

**Canadian Retail Banks Drive Increased Customer Satisfaction by Offering Financial Advice, According to J.D. Power Study**RBC Royal Bank Ranks Highest in Customer Satisfaction with Retail Banking Advice

**TORONTO: 24 June 2021** — Canadian retail banks are finding a successful formula for customer satisfaction in delivering financial advice at a time when many of their customers could really benefit from it. According to the J.D. Power 2021 Canada Retail Banking Advice Satisfaction Study,<sup>SM</sup> released today, 74% of customers who receive advice from their banks act on it, which is notably important because just 39% of Canadian retail bank customers are financially healthy and only 42% pass a basic financial literacy test.

The study, now in its fourth year, measures retail banking customer satisfaction with the advice and guidance provided by national and regional banks in Canada. This year, the study was redesigned to also include a series of measures related to personal financial health and literacy.

“Delivering targeted, personalized financial advice is a win-win for retail banks and their customers because it increases utilization of services and improves customer satisfaction along the way,” said **Paul McAdam, senior director of banking intelligence at J.D. Power**. “There is a huge opportunity for retail banks to forge closer relationships by helping customers with things like advice on investment and retirement planning, as well as providing quick tips and information to help them improve their financial situation or stick to a budget.”

Following are key findings of the 2021 study:

- **Targeted, personalized financial advice drives gains in customer satisfaction:** Overall customer satisfaction increases 235 points (on a 1,000-point scale) when customers are offered advice/guidance that completely meets their needs. Banks manage to achieve this 51% of the time, and 74% of customers who receive advice from their banks act on it.
- **The perk no one asked for:** Despite the significant customer satisfaction gains associated with financial advice/guidance, just 19% of retail bank customers say they are “very interested” in receiving it and 26% say they are “not at all interested” in receiving advice or guidance from their bank. Bank customers are more likely to receive financial advice/guidance from family members or Internet searches than they are from their primary bank.
- **Many customers need advice:** Only 39% of retail bank customers are classified as financially healthy, while 12% fall into the overextended category. Another 13% are stressed and 36% are vulnerable. Just 42% of retail bank customers in Canada pass a basic financial literacy test, which is four percentage points higher than among retail bank customers in the United States.
- **Face-to-face still matters:** Customers’ needs are met more often when advice is received from a licensed rep (69%), a branch rep (63%) or a loan or mortgage specialist (59%).

**Study Ranking**

**RBC Royal Bank** ranks highest in customer satisfaction with retail banking advice with a score of 603. **BMO Bank of Montreal** (583) ranks second. The industry average is 572.

The 2021 Canada Retail Banking Advice Satisfaction Study includes responses of 2,154 retail bank customers in Canada who received any advice/guidance from their primary bank regarding relevant products and services or other financial needs in the past 12 months. The study was fielded in March 2021.

For more information about the Canada Retail Banking Advice Satisfaction Study, visit <https://www.jdpower.com/business/financial-services/jd-power-financial-health-and-advice>.

To view the online press release, please visit <http://www.jdpower.com/pr-id/2021069>.

#### **About J.D. Power**

**J.D. Power** is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 50 years. The world's leading businesses across major industries rely on J.D. Power to guide their customer-facing strategies.

J.D. Power is headquartered in Troy, Mich., and has offices in North America, Europe and Asia Pacific. To learn more about the company's business offerings, visit [JDPower.com/business](http://JDPower.com/business).

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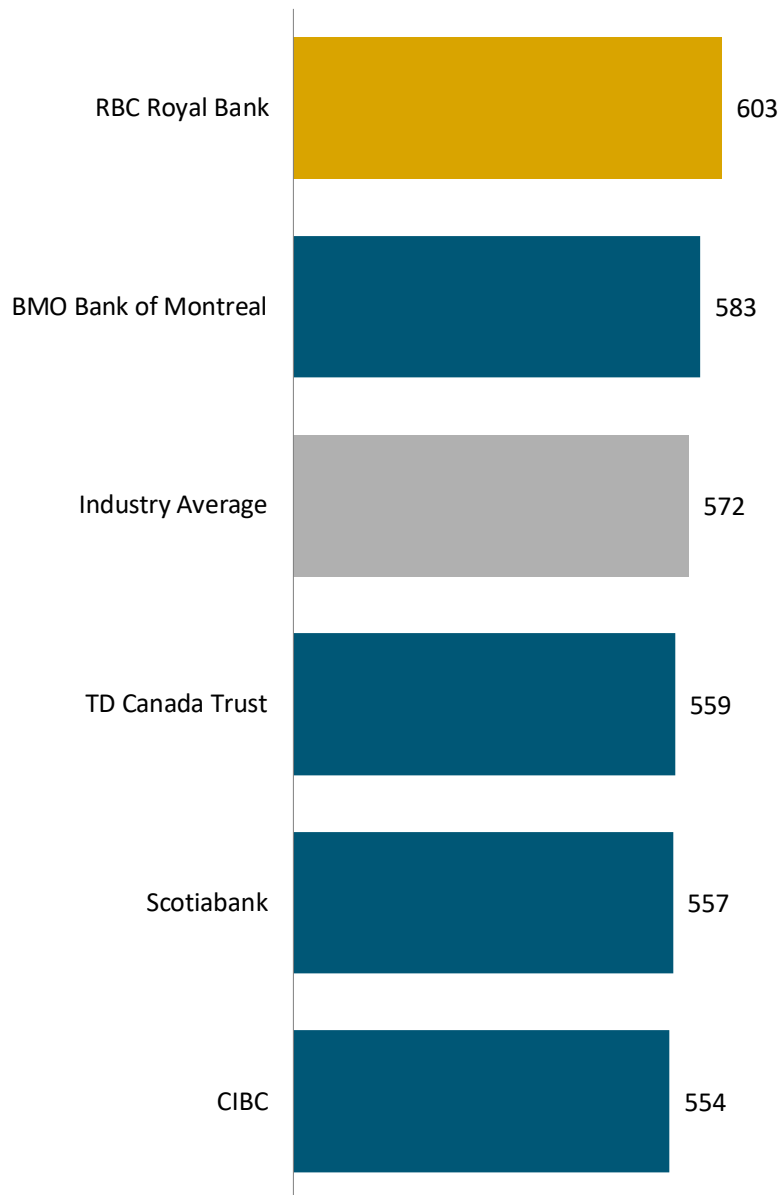
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NOTE: One chart follows.

# J.D. Power 2021 Canada Retail Banking Advice Satisfaction Study<sup>SM</sup>

## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2021 Canada Retail Banking Advice Satisfaction Study<sup>SM</sup>

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