

24 March 2021

Media Release

An appetite for human connection

As financial institutions struggle to emerge from the economic effects of Covid, one thing has become very evident. As much as there is enthusiasm for digitisation in banking, there is an equal appetite for human connection. The challenge now is how best to find the right balance of digital vs physical banking channels.

Shannon Timothy: African Bank's Channel Executive says the pandemic clearly exposed the fragility of consumers and staff members alike and the critical need for empathetic 'hearts and minds' discussions. Even before Covid, banks locally and globally have been wrestling with how best to balance their digital solutions with traditional physical locations. There is no doubt that digitisation has a huge role to play in helping banks become more process and cost efficient, but consumers are basically social animals and desire social connections and interactions which can best be provided in a brick and mortar branch, albeit a slightly different branch to those of days past. "We appreciate and understand customers are "time poor" so there is a distinct need to digitise, but as much as we can automate for admin type transactions, when it comes to purchase decisions, consumers generally always opt for input from real people," he says.

The results of the 2020 South African Customer Satisfaction Index (SA-csi) report bear testimony to this, with African Bank being ranked first for the second year in a row for its Branch and Contact Centre channels.

A 2019 global study on consumer insights, conducted by market researcher Censuswide, showed that more than 80 percent of respondents said that they would want to talk to a human being for a complex or sensitive interaction. And an overwhelming 88 percent had visited a branch within the last year. Timothy says these percentages are similar to the experiences locally where more than 80% of all customers still elected to go into a branch to conclude anything "needs-based" during 2020. "In fact at African Bank 76% of all loans, 93% of MyWORLD bank accounts, 83% of investment accounts and 97% of funeral policies were opened by customers in branch as opposed to online."

This points to the fact that banks need to intertwine the age-old value of trust and connection with new technology to improve the lives of their customers. "Today it is more about how we can bring our digital infrastructure into the physical and also how we can flex our physical infrastructure to become more portable through pop-ups and mobile bus/mini bus etc. Taking banking to the people is very key, particularly in SA. It is also an exciting opportunity to collaborate and partner with other retailers or Fintechs to meet ongoing consumer demand."

It seems fair to say that the success in the banking industry in 2021 will rely on choice. Banks must adapt to consumers' needs, whilst making sure all groups of society remain included. The obvious route will be through

solutions that bridge the digital and physical worlds of banking. Covid definitely hastened the rate of digital adoption in South Africa and showed how nearly every aspect of banking could be performed remotely.

“It is hard to predict the future with any certainty right now, but a choice between digital or brick and mortar for the future of banking is a false dichotomy. Clearly, there is room for both. We need to remember one of the most important ingredients in the future of any successful bank, will remain the warmth and empathy of human beings,” concluded Timothy.

ENDS

Visit the African Bank [website](#) or like them on [Facebook](#), [Twitter](#) and [LinkedIn](#)

PREPARED ON BEHALF OF AFRICAN BANK BY CATHY FINDLEY PR. CONTACT JACQUI MOLOI ON JACQUI@FINDLEYPR.CO.ZA OR 071 7648233 WITH ANY CONSUMER PR QUERIES.