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AN ANALYSIS OF THE IMPACT OF SOCIAL MEDIA IN THE FINANCIAL SERVICES SECTOR IN ZIMBABWE: A CUSTOMER PERSPECTIVE

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Abstract

The study was conducted to ascertain the extent to which social media is being used by financial service customers and the extent to which customers are interacting with financial institutions on social media. The study was in the form of a quantitative survey which used self-administered questionnaires with 153 respondents. The findings of the study were that virtually all customers of financial institutions now use one or more forms of social media, and a significant proportion of these actually interact with their financial institution on social media, including accessing products and services on social media. Customers who used social media mostly enjoyed the convenience of accessing products and services on social media and readily available information provided by their financial institution, however, overall they were non-committal on the benefits received. Lack of awareness of social media activities by their financial institution was the major reason why most customers did not interact with their banks on social media and those who interacted were more concerned with privacy and security. Customers would like financial institutions to have more products and services on social media, as well as have their security and privacy concerns addressed. Further studies are recommended to validate the findings across the entire population of Zimbabwean financial institutions' customers. In addition, research is also recommended on the detailed nature, architecture and security and privacy mechanism around social media services perhaps from a financial institution's perspective.

Keywords: Benefits, concerns, improvements, social media, customer satisfaction

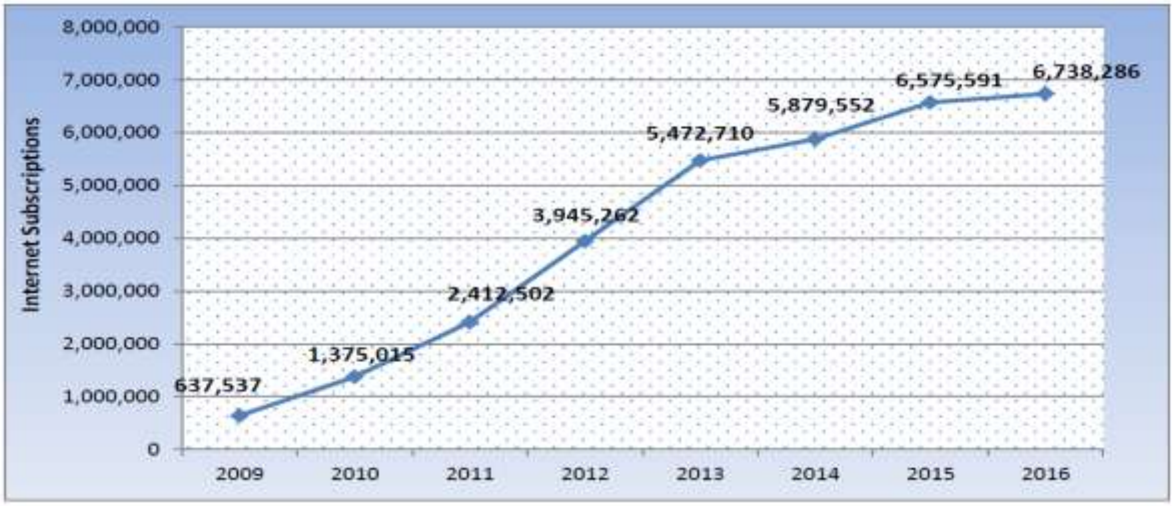
INTRODUCTION

Technology has changed many aspects of human civilisation. Hansen, Shneiderman and Smith (2010) suggest the unprecedented development and use of technologies that support social interaction has been one of the major wonders of our time, social mediating technologies have provoked radical new ways of working, playing and creating meaning, leaving a permanent mark on nearly every domain available. Internet connectivity and end user devices such as mobile phones that allow ordinary individuals to participate are now more affordable and readily accessible. Social media has allowed users to interact and communicate with each other in a convenient way underpinned by information and communication technology. It has been particularly appealing to the younger generation who are tech savvy but is open to and used by all age groups for different purposes which include connecting with old friends, sharing messages and photos. The term social media has in the past years been used to describe types of world wide web (WWW) applications, such as blogs, microblogs like twitter, social networking sites or video/image/file sharing platforms (Fuchs, 2017). Social Media is top of the agenda for many business executives as they try to identify ways in which firms can make profitable use of various social media applications (Kaplan and Haenlein, 2010). The massive usage of social media applications enables more and more consumers to experience their customer value in social media (Jiao, Gao and Yang, 2015).

Social media is now a fully global phenomenon which has had a tremendous impact on lives of a significant number of the global population. It has transformed societies, and has created a new social paradigm. However, what started off as a tool for social revolution has now been rapidly adopted by companies worldwide as a (business) tool to achieve business objectives. Undoubtedly, social media represents a cost effective and a readily available way to reach a large number of people in a very short period of time. Zimbabwe has not been left behind in the social media craze, and the rapidly growing mobile data/internet penetration rates have spurred adoption of social media in everyday lives of ordinary citizens. Figure 1 shows the growth in Zimbabwean internet subscriptions for the period 2009 to 2016.

Companies in Zimbabwe have sought to exploit the opportunities presented by high internet penetration rates and heavy usage of social media and among the sectors that have embraced social media in the financial services sector. The financial services sector in Zimbabwe in the post dollarization era is one of the few sectors that have remained steadfast in the current turbulent economic environment; most players have remained profitable on an annual basis unlike in other sectors of the economy (Reserve Bank of Zimbabwe, 2017).

Figure **Error! No text of specified style in document.**: Growth in Internet subscriptions in Zimbabwe



Source: Zimbabwe Telecoms Report Portraz, June 2016

It is undeniable that the age of social media has arrived and will stay with us for a long time to come. Although a number of financial sector players are now using social media within their businesses, the impact of social media from a Zimbabwean customer perspective has not been fully appreciated. Financial sector players have their own motivations for using social media, although creating greater customer value may be among them, some may not be to the direct benefit of the customer, for example, lowering of operational costs. Customers may, therefore, not receive the expected value from financial players' involvement in social media and may have their own perceptions of the financial player's presence on social media. Zimbabwe's unique socio economic situation entails that global studies done in the area though useful in many aspects, may not be swallowed whole without considering the local dynamics. Most financial sector players seeking to embark on the social media journey in Zimbabwe have had to take a plunge into it, and hope for the best. This study sought to evaluate the impact of social media on the financial services from a customer's perspective. The main objective of this study was to assist players in the financial services sector in adopting or enhancing social media usage through understanding customer perceptions on current social media usage in financial services. Other specific objectives were to: determine the extent of usage of social media by financial services customers; determine extent of customer interactions with financial service players on social media; examine the customer benefits realised from the use of social media by financial service players; determine customer concerns when using social media in financial services; and determine areas where improvements can be made in financial sector players usage of social media.

LITERATURE REVIEW

Social media is a type of online media that expedites conversation as opposed to traditional media, which delivers content but does not allow readers/viewers/listeners to participate in the creation or development of content (Hensel and Deis, 2010). Social media allows companies to connect with consumers worldwide. Companies today cannot afford to ignore the effects of social media. By use of social media, consumers serve as advertising vehicles for companies, positively and negatively impacting companies' reputation through social media actions such as "likes" and "tweets" (Cadet, 2016).

Trottier and Fuchs (2014) sought to define social media by first looking at what sociality means, and whether various platforms are available to meet this criteria. Trottier and Fuchs (2014) identify dimensions of sociality for consideration as, cognition, communication, and cooperation (three Cs) and argue that a social theory approach for clarifying the notion of social media can be advanced by identifying the three social information processes that constitute three forms of sociality identified above. Safko (2010) attempts to define social media by breaking it into the constituent words "social" and "media", social referring to the inherent human instinct which requires connection with other humans, and media referring to the means (media) through which that connection is made. Divya and Regi (2014) define social media as the use of web-based and mobile technologies to turn communication into an interactive discussion or dialogue. Dewing (2012) refers to social media as a broad range of internet based and mobile services that allow users to participate in online exchanges, contribute user created content, or join online communities which include the following blogs, wikis, social networking sites, status or micro blogging sites and media sharing sites. The different categories may, however, overlap. Dewing (2012) identified and explained key attributes of social media as: persistence which means the information on the media remains there for a long time; replicability, the information can be copied and shared easily; searchability, information can be easily searched; accessibility, the information can be easily accessed by anyone from anywhere where there is internet connectivity.

Statistics by Brandwatch (2015) on social media usage highlight the massive global adoption and reach of social media. For context, as of July 2015, total worldwide population was 7.3 billion. The internet had 3.17 billion users. There were 2.3 billion active social media users, wherein 91% of global retail brands used two or more social media channels. Internet users had an average of 5.54 social media accounts. Social media users rose by 176 million in the last year. One million new active mobile social users were added every day, that is, 12 each second. Facebook Messenger and WhatsApp handled 60 billion messages a day. The most popular social networking sites include Facebook, LinkedIn, Twitter, WhatsApp, Instagram and many others. Facebook is considered as the most prominent and popular website (Cadet, 2016). Facebook was founded in 2004, and now has over 1 billion users worldwide (Facebook, 2016). When compared to other social networking sites, Facebook is a leading social networking site with services which include messaging (Mucan and Özeltürkay, 2014). Facebook has evolved from a social network to a social service that encompasses range of new emerging features (Kent and Leaver, 2014). Facebook has become one of the leading social media networks used by organizations all over the world (Cadet, 2016). One of the key features on Facebook is the ability for companies and organisations to create their own pages, enabling individuals to publicly "like" an organisation or brand. This allows creators of such pages to use the feature to keep individuals informed about their latest developments, but it also creates an online space for the individuals to give their feedback. It is now common for companies and media organisations to use Facebook pages to interact with their customers and audiences (Kent and Leaver, 2014). High traffic and wider reach has led many companies to turn to Facebook as an advertising medium (Cadet, 2016).

Theoretical Framework

Social Network theory

Social media is strongly linked to the Social Network Theory. Priestley (2009) defines the Social Network Theory as a theory that explains how groups or individuals will interact based on nodes and linkages in a network. Dwivedi, Lal, Williams, Schneberger and Wade (2009) explain a social network as consisting of nodes and ties. Nodes being actors, these actors can be individuals, organisations or groups. Ties represent the relationships between the actors. The performance and actions of actors are facilitated or hindered by the ties in which the actors are embedded in. Katz, Lazer, Arrow, and Contractor (2004) classify different types of ties which include communication ties (actors talking and sharing information or advice), formal ties (in a formal structure such as boss subordinate relationship), affective ties (affection or disaffection for each other), material or work flow ties (based on flow of resources), proximity ties (closeness to one another) and cognitive ties. Actors in a network will typically share more than one type of tie.

Connectivism theory

The theory of Connectivism is a theory of learning in the digital age that was developed by George Siemens and Stephen Downes. Duke, Harper and Johnston (2013) argue that the

Connectivism theory denounces boundaries of behaviorism, cognitivism, and constructivism. Further, Duke *et al*. (2013) characterise Connectivism as a mirror image of our society which is rapidly changing. Society is now more complex and socially connected. Society is more global, and facilitated by growing advancements in information technology. It is the orchestration of an intricate disarray of ideas which are networked to build specific information sets. The individual will not have control in this; rather it is a collaboration of existing ideas as seen from a current reality. Connectivism provides a model of learning that acknowledges the shifts in society where learning is no longer an individualistic and internal activity. The way people work and function is changed when new tools are used (Siemens, 2012). Connectivism view is that understanding and cognition are spread across networks of people and technology, and learning being the process of connecting, growing, and navigating those networks (Siemens and Tittenberger, 2009). Siemens (2005) notes that Connectivism has implications in all aspects of life apart from learning; this includes management and leadership, media, news and information.

Usage of social Media

Studies by the Broadcasting Board of Governors (2012), on usage of the internet and various platforms supporting social media in Zimbabwe based on 1,512 face-to-face interviews with adults aged 15 and older living in Zimbabwe and covering a population of 6,776,000 noted that as at 2012, approximately one in four users accessed the Internet (25.6%), accessed Facebook or other social media (24.3%) or listened to the radio (24.1%) on their phones. Internet usage has gone up considerably since the study was conducted hence the numbers of users expected to be using social media currently is higher. According to Stangroom (2016) social media adoption by Zimbabwean banks has been lagging behind those in the region although there has been a significant improvement in the period 2015-2016. Zimbabwe social media usage (Twitter, Facebook, and LinkedIn) in banks grew 128% in 4 months from October 2015 to February 2016 as shown in Table 1 below.

Table 1: Facebook, Twitter and LinkedIn Usage by Banks in SADC countries

Facebook, Twitter and LinkedIN

	Oct-15	Feb-16	New contacts	%
Zimbabwe	21,848	49,744	27,896	128
Mozambique	123,249	139,043	15,794	13
Botswana	24,061	33,202	9,141	38
Zambia	153,410	157,014	3,604	2
Malawi	13,276	14,678	1,402	11
	335,844	**393,681**	**57,837**	**17**

Source: Big Claw Management Consultants

Table 1 shows the growth of Facebook use by banks in Zimbabwe as compared to other regional countries.

Table 2: Facebook use by banks in SADC countries

	Oct-15	Feb-16	New contacts	%
Zimbabwe	14,365	40,773	26,408	184
Mozambique	121,649	137,216	15,567	13
Botswana	14,926	21,754	6,828	46
Zambia	150,196	153,375	3,179	2
Malawi	10,613	11,790	1,177	11
	311,749	**364,908**	**53,159**	**17**

Source: Big Claw Management Consultants

LinkedIn usage by Banks had a steady growth of 19% for Zimbabwe over 4 months as compared to a regional average of 13% as per Table 3 below.

Table 3: LinkedIn use by banks in SADC countries

	Oct-15	Feb-16	Chng.	%
Zimbabwe	3,288	3,916	628	19
Botswana	5,418	5,974	556	10
Zambia	2,603	2,921	318	12
Mozambique	1,600	1,827	227	14
Malawi	2,541	2,750	209	8
	15,450	**17,388**	**1,938**	**13**

Source: Big Claw Management Consultants

Twitter growth in the Zimbabwean banking sector was 21% as compared to a regional average of 32% as per Table 4 below.

Table 4: Twitter use by banks in SADC countries

	Oct-15	Feb-16	Chng.	%
Botswana	3,717	5,474	1,757	47
Zimbabwe	4,195	5,055	860	21
Zambia	611	718	107	18
Malawi	122	138	16	13
	8,645	**11,385**	**2,740**	**32**

Source: Big Claw Management Consultants

While overall social media usage by banks in Zimbabwe was still low at the time, the trend suggested that there was growth in promotion and use of social media by banks, and more could be anticipated in the future. Njeri (2013) did a study on the impact of social media on the financial performance of banks in Kenya. The study found that commercial banks in Kenya had embraced social media interaction, and Facebook was the dominant platform with the highest number of users and the most commonly used for interaction between banks and customers. Primary research carried out by KPMG (2012) in India on Social media usage in financial services noted that over 60% of those in age groups of 35 and above did not relate with their financial institutions on social media as compared to the age groups below 35 which had high interactions with their banks on social media with below 12% indicating they did not relate to their financial institution on social media. This seemed consistent with the notion that social media is predominantly used by the younger age groups (below 35).

Bonson and Flores (2011) carried out a study on the extent to which global financial institutions were using social media initiatives to transform the way in which they perform their corporate disclosure. They noted in their findings that social media were not fully available in the corporate field although a substantial influence had been identified. The implications from their study were that there was a lack of clear strategy for effective corporate dialogue. The Banking Industry and regulator who were under the spotlight following the global financial crisis could take greater advantage of social media to increase the level of transparency. This study was conducted at a global level, Zimbabwe has had its own financial crisis though different to global financial crisis, the effect has been a drop in level of customer confidence in financial services sector, and there is a general increase in focus and regulation on the sector (Reserve Bank of Zimbabwe, 2015). The study assessed if social media has been adopted as a key tool to deal with similar challenges and has helped promote customer confidence. Bonson and Flores (2011) noted from their study that corporate visibility in social media remained a topic for further study, at a global level, and indeed this study is one such response to this call in the Zimbabwean context for the banking sector.

Mitic and Kapoulas (2012) did a qualitative case study on the role of social media on bank marketing. Their study sought to understand why some banks in the South Eastern European region were resisting the social media trend, and how social media was related to their relationship management approach and strategies. Their findings were that the primary reason for banks for refraining from social media use included low customer demand for such form of interaction and poor alignment with current relationship management strategies. They noted that social media were however, not discarded for the future, but they were at the time deemed more appropriate for smaller or younger banks seeking innovative ways to capture market share. The study sought to find out the customer demand for social media interaction in the local market, there has been continued rapid growth in social media use by customers over the years since their study, which may have also prompted a change in customer expectations. Bhanot (2014) studied the impact of social media on how Indian companies were adapting their marketing strategies to incorporate social media through interviewing social media experts of 25 companies. The major findings from the study were that the majority of companies (68%) used social media for promoting their products/services with most of them using a combination of traditional and social media. 80% companies said that customers like to be approached through social media. 84% companies said that they are able to reach more customers by using social media. Bhanot (2014) noted that customers experienced mainly 3 types of problems in the use of social media by companies, these were unclear messages, chaos and online image not matching with the brand image. Increase in brand awareness and enhancing the brand image got the highest average rating among the additional benefits obtained by using social media. Poor feedback affecting sales was the major problem posed by use of social media.

Benefits of Social Media to Customers

Social media has been identified to have many benefits to the financial services sector and businesses in general. Benefits cited by most businesses include brand awareness and publicity, an increase in physical customer traffic, a rise in new business partners, rise in search engine rankings and generating leads (Kotler and Armstrong, 2012). Kotler and Armstrong noted that social media facilitates customer service functions like answering questions, tracking orders as well as handling customer complaints. Njeri (2013) noted that social media offered a platform for marketing and sales of products, development of new product brands, access to real-time customer feedback to enhance banks' understanding of the needs of their customers. An increase in customer acquisition was noted over a defined period, and this led to growth in the loan portfolio over the period and a consequent increase in revenue. It is clear that significant social media benefits for most business are linked to how they deal with customers.

Concerns with Social Media usage

Although there are benefits to use of social media, there are also risks that come with use of social media. Punjabi (2014) identified through a systematic literature review (SLR) the key issues with social media. Privacy issues were identified as problems for both individuals and organizations. These included distrust of social media, identity theft and misuse, disclosure of personal/company information, issues related to teenagers and adolescents such as cyberbullying, too much sexting, depression, sharing too much information, posting false information about themselves or others, transparency, parenting concerns. Apart from family and individual privacy, there are some technical issues with social media platforms which were avoided gradually as social media platforms started growing. For example, policies of social media for both individuals and businesses, level of privacy, its authentication and authorization, marketing and promotion policies, data transmission architecture, data encrypting and decryption, legal framework for privacy protection and unauthorized access (Punjabi, 2014). Punjabi's study did not interface directly with the concerned parties who use social media as his study was based on systematic literature review; however his study provides useful findings from a variety of research done previously.

Locally, there is very limited research on social media in general. Ngonidzashe (2013) studied challenges and perceptions towards use of social media in higher education in Zimbabwe from a learners' perspective. The study sought to establish the social media challenges faced by higher education students in Zimbabwe. The major findings from the study were that major challenges with regards to use of social networking sites were that of security and promotion of unproductive behaviour. The study also concluded that learners in Zimbabwe hold a favourable perception towards use of social networking sites in higher education even though they raised security and privacy concerns. The study represents one of the limited local studies on social media issues among any part of the Zimbabwean populace. It is however, limited to students and related to usage in learning. It is relevant though, as most tertiary students also form part of financial services customers, and given the inherent sensitivities of financial services it was expected the concerns highlighted by the study were similar if not magnified for financial services related use of social media. Social media is finding use beyond just "social" activities in Zimbabwe, however, as alluded to earlier financial services and banking are still considered a sensitive area and it remained unclear how comfortable customers were in interacting with their bank on social media against their fears and challenges.

RESEARCH METHODOLOGY

A descriptive survey was ideal for the research into social media among financial services customers through gathering information about customers in relation to their use of social media in the financial services space, which was done through selecting a sample from the entire population of financial service customers. The study was conducted in Harare where there is a high concentration of financial service providers. The study was confined to social media usage in the financial services sector. The target population were customers of financial sector players regulated by the RBZ, specifically, customers of banks and building societies. In 2016, the sector was composed of 14 operating commercial banks, including POSB, four building societies, four deposit taking microfinance and 164 credit only microfinance institutions (Reserve Bank of Zimbabwe, 2016c). This study focused on customers for commercial banks and building societies only. However, the size of the population could not be established, consequently, Snoran Sampling Method was employed as a very useful method to get a random sample from an unknown population (Premarathne, 2015). Smith (2013) outlines the formula for calculating the sample size as follows:

Sample Size = (Z-Score) ^{2} ** StdDev*(1-StdDev) / (margin of error)* ^{2}

Based on guidance from Smith, we selected a confidence level of 90% (Z-score of 1,645), Standard Deviation of 0.5 and adjusted margin of error to +/-0.67 and the sample size was calculated to be 150. Convenience sampling was used to reach the required number of respondents (Etikan, Musa and Alkassim, 2016). Primary data was collected using self-administered questionnaires which were distributed to the respondents while they queued for money from banks. This helped in achieving a higher response rate and faster turn-around time. For this study face and content validity of the research instruments was performed. The questionnaire was shared with five colleagues knowledgeable in the areas of social media and banking that went through the research instrument and provided feedback on whether the instrument measured what it was intended to measure, these were also part of a pilot study. The reliability test was performed using the Cronbach's Alpha method. The Cronbach's alpha is used to assess the internal consistency of the instrument (Hall, 2008b). This test was conducted to ensure that the questionnaire could be depended upon to secure consistent results upon repeated application in future research studies and the results are as shown in Table 5.

Table 5: Cronbach Alpha reliability test

Cronbach's Alpha	N of Items
.885	36

The Cronbach Alpha value for the research instrument as per Table 5 was found to be 0.885 which is above 0.7 and therefore, the data set is reliable.

A total of 200 questionnaires were distributed to target respondents with a response rate of 76.5% (153 responses). This was a good response rate as it was above the minimum 60% proposed by Uijtdehaage and Artino (2017). The respondents were spread across 11 different financial institutions. The IBM SPSS Statistics (SPSS) tool was used for quantitative, descriptive analysis as this was inexpensive and easy to do (Walliman, 2011). Descriptive statistics were used to analyse demographic data, for example, frequency counts and percentage whereas relationships between variables was analysed using Pearson's correlation and cross tabulation analysis. Strict ethical considerations as proposed by Ritchie, Lewis, Nicholls and Ormston (2013); Bryman and Bell (2011) guided this study.

FINDINGS AND DISCUSSION

In this study, 200 questionnaires were administered and 153 (76.5%) were successfully completed and submitted for analysis to the researcher. Fifty-four percent of respondents were aged between 16 to 34 years and 46% were aged between 35 and 60 years of which 55% were males and 45% were females. The respondents were predominantly employed with 81% formally employed, 10% unemployed and 8% self-employed. Regarding income levels, 51% earned $500 dollars and below, 24% earned between $501 and $1000, 20% earned $1001-$2000 dollars while 5% earned above 2000 dollars.

The distribution of respondents per financial institution was as follows: 24% of respondents were from CABS, 16% were from NMB, 12% were from Steward, 12% were from Barclays, 8% were from Ecobank and the rest were from other banks like FBC, NBS, CBZ and Agribank. There was generally fair representation from each bank which gives credence and generilisability of findings.

Table 6: Social Media usage

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	*Yes*	153	100.0	100.0	100.0

Table 6 shows that all respondents used social media. However, with respect to the media which attracts users the most, analysis showed that 72% of the respondents are attracted by WhatsApp the most, 16% by Facebook, 5% Twitter, 3% LinkedIn and 5% did not specify. While 92% of the respondents use social media daily, 5% weekly and 3% did so in an adhoc manner. Up to 53% spend between 1 to 3 hours, 20% spend between 4 to 5 hours, 16% spend less than 1 hour and 11% spend more than 5 hours. Table 7 provides analysis of the reasons behind attraction to social media by respondents.

Table 7: Attraction on social media

	N	Minimum	Maximum	Mean	Std. Deviation
Looks and layout	153	0	1	.16	.371
Business network	153	0	1	.49	.502
Jobs	153	0	1	.16	.365
Friends	153	0	1	.43	.497

Table 7...

Blogging	153	0	1	.05	.210
Security	153	0	1	.05	.210
Games	153	0	0	.00	.000
User friendly	153	0	1	.29	.454
Communities	153	0	1	.07	.259
Chatting	153	0	1	.65	.479
Shopping	153	0	1	.12	.331
Other	153	0	1	.05	.210
Valid N (list-wise)	153				

Note- Yes=1 No=0

Table 7 shows the highest mean response recorded on chatting (0.65) as the reason behind the attraction, 0,49 was recorded on business networking, 0.43 on friends, 0.29 was recorded on being user friendly, 0.16 on jobs and the least was recorded on games (0.00). Furthermore, 53% of the respondents did not interact with their financial institutions on social media while 47% did.

Table 8: Reasons for non-interaction with financial institution on social media

	N	Minimum	Maximum	Mean	Std. Deviation
Unaware of financial institution social media activities	78	1	4	2.31	.761
Privacy /Security concerns with social media	78	1	4	2.87	.972
Believe Feedback on Social Media will not be taken seriously	78	1	4	2.63	.824
Services and products needed were not available on social media	78	1	5	2.73	1.147
No value derived from my financial institution use of social media	78	2	5	3.40	.762
Valid N (list-wise)	78				

Table 8 provides an analysis of the reasons for not interacting with the financial institution's social media as per the customer's perspective. Using a Likert Scale from 1 = Strongly Agree to 5 = Strongly Disagree, the mean response for all the reasons that might cause people not to interact with their financial institution on social media ranges from 2.0 to 3.27. Customers did not interact with their financial institutions on social media as they were not aware of what their financial institution was doing on social media. They believed to a lesser extent that their feedback on social media would not be taken seriously by financial institutions and services they needed from financial institutions on social media were not available. Privacy or security on social media was not an issue and no value could be derived from their financial institution's use of social media. Of those who interacted with their financial institutions, 33% accessed actual products and services on social media, 26.4% do so through reading and reviewing announcements, new products and services from their financial institutions “read”, and 26.4% interact by providing feedback on customer service and 13% through suggesting new products and services or assist with development of new products and services.

Figure 2: Frequency of interaction with financial institution on social media

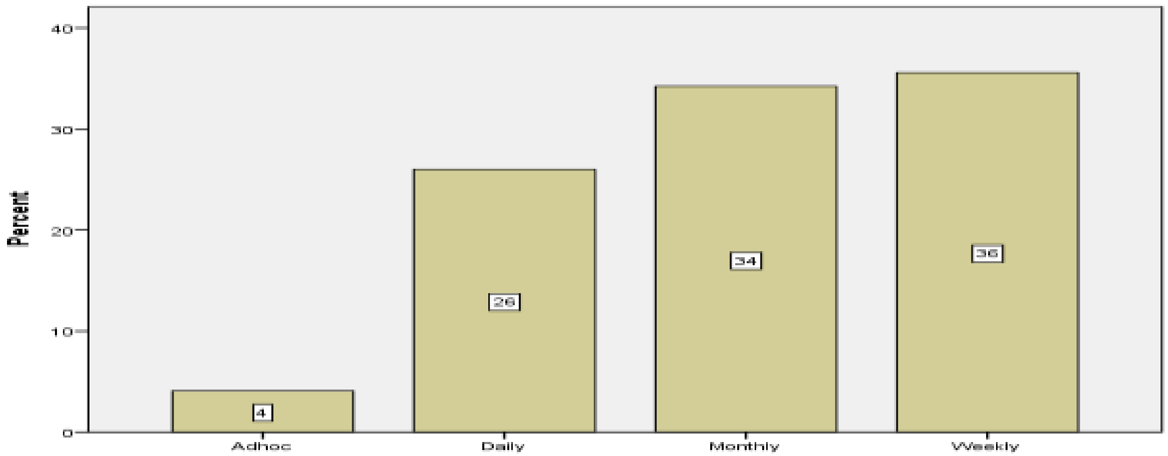


Figure 2 provides an analysis of the frequency at which participants interact with their financial institutions. The analysis from Figure 2 shows that for those who interact with their financial institution, 34% do so monthly, 36% do so weekly, 26% do so daily and only 4% do so on an adhoc basis.

Table 9: Correlation between Interaction with financial institution on social media and age

		Interaction with financial institution on social media	Age
Interact	Pearson Correlation	1	.064
	Sig. (2-tailed)		.435
	N	150	150
Age	Pearson Correlation	.064	1
	Sig. (2-tailed)	.435	
	N	150	153

Table 9 below provides an analysis of the correlations between interaction with financial institution on social media and age of respondents. Table 9 shows that there was a positive but weak correlation of 0.064 between respondents’ interacting with financial institution on social media and age while Table 10 shows that there is a correlation of 0.131 between gender and interaction with financial institution on social media.

Table 10: Correlation between interaction with financial institution on social media and gender

		N1 Interact	N2 Gender
N1Interact	Pearson Correlation	1	.131
	Sig. (2-tailed)		.111
	N	150	150
N2Gender	Pearson Correlation	.131	1
	Sig. (2-tailed)	.111	
	N	150	153

Table 11 provides an analysis of which institutions have highest percentage of respondents' interaction on social media.

0= No interaction with financial institution on social media

1= yes, interaction with financial institution on social media

Table 11 shows that Agribank and FBC have the highest percentage (100%) of t customers who interact with their financial institution as opposed to those who do not, followed by Steward bank and CABS at 63.2% and 62.2% respectively, Ecobank (58.3%), CBZ (44.4%), NMB (41.7%), with POSB and Barclays at 37.5% and 16.7% respectively. All respondents from NBS and ZB did not interact with their financial institution on social media.

Table 11: Financial institution's customer interaction with them

		N5 Name of Financial Institution											Total
		Agribank	Barclays	CABS	CBZ	Ecobank	FBC	NBS	NMB	POSB	Steward	ZB	
0	Count	0	15	14	5	5	0	3	14	5	7	10	78
	%	0%	83%	37.80%	55.60%	41.70%	0%	100%	58.30%	62.50%	36.80%	100%	52%
1	Count	3	3	23	4	7	7	0	10	3	12	0	72
	%	100%	16.70%	62.20%	44.40%	58.3	100%	0%	42%	37.50%	63.20%	0%	48%
Total	Count	3	18	37	9	12	7	3	24	8	19	10	150
	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 12: Products used by customers (Valid N (list-wise) = 153)

	N	Minimum	Maximum	Mean	Std. Deviation
Transactional accounts	153	1	2	1.33	.473
Savings accounts	153	1	2	1.31	.466
Loans	153	1	2	1.82	.382
Mortgages	153	1	2	1.90	.298
Bancassurance	153	2	2	2.00	.000

Note- Yes=1 No=2

Regarding customer satisfaction with financial institution, Table 12 provides an analysis of the use of financial institutions' products and services by customers. Table 12 shows that most respondents used savings and transactional accounts with a mean of 1.31 and 1.33 respectively, and accessed loans and mortgages to a lesser extent, with a mean of 1.82 and 1.90 respectively. None of the respondents used Bancassurance products. Furthermore, 40% of respondents might recommend their financial institution to others, 33% they would strongly recommend, 13% were unsure if they would recommend, 8% they would definitely not recommend and 5% said they were unlikely to recommend. Equally, customers reflected varying levels of satisfaction with their financial institutions with 39% moderately satisfied, 31% neither satisfied nor dissatisfied, 18% strongly satisfied, 8% moderately dissatisfied and 5% strongly dissatisfied.

Table 13 provides an analysis of the correlations between interaction with financial institution on social media and overall satisfaction with financial institution. Findings showed a positive correlation of 0.284 between interacting with a financial institution and the level satisfaction.

Table 13: Correlation between interacting with a financial institution on social media and satisfaction with financial institution

Interact	Pearson Correlation	1	.284**
	Sig. (2-tailed)		.000
	N	150	150
Satisfied	Pearson Correlation	.284**	1
	Sig. (2-tailed)	.000	
	N	150	153
**. Correlation is significant at the 0.01 level (2-tailed).			

Table 14 provides an analysis of the correlations between interaction with financial institution on social media and recommendation of financial institution to others.

Table 14: Correlation between interacting with financial institution on social media and recommending financial institution to others

Correlations			
		Interaction with financial institution on social media	Would recommend financial institution's products and services to others
N1Interact	Pearson Correlation	1	.286**
	Sig. (2-tailed)		.000
	N	150	150
N21Iwould	Pearson Correlation	.286**	1
	Sig. (2-tailed)	.000	
	N	150	153
**. Correlation is significant at the 0.01 level (2-tailed).			

Table 14 shows a positive correlation of 0.286 between the respondents' interaction with financial institutions on social media and possibility of recommending their financial institution to others. Figure 3 provides analysis of the effectiveness of use of social media by the financial institution as per the customer's perspective.

Figure 3: Effective use of social media by the financial institution

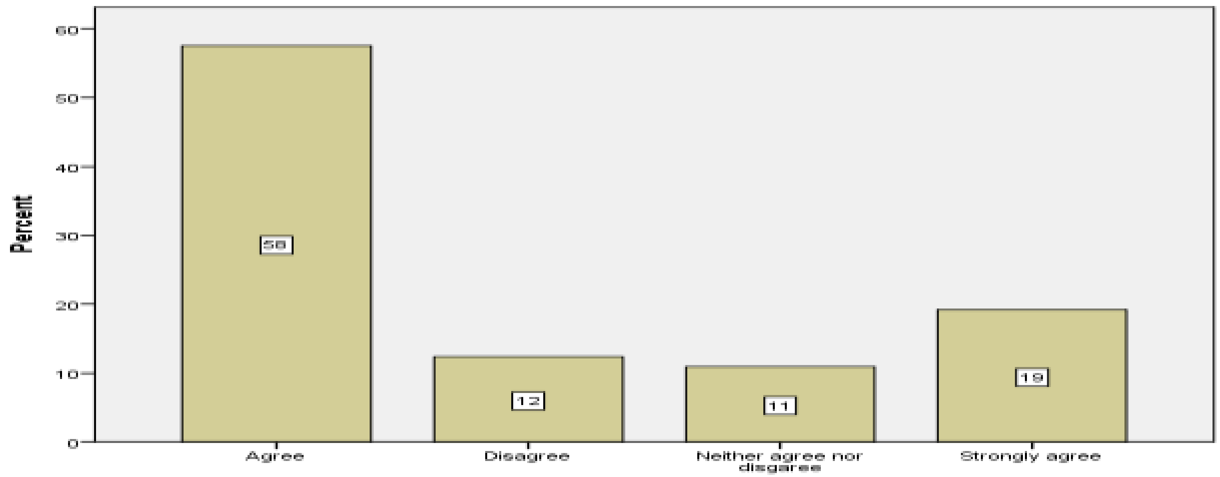


Figure 3 shows that 58% of those that interacted with their financial institution on social media agreed that their financial institution was effective in using social media, 19% strongly agreed, 12% disagreed and 11% neither agreed nor disagreed. Table 15 provides analysis of the benefits received by respondents' from interaction with their financial institution on social media.

Table 15: Benefits received from interacting with financial institution on Social Media

	N	Minimum	Maximum	Mean	Std. Deviation
More information readily available when needed	153	1	5	2.62	1.051
Ability to give instant feedback	153	1	5	2.93	1.056
Receiving instant feedback on my queries	153	1	5	2.76	1.202
Access products and services at my convenience	153	1	4	2.50	.844
Valid N (listwise)	153				

Note - 1=Strongly agree, 2=Agree, 3=Neither agree nor disagree, 4=Disagree,5=strongly disagree

From Table 15, the mean responses for the proposed benefits were 2.50 for Access to products and services, and 2.62 for information readily available, 2.76 for receiving instant feedback on queries and 2.93 for ability to receive instant feedback. The table shows that more respondents agreed that convenience of accessing products and services on social media was a key benefit as compared to subsequent benefits suggested.

Table 16 provides analysis of the concerns with use of social media by the financial institution as per the customer's perspective.

Table 16: Concerns with Financial institution's use of social media

	N	Minimum	Maximum	Mean	Std. Deviation
Privacy and Security concerns	73	1	4	2.32	.864
Poor feedback on queries	73	1	4	2.42	.896
Needs too complex to be addressed via social media	73	1	4	2.42	1.026
Information on social media outdated	73	1	4	2.75	.940
Bombardment with information I don't need	73	1	5	2.70	.996
Valid N (listwise)	73				

Note - 1=Strongly agree, 2=Agree, 3=Neither agree nor disagree, 4=Disagree,5=strongly disagree

Table 16 shows that the mean responses for the concerns of interacting with financial institution on social media. Privacy and security concerns was the one most respondents agreed on with a mean of 2.32, followed by poor feedback on queries raised by customers and customer needs being too complex to be addressed via social media at a mean of 2.42, respondents were less worried about being bombarded with information they did not need and outdated information being posted on social media by their financial institution at a mean of 2.70 and 2.75 respectively.

Table 17: Improvements on Financial institutions use of social media

	N	Minimum	Maximum	Mean	Std. Deviation
More social media awareness campaigns	153	1	5	1.98	.956
More responsiveness to queries and feedback by me	153	1	4	2.03	.884
More Regular posts/more information	153	1	4	1.93	.893
More products and services via social media	153	1	4	1.82	.831
Receive only information relevant to me or targeted to my needs	153	1	4	2.17	.880
Address security and privacy concerns	153	1	4	1.91	.955
Valid N (listwise)	153				

Note - 1=Strongly agree, 2=Agree, 3=Neither agree nor disagree, 4=Disagree,5=strongly disagree

Finally, Table 17 provides analysis of the suggested improvements to financial institutions' use of social media as per the customer's perspective. Table 17 shows that of the improvements suggested, respondents agreed to the improvements related to financial institutions having more products and services on social media, addressing security and privacy concerns, more regular posts/information being made with a mean of 1.82, 1.91 and 1.93 respectively. Respondents also agreed on the need to social media awareness campaigns, more responsiveness to their queries and feedback, and getting only information relevant to them from their financial institution.

DISCUSSION

All respondents used social media, and WhatsApp was the most popular with Facebook at a distant second. The immense popularity of WhatsApp locally can be attributed to its qualities and advantages. According to Yeboah and Ewur (2014) the main advantage of WhatsApp over traditional SMS communication is that it is less expensive as compared to the normal phone messaging. An individual can chat with others overseas through WhatsApp without having to incur SMS charges. In the current economic environment, most mobile phone users in Zimbabwe have found it cost effective to use WhatsApp; even those who are not tech savvy have been forced to adopt WhatsApp due to the significantly lower costs of using it. According to Portraz (2016) out of every 100 people in Zimbabwe there are 50 internet subscriptions which were significantly dominated by mobile based subscriptions. Portraz indicated that there was a drop in mobile phone based revenue due to an increase in over-the-top services for which WhatsApp was the main one. Tawiah, Nondzor, and Alhaji (2014) studied usage of WhatsApp and voice calls (phone call) and preference of polytechnic students in Ghana, results indicated that 92% of the students preferred WhatsApp application to voice call, as a result WhatsApp was the major mode of communication which was also reflected in their daily and situational usage of the application, the daily usage from the study by Tawiah *et al*. (2014) is consistent with results the frequency of use of social media and reasons behind attraction to social media which reflected that most respondents used social media daily and were mainly using it for chatting.

Interaction with financial institutions on social media

The number of respondents interacting with financial institutions on social media was comparable to the number that did not interact. Based on the study by Stangroom (2016) social media, adoption by Zimbabwean banks was lagging behind although there had been a significant improvement in the period 2015-2016, and had grown 128% for the period under consideration (4 months) from October 2015 to February 2016. Although the study may not be fully representative of the entire population, the relatively comparable numbers of users who interact with financial institution on social media as compared to users who do not interact could be as a result of the efforts and progress made by financial institutions in promoting social media as noted by Stangroom. A closer look at those that did not interact with their financial institution on social media revealed lack of awareness on their financial institution's social media activities as the main reason for not interacting with their financial institution on social media, this shows that although there is significant progress by financial institutions in promoting social media related activities, more work still needs to be done to raise awareness of their social media activities. Privacy and security concerns were not considered as a top overall concern for those that did not interact on social media with their financial institutions as most respondents agreed to a much lesser extent that this was an issue, the same applies for the reasons that their feedback would not be taken seriously and the products they need from their financial institution not being available on social media. It is also noted from the study that respondents see potential value in social media as most of those that did not use social media disagreed with the reason that they did not see any value from use of social media as a reason for not interacting on social media. For those that interacted with their financial institutions on social media a significant number of respondents actually used products and services from financial institutions. This would reflect significant confidence of users in the social media based products and services platforms offered by the financial institutions, platforms which may have only been implemented in the past few years. In addition, for those that were using social media in financial services a majority agreed that their financial institution was effective in using social media suggesting that they were happy with what their financial institution was doing on social media. Based on Stangroom (2016) social media usage in financial services had been lagging behind others in the region but there was rapid progress. The finding would support the view that there has indeed been rapid progress by financial institutions in promoting social media and that has continued through from 2016 to period of current studies.

On the benefits realised, respondents seem to have benefited more from the convenience of social media based products and services as compared to other suggested benefits such as reading information provided online and ability to give or receive feedback, this was consistent with the finding that a significant number of respondents were actually using financial institution's products and services on social media. Whilst this would encourage financial institutions to continue offering products and services on social media, they should also work on ensuring that customers receive all the benefits from their social media activities which according to conclusions by Njeri (2013) were related to marketing, promotional campaigns, access to real-time customer feedback and understanding of the needs of customers. The overall response for suggested benefits received was however, neutral, which suggests financial institutions still have significant progress to make in ensuring customers receive or realise all benefits from their social media activities.

There was a weak correlation between interaction with financial institution on social media and age, although age is a key factor as determined by KPMG (2012) in a study on social media usage by different age groups in India. KPMG noted that over 60% of customers above 35 did not interact with their financial institutions on social media as compared to just over 11% for those at ages between18-35, the findings from current study however, suggest a much narrower gap between age groups in relation to interaction with financial institution on social media, particularly considering age groups 18-35 and 36-60 which were covered in the current study. While other factors such as demographics of the population involved in the two studies could play a part in explaining the differences, it could also be a sign of the changing times where the older generation is increasingly finding it difficult to ignore new information technology driven way of doing things.

The positive correlation between interaction with financial institution on social media and overall satisfaction with social media which was also consistent with the correlation between interaction with financial institution on social media and recommendation of the financial institution's products and services to others to suggests that customers interacting with financial institution on social media are more likely to be satisfied and would recommend the financial institution's products and services to others. This is supported by the findings by Gimpel, Huber and Sarikaya (2016) who studied effect of communication channels on customer satisfaction and concluded richer digital communication improved customer satisfaction. Social media is one such digital channel promoting richer digital communication.

For those using social media to interact with their financial institution, they had more concerns with privacy and security as compared to others such as poor feedback on queries and outdated information. This is consistent with Punjabi (2014) and Ngonidzashe (2013) who identified that privacy as a key concern for users of social media, as well as Haugtvedt (2015) who predicted that privacy issues will receive more and more attention in the coming years.

On suggested improvements on financial institution's social media activities, more products and services on social media was one of the key suggestions, along with addressing security and privacy concerns, the need to post more regular information and raising social awareness on the social media activities of financial institutions. This reflects and is consistent with the issues raised by those who interact with their financial institution on social as well as those who do not do so. The need for more products and services on social media and the need to address privacy and security concerns were supported by Kumar and Devi (2014) who noted in their conclusion that Financial services companies were focused on increasing the integration of their products with established social networks probably in response to this need, and Haugtvedt (2015) on privacy as referred to in section above.

CONCLUSION AND RECOMMENDATIONS

Extent of social media usage by financial services customers

All financial service customers that participated in the study used social media, 72% of all respondents used Whatsapp and 16% used facebook, 5% used twitter and 3% used Linkedin. Furthemore, 92% used social media daily, 5% used it weekly and only 3% used social media on an adhoc basis. The highest average daily usage of social media was between one to three hours per day, with 53% of participants. Up to 20% of participants used social media for between four to five hours, 16% used social media for less than an hour, with only 11% using it for more than an hour. The highest attraction to using social media by financial institution's customers was chatting, followed by business networking and then friends. The least attraction was games for which no participants indicated was an attraction.

Extent of customer interactions with financial service players on social media

Almost half (47%) of financial institutions' customers that participated in the study interacted with their financial institution on social media while 33% of those that interacted with their financial institution on social media used it to access products and services offered by their financial institution. A total of 27% used it to provide feedback to their financial institution, 26% used it to read and review informational material such as announcements from their financial institution. Yet 14% of those that interacted with their financial institution on social media used it to suggest new products and services or assist their financial institution in development of new products and services.

Customer benefits realised from use of social media by financial service players.

The benefit of financial institutions use of social media which most participants agreed to was that of accessing products and services at their own convenience, followed by having information readily available when needed. Participants agreed the least to Ability to receive and give instant feedback as key benefits of their social media interaction with their financial institution. There was a positive correlation between interaction with financial institution on social media and satisfaction of the customer as well as recommendation of financial institution's products and services to others.

Customer concerns with using social media in financial services

This was addressed from the perspective of social media users that interacted with their financial institution on social media and then from the perspective of those that did not interact with their financial institution on social media (even though they were social media users). For users that interacted with financial institution on social media, privacy and security was the highest concern while poor feedback on queries and complex needs which could not be addressed on social media was the next highest concern. Receiving outdated information and bombardment with information customers did not need from their financial institution they did not need were the least concerns respectively.

For customers that did not interact with their financial institution on social media, they mostly were unaware of their financial institution's social media activities. They agreed to a lesser extent that they believed their feedback on social media would not be taken seriously, products and services they needed were not available on social media and that privacy and security was a concern. Participants largely neither agreed nor disagreed that there was no customer value from their financial institution's use of social media.

Areas of improvement in financial sector players' usage of social media

The study revealed that a need for financial institutions to have more products and services on social media, followed by the need to address privacy and security concerns and more regular posts by financial institutions. Participants also agreed on the need for financial institutions to have more social media awareness campaigns, more responsiveness to queries and feedback as well as sending out information which is relevant to each customer.

LIMITATIONS OF THE STUDY

This study was limited to customers in the financial sector which is regulated by the Reserve Bank of Zimbabwe. The study was also confined to a specific geographical area, which is Harare. Studies across the different service sectors across the country would give more accurate and generalisable results. Furthermore, the sensitivity of the financial services sector could have resulted in some respondents not giving certain information which they considered somewhat secretive and personal.

RECOMMENDATIONS

Social media is now widely used and has an impact on financial service customers in Zimbabwe as it is now being used to support interactions between financial institutions and customers, with some customers already receiving some benefits from interacting with their financial institutions on social media. The impact may however, be limited, and there is still need for financial institutions to focus more on ensuring customers realize all the key benefits on interacting with them on social media. Customers interacting with their financial institution on social media may derive additional satisfaction from their financial institutions. As most customers are already on social media, financial institutions need to raise more awareness of their activities to their customers to capture those that do not interact with them on social media, perhaps promotions can be used to target this group. Privacy and security concerns are a key concern for customers on social media, financial institutions should do more to address the concern, this includes coming up with specific measures (if not available) and most importantly educating their customers on the measures taken to protect them from privacy and security breaches as well as customer responsibility towards achieving this.

Recommendation to financial institutions

Financial institutions should raise more customer awareness of their social media activities to encourage those that do not interact with them to do so. Promotions may be used to target this group. Furthermore, financial institutions should strengthen their social media activities to ensure customers already interacting with them on social media enjoy maximum benefits. They could do this by increasing products and services available on social media, encouraging customers to provide their feedback and concerns on social media and promptly acknowledging and addressing the concerns. Financial institutions should provide more education to customers on measures to address privacy and security on their social media activities to help ensure their fears are allayed.

Recommendation to customers of financial institutions

Customers who do not interact with their financial institutions on social media should actively engage with their financial institution on their social media activities as they may be able to derive additional satisfaction from their financial institution's products and services if they interact with them on social media.

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