

Banking Customers' Social Media Expectations

Social media platforms are quickly becoming an integral component of everyday life. People stay connected with family and friends. They share personal experiences and professional triumphs. They shop for everything from shoes to major appliances using online apps. More and more customers are now also expecting their banks to provide information and services online, specifically on social media platforms.

It is a little more difficult for banks to provide and sell services and products online than a retail store as there are compliance, regulatory, and privacy issues that must be addressed. Some banks, like GT Bank, embraced the use of social media platforms in providing customer service and even allows customers to open accounts via Facebook. This could be why GT Bank is the most “liked” bank in Africa and Nigeria’s most “liked” brands overall on Facebook.

What do banking customers expect their banks to deliver on social media?



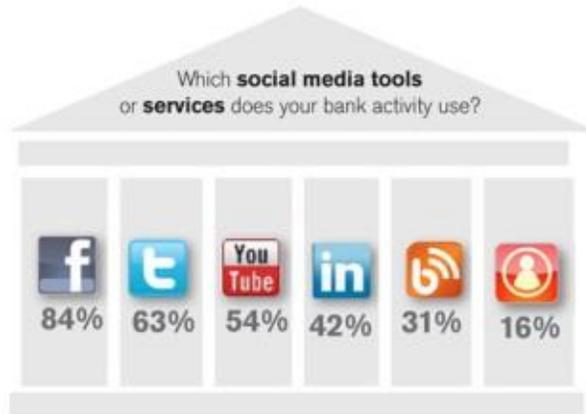
Source: Finextra

As illustrated above, customers expect a lot from their banks. They want to feel safe and secure while having access to 24/7 support and a local presence. As online banking has proven to be a secure method of banking, more banking customers will utilize the services provided by their banks. As evidenced below, a majority of banks are active on Facebook and Twitter in relation to customer service. Less than half provide advisory services and transactional capability.

Social Media Activity

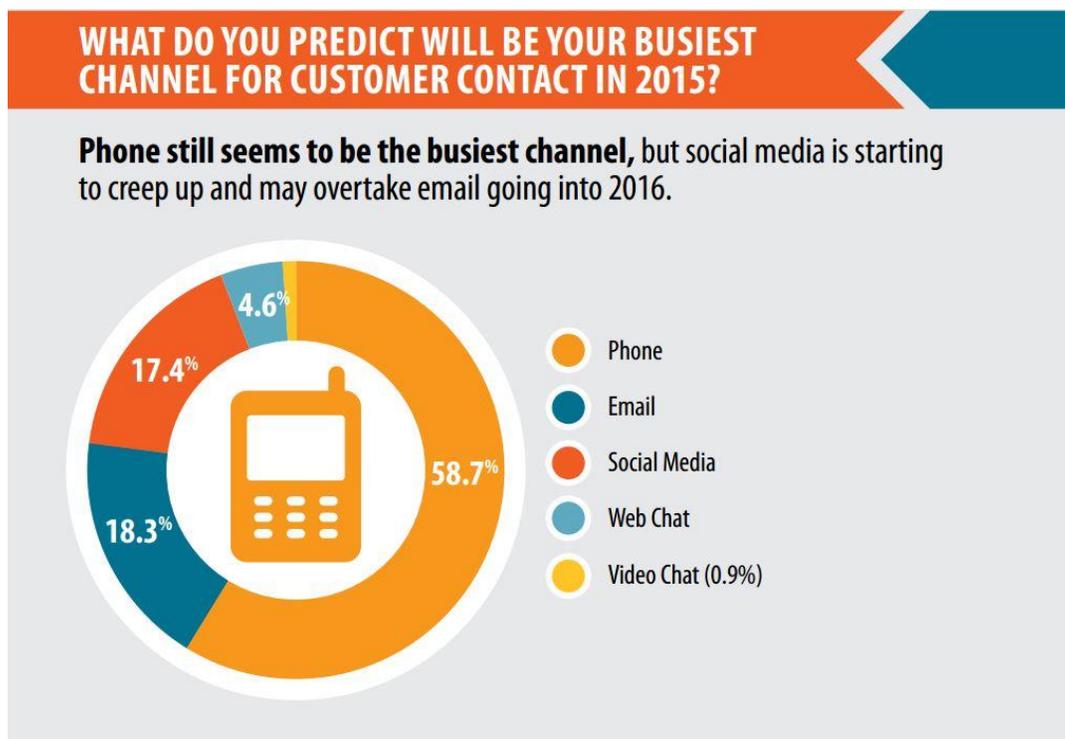
Banks are active on Twitter and Facebook, but miss out on productive two-way dialog.

What service functionality do you provide?	f	t
Monitor comments and complaints	75%	58%
Respond to comments and complaints	75%	56%
Provide advisory services	43%	31%
Customer community	36%	17%
Transactional capability	4%	1%



Source: Teletech

According to Business2Community, social media is now the third busiest channel for customer contact and was expected to overtake email in 2016. This is a major trend that just cannot be ignored.

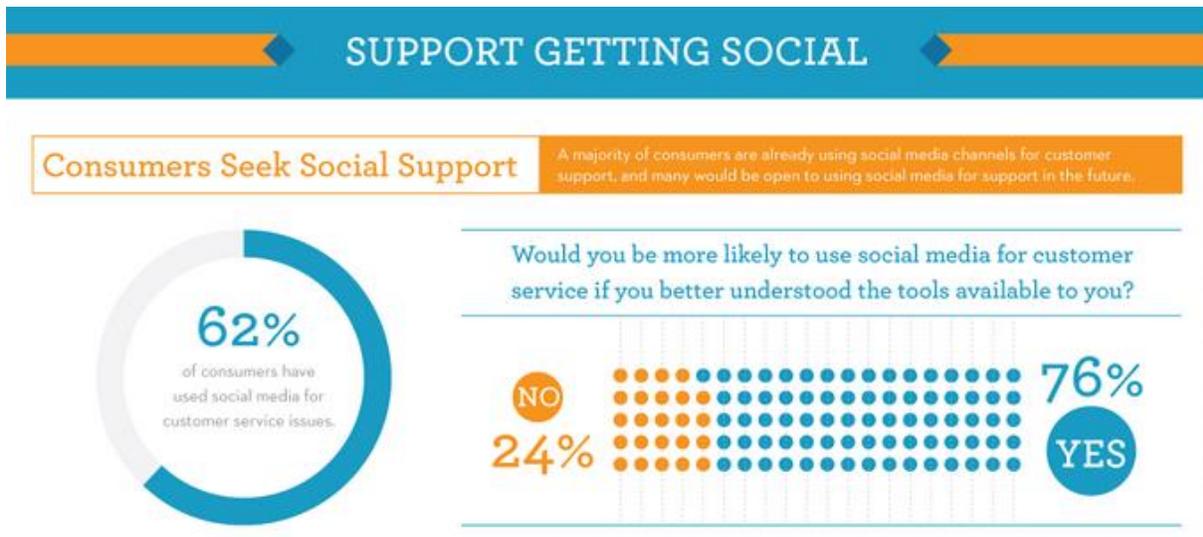


Source: Business2Community

Business2Community's article, "[10 Social Media Marketing Stats Guaranteed to Surprise You](#)," does have some surprising statistics:

- Of the 2.3 billion active social media users globally, 1.97 billion are active mobile users.
- Users spend 109 minutes per day, or approximately seven percent, on social media.
- 1 in 5 minutes, or 20 percent, of time spent online is on social media.

Clearly, social media is here to stay and is a dominant force with which to reckon.



Source: Fonolo

While 62 percent of consumers have used social media for customer service issues, 76 percent would be even more likely to use social media if they better understood the tools available to them. This demonstrates that companies are not fully exploiting their social media availability and resources.

Customer Experience Insight reports that even though business want to use customer service as a competitive advantage, only 37 percent have a dedicated customer service improvement initiative. Customers have a number of specific expectations for the companies with which they do business.

- 1) More personalization. Even in a digital world, customers want a personal experience, both online and offline. They want to find the products and services they need where they expect them to be.
- 2) More options. In addition to telephone customer service, which is still the preferred choice for customer service, customers use other channels as follows:
 - a) Web self-service: 18%

- b) Online communities: 39%
- c) Chat: 43%
- 3) Constant contact. Customers want to hear what they want to hear from you, when they want to hear it, using the channel they prefer. They expect follow-up contact after an interaction to complete the customer service experience.
- 4) Listen closely, respond quickly. Customer surveys are appreciated, as long as the customer sees that their time and opinions were considered in any changes implemented due to a survey. You need to respond to customer feedback, act on the feedback, and inform customers what has been done to address their feedback.
- 5) Give front liners more control. Customers don't want to have their issues escalated to a supervisor. Grant customer service representatives enough responsibility and knowledge to handle common customer service complaints.

[“How Social Media is Shaping Financial Services”](#) reports that there are five key areas where social media is changing banking globally:

- 1) Customer service: Customers expect real time responses to customer service inquiries. This can be accomplished using Facebook and Twitter.
- 2) Marketing: Financial services companies must integrate their digital advertising plan with offline and print advertising.
- 3) New product/service development: Turkey's DenizBank offers banking services such as accessing their bank account to initiate wire transfers and monitor their credit cards through Facebook.
- 4) Reducing costs and improving efficiencies: Banks are now using Facebook to reduce costs of customer service, as an online banking alternative, and as an efficient way to process applications for new accounts.
- 5) New business models: Chinese social media platforms are at the forefront of utilizing social media to satisfy their customers' expectations. Customers can pay their rent using Alipay from Alibaba, conduct banking transactions using WeChat's WeBank, and purchase mutual funds from Baidu.

The past decade has demonstrated that social media is here to stay. It is also becoming a dominant platform for banking customers to use for research and to decide which financial organization best suits their needs. Banks need to be prepared and must have a clear, broad strategy for customer engagement on social media to ensure success.