

Who's winning online in African banking?

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Banking is something we all rely on, but when faced with the thought of having to deal with your bank, your emotions tend to go to a negative place. Commonly perceived as a time-consuming and unnecessarily stressful part of adulting; interacting with banks has been taken online and onto social media. Interestingly enough though, sentiment is not as bad as you may think.



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According to the recent [report](#) by WhySatisfy and Brandwatch, it was found that one bank in each country analysed (Kenya, Nigeria and South Africa) dominated online and social media conversations.

Competition in this space is fierce though and thus the major players can change at any time. Getting the lion's share of voice can be achieved relatively simply, for example: by running an effective social media marketing campaign (e.g. Standard Bank's #WhatsYourNext campaign). The audience for this industry is very active on Twitter and this platform has become one of the easiest ways for customers to interact with a bank.

Millennials are mobile

In order to not get left behind, banks need to be innovative and agile in listening. Understanding and engaging with the needs of today's customers. Millennials are the future of the commercial banking industry. Its success will be based on the banks' ability to get their internet banking and mobile banking customer experiences right.

The experience of 'visiting your branch' needs to be completely digital, from beginning to end. If the user has to go offline for a single step, they'll be lost. An example of a bank that is winning at this is Capital One in the USA. They recognised where the future success of their bank lies and therefore only target millennials. When studying this target market, they found that the top two places millennials like to hangout are: coffee shops and yoga studios. [Capital One Cafes](#) were born..."We believe that banking should fit your life, not the other way around."

The report also notes that the majority of conversations on social in this industry were around mobile and internet banking which is not surprising as this is a very mobile savvy user base. Mobile banking is where future success lies. In the past quarter, this topic of discussion online and on social media was growing at an accelerating rate.

On the web, 37% of all conversations were around mobile banking which was reflected on Facebook and Twitter, with 29% and 42% respectively. This data shows just how active commercial banking customers are on social media in Kenya, Nigeria and South Africa.

Changing perceptions

In Africa, mobile connectivity is growing exponentially, with 90% penetration of the continent's 1.2bn population, 57% of which are smartphones. Being able to access a full range of banking services for your mobile device is centred around convenience. Customers want to be able to access and transact with their money at any time but most importantly, in a secure way. Succeeding with social customer service mid-June until now has also seen a sharp increase in online and social discussions about service - another high priority area for customers.

Adding value

Banks need to show potential customers they are able to add value and are willing to help with any problems quickly and efficiently.

The customer needs to be made to feel at ease with the service they are receiving and that their bank is looking after their hard-earned money. Effective social customer care has developed into a leading driver of success. All it takes is a single action or key element to completely change how the bank is perceived by a customer. It is good to see that all banks analysed were active daily on social media; interacting with their customers.

Almost 80% of these social discussions were neutral, while only 12% were negative and 8% were positive. On the web 28% of conversations were around service, which was mirrored by the conversations on Facebook and Twitter. Almost a quarter of all conversations were service related as well, being 26% and 24% respectively.

This audience is very open to this channel of communication. They are quick to complain about poor service which can be unnerving for some larger institutions. However, they are also very vocal about publicly acknowledging a great customer interaction. It is all about *how* you manage these interactions that will lead to success or failure; reinforcing the necessity for brands to have clear social media policies, customer care guidelines and visible Ts & Cs.

The South African banks that received the biggest share of positive conversations on social media, in the past quarter, were Capitec and Standard Bank. This was aligned with also having students as the largest percentage of their audiences as they are part of the most active demographic on social media.

This is by far their preferred method of interaction with a brand and will only increase as the adoption of mobile banking saturates this customer base. That is not to say that other interest groups should be ignored – financial wellbeing is a core necessity for both business and families as well.

Innovate to survive

Future banking services still need to cater for all professional types, including all interest groups (e.g. business, sports, family and parenting).

Sponsorship of sporting events, teams and equipment continues to be a key way banks can align themselves with these customer interests. One thing is clear...banks need to innovate to survive!

The data is clearly outlining the way forward for this industry. The growing interest in and around mobile banking should be ringing those alarm bells for banks to optimise their mobile banking apps, to ensure that the banking services for customers are completely digital and secure. Prioritising and organising social customer care will ensure that they are always at least part of, if not leading, the online and social media conversations. The effective management of these areas will put them ahead of the competition and ensure that they keep winning online and on social media.

ABOUT ROMY HONEYSETT

Honey Social is a Social Media Marketing Consultancy for Small Businesses, based in Cape Town. It provides freelance services to various clients. Honey Social provides tiered packages to clients to handle their Social Media Marketing (and other integrated marketing activities) where they can choose the package suited to their budget and marketing goals.
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