Business project

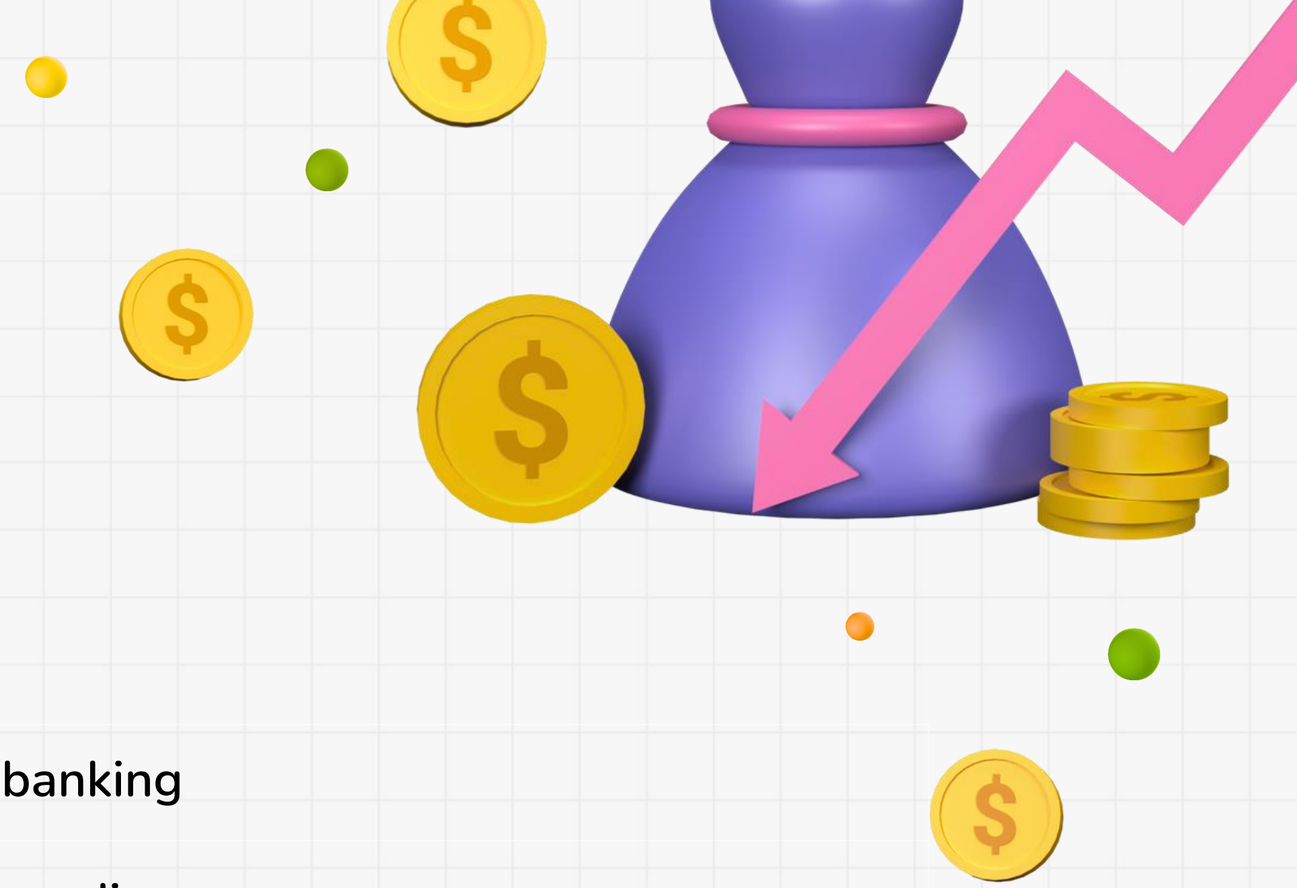
Banking in the Age of Social

Connecting Communities, Empowering Customers

SiGHT

Our insight drives your foresight

Agenda



1	Evolution of Social media and key trends in banking
2	Why and how banks are upping their social media game
3	How GenAI is set to disrupt the social media landscape
4	Challenges in social media banking
5	How research and insights can help in answering some of the key questions

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Social media has evolved from an information exchange medium to an information seeking powerhouse becoming almost intertwined with our daily lives

The Early years

1978 - Bulletin board system
1985 – AOL (America Online)
1997 – Six Degrees – Earliest social media platform
1999 – Live journal

The Microblogging era

2003 – Linkedin, MySpace
2004 – Facebook
2005 – YouTube
2006 - Twitter

The Visual and Mobile era

2010 – Pinterest
2011 – Snapchat,Google+, Keek,Twitch
2013 – Vine,Yikyak
2014 – Musical.ly
2016 – Tiktok

The Visual and Mobile era

2020 – Clubhouse, BeReal, Lemon8
2021 – YikYak
2023 – Threads by Meta

What next for Social Media

- Social media can evolve to be the preferred search engine
- New frontier for eComm.
- Social media led customer service

Source – Hubspot, Desk research

Multiple industries have accepted the social media disruption and are investing heavily to up their social media game, Banks being no exception to this

End to end digital banking processes

It encompasses customer onboarding, account management, transactions, lending, support, security, analytics, and marketing to ensure seamless, secure, and personalized banking experiences.

Banking as a platform (BaaP)

It enables banks to offer their services via third-party platforms, integrating with fintech and other service providers to create a comprehensive, user-centric financial ecosystem.

Cross platform and ecosystem solution

It enables banks to integrate services across different technologies, providing seamless and unified customer experiences.

Personal finance management

Tools that help individuals track spending, manage budgets, and plan for financial goals, enhancing financial literacy and control.

Facilitating app usage for clients

It involved making mobile banking apps user-friendly, intuitive, and accessible to enhance customer engagement and satisfaction.

Democratising investments

Making investment opportunities accessible to everyone, regardless of their financial background, through user-friendly platforms and low-cost options.

Challenger banks

Challenger banks use social media to engage directly with customers, offer personalized service, build brand loyalty, and leverage data-driven insights to innovate and outpace traditional banks.

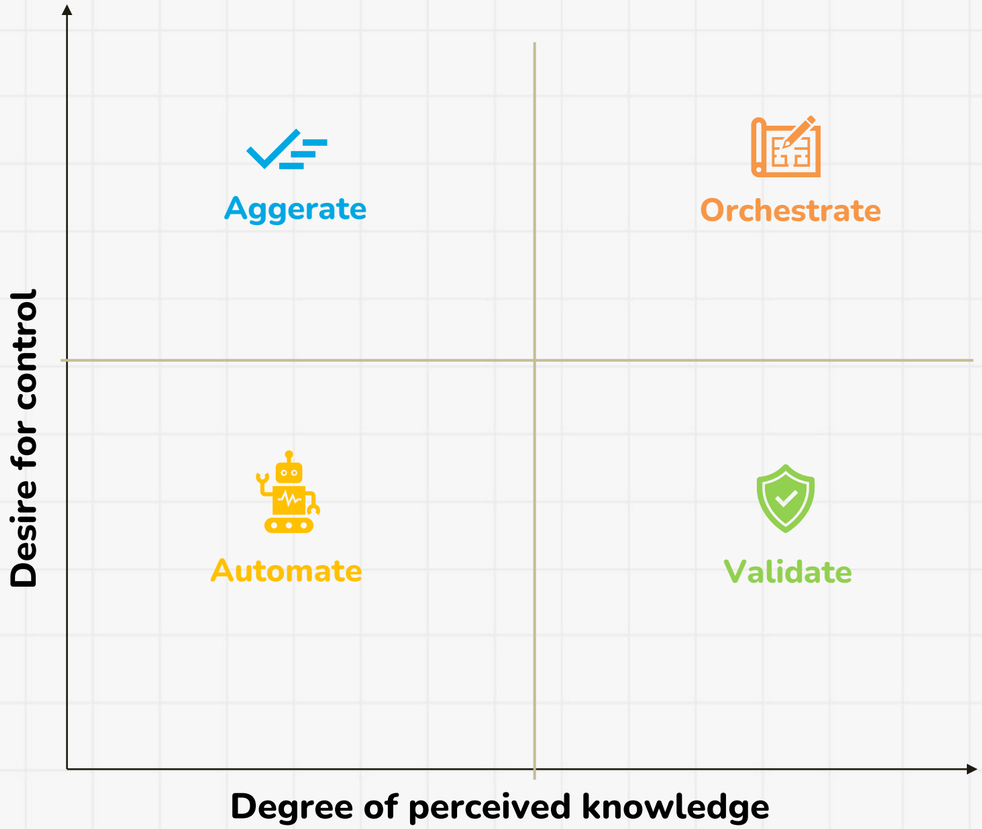
Mobile first

A mobile-first strategy for banks prioritizes optimizing digital services and social media for smartphones, ensuring seamless and accessible user experiences.

Source – Deloitte, 4SiGHT research

As a result, digital banks need to hyper-personalise offerings driven by innate customer needs

Spectrum of need is function of individual's value system



Automate
People who want low control and have low knowledge would want their lives to be automated so processes they don't understand can just happen behind the scenes

Aggregate
People who want high control but have low knowledge would likely want to get clarity on options available so they can be provided an exhaustive list of options to choose with clearly defined associated benefits and costs

Orchestrate
People who want high control and they have high degree of knowledge and awareness of what they want would want a hyper customisable offering that is tailor made to suit their lives and everything happens as per what they had envisaged

Validate
People who want low control but have knowledge would ideally want reassurance so that the choices they make gets seamlessly reassured

Source – KPMG

Thus, banks are adopting strategic imperatives where the impact of social media is clearly evident in each area.

Social media is the heart of social selling. More than relationship building and brand awareness, savvy banks are using social media to connect directly with prospects and boost sales as a complement to tried-and-true marketing methods such as emails and cold calling.

Customer strategy and segmentation

Focusing on target segment needs to drive trust and inclusion, while keeping an eye on mass market appeal

Brand, experience, and proposition

Building a personalized proposition that is digitized for the right moments

Business model

Making the right strategic decisions to remain economically viable, and not just desirable

Operating model and organization design

Enabling a nimble organization aligned to delivering and scaling the digital proposition

Risk and compliance strategy

Strategizing for the breadth of regulatory transformation triggers

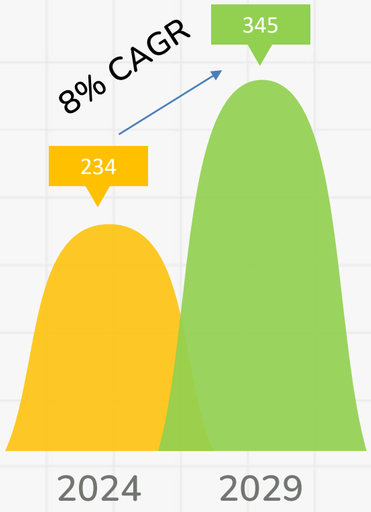
Technology, infrastructure, and platforms

Prioritizing a technology stack to drive differentiated propositions and improved performance, while balancing cost and scalability

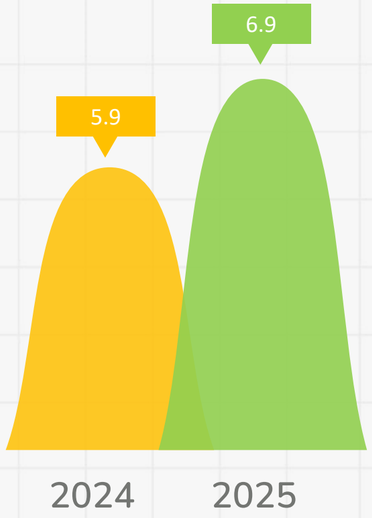
Source – KPMG, 4SiGHT research, aba.com

Social media is set to go beyond just a communication and community engagement medium as investments are set to increase in coming years

Social media ad spend Worldwide ($bn)

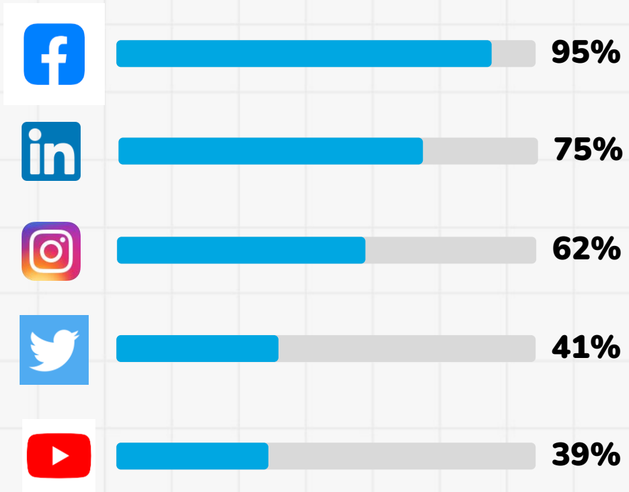


Social media ad spend Middle East ($bn)

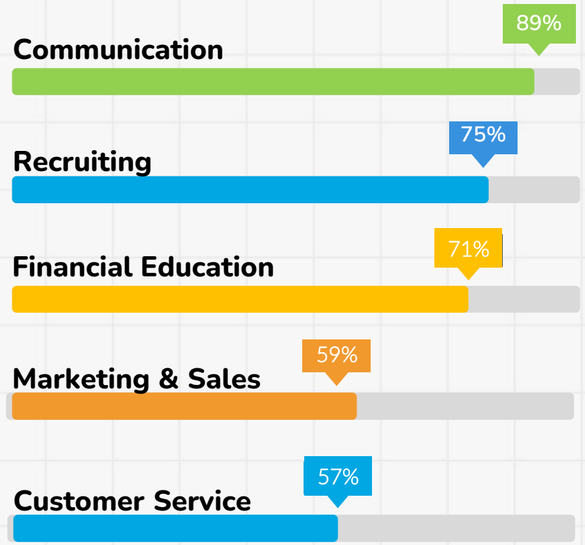


Social media spending is gaining worldwide attention more so by Banks, banks are pegged to up their social media game and use it beyond general communication and marketing purposes

Preferred social media by Banks (worldwide)



Top reasons to use Social media – By banks



Source – eMarketer, Statista

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Social media intelligence is leveraged across multiple industries not just to communicate but also to assess, understand and solve critical business issues

	Emirates NBD	etisalat by e&	Emirates	ADIB
GOAL	**The Goal** - Emirates NBD wanted to build awareness of its new Emirates NBD LuLu 247 MasterCard Credit Card, and acquire new customers across the UAE	**The Goal** - To increase sales and drive stronger engagement for their Smiles app.	**The Goal** - To grow awareness of Emirates' brand positioning as a global airline	**The Goal** - ADIB's team was to improve the overall customer experience while using the mobile app, maintain a positive sentiment around its brand.
SOLUTION	**Solution** – ENBD ran a comprehensive campaign to drive awareness before generating leads. It then used the Facebook offline conversion tool with support from creative agency	**Solution** – Etisalat partnered with Initiative Media and Google's BrandLab to develop an innovative launch plan. They used Google's data-driven insights and targeting techniques to create customized content for the campaign	**Solution** – launched an internal competition inviting all Emirates group employees to apply to become one of seven emirates "Globalistas". Over 450 videos were submitted – a strong example of EGC.	**Solution** – In partnership with a consumer intelligence company they were able to establish a direct and immediate relationship with their customers and were able to truly understand their needs and find a solution that works for them
RESULT	**Result** – drove significant interest in its new LuLu 24/7 MasterCard Credit Card, ultimately resulting in more cards issued.	**Result** – Campaign resulted in a 35% increase in the Smiles app acquisition rate. Monthly active users of the app grew by 24%. It also led to a 10.8% lift in brand awareness, a 12.3% boost in favorability, and a 10.7% increase in purchase intent.	**Result** – Campaign reach quantified to - 120Mn+ reach in Facebook, 50Mn+ impressions on X(Twitter), 400k+ Kms = 10x of globe, 31+ Destinations resulting in 97% positive social media sentiment	**Result** – Ultimately, ADIB's team improved the customer experience, which led to brand loyalty increasing by 12%, positive sentiment by 40%, and the ranking of the mobile app to the number one position in its category in the UAE.

Source – Meta , Instagram casestudies, the bigmarketing, Hubspot

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Generative AI in social media heightens the need for banks and other industries to enhance their social media strategies

Personalized Content Recommendations
AI in social media is widely used for personalized content recommendations, with platforms like Facebook, Instagram, YouTube, and Twitter analyzing user behavior to tailor feeds

Sentiment Analysis and Social Listening
AI-powered sentiment analysis helps brands gauge public opinion by analyzing user content, while social listening tools track mentions and provide insights into sentiment and trends

Chatbots and Customer Service
AI-driven chatbots on social media offer instant customer service, handling FAQs, orders, and complaints 24/7, enhancing customer satisfaction

Image and Video Recognition
AI-powered image and video recognition on social media aids in content moderation, ad targeting, and user engagement

Predictive Analytics for Trend Identification
Predictive analytics uses past data to forecast trends, with social media platforms leveraging AI to anticipate future trends and keep brands ahead.

Social Media Analytics and Reporting
AI-driven analytics tools offer insights into social media performance, tracking metrics like engagement, follower growth, and content reach to evaluate strategy effectiveness

Enhanced Advertising Targeting
AI has transformed social media advertising by delivering highly targeted, personalized ads based on user data, boosting conversion rates.

> AI in social media is predicted to be a pivotal game changer and thus inevitably impacting the social media strategies of banks across the world

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So, what’s keeping Social media for Banks from reaching their innovation potential?

Compliance and Regulation
Banking industry faces strict regulations on data use, privacy, and records retention, making financial institutions cautious about social media engagement

Lack of proven ROI
Banks struggle to determine the ROI of their social media activities, uncertain of how likes, fans, and followers impact business fundamentals.

Product-focused legacy
Banks are traditionally product-centric, focusing on pushing products and services. In social media, they need to foster emotional bonds with customers

Customer Trust
Many consumers feel adversarial towards banks despite their necessity. The industry's reputation is poor, but social media offers a chance to improve relationships..

Cyber Security Risk
71% of CEOs in financial services consider cyber insecurity as a threat to their business, according to PWC 2020

Source – Desk Research, ttec, Customer strategist

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Thus… how can market research help answer some of the key questions

Measuring campaign effectiveness

Offers insights into social media campaign effectiveness, such as engagement rates, conversion rates, and ROI. Analyzing customer sentiment helps banks gauge the impact of their campaigns and communications

Understand Customer preference

Market research studies like consumer behavior analysis and segmentation provide deep insights into customer preferences, aiding decision-making

Enhancing Customer engagement

Help banks optimize content to better connect with customers and refine engagement strategies to maximize their social media reach

Improving customer service

Analyze social media feedback to identify issues and areas for improvement. This will enhance AI-powered chatbots and virtual assistants.

Risk and compliance management

Helps banks monitor social media risks like fraud and misinformation, while understanding regulatory and customer trends ensures compliance and builds trust.

Source – Desk Research, ttec, Customer strategist

How can 4SiGHT help...

We at 4SiGHT can help you identify the target market and help you make informed decisions by providing valuable information about market trends, customer preferences, competitive landscape, and other relevant factors.

Below 4SiGHT solutions can help customize & build these insights for you:

Segmentation analysis
Pricing research
Exploratory research
Needs & Expectations

Our Research Tools

Insight Express

Enables swift and efficient innovation testing, minimizing the risks linked to a comprehensive launch – allowing you to explore, experiment and fail cheap.

AASMA | Chatbot

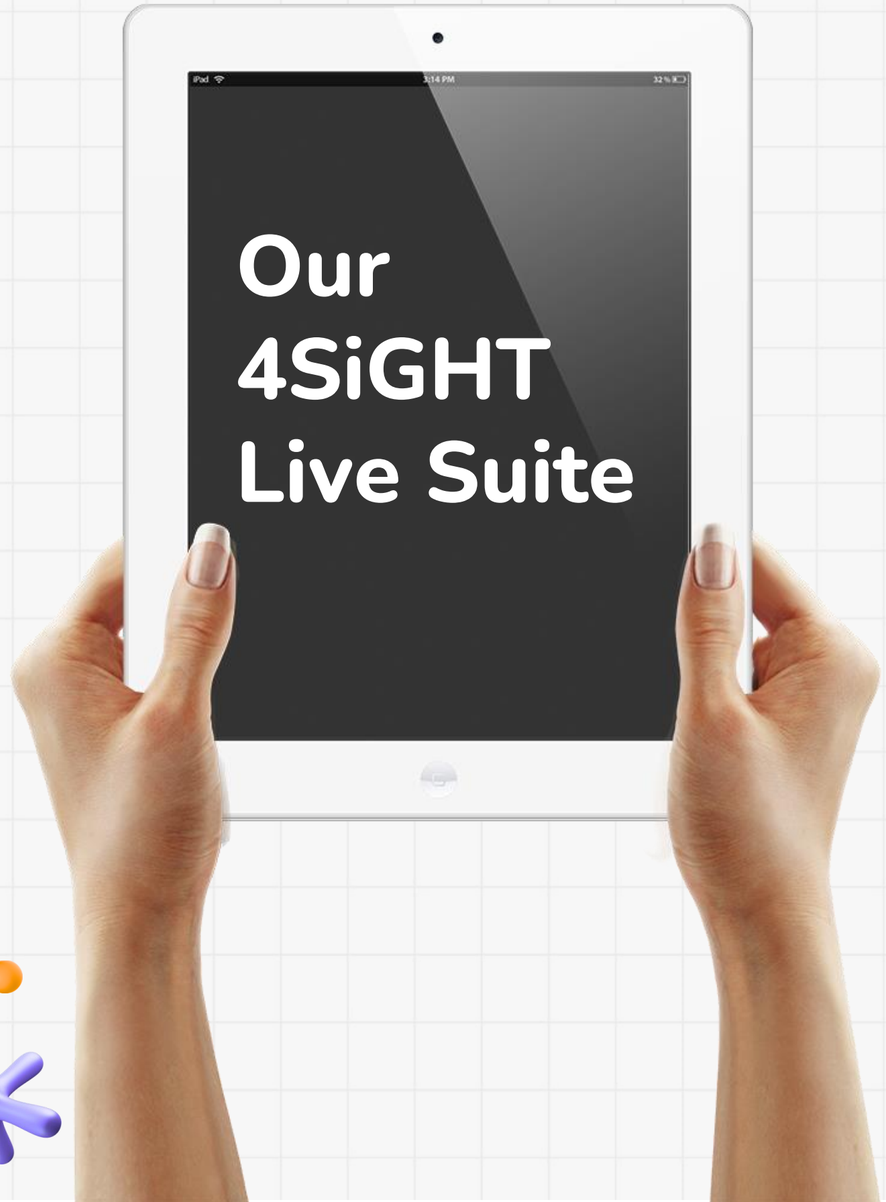
Facilitates interactive conversations with consumers, streamlining the process of filling consumption/usage diaries. Leading to improved efficiency & quality of data collection.

Sprint+

Provides an innovative boost to your iterative process by making it more AGILE through co-creation workshops, giving wings to potential ideas/improvements.

Source – Desk Research, ttec, Customer strategist

4SiGHT Live suite solutions



SiGHT Live
Panel UAE | KSA

Our pre-recruited ahead-of-the-curve panel for quick, cost-efficient research needs, offering a window into live data.

SiGHT Live
Communities

Designed to build an agile system to conduct research while keeping the customer at the heart of the business. Enables clients to make customer relevant decisions by testing on the go.

SiGHT Live
Consumer Connects

4SiGHT's solution to curate and build a customized calendar of immersive interviews for client teams to get the pulse of the customer. Available as ad-hoc & annual programs.

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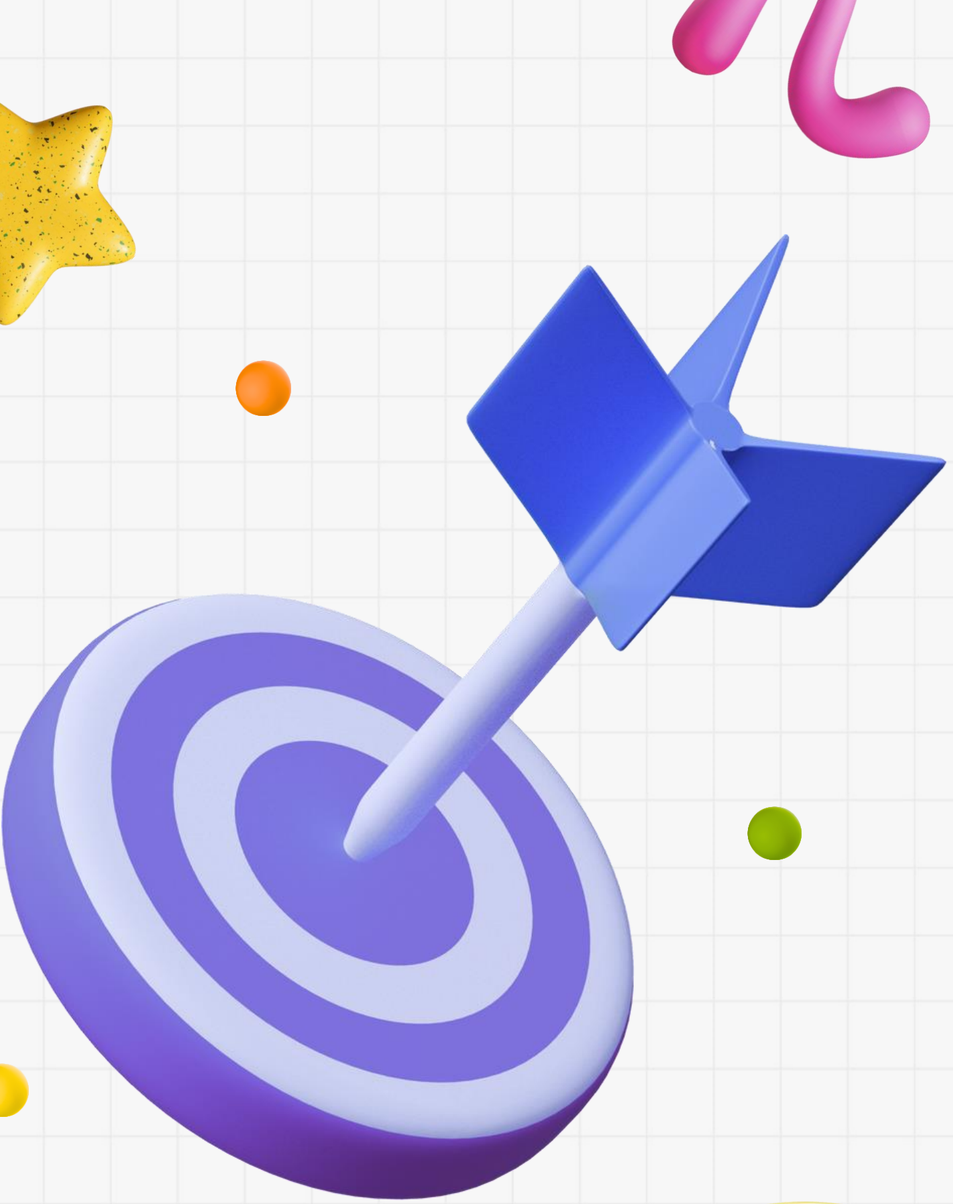

4SiGHT Calendar

1

Mar-2024
Digital Horizons: Industry Evolution in the Era of Transformation

2

Apr-2024
Bridging Borders: Exploring Cross-Border payment dynamics

3

June – 2024
Banking in the age of Social media
Connecting communities,
Empowering customers

4

July – 2024
Rise of AI and automation.

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THANK YOU!

For more information, please contact or visit us!

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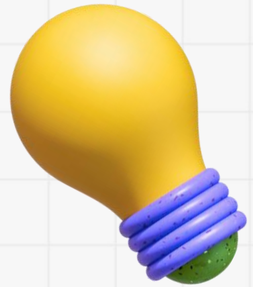

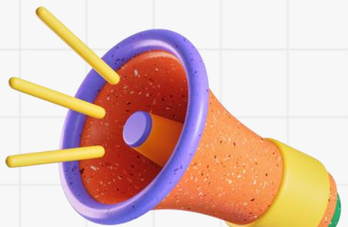

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