

Absa comes out tops in overall customer satisfaction metric

Absa is ranked in top spot in the latest BrandsEye's South African Banking Sentiment Index with the greatest improvement in overall public net sentiment, both operationally and reputationally.



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However, the biggest improvement in terms of size was Discovery Bank's operational improvement of 23.9%, moving it from eighth last year to sixth this year.

In third place overall, TymeBank, in terms of reputational sentiment, scored the most positively by a large margin. The digital bank leveraged social media influencers as brand ambassadors to drive positive content, boosting reputational sentiment by 3.8% and securing third place overall in the 2021 Index rankings.

Public Net Sentiment is the overall customer satisfaction metric, calculated by subtracting all negative sentiment from positive sentiment.

Operational conversation refers specifically to feedback about the customers' experience of business operations, whereas reputational conversation includes online press coverage, owned and earned PR and marketing efforts, and publicity generated by social responsibility efforts.

In its sixth year of producing the Index, BrandsEye collected over 2.7 million consumer social media posts about South African banks from 1 September 2020 to 31 August 2021.

BrandsEye's proprietary Crowd of human verifiers analysed some 500,000 of these posts for sentiment and conversation themes, including the Treating Customers Fairly (TCF) outcomes prescribed by the Financial Sector Conduct Authority (FSCA).

Negative but heading in the right direction

Overall, the banking industry still experienced more negative conversation on social media than positive - resulting in an industry net sentiment of -7.5% - but it seems to be headed in the right direction, having improved in net sentiment for a second consecutive year.

The Index reveals that local banks that failed to up the ante over the past year were surpassed by more innovative competitors.

"Advancing in the Index ranks proved more difficult than declining this year," comments BrandsEye business development director, Lyndsey Duff. "Absa, Nedbank, and Discovery Bank all surpassed Standard Bank, despite the latter only declining by 1.8% points in public net sentiment."

Reputational risk

Banking customers posted an estimated 188 649 priority Twitter posts over the last year. This represents 28% growth in service conversations - 38% when including risk mentions - and speaks to an increasing demand for social media customer service across the industry.

However, considering that many of these mentions (57%) went unanswered, South African banks still have a way to go in meeting the growing social media service demands of customers, says Duff.

"Banks have yet to effectively handle the growing volume of service requests on social media. Service-related conversation first spiked in 2020 as a result of Covid-19 but has continued to increase throughout 2021."

In addition to opening banks up to unnecessary reputational risk, failure to swiftly identify and respond to service requests online also poses major regulatory risk, explains Duff.

"When mapping the social media conversation according to the six TCF outcomes prescribed by the FSCA, we discovered that 50.1% of sentiment-bearing conversation contained a conduct theme.

"With the conduct standard for banks having come into full effect from July of this year, South African banks are required to enforce the TCF principles across multiple areas of market conduct, or risk facing hefty fines," Duff concludes.

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