

2014 Internet Banking SITEisfaction survey shows improvement in sector

Specialist online marketing research agency, Columinate, recently released its third annual 'Internet Banking SITEisfaction in South Africa' survey.



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Launched in 2012, the survey is a measure of customer satisfaction with online banking services in South Africa. The report is the only one of its kind to focus exclusively on internet banking and is viewed by the industry as a key feedback tool for the banks evaluated as it reveals the behaviours and experiences of their online customers.

The winner

"The definition of the best overall internet banking service provider is one that has a large percentage of highly satisfied users, and a low percentage of dissatisfied users," says Henk Pretorius, Columinate CEO.

"We measure the 'big 5' banks in South Africa, namely Absa, Capitec, FNB, Nedbank and Standard Bank, against a number of key drivers. These include ease of use, information and quality, trust, innovation, device flexibility, reasonable banking fees, and communication and assurance."

This year, Capitec came out tops with a SITEisfaction score of 71. FNB fell to second place with a score of 69, down from its score of 75 last year. Standard Bank took third place with a score of 56- an improvement of 6 points from its 2013 rating, Nedbank was ranked fourth at 48, and Absa remained in last place, although its overall score was up 3 points from last year.

"This year Capitec scored the highest points in each category except for device flexibility, making them the overall winner of the survey," says Pretorius.

The Insights

The 2014 survey also analysed key consumer trends that have emerged in the internet banking sphere over the last year, the most notable of which are discussed in more detail below.

1. Shared Accounts:

29% of users share their internet banking account with another person, which in most cases is their spouse or partner (69%), followed by siblings (21%). "We have seen this number growing steadily over the last three years, yet none of the banks cater for multiple user accounts as yet, which is a big potential opportunity in the market," says Pretorius.

2. Devices Used:

Laptop or desktop computers remain the most preferred channel from which to access internet banking (96%), however the usage of smartphones and tablet devices is on the rise. A combination of laptop and cellphone/smartphone remains the highest preference for users across all the banks at this stage (38%).

70% of FNB customers use a cellphone or smartphone for internet banking, while Standard Bank and Absa have the highest number of customers who conduct their internet banking using a tablet at 32% each.

3. Features Used:

The most common internet banking features used by customers remain making payments (96%) and general account management (93%). "This is where we believe Capitec is getting it right," Pretorius comments. "From the research results, it appears that they are delivering a simple, effective internet banking service at a low cost, which is what ultimately keeps their clients happy."

The use of other services such as purchasing airtime (59%), data (37%) and prepaid electricity (29%) through an internet banking channel are increasing in popularity. "FNB continues to dominate in this particular area, with 33% of its online banking customers making use of 15 or more features on its site, compared to the other four banks which have their highest audience using between 5 to 9 other service features," says Pretorius.

4. Security remains a concern:

As with most online activities, security concerns remain high and the incidence of security breaches is the highest ever. The overall targets of internet banking fraud have increased from 54% to 62% in the last year, and the actual victims of this fraud increased from 10% to 19% between 2013 and 2014.

Pretorius notes that the variety of financial fraud activities continues to increase, which makes it difficult for banks to keep customers educated on how to constantly be vigilant against these attacks. "Banking customers have to contend with the usual attacks on their accounts like phishing and deposit refund scams, as well as newer attempts like 'smishing' (SMS version of phishing) and 419 scams," he explains.

A closer look at apps

The use of apps was investigated at a preparatory level within the internet banking survey. In terms of mobile app SITEisfaction scores, FNB took first position with 81%, followed by Absa at 79% and Nedbank was in third place with 77%.

"Overall, the development of the internet banking industry has been tremendous over the last year," says Pretorius. "Banks are providing more complex solutions for tech-savvy customers across multiple device options, however they should not lose sight of what matters most at the end of the day - ease of use and convenience for customers. They should also

continue to make an effort to educate consumers about safe internet banking practices," concludes Pretorius.

Download the [Columinate - Internet Banking 'SITEisatisfaction' Industry Report](#)

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