 13th place.

Table 5: Russia (CEI 2010 vs. CEI 2009 – by bank, change in position)

Rank	Bank name	CEI'10 rank	CEI'09 rank	Y-o-Y change
1	Alfa-Bank	1	1	-
2	Citibank	2	7	5
3	Absolut Bank	3	8	5
4	Raiffeisenbank	4	2	-2
5	VTB24	5	4	-1
6	Banca Intesa	6	9	3
7	MDM Bank	7	6	-1
8	BSGV	8	5	-3
9	CREDIT BANK OF MOSCOW	9	12	3
10	BANK URALSIB	10	10	-
11	Promsvyazbank	11	11	-
12	MBRD	12	19	7
13	UniCredit Bank	13	3	-10
14	NOMOS-BANK	14	33	19
15	National Bank TRUST	15	16	1
16	Probusinessbank	16	26	10
17	B&N BANK	17	13	-4
18	Sberbank	18	21	3
19	Bank of Moscow	19	22	3
20	Russian Standard	20	14	-6
21	Home Credit & Finance Bank	21	17	-4
22	OTP Bank	22	15	-7
23	Bank Vozrozhdenie	23	18	-5
24	ROSBANK	24	32	8
25	Bank ZENIT	25	36	11
26	UNIASTRUM BANK	26	27	1
27	Master-Bank	27	37	10
28	Sobinbank	28	20	-8
29	Bank "SOYUZ"	29	29	-
30	Petrocommerce	30	31	1
31	TransCreditBank	31	35	4
32	GLOBEX Bank	32	24	-8
33	Gazprombank	33	23	-10
34	Russ-Bank	34	30	-4
35	Credit Europe Bank	35	25	-10
36	Moscow Industrial Bank	36	34	-2
37	GE Money Bank	37	28	-9

Alfa-Bank has managed to maintain its overall lead in the rankings for a fourth straight year with an impressive show of consistency in customer experience.

A positive development seen in 2010 is the slight reduction in the performance gap between the best and worst five performers. While the gap dropped from 1.55 points in 2009 to 1.46 in 2010, it is still a sizeable difference. This

leads us to the same conclusion as in 2009, which is that the competitive differences between retail banks in Russia remain drastic in terms of customer experience, and there is much room for improvement.

It is also worth noting the movement among those at the bottom of the ranking. Five out of this year's six lowest scorers appeared at the bottom of the list due to a loss of position from 2009, while most of these spots' former occupants managed to edge upward in 2010 and are deserving of praise.

Table 6: CEI 2010 in Russia, Top 10 banks by Y-o-Y change in rank

Rank	Bank	CEI'10 rank	CEI'09 rank	Y-o-Y change
1	NOMOS-BANK	14	33	19
2	Bank ZENIT	25	36	11
3	Probusinessbank	16	26	10
4	"Master-Bank" (JSB)	27	37	10
5	ROSBANK	24	32	8
6	MBRD	12	19	7
7	Citibank	2	7	5
8	Absolut Bank	3	8	5
9	TransCreditBank	31	35	4
10	Banca Intesa	6	9	3

This year's most dynamic upward movements were recorded with respect to NOMOS-BANK, Bank ZENIT, Probusinessbank and "Master-Bank" (JSB). In the case of NOMOS-BANK and Probusinessbank, their improved performance has gained them spots in the "above average" range. Given this dramatic year-on-year difference, one might suspect that these banks have managed to implement some key quick-win improvements in their retail business over the last year. It would be interesting to see what happens in 2011 and whether this year's "most improved" performers will manage to stay where they are or even continue their positive development.

There is nothing strange about some banks having such notable shifts in the overall rankings. Customer experience is volatile and unstable by nature because it reflects the moods and impressions of regular bank customers. In our opinion, a more important thing to look for is consistency. Banks that truly take customer experience seriously and have designed proper internal controls should have fairly consistent positive results every year.

Unfortunately, the same logic applies to those that disregard customer experience. Their performance can be either inconsistent or consistently poor. In that case, one could argue that being "consistently poor" is the lesser of two evils because it lowers customer expectations to the extent that any small improvement is a nice surprise and creates momentum for rapid improvement. In the meantime, being inconsistent for a prolonged period of time may just make it seem that the bank is generally unstable and unreliable.

Banking customers tend to be quite sensitive to quality fluctuations, and nothing affects their temper more negatively than inconsistent treatment that always leaves them feeling disappointed. The drop from good to bad can be fast and frightening. It is therefore far better to vigorously maintain a consistently good customer experience rather than neglect it. After all, good customer experience invariably leads to increasingly loyal relationships, which can create a buffer against potential service errors or small mistakes. In other words, customers are usually more forgiving if a bank has maintained a good customer experience in the past.

In next year's CEI report for Russia, the fifth annual issue, we will include a list of the most consistent banks in terms of customer experience, which could potentially be viewed as a new benchmark for the industry as a whole.

Table 7: CEI 2010 in Ukraine (overall results)

Rank	Bank name	Brand	Communications	Environment	Offering	Culture	Total
1	VTB Bank	4.58	4.60	4.76	4.36	4.74	4.61
2	OTP Bank	4.42	4.50	4.56	4.22	4.56	4.45
3	VAB Bank	4.62	4.32	4.34	4.26	4.42	4.39
4	Erste Bank	4.32	4.36	4.48	4.04	4.62	4.36
5	Universal Bank	4.66	4.40	4.50	3.90	4.24	4.34
6	Raiffaisenbank Aval	4.40	4.36	4.28	3.94	4.42	4.28
7	Alfa Bank	4.48	4.40	4.44	3.96	4.12	4.28
8	Sberbank of Russia	4.60	4.38	4.58	3.64	4.14	4.27
9	PUMB	4.30	4.00	4.16	4.33	4.39	4.24
10	UkrSibbank	4.11	4.09	3.95	4.60	4.34	4.22
11	Piraeus Bank	4.28	4.08	4.22	4.02	4.28	4.18
12	Kreditprombank	3.74	3.84	3.82	4.06	3.86	3.86
13	Ukrsotsbank	3.62	3.92	3.96	3.66	4.06	3.84
14	Delta Bank	3.90	3.72	3.82	4.26	3.46	3.83
15	Bank FORUM	3.60	3.68	3.64	3.70	3.68	3.66
Ukraine average		**3.64**	**3.62**	**3.64**	**3.63**	**3.80**	**3.66**
16	Swedbank	3.46	3.44	3.72	3.52	4.14	3.66
17	INDEXBANK	3.52	3.50	3.64	3.54	3.86	3.61
18	The Credit Dnepr Bank	3.30	3.42	3.32	3.84	3.94	3.56
19	PrivatBank	3.59	3.66	3.18	3.84	3.24	3.50
20	Finance & Credit Bank	3.30	3.50	3.16	3.54	3.94	3.49
21	Ukreksimbank	3.52	3.06	3.68	3.54	3.64	3.49
22	Pivdennyi Bank	3.42	3.50	3.22	3.32	3.62	3.42
23	Dongorbank	3.50	3.12	3.32	3.30	3.67	3.38
24	UkrGasBank	3.22	3.38	3.26	3.36	3.36	3.32
25	KREDOBANK	3.40	3.46	3.40	3.00	3.14	3.28
26	Praveks-Bank	2.58	3.44	2.74	3.26	3.40	3.08
27	RODOVID BANK	3.22	2.94	3.14	2.90	2.94	3.03
28	Khreschatyk	2.60	2.74	2.78	3.04	3.34	2.90
29	BROKBUSINESSBANK	2.66	2.34	2.62	2.54	2.78	2.59
30	Prominvestbank	1.94	2.12	2.28	2.74	3.00	2.42
31	Oschadbank	1.86	1.93	1.85	2.23	2.35	2.04

The study covered 31 retail banks in Ukraine, the second largest number after Russia. The performance gap between the top and bottom 5 banks' average scores was the largest of all four countries at 1.84 points, revealing a rather large developmental gap in Ukraine.

The overall leader of the CEI in Ukraine is VTB Bank with a score of 4.61. VTB Bank also led in three of the five individual categories, specifically, Communications, Environment and Culture. UkrSibbank led in the Offering category (4.60) and took 10th place in the overall ranking. Fifth-ranked Universal Bank led the group in the Brand category with an enviable score of 4.66.

Table 8: CEI 2010 in the Czech Republic (overall results)

Rank	Bank name	Brand	Communications	Environment	Offering	Culture	Total
1	Raiffeisenbank	4.27	4.23	4.32	4.56	4.69	4.41
2	Ceska Sporitelna	4.09	4.17	4.07	4.06	3.88	4.06
3	UniCredit Bank	3.89	3.99	3.99	4.16	4.14	4.03
4	Komercni banka	3.96	3.95	3.92	3.95	4.18	3.99
5	CSOB	4.15	4.12	4.03	3.77	3.78	3,97
6	GE Money Bank	4.13	4.05	3.77	4.00	3.80	3.95
7	mBank	3.98	3.65	3.58	4.15	3.95	3.86
The Czech Republic average		**3.91**	**3.86**	**3.77**	**3.85**	**3.86**	**3.85**
8	Volksbank CZ	3.94	3.88	3.62	3.58	3.60	3.72
9	Citibank	3.50	3.23	3.53	3.13	3.57	3.39
10	Postovni sporitelna	3.16	3.34	2.92	3.10	3.06	3.12

The gap between the above and below average scores (total scores) in the Czech Republic is quite small, only 0.48 points, which speaks to the country's relatively stable performance. The Czech banks in the study enjoy a relatively good level of customer experience compared to those in the other countries, owing in part to the highest recorded average score (3.85).

Brand had the highest average score (3.91), followed by Communications and Culture, both at 3.86.

The obvious leader in customer experience all around is Raiffeisenbank, which took the top spot in all individual performance categories. The most impressive score for Raiffeisenbank was noted in Culture (4.69), setting it far apart from the competition in this country.

It is also worth mentioning Ceska Sporitelna, a leader among domestic banks, which took second place overall with a score of 4.06.

It will be interesting to observe the dynamics of this market in future studies, since the Czech Republic is considered to be among the best-developed Central and Eastern European banking markets in terms of customer-orientation and quality of service.

Table 9: CEI 2010 in Slovakia (overall results)

Rank	Bank name	Brand	Communications	Environment	Offering	Culture	Total
1	Tatra banka	4.06	3.93	3.84	3.81	4.36	4.00
2	VUB	3.86	3.89	3.91	3.83	4.33	3.96
3	UniCredit Bank	3.96	4.01	3.89	3.74	4.12	3.94
4	Slovenska sporitelna	3.70	3.84	3.68	3.60	3.97	3.76
Slovakia average		**3.64**	**3.80**	**3.70**	**3.53**	**3.85**	**3.70**
5	Dexia	3.57	3.80	3.93	3.47	3.63	3.68
6	OTP Banka	3.55	3.88	3.48	3.53	3.85	3.66
7	CSOB	3.52	3.78	3.44	3.14	3.00	3.38
8	Volksbank	2.88	3.28	3.46	3.14	3.50	3.25

Given Slovakia's size and lack of a highly diverse, competitive retail banking landscape, our study only covered eight banks that have a major market share compared to the rest.

The overall leader in the CEI rankings for Slovakia is Tatra banka as a part of the Raiffeisenbank Group (4.00 points overall), which also leads in the Brand and Culture categories. Second-ranked VUB (3.96) led in the Offering category, while third-ranked UniCredit Bank (3.94) led in Communications. Dexia (3.68 - fifth overall) took the lead in Environment.

The performance gap in Slovakia is very small, amounting to just 0.43 points. But given the fact that the scores are all close to the overall average, it is safe to say that the Slovakian banks in this year's survey have room to improve and develop.

The lowest average score was in the Offering category, which is not all too surprising given the similar situation in neighboring countries and Eastern Europe's slowly-recovering financial market. However, customers still have high expectations and are eager to enjoy access to more solution-style bank offerings. We are also aware that some players deliberately propose a more limited range of products than their competitors, preferring to focus on operational efficiency.

On a positive note, the Slovakian banks received the best results in Culture, providing a solid foundation for future development. Culture is undoubtedly the single toughest performance element, and it is usually a very good sign when averages in this category are high.

Table 10: Brand, CEI 2010, CEE

Russia			Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Alfa-Bank	4.30	Universal Bank	4.66
2	Citibank	4.18	VAB Bank	4.62
3	Absolut Bank	4.15	Sberbank of Russia	4.60
4	VTB24	4.00	VTB Bank	4.58
5	Raiffeisenbank	3.98	Alfa Bank	4.48
6	MDM Bank	3.93	OTP Bank	4.42
7	BSGV	3.80	Raiffaisenbank Aval	4.40
8	Credit Bank of Moscow	3.79	Erste Bank	4.32
9	Promsvyazbank	3.76	PUMB	4.30
10	Sberbank	3.71	Piraeus Bank	4.28
11	UniCredit Bank	3.70	UkrSibbank	4.11
12	BANK URALSIB	3.61	Delta Bank	3.90
13	MBRD	3.58	Kreditprombank	3.74
14	B&N Bank	3.54	Ukrsotsbank	3.62
15	OTP Bank	3.47	Bank FORUM	3.60
16	TRUST National Bank	3.43	PrivatBank	3.59
17	NOMOS-Bank	3.43	INDEXBANK	3.52
18	The Bank of Moscow	3.41	Ukreksimbank	3.52
19	Banca Intesa	3.40	Dongorbank	3.50
20	SMP Bank	3.37	Swedbank	3.46
21	Russian Standard Bank	3.33	Pivdennyi Bank	3.42
22	Home Credit Bank	3.33	KREDOBANK	3.40
23	Probusinessbank	3.30	The Credit Dnepr Bank	3.30
24	Bank Petrocommerce	3.18	Finance & Credit Bank	3.30
25	Sobinbank	3.13	UkrGasBank	3.22
26	Master-Bank	3.10	RODOVID BANK	3.22
27	Bank Soyuz	3.10	BROKBUSINESSBANK	2.66
28	TransCreditBank	3.05	Khreschatyk	2.60
29	GLOBEXBANK	3.02	Praveks-Bank	2.58
30	Bank ZENIT	3.00	Prominvestbank	1.94
31	Bank Vozrozhdenie	3.00	Oschadbank	1.86
32	Rosbank	2.91		
33	UNIASTRUM BANK	2.89		
34	Credit Europe Bank	2.88		
35	GE Money Bank	2.75		
36	Moscow Industrial Bank	2.75		
37	Gazprombank	2.73		
38	Russ-Bank	2.55		
39	Transcapitalbank	2.50		
40	Orient Express Bank	2.25		
41	Sovcombank	2.10		

The Czech Republic			Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.27	Tatrabanka	4.06
2	CSOB	4.15	UniCredit Bank	3.96
3	GE Money Bank	4.13	VUB	3.86
4	Ceska Sporitelna	4.09	Slovenska sporitelna	3.70
5	mBank	3.98	Dexia banka	3.57
6	Komercni banka	3.96	OTP Banka	3.55
7	Volksbank CZ	3.94	CSOB	3.52
8	UniCredit Bank	3.89	Volksbank	2.88
9	Citibank	3.50		
10	Postovni sporitelna	3.16		

MYSTERY SHOPPER COMMENTS:

"The branch's interior and exterior are fully consistent with the brand. The pictures and slogans are used to help position the brand. The staff even wears branded accessories and clothing."

"Huge office, expensive design, but lacking in personality. It looks like the reception area of a business center."

"The brand has a specific appearance for different customers."

"The brand demonstrates the relationship between the bank and the customer."

"The brand is clearly oriented toward individual customers. The main idea is that this is a bank that creates opportunities for customers to realize their dreams with low interest rates."

"I did not see the name of the brand anywhere except on the sign out front."

"The office is new and modern, and the interior matches the style and colors of the bank's brand."

Table 11: Communications, CEI 2010, CEE

Russia			Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Alfa-Bank	4.42	VTB Bank	4.60
2	Absolut Bank	4.20	OTP Bank	4.50
3	Raiffeisenbank	4.18	Universal Bank	4.40
4	VTB24	4.02	Alfa Bank	4.40
5	Citibank	3.96	Sberbank of Russia	4.38
6	Banca Intesa	3.88	Erste Bank	4.36
7	MBRD	3.88	Raiffaisenbank Aval	4.36
8	BANK URALSIB	3.84	VAB Bank	4.32
9	BSGV	3.84	UkrSibbank	4.09
10	CREDIT BANK OF MOSCOW	3.81	Piraeus Bank	4.08
11	UniCredit Bank	3.81	PUMB	4.00
12	Promsvyazbank	3.80	Ukrsotsbank	3.92
13	MDM Bank	3.73	Kreditprombank	3.84
14	OTP Bank	3.66	Delta Bank	3.72
15	NOMOS-BANK	3.65	Bank FORUM	3.68
16	B&N BANK	3.60	PrivatBank	3.66
17	National Bank TRUST	3.58	INDEXBANK	3.50
18	Sberbank	3.52	Pivdennyi Bank	3.50
19	Russian Standard Bank	3.48	Finance & Credit Bank	3.50
20	The Bank of Moscow	3.47	KREDOBANK	3.46
21	SMP Bank	3.47	Swedbank	3.44
22	Bank Vozrozhdenie	3.43	Praveks-Bank	3.44
23	Master-Bank	3.36	The Credit Dnepr Bank	3.42
24	Bank "SOYUZ"	3.35	UkrGasBank	3.38
25	Home Credit & Finance Bank	3.33	Dongorbank	3.12
26	Bank ZENIT	3.33	Ukreksimbank	3.06
27	Gazprombank	3.28	RODOVID BANK	2.94
28	Sobinbank	3.25	Khreschatyk	2.74
29	ROSBANK	3.15	BROKBUSINESSBANK	2.34
30	GLOBEX Bank	3.14	Prominvestbank	2.12
31	UNIASTRUM BANK	3.14	Oschadbank	1.93
32	Probusinessbank	3.08		
33	Russ-Bank	3.08		
34	TransCreditBank	3.00		
35	Credit Europe Bank	2.97		
36	Bank Petrocommerce	2.95		
37	Transcapitalbank	2.88		
38	Moscow Industrial Bank	2.80		
39	Orient Express Bank	2.58		
40	GE Money Bank	2.58		
41	Sovcombank	1.98		

The Czech Republic			Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.23	UniCredit Bank	4.01
2	Ceska Sporitelna	4.17	Tatrabanka	3.93
3	CSOB	4.12	VUB	3.89
4	GE Money Bank	4.05	OTP Banka	3.88
5	UniCredit Bank	3.99	Slovenska sporitelna	3.84
6	Komercni banka	3.95	Dexia banka	3.80
7	Volksbank CZ	3.88	CSOB	3.78
8	mBank	3.65	Volksbank	3.28
9	Postovni sporitelna	3.34		
10	Citibank	3.23		

MYSTERY SHOPPER COMMENTS:

"Not all materials are readily available for customers waiting in the branch. There are some behind the counter that you have to specifically ask for."

"There were no communications except for leaflets and some information about money transfer companies."

"The material had no images, no logo on the front and actually looked more like a calculator manual than anything else."

"Communication materials and promo posters have been put in the best possible spots around the branch, but you can't read them from a distance. There are too many different materials on each shelf, so it ends up looking kind of messy."

"The communications' formats are all different and the materials haven't been put in any kind of order."

"All of the materials were in one format, and it was obvious that all of them belonged to the same family."

"All they gave me was a list of fees printed out from the computer."

Table 12: Environment, CEI 2010, CEE

Russia			Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Citibank	4.32	VTB Bank	4.76
2	Alfa-Bank	4.23	Sberbank of Russia	4.58
3	Absolut Bank	4.18	OTP Bank	4.56
4	Banca Intesa	4.18	Universal Bank	4.50
5	MDM Bank	4.08	Erste Bank	4.48
6	VTB24	4.05	Alfa Bank	4.44
7	MBRD	3.90	VAB Bank	4.34
8	Raiffeisenbank	3.89	Raiffaisenbank Aval	4.28
9	BSGV	3.86	Piraeus Bank	4.22
10	Probusinessbank	3.83	PUMB	4.16
11	CREDIT BANK OF MOSCOW	3.81	Ukrsotsbank	3.96
12	B&N BANK	3.78	UkrSibbank	3.95
13	Promsvyazbank	3.66	Kreditprombank	3.82
14	National Bank TRUST	3.63	Delta Bank	3.82
15	Bank Vozrozhdenie	3.63	Swedbank	3.72
16	SMP Bank	3.62	Ukreksimbank	3.68
17	NOMOS-BANK	3.60	INDEXBANK	3.64
18	BANK URALSIB	3.57	Bank FORUM	3.64
19	Bank ZENIT	3.55	KREDOBANK	3.40
20	UniCredit Bank	3.54	The Credit Dnepr Bank	3.32
21	Home Credit & Finance Bank	3.48	Dongorbank	3.32
22	GLOBEX Bank	3.42	UkrGasBank	3.26
23	The Bank of Moscow	3.29	Pivdennyi Bank	3.22
24	Russian Standard Bank	3.23	PrivatBank	3.18
25	Bank “SOYUZ”	3.23	Finance & Credit Bank	3.16
26	OTP Bank	3.21	RODOVID BANK	3.14
27	UNIASTRUM BANK	3.16	Khreschatyk	2.78
28	Master-Bank	3.14	Praveks-Bank	2.74
29	Gazprombank	3.13	BROKBUSINESSBANK	2.62
30	Sobinbank	3.10	Prominvestbank	2.28
31	Sberbank	3.10	Oschadbank	1.85
32	Orient Express Bank	3.08		
33	ROSBANK	3.05		
34	TransCreditBank	3.03		
35	Bank Petrocommerce	3.03		
36	Russ-Bank	2.88		
37	GE Money Bank	2.83		
38	Moscow Industrial Bank	2.82		
39	Credit Europe Bank	2.73		
40	Sovcombank	2.58		
41	Transcapitalbank	2.53		

The Czech Republic			Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.32	Dexia banka	3.93
2	Ceska Sporitelna	4.07	VUB	3.91
3	CSOB	4.03	UniCredit Bank	3.89
4	UniCredit Bank	3.99	Tatrabanka	3.84
5	Komercni banka	3.92	Slovenska sporitelna	3.68
6	GE Money Bank	3.77	OTP Banka	3.48
7	Volksbank CZ	3.62	Volksbank	3.46
8	mBank	3.58	CSOB	3.44
9	Citibank	3.53		
10	Postovni sporitelna	2.92		

MYSTERY SHOPPER COMMENTS:

"There is an information desk in the middle of the hall. After you tell them what you need, you are personally taken to the appropriate place. What a perfect solution!"

"You don't wait too long, but you have to stand the whole time."

"When you come in from the street, you find yourself in the dirty entrance of a residential building. There's nothing to indicate that there's a bank there. I had to ask the guard."

"Everything inside is neat and clean, it's comfortable, and it gives a very good general impression. The manager talks to clients in a private area so the process takes as little time as possible."

"First you ask the security guard where to go and then follow his instructions, going through a long, narrow corridor to a room marked "For Individual Customers". Then you wait in line, ask your question and are sent back to the security guard to ask him where the "Debit/Credit Card Department" is. Then he tells you that you have to call them – you can't talk to them in person."

"The branch is very well designed; there are clear delineations between the zones, and each one is clearly marked. They have comfortable furniture, and refreshments like coffee and water are readily available. It was a very pleasant visit."

The branch is very well designed. There are clear delineations between the zones

Table 13: Offering, CEI 2010, CEE

Russia			Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Alfa-Bank	4.45	UkrSibbank	4.60
2	BANK URALSIB	4.09	VTB Bank	4.36
3	Raiffeisenbank	4.08	PUMB	4.33
4	Banca Intesa	4.08	VAB Bank	4.26
5	VTB24	3.97	Delta Bank	4.26
6	BSGV	3.92	OTP Bank	4.22
7	Citibank	3.88	Kreditprombank	4.06
8	Absolut Bank	3.88	Erste Bank	4.04
9	NOMOS-BANK	3.70	Piraeus Bank	4.02
10	ROSBANK	3.66	Alfa Bank	3.96
11	Promsvyazbank	3.62	Raiffaisenbank Aval	3.94
12	MDM Bank	3.60	Universal Bank	3.90
13	National Bank TRUST	3.60	The Credit Dnepr Bank	3.84
14	Probusinessbank	3.58	PrivatBank	3.84
15	CREDIT BANK OF MOSCOW	3.56	Bank FORUM	3.70
16	SMP Bank	3.53	Ukrsotsbank	3.66
17	Sberbank	3.52	Sberbank of Russia	3.64
18	UniCredit Bank	3.51	INDEXBANK	3.54
19	Russian Standard Bank	3.50	Finance & Credit Bank	3.54
20	The Bank of Moscow	3.46	Ukreksimbank	3.54
21	Sobinbank	3.40	Swedbank	3.52
22	MBRD	3.40	UkrGasBank	3.36
23	Russ-Bank	3.38	Pivdennyi Bank	3.32
24	UNIASTRUM BANK	3.33	Dongorbank	3.30
25	TransCreditBank	3.30	Praveks-Bank	3.26
26	Credit Europe Bank	3.27	Khreschatyk	3.04
27	Master-Bank	3.24	KREDOBANK	3.00
28	B&N BANK	3.22	RODOVID BANK	2.90
29	Home Credit & Finance Bank	3.20	Prominvestbank	2.74
30	Bank Petrocommerce	3.18	BROKBUSINESSBANK	2.54
31	Bank Vozrozhdenie	3.13	Oschadbank	2.23
32	OTP Bank	3.09		
33	Bank “SOYUZ”	3.05		
34	Gazprombank	3.05		
35	Bank ZENIT	3.03		
36	Moscow Industrial Bank	2.80		
37	Orient Express Bank	2.73		
38	GE Money Bank	2.73		
39	GLOBEX Bank	2.66		
40	Transcapitalbank	2.45		
41	Sovcombank	2.35		

The Czech Republic			Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.56	VUB	3.83
2	UniCredit Bank	4.16	Tatrabanka	3.81
3	mBank	4.15	UniCredit Bank	3.74
4	Ceska Sporitelna	4.06	Slovenska sporitelna	3.60
5	GE Money Bank	4.00	OTP Banka	3.53
6	Komercni banka	3.95	Dexia banka	3.47
7	CSOB	3.77	Volksbank	3.14
8	Volksbank CZ	3.58	CSOB	3.14
9	Citibank	3.13		
10	Postovni sporitelna	3.10		

MYSTERY SHOPPER COMMENTS:

"The consultant was trying to sell me on a credit card despite the fact that I had said many times that I didn't need one."

"The manager wasn't very interested in customers. She answered my questions, but didn't make any effort to find out about my needs."

"The bank is trying to build a long-term relationship with customers by offering additional products and services that provide a complete solution for their needs."

"The bank employee's advice was to consult another bank, and he didn't try to offer me solutions or bank products that were suitable to my needs."

"Bank employees only handle transactions. They don't offer clients any products and are not sales-oriented."

"It takes a very long time just to get a simple consultation."

Table 14: Culture, CEI 2010, CEE

	Russia		Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Banca Intesa	4.48	VTB Bank	4.74
2	Alfa-Bank	4.42	Erste Bank	4.62
3	Credit Bank of Moscow	4.31	OTP Bank	4.56
4	MDM Bank	4.28	VAB Bank	4.42
5	Raiffeisenbank	4.26	Raiffaisen Bank Aval	4.42
6	Citibank	4.26	PUMB	4.39
7	VTB24	4.20	Ukrsibbank	4.34
8	Absolut Bank	4.18	Piraeus Bank	4.28
9	Probusinessbank	4.13	Universal Bank	4.24
10	BANK URALSIB	4.04	Sberbank of Russia	4.14
11	BSGV	4.00	Swedbank	4.14
12	MBRD	3.95	Alfa Bank	4.12
13	NOMOS-Bank	3.93	Ukrsotsbank	4.06
14	Promsvyazbank	3.92	Finance&Credit Bank	3.94
15	UniCredit Bank	3.81	Kredit Dnipro Bank	3.94
16	TRUST National Bank	3.78	Kreditprombank	3.86
17	Orient Express Bank	3.60	Index Bank	3.86
18	Sberbank	3.57	Forum Bank	3.68
19	UNIASTRUM BANK	3.54	Dongorbank	3.67
20	Rosbank	3.49	Ukreksimbank	3.64
21	SMP Bank	3.47	Pivdennyi Bank	3.62
22	B&N Bank	3.46	Deltabank	3.46
23	Russian Standard Bank	3.45	Praveks Bank	3.40
24	The Bank of Moscow	3.43	Ukrgasbank	3.36
25	Russ-Bank	3.35	Khreschatyk	3.34
26	Bank Petrocommerce	3.33	Privatbank	3.24
27	Home Credit Bank	3.28	Kredobank	3.14
28	Bank ZENIT	3.25	Prominvestbank	3.00
29	Bank Soyuz	3.25	Rodovid Bank	2.94
30	Credit Europe Bank	3.20	BrokBusinessBank	2.78
31	Master-Bank	3.20	Oschadbank	2.35
32	Bank Vozrozhdenie	3.18		
33	Moscow Industrial Bank	3.12		
34	GLOBEXBANK	3.10		
35	Sobinbank	3.10		
36	Gazprombank	3.10		
37	OTP Bank	3.09		
38	TransCreditBank	3,08		
39	Sovcombank	2.85		
40	Transcapitalbank	2.78		
41	GE Money Bank	2.65		

The Czech Republic			Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.69	Tatrabanka	4.36
2	Komercni banka	4.18	VUB	4.33
3	UniCredit Bank	4.14	UniCredit Bank	4.12
4	mBank	3.95	Slovenska sporitelna	3.97
5	Ceska Sporitelna	3.88	OTP Banka	3.85
6	GE Money Bank	3.80	Dexia banka	3.63
7	CSOB	3.78	Volksbank	3.50
8	Volksbank CZ	3.60	CSOB	3.00
9	Citibank	3.57		
10	Postovni sporitelna	3.06		

MYSTERY SHOPPER COMMENTS:

"The whole interaction was so pleasant that I would definitely recommend this bank to friends."

"I was left waiting for 30 minutes while an employee made a personal phone call, and after she finished, she didn't even look at me."

"The bank is trying to position itself as a trusted advisor, but there is no enthusiasm in the way that the staff treats customers."

"The employees immediately direct their attention to an arriving customer."

"The staff has a very professional image and attitude, as well as a corporate dress code."

"It's clear that the bank has corporate standards for serving customers."

"The consultant gave me his card and said that I was welcome to call if I had any questions."

Table 15: Sales effectiveness, CEI 2010, CEE

Russia			Ukraine	
Rank	Bank name	Score	Bank name	Score
1	Banca Intesa	3.38	VTB Bank	3.80
2	Alfa-Bank	3.25	Piraeus Bank	3.60
3	VTB24	3.17	OTP Bank	3.50
4	Citibank	3.10	UkrSibbank	3.45
5	Credit Bank of Moscow	3.00	Erste Bank	3.20
6	TRUST National Bank	3.00	Sberbank of Russia	3.10
7	Promsvyazbank	2.90	Raiffaisenbank Aval	2.80
8	Absolut Bank	2.88	PUMB	2.75
9	Raiffeisenbank	2.88	VAB Bank	2.70
10	BANK URALSIB	2.86	Alfa Bank	2.60
11	MDM Bank	2.75	Kreditprombank	2.60
12	MBRD	2.75	The Credit Dnepr Bank	2.60
13	Probusinessbank	2.63	Universal Bank	2.50
14	BSGV	2.40	Ukrsotsbank	2.40
15	UniCredit Bank	2.38	INDEXBANK	2.40
16	NOMOS-Bank	2.00	Swedbank	2.30
17	The Bank of Moscow	2.00	Delta Bank	2.20
18	B&N Bank	1.90	Bank FORUM	2.00
19	UNIASTRUM BANK	1.88	Finance & Credit Bank	1.90
20	Sberbank	1.80	Ukreksimbank	1.90
21	Russian Standard Bank	1.75	Pivdennyi Bank	1.90
22	OTP Bank	1.71	UkrGasBank	1.90
23	GLOBEXBANK	1.70	KREDOBANK	1.70
24	SMP Bank	1.67	Praveks-Bank	1.70
25	Home Credit Bank	1.63	RODOVID BANK	1.70
26	Bank ZENIT	1.63	Khreschatyk	1.50
27	Sobinbank	1.63	Dongorbank	1.40
28	Moscow Industrial Bank	1.58	PrivatBank	1.23
29	Bank Vozrozhdenie	1.50	BROKBUSINESSBANK	1.20
30	Bank Soyuz	1.50	Prominvestbank	0.80
31	TransCreditBank	1.50	Oschadbank	0.27
32	Rosbank	1.44		
33	Gazprombank	1.38		
34	Orient Express Bank	1.38		
35	Russ-Bank	1.25		
36	Master-Bank	1.13		
37	Credit Europe Bank	1.08		
38	Bank Petrocommerce	1.00		
39	Transcapitalbank	1.00		
40	Sovcombank	0.88		
41	GE Money Bank	0.63		

	The Czech Republic		Slovakia	
Rank	Bank name	Score	Bank name	Score
1	Raiffeisenbank	4.06	Tatrabanka	2.69
2	Komercni banka	3.42	VUB	2.44
3	GE Money Bank	3.33	UniCredit Bank	2.28
4	Ceska Sporitelna	3.21	Slovenska sporitelna	2.00
5	UniCredit Bank	2.79	OTP Banka	2.00
6	CSOB	2.60	Dexia banka	1.83
7	mBank	2.25	CSOB	1.50
8	Volksbank CZ	2.00	Volksbank	1.50
9	Citibank	2.00		
10	Postovni sporitelna	1.25		

MYSTERY SHOPPER COMMENTS:

"The staff treated me like a valuable customer and they were all very flexible. They understood my needs and offered me their best solution, as well as additional services."

"The sales manager didn't know the products very well. He had to consult the bank's website for answers."

"The sales consultant asked about how I would be using the card and offered a great solution for frequent travel to Europe. Very good sales and service."

"The employee was polite and nice, but he didn't try to sell me the loan I was interested in. He even recommended that I consult another bank."

"The bank representative wasn't interested in giving me a consultation. She told me it wasn't her job, and didn't bother telling me whose it was. I wanted to ask about a specific product, but no one wanted to talk to me."

"I received professional advice when choosing a solution that fit my needs, as well as other services for added convenience. I'll be recommending this bank to my friends."

ABOUT US: PwC

PwC firms provide industry-focused assurance, tax and advisory services to enhance value for their clients. More than 161,000 people in 154 countries in firms across the PwC network share their thinking, experience and solutions to develop fresh perspectives and practical advice. See www.pwc.com for more information.

"PwC" is the brand under which member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide services. Together, these firms form the PwC network. Each firm in the network is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way.

Russia
Geoffrey Nicholson
Financial Services Advisory Partner
geoffrey.nicholson@ru.pwc.com

Sergei Kostrikov
Financial Services Advisory Partner
sergei.kostrikov@ru.pwc.com

Ukraine
Vladimir Demushkin
Assurance Partner
vladimir.demushkin@ua.pwc.com

The Czech Republic
Chris Barrett
CEE Financial Services Advisory Leader
c.barrett@cz.pwc.com

Slovakia
Juraj Tucny
Financial Services Partner
juraj.tucny@sk.pwc.com

ABOUT US: SENTEO INC.

Senteo is a multinational consultancy with offices in Switzerland, Spain, United States, United Kingdom, and Russia. Senteo has helped clients in over 30 countries to design, implement, measure, and manage customer experience businesses. Working with banks, retailers, restaurants, professional services firms, telecommunications operators, shopping centers, and more, Senteo has achieved results in sales, profitability, customer loyalty, and employee delight that were previously thought to be unachievable. Senteo's client list includes such global names as Nike, Citibank, BNP Paribas, Renault, Marks & Spencer, Wembley Stadium, Vodafone, ING, Deutsche Bank, CB Richard Ellis, and others.

For more information on Senteo and our methodology, please visit our website at: www.senteo.net.

Michael Ruckman
Founder and President
michael.ruckman@senteo.net

Tom Mouhsian
Managing Director
(Study & Report Coordinator)
tom.mouhsian@senteo.net

www.pwc.com
www.senteo.net

© 2011 PwC and Senteo Inc. All rights reserved. Not for further distribution without the permission of PwC. "PwC" refers to the network of member firms of PricewaterhouseCoopers International Limited (PwCIL), or, as the context requires, individual member firms of the PwC network. Each member firm is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the execise of their professional judgment or bind them in any way. No member firm is responsible or liable for the acts or omissions of any other member firm nor can it control the exercise of another member firm's professional judgment or bind another member firm or PwCIL in any way.