



University of Fort Hare
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Faculty of Social Sciences and Humanities

Project Title:

An evaluation of a bank's clients' preference for
particular communication channels

By:

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A RESEARCH PROJECT SUBMITTED IN FULFILMENT OF THE
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Declaration

I declare that the following study represents my original work except where otherwise indicated. I further declare that I have never before submitted this work and guarantee that no similar work has ever been submitted by anyone at any other university or institution of higher learning. The dissertation is being submitted in partial fulfilment of the Master of Social Sciences (Communication) in the Faculty of Social Sciences and Humanities, University of Fort Hare, Alice Campus, South Africa.

Marvelous Chapwanya

Signature: Date:

Dedication

To God be the glory on this achievement. I dedicate this work to my son Jayden Thabani for the miracle you are for surviving and beating kidney and lung cancer at that young age. What you went through taught me to be thankful and to appreciate the gift of life that we are given by God every day. The strength and fighting spirit that made you endure such great pain will make you conquer anything in this world. Many fought for their lives but they could not make it but we will forever remember them. You are a miracle and you mean the world to me. I love you my son.

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Abstract

This study aims to establish clients' preference for particular communication channels of a particular bank in Alice. The study, focusing on marketing communication, was guided by the tenets of media richness theory. The study employed both quantitative and qualitative research methods.

This particular bank is one of the biggest banks in South Africa and it has many branches across the country and abroad. However, this study only focused on clients in the small town of Alice in the Eastern Cape. Alice has three major groups of clients: those who are highly educated, those who are illiterate and those who fall in between. This diversity in the demographics of the clients affects the way people react to the communication channels used by this bank including modern communication channels and traditional channels. It was discovered that education level, age (as related to literacy level), language, geographical location and access to computers and the internet have an impact on the way the clients evaluate the preference for particular communication channels of this bank. The results of the study show that the majority of the clients prefer communication channels that are interactive like face-to-face communication and cell phone calls. The other channels at the clients' disposal are television, radio, newspapers, printed mail, internet and emails. However, some of these channels are not regarded as very effective by the clients in Alice for several reasons such as the rural nature of Alice, lack of access and resources, being illiterate, and a lack of education. The clients suggested that the bank make use of other communication channels that suit a rural and less developed area in order to effectively communicate with the clients. The study also brought to light that the use of the new ICTs in Alice is still lagging, resulting in many customers experiencing problems when they want to use some of the communication channels offered by the bank.

List of acronyms

ABET	Adult Basic Education Training
EC	Eastern Cape
EFA	Education for all
ECICTS	Eastern Cape Information and Communication Strategy
ECSECC	Eastern Cape Socio-Economic Consultative Council
FGD	Focus group discussion
ICASA	Independent Communication Authority of South Africa
ICT	Information Communication Technology
IDP	Integrated Development Plan
MDDA	Media Development and Diversity Agency
OECD	Organisation for economic co-operation and development
SA	South Africa
SABC	South African Broadcasting Corporation
UNESCO	United Nations Educational, Scientific and Cultural Organisation

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CHAPTER ONE: INTRODUCTION AND STUDY BACKGROUND

1.1 Introduction

Marketing managers in the new millennium have a wide choice of media channels through which they can send marketing messages to their clients or customers. These include e-mails and blogs, mobile phone communications, internet, text messaging (SMS), instant messaging and chat, fax machines, video and teleconferences and many others (Canary and McPhee, 2011:209). With the rapid and widespread uptake of new electronic media channels, traditional communications channels like television, radio, mail and door-to-door sales is believed to be declining (Durkin and Howcroft, 2003).

Banks are organizations that deal with the finances of individuals or other organizations and constantly search for ways to improve profitability. In the face of the twenty-first century global economy, banks' service delivery practices are changing significantly to take advantage of the new technologies (Durkin and Howcroft, 2003:61). Many banks across the globe have used these new technologies to improve their service delivery to the clients. But the question is: can banks with rural branches make use of all the so-called technological innovations? Are the banks' communication channels effectively addressing the needs of their rural customers? This study aims to establish, and explore, the clients' preference for and use of particular communication channels of a particular bank in Alice in the Eastern Cape and establish the channels that suit the rural-based customers.

Communication is one of the integral elements in the operations of organizations and is done in a specific context to achieve certain goals. Miller (2003, cited in Barker and Angelopulo 2010:4) defines communication as the transactional and symbolic process in which messages are exchanged and interpreted with the aim of establishing mutual understanding between parties. Barker and Angelopulo (2010:3) add that communication acts as the glue that binds various components of an organization, enabling interaction with its agents, customers and the broader public. This means that communication is one of the vital elements for organizations to function effectively; hence thorough and effective communication is necessary within and outside the organization. Duncan and Moriarty (1997:25) propose that, as speed and flexibility increase business, so too does communication between an organization and its stakeholders. One way to achieve this is by having frequent, in-depth interactions with customers and stakeholders to faster detect their changing wants, needs and

concerns. Putnam and Nicotera (2010, in Falkheimer and Heide, 2014:124) argue that communication produces and reproduces organizations through texts, images and conversations. The communication process should focus on the process of delivering the information from a sender via adequate media to recipients. This communication is very important for businesses to succeed and should be planned carefully. Planned communication in organizations aims to alter a target group's understanding, attitude or knowledge, and thereby change its behaviour (Falkheimer and Heide, 2014:126).

This research aims to evaluate clients' preference for and use of particular communication channels of a particular bank in Alice. Because communication is a two-way process, the research will also assess the communication channels the clients use to communicate with the bank.

1.2 Research background

Alice is part of the context of this research. Alice is a small service town to a large rural hinterland and is located in the Eastern Cape Province in South Africa. The Nkonkobe municipality's Integrated Development Plan/Budget (IDP) 2007-2012 (2006:7) states that the municipality, where Alice falls, has a 67.61% rate of unemployment. Alice boasts the University of Fort Hare, Lovedale FET College, the Victoria Hospital and a number of schools, but 74% of the population is poverty-stricken. The 2001 census revealed that 20% of the Nkonkobe residents reside on farms, 61% reside in villages and only 19% reside in urban settlements. Therefore the population in Nkonkobe municipality is mixed. The economy is stagnant and under-developed and has a wide divide between the unemployed and the highly skilled; the urban and the rural. This might be due to the wide gap between the educated, the uneducated and also lack of private investment in Alice.

Therefore the study aims to investigate clients' preference for particular communication channels of this bank, and their opinions of the effectiveness of those particular communication channels. Do bank practitioners consider the diversity (education levels, gender, culture and class issues, language) of the South African population when disseminating messages and choosing the channels to use to communicate with, cater to and help meet the needs of their clients?

This particular bank is one of the leading and biggest banks in Africa: in 2012 it was number four and in 2013 it was number five (The Africa Report, 2014). It has branches in Swaziland,

Zambia, Botswana, Lesotho and Namibia. From its mission and vision statement it is clear that the bank wants to reach out and plough back to the society, hence it provides its clients with many services, even anti-crime initiatives. The initiatives aim to help raise the standard of living of South Africans. In general this bank communicates with its clients on an almost daily basis via print and electronic media and face-to-face means. The branch in this study was chosen for convenience's sake and is discussed above.

1.3 Effective communication

Effective communication is the passing of the right message or information to the right person, in the right way, at the right time with the right effect, impact and outcome. Narula (2006:332) argues that effective communication depends on the characteristics of the targeted audience, which should be compatible with the type of messages and the communication channels selected. This means that when organizations decide to send messages to their clients they should first know their audiences' characteristics and then select the best channels that will effectively communicate to the clients.

Rakich, Longest and Darr (1992) also posit that effective communication follows a process that starts with a sender who transmits a message through a medium to the recipient. In the process the sender initiates the message which will be received by the recipient. There are dynamics of communication at every stage and they affect the effectiveness of the communication between the sender and the receiver (Rakich *et al* 1992). This means that organizations ought to be aware of the ways and methods of communication they use in order to reduce the dynamics and achieve effective communication. For effective communication to happen, the feelings, perceptions and values of the sender and receiver have a tremendous influence on the quality and effectiveness of communication (Skinner and Von Essen 1998:23). This means that the quality of effective communication can be influenced by the values and perceptions of the receiver or the sender; hence organizations should be able to distinguish those values.

Evaluating the clients' preference for and use of particular communication channels and the effectiveness of banks' communication is very complex, because the types of communication that occur are varied. These include intrapersonal, interpersonal, small group and mass communication, the content of the messages (the situational and environmental factors that affect communication) and the topic of communication, which may be specific to the

organization (Ratzan, Payne and Bishop, 1996). Banks are mostly driven by customers; hence their needs should be satisfied. Kumar *et al*, (2009) and Al-Mansour (2007) argue that Total Quality Management (TQM) helps banks to increase customer satisfaction and loyalty through continuous improvements. Customer satisfaction is determined not only by technical performance, but also by “an intricate set of exchange processes”, such as effective communication and management of expectations (Campbell and Finch, 2004). This means that continuous and effective communication between the organization and its customers is of paramount importance. Rakich *et al* (1992) state that communication systems can be used to measure the effectiveness of communication in programs in an organization, and that communication effectiveness is evaluated on the basis of how well customers as strategic partners are served.

The issue of effective communication in the banking industry is significant globally. Bernanke (2007) argues that, “good communications are a prerequisite if central banks are to maintain the democratic legitimacy and independence that are essential to sound monetary policymaking”.

1.3.1 Communication modes and channels

Bunch, Shaw and Geaney (2009) identify three communicative modes: the interpersonal mode, the interpretive mode and the presentational mode. The interpersonal mode involves active communication among individuals who negotiate meaning in face-to-face conversations. The interpretive mode refers to situations in which meaning must be derived without the assistance of two-way communication, for example, when one is reading a newspaper article. Thus one cannot ask questions about ambiguous statements. The presentational mode involves the creation of messages whether oral or written, for delivery to audiences where no opportunity is present for direct negotiation of meaning. In this mode, different communication channels can be used, ranging from face-to-face, print or electronic, to new information communication technologies (ICTs). So is the bank using effective communication channels to reach out to its customers? This research will try to establish the clients’ preference for and use of particular communication channels of this branch in Alice.

1.3.2 Factors that may affect channels of communication

There are quite a number of factors that can affect the channels of communication and in turn communication effectiveness. These include lack of attention and the relative isolation of

rural communities, poverty, internet usage lagging behind in rural areas, education, age, gender and employment status to mention just a few. As discussed earlier, Alice is a relatively small, semi-rural village. Statistics SA (2008) states that many people in many rural areas in South Africa exist below subsistence levels, live in dire poverty, are illiterate and remain impoverished because they have no access to basic infrastructure (electricity, communication, water) essential for economic growth and development.

Factors that could affect the understanding of messages are poverty, illiteracy and language barriers, which can constrain the public sphere (Sindane, 2014:23). Language is also one of the elements that plays a very important part of communication. Effective communication can only take place when people who are interacting understand each other. In Ghana, for example, English occupies a privileged position and has done since colonialism, and so operates as a *lingua franca* between speakers of different backgrounds (Torto 2014:4). Pearce and Rice (2013:726) state that English language skills open the door to the digital world, but at the same time can cause barriers for those who lack proficiency. These challenges also apply to Alice, where many people speak and understand Xhosa better than other languages and where illiteracy levels are high. The language used by the bank to communicate with its clients should therefore be evaluated as to whether it suits the audiences or not.

These factors have an impact on this study as it investigates clients' preference for and use of particular communication channels of the bank. This study will elaborate further on how these factors have a bearing on this study.

Poverty

Poverty levels are very high in Alice where many people are dependent on government grants (Aspire, 2010). Poverty derails ICT development in rural areas because people need the government to improve service delivery and infrastructure development before they can focus on ICT development. Poverty in rural areas in Africa can be traced back to the colonial/apartheid systems and policies, poor production in the fields, low incomes, high costs of connectivity and the rising vulnerability of poor people (Rural Poverty Portal, RPP: 2010). Because of poverty businesses face a lot of challenges especially when inequalities exist between the urban and rural areas.

Digital divide and digital inequalities

Digital divide is a gap between those who have access to digital technologies and those who do not (Selwyn, 2004). Mariscal (2005:410) defines digital divide as the gap between individuals, households, business and geographic areas at different socio-economic levels with regard to both their opportunities to access information technologies and to the use of such technologies for a wide range of activities. Cullen (2003:247) defines digital divide as a metaphor used to describe the perceived disadvantage of those who either are unable or do not choose to make use of ICT in their daily lives. All these definitions of 'digital divide' have something in common, which is the inequalities that exist when it comes to access to ICT and inability to use the ICTs. The 'digital divide' is also a result of unequal access, skills, and infrastructure (Pearce and Rice 2013). Those with the most resources like education, income, access, status and cognition benefit the use of internet and become more skilled than those without.

This digital divide still exists even in today's societies, but the most affected areas are the rural population. People living in rural communities lack access to information and ICTs because of poor and lack infrastructure, scarcity of resources, lack of skills to use ICT resources, poor education and literacy levels in rural areas, and high levels of unemployment (Warschauer, 2002). These reasons above and many others have widened the digital divide between the urban and rural communities.

The digital divide and digital inequalities can still be felt in many rural societies in SA including Alice. The town does not have internet cafes or computer training centres/telecentres for local people to learn more about computers. This lack of training centres has contributed to low computer literacy levels in Alice and other rural societies in SA. Hence, people are not equipped technologically and they lag behind in accessing information via the internet and this slows down development both in business and the communities (Sehrt, 2003). Gender issues are often the basis of studies regarding communication and ICT use. Men tend to use digital technologies more often and more intensively than women (Ji and Skoric 2013:224). However, gender inequalities are not used as a context in this study: instead focus will be on digital divide and inequalities in the South African societies especially between urban and rural areas.

The bank in Alice feels the digital inequalities since most of its clients have little or no knowledge of the computers, so even operating an ATM is a challenge to the clients. The bank has to constantly deploy a staff member almost every time to assist the clients yet in other urban areas clients know how to operate and do their banking without seeking help. In areas like Alice it is even difficult to use communication channels like email because the majority of the clients are computer illiterate. All this is as a result of digital divide and digital inequalities.

1.4 Theoretical framework: Media richness theory

Media richness theory, propounded by Daft and Lengel (1984), was designed to improve information flow by prescribing channel selection procedures for managers to make the most efficient use of communication channels. Communication channels are seen as possessing certain attributes that determine their capacity to carry rich information. 'Media richness' refers to the channel's relative abilities to convey messages that communicate rich information (Daft and Lengel, 1986). 'Rich information' is a message communicated which is clear and unambiguous to the message receiver. The richness of a communication channel may also be determined by its ability to offer rapid feedback, multiple cues (verbal and non-verbal), natural language (ability to communicate in a conversational way) and personal focus (ability of the medium to allow communicators to direct the message to a specific individual) (Gilman and Turner, 2001). This means that when a channel is said to provide rich information, it is able to accomplish its intended purpose, which is to provide messages that are understandable, clear and have some focus to the recipients. Different channels have different attributes, meaning that some channels have a more personal focus than others, some offer more rapid feedback than others and some are transmitted in local and natural languages. This research will investigate which communication channels clients' prefer and use among the different channels used by this bank in Alice. An investigation as to whether language and level of education affect clients' preference for and use of particular communication channels of this bank will also be investigated.

Russ, Daft and Lengel (1990) used media richness theory to test how managers select media channels and discovered that managers selected 'richer' media for ambiguous messages and 'leaner' media for unambiguous messages. The theory also makes use of a continuum, which rates channels according to the 'richness' of the information it provides (Rice, 1992). This continuum is a scale that rates communication channels from 'lean' to 'rich'. Various

channels are depicted on the continuum as providing information in varying degrees of understandability and ambiguity. This will be discussed further in Chapter Two.

The media richness theory seems ideal for the study, since it addresses all the issues of selecting and rating the effectiveness of the communication channels that the bank uses. The theory also fits the study because the findings from the study might be used to help the managers to select and use appropriate communication channels that meet the needs of the clients. The continuum will be used as a tool to rate the clients' preference for particular communication channels used by the bank rating them from lean to rich channels. The theory has been used by several scholars to test traditional media (such as Daft and Lengel 1984) and by Kock (2005) to test new media such as electronic mail. In this study, the theory will be used to evaluate clients' preference for and use of particular communication channels of this bank.

1.5 The research problem

Despite a sound body of literature on the subject of corporate communication and communication in general, the researcher feels there still is a lack of attention paid to the preference for and use of particular communication channels used by organizations with rural branches. Nwuneli (1993, cited in Salawu, 2004:1) argues that communication methods are supposed to be culturally sensitive, language specific and in tune with the social realities of the people in the developing world. With these factors in mind, we could ask whether bank clients prefer the bank's communication channels. In this study, by focusing on external (marketing) communication, we could also evaluate the channels' effectiveness and whether they are in tune with the social realities and way of life of the Alice residents.

Alice suffers lack of infrastructure development, poverty, high level of unemployment and diverse literacy levels and these factors affect the way the clients comprehend messages and understand the communication channels used by the bank. With the status quo, is the bank effectively communicating with its Alice clients?

Al-Mansour (2007) argues that banks should develop an environment in which customers are encouraged to be actively involved in designing and evaluating the services they need, based on their emerging situations. This study then seeks to evaluate the clients' preference for and use of particular communication channels of the bank and evaluate whether those particular channels are effectively communicating with them. For instance, in his research in

Zimbabwe, Mutsvairo (2013: 196) found that the majority of rural dwellers did not know what Facebook was. He states that the internet in Zimbabwe appears to be controlled and accessed by members of an elite club whilst the rural population is excluded from participating (Mutsvairo, 2013:186). The rural-urban divide is inevitable and because of the problem of lack of resources, poverty, and lack of infrastructure development it becomes difficult for organizations to use particular channels to communicate with their clients and vice versa. The differences between rural and urban customers also contribute to the need for this research.

1.6 . Research questions

The questions that this study aims to answer are the following:

1. What communication channels and language does the bank use to communicate with its clients in Alice in its marketing communication?
2. To what extent do the clients understand particular communication channels used by the bank to disseminate information to them?
3. To what extent do the new electronic media channels (internet, cellphones, SMS, etc.) and the old traditional media channels (TV, radio, newspapers) offer ‘rich’ information when disseminating messages to the Alice clients?
4. Which particular channels of communication do the customers use to communicate with the bank?
5. To what extent does literacy level affect the comprehension of messages this bank uses to communicate with its Alice clients?

1.7 Research aims

To evaluate the clients’ preference for and use of particular communication channels of a particular bank in Alice.

1.8 Research objectives

- To find out the clients’ preference for and use of particular communication channels used by a particular bank in Alice.
- To evaluate the extent to which the clients understand the messages in the various communication channels used by the bank.

- To assess the extent to which the new electronic media and the traditional channels offer rich information when disseminating messages to the rural clients.
- To find out the particular channels of communication the customers use to communicate with the bank.
- To assess the extent to which clients' literacy level affect their comprehension of the messages the bank disseminates to its clients.

1.9 Methodology

This study aims to evaluate clients' preference for and use of particular communication channels and their effectiveness to some extent. The channels will be rated on a continuum from the richest channel to the least effective. To evaluate the preference for and use of particular communication channels the study will use quantitative and qualitative techniques. Huberman and Miles (1994) argue that it is vital for one to use both qualitative and quantitative research methods interchangeably where possible. This study requires in-depth information which quantitative research on its own cannot provide, so incorporation of qualitative research is a necessity. In-depth interviews and focus group interviews will be used to obtain detailed information: qualitative data which cannot be obtained quantitatively.

Rensburg and Cant (2009:72) define quantitative research as the approach that seeks structured and quantifiable data. Wimmer and Dominick (2005:139) add that quantification "allows researchers to summarize results and report them with greater parsimony". Quantification facilitates the use of statistical tools so that the responses can be presented in numbers, figures or data and allows the researcher to interpret and analyze the content. The study will use the quantitative approach to analyze the responses to closed-ended questions in the questionnaire.

Qualitative enquiry will be used to get detailed information which will not have been addressed in the questionnaire. Du Plooy (2009:219) defines qualitative analysis as conventionally not conducted or reported in numerical terms, but guided by questions and reported as descriptions of attributes (e.g. characteristics, values, levels of meaning, opinions). Qualitative research seeks to answer questions about complicated phenomena, often by describing, exploring and understanding the phenomena, considering the feeling and thoughts of the participants (Yin 2002). Patton (1988) argues that the research findings based

on qualitative information might be more directly suited to the specifics of the environment from which they were derived.

The researcher will also capture the collected data and analyze it for themes and categories.

The aim of this research is to evaluate the clients’ preference for and use of particular communication channels and the extent of the channels’ effectiveness. The following table illustrates the methods that will be employed to assist in data collection in order to answer each research question.

Table 1 Methods employed to assist in data collection

Question	Methodology	Data collection	Sampling procedure
1	Qualitative	Interview	Purposive sampling
2	Quantitative	Questionnaire	Systematic sampling
3	Quantitative and Qualitative	Questionnaire and FGD	Systematic and purposive sampling
4	Quantitative	Questionnaire	Systematic sampling
5	Qualitative	Interview and FGD	Purposive sampling

1.10 Significance of the study

Goldsmith (2006) argues that it is important to note that accessing information needs to be regarded as a right and not a privilege to a citizen of any society. This means that information should be communicated in ways that people understand. Organizations use different communication methods to disseminate information. The methods range from mass communication to interpersonal methods. This research intends to investigate the clients’ preference for and use of particular communication channels used by the bank in Alice and will strive to bring to light the challenges that the Alice customers might have with the bank’s communication channels.

1.11 Envisaged ethical issues

This research will subscribe to the University of Fort Hare's academic stance of zero tolerance of plagiarism. All ideas from other sources have been referenced. The study followed the University of Fort Hare Ethical Guideline Policy for Postgraduate Research. People who participated in the research were asked to sign ethics research confidentiality and consent forms before the research began. The participants were also informed of the objectives of the research before taking part. Confidentiality and privacy of the information was observed by making the respondents' contributions anonymous.

1.12 Limitations

This research was self-funded, hence financial constraints were inevitable. The researcher incurred some expenses by buying small refreshments for focus group discussion participants. The researcher provided these as a token to thank the elderly people for agreeing to make time to participate and avail their homes to be used for the FGDs. The researcher also paid for the printing of 100 questionnaires, interview guides and other necessary documents that were used for this study. Due to limited funds the researcher could not carry out the study in faraway places so was limited to use 100 clients: 50 from the university and 50 from outside the university, in order to help ensure diversity of perceptions.

Data recording equipment

The researcher was not able to afford to pay for an electronic recorder so the data was transcribed by hand. It was also unfortunate that the department has no tape recording machine for students to use.

The bank's company policy

It was quite difficult to get approval to conduct research at the branch. Several protocols and procedures had to be followed and it took quite some months. The bank did not allow giving out information about their clients, such as the number of people who bank with it, their gender, or geographical location, so this limited other aspects that I could have explored if I could have accessed that information.

1.13 Envisaged structure of the dissertation

Chapter One: Provides a general introduction to the study in terms of background and rationale of the study, problem statement, research questions, assumptions and objectives, as well as an outline of the chapters in the study. **Chapter Two:** This chapter provides the conceptual and theoretical review. The theory will provide the basis of the research and will align the aims and the objectives of the research. The media richness theory will be discussed in detail and be linked to how the theory can be used to measure and evaluate the effectiveness of the bank's communication channels. The concepts of diversity and literacy level will be further discussed as well as the review of previous studies that have been conducted in line with the research topic. **Chapter Three:** Outlines the research design and methodology. The chapter will focus on the scope of the study consisting of the survey area; target population and sampling technique and how the data will be collected and analyzed. Justification of the selected methods will be provided in relation to the goals of the study. **Chapter Four:** The chapter will focus on data analysis. The collected data will be presented, analyzed and interpreted. This is the chapter that will provide most detail that will respond to the research questions outlined in Chapter 1. **Chapter Five:** This is the concluding chapter. The chapter will highlight the conclusion to the research linked from the data presented in Chapter Four. Recommendations will be drawn from the findings of the study, and areas that need further research. This chapter will provide the clear final answer as to which communication channels this bank's Alice clients prefer.

1.1.7 Conclusion

The above chapter provided a background of the research which aims to investigate and to some extent evaluate the clients' preference for particular communication channels used by this bank in Alice. Critical issues will be explored in the study and these include: a thorough discussion of the nature of Alice, different communication channels, factors that affect communication and the touch on the background of the bank as an organisation. The methodology of the study was mentioned. The research problems, objectives and significance were also highlighted. The following chapter will focus on the literature review, theories and a further discussion on several concepts related to the study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter serves to review literature relevant to the topic, first by discussing Alice and its current infrastructure and economic outlook and the reasons Alice can be described as ‘rural’. This chapter will also evaluate how banks communicate with their customers, the significance of the bank branches to the bigger bank corporation, the advantages of new ICTs in the communication industry, the challenges of ICT adoption in rural areas and literacy levels. This chapter will also discuss the various channels of communication, the barriers to effective communication and review what various authors have written on the issue of communication in banks. The central theory of the thesis, the ‘media richness’ theory, will be discussed in detail. The theoretical framework will explain how the theory fits and links with the study.

2.2 Alice’s economic and infrastructure status

The economic and infrastructure conditions of Alice are of paramount importance for the study because they play a major role in the functioning and running of any business in Alice, including this particular bank.

Most rural areas in South Africa are characterized by extreme poverty and underdevelopment and income and material quality of life are related to race, location and gender (May, 2000). Olivier, Van Zyl and Williams (2010:137) say that at least 10 to 15 million South Africans live in (largely rural) areas that are characterized by extreme poverty and under development. Infrastructural development in rural areas has lagged behind urban areas (Acacia, 2000). Infrastructure development has also lagged behind in Alice over the years and has affected many developments in Alice.

The Eastern Cape is one of the poorest provinces in the country (Burger, 2009). And Alice, which is in the Eastern Cape Province, is not immune to the high levels of poverty, underdevelopment and unemployment which are affecting the province at large. Aspire, the Alice Regeneration Strategy (January 2011:2), says that after independence in 1994 most government institutions and departments in the area were integrated and consolidated and relocated to other urban areas. Most private investments in Alice dried up, government

services closed down and some were relocated to the nearby town of Fort Beaufort, resulting in the flow of state funds to Alice being severely curtailed.

The relocation of several government offices to Fort Beaufort after 2000 left Alice with a lot of unmaintained and subserviced infrastructure. Therefore the economy of Alice suffered severe stagnation and Alice still remains a significantly poorly serviced small town.

The economy of Alice is not independent or fast growing; rather the economy is highly dependent on government related spending and social grants as its main source of income. The economy is also affected by the limited number of high income jobs, limited financial support to restore the heritage assets to enhance tourism which will contribute to job creation and economic growth (Aspire, 2011:2-3). This shows Alice's economic situation is poor, hence many people are suffering and living in poverty. In addition this hinders economic growth and causes a strain for businesses operating in and around the town.

Some of the infrastructure of Alice is also in shambles, but I will focus on the roads and telecommunications because I feel that they have a great impact on the bank's communication systems. Nkonkobe municipality's Integrated Development Plan/Budget (IDP) 2007-2012 (2006:18) states that most of the roads linking the rural settlements are in poor condition. The roads are poorly maintained and the storm-water system is in a state of disrepair, both of which contribute to an overall feeling of degradation in the town of Alice. Additionally, street lighting and security patrols are inadequate (Aspire, 2011:8). This generally means that the status quo of Alice is not pleasant for both the dwellers and the businesses around.

The telecommunication availability is also of great concern in Alice as it is still limited. This bank also at times uses this method of communication to disseminate information to its clients. Aspire (2011:9) states that there is very limited access to fast and accessible ICT links. This study will attempt to establish whether the limited internet access, lack of knowledge and education is hindering the penetration and use of internet banking in Alice.

The Nkonkobe municipality's Integrated Development Plan/Budget (IDP) 2007-2012 (2006:18) also reports that there were in short supplies of telecommunication, as 40% of the residents have no access to telephone, 9% have a telephone in their dwelling and 12% use their neighbour's telephone whilst 26% depends on public phones. However, at the end of

this research it was discovered that 81% of the respondents own a cell phone which is helping in disseminating information.

In general it is evident that the economy and infrastructure of Alice are not very strong. Yet there are businesses that are surviving. This study seeks to investigate the preference for and use of particular communication channels of Bank X in Alice.

2.3 Banks and their communication with their customers

When a bank or any other organization plans to communicate with its clients they make decisions on which communication channels they will have to use in order to effectively communicate with these clients. Those organizations whose priority is to meet customers' requirements and satisfy their needs will benefit from customer loyalty (Rooney, 1995). In their efforts to retain and satisfy customers, many organizations including banks are looking for ways to remain competitive and provide the best services for their clients.

Miller (2003, cited in Barker and Angelopulo 2010:4) defines communication as the transactional and symbolic process in which messages are exchanged and interpreted with the aim of establishing mutual understanding between parties. This means that communication is a two-way process, requiring mutual understanding. Such bilateral communication is often referred to as 'dialogic communication', which has been defined as "the sending and receiving of ideas between two participants, which may be approached in an active or passive way, resulting in a response by the receiver, who may be receptive or resistant to the ideas received" (Lane, 2010: 20). Building and sustaining a positive brand image in this way will help maintain customer loyalty (Rooney, 1995); a 'brand' being a "set of mental associations, held by the consumer, which add to the perceived value of a product or service" (Keller, 1998, in Kapferer, 2008). Communication is thus one of a number of factors that will determine the business's success or failure.

Reichheld and Sasser (1990) say that a decrease of 5% in customer numbers will lead to banks losing 50% of their profit and 5% maintenance of current customers will increase company profit by 25% to 125% (Beerli *et al*, 2004). These two cases prove how important customers are to banks. Therefore there is a fundamental need to retain, absorb and maintain these customers. It is then not an option for banks to lose customers because the loss of a customer can negatively impact the bank's profits.

Banks globally have seen the need to upgrade their ways of communication in order to keep up with ever-changing technology. Technology has swamped every aspect of the marketing process, be it internal or outside the firm (Reedy and Schullo, 2004:3). This implies how modern technology has taken over, at times replacing the traditional marketing strategies like word of mouth and door-to-door marketing techniques. Many banks have adapted to the modern technologies like electronic banking which includes electronic channels like internet, telephone, mobile phones and digital TV (Gilaninia *et al*, 2011; Lu *et al*, 2003), which customers use to pay bills, transfer money and to access their accounts.

Bank X is in constant communication with its clients. One of the ways in which the bank communicates is through advertising. Grace and O’Cass (2005) state that organizations can market their products and services via controlled communication like advertising by promotional activities and also using uncontrolled communication like word of mouth and non-paid publicity. Banks in most cases are service providers; hence advertising is an important tool to communicate those services (Grace and O’Cass, 2005). New communication technologies have helped many organizations to disseminate messages to their clients. Nevertheless, the choice of relevant channels to communicate with their clients is of paramount importance to enable effective communication with clients.

Financial literacy

Many banks have taken up the use of ICTs to use them for their day-to-day operations. These ICTs include any communication device or application and for this research the focus is on ATMs, computers, emails, the internet (including Facebook, Twitter and blogs), cell phones, SMSs and chat rooms. Servon and Kaestner (2008:273) say that having access to ICTs does not mean only the literal access to a computer and internet but to have sufficient training to use the technology and understand the content of the messages. Organizations that use ICTs should also consider if the receivers of the messages understand these technologies and check if they are ICT literate, to enable effective communication to take place.

Financial literacy becomes pivotal if effective communication is to take place between the banks and its clients. Financial literacy refers to a person’s ability to understand and make use of financial concepts (Servon and Kaestner, 2008:273). This means that the clients should be able to understand the financial ideas being communicated to them. Financial literacy helps the clients have a better understanding of the bank, the products and services it offers and all

the financial information. Servon and Kaestner, (2008:278) add that financial literacy benefits help banks by getting people to save, invest, educate people about products that meet their needs and then purchasing the products. So financial literacy helps both the bank and its customers to have a better knowledge of the bank, its products and services they offer.

Banks have been expanding and creating their on-line and e-banking presence (Furst, Lang and Nolle, 2001) and Bank X is doing the same. But are all the customers familiar with, and do they understand, these products the bank is offering? If not, then it could mean that the clients are financially illiterate or they simply do not understand the products offered by the bank and this could be a barrier to effective communication between the bank and its clients. Servon (2002) suggests that digital knowledge which embraces access, training and content should be addressed, together with financial literacy.

2.4 The significance of bank branches

The researcher saw the need to have a discussion on the significance of bank branches because the Alice branch is a branch of a bigger corporation. Corporate banks cannot function alone without the help of their branches. Bank branches are the intermediaries through which the money of the savers is invested. Within the central bank, bank branches are also considered as business units where services are provided to customers through direct contact (Al-Swidi and Mahmud, 2011). Bank X similarly has many branches across the globe.

The researcher could not obtain the actual numbers of the Bank X branches in South Africa because the bank advised me that it was classified information which cannot be given to people casually. However, it can be stated that it has many branches which offer different services. For example, Bank X provides a service called Easy Plan. This is a paperless banking offering where one can open a new bank account, access funeral insurance and get a loan in just 10 minutes. The table below shows the distribution of Easy Plan branches in South Africa.

Table 2 The distribution of Easy Plan branches in South Africa

Province	Number of Easy Plan branches
Gauteng	55
Eastern Cape	25
KwaZulu-Natal	26
Western Cape	16
Limpopo	15
Mpumalanga	9
North West	4
Free State	4
Northern Cape	1

The number of the branches listed above is just a fraction of the total number of branches Bank X has in South Africa. Bank branches are the business providers through which the corporate bank shows its commitment to its customers through understanding customers' needs and requirements to respond accordingly based on in-depth research and investigations (Athanasopoulos, 1997 quoted in Al-Swidi and Mahmud, 2011:278). The branches are located in nearly all the provinces in SA even though they are not evenly distributed. Having many branches enables the bank to provide services to people, to keep the business going and maximize profit returns.

Alice branch is also an intermediary of the larger corporate bank and it has a mandate to maintain the business at the same time as meeting the customers' expectations. This research intends to evaluate the clients' preference for and use of particular communication channels of Bank X in Alice. It is through research that some of the customers' communication needs and expectations will be explored and the results might help the bank to have a better insight into their communication channels' effectiveness.

Bank branches are also critical because they contribute to the overall performance of the corporate bank (Athanasopoulos, 1997 in Al-Swidi and Mahmud, 2011:278). This means that bank branches play a pivotal role in the overall corporate; hence, the branches should be effective and efficient in their overall performance. So is the Alice branch effectively communicating with its clients? The researcher intends to also investigate what the bank's customers use to communicate with the bank and the channels they prefer to receive information from?

2.5 Advantages of the new communication technologies in organizations

In the twenty-first century, banks' service delivery practices are changing significantly to take advantage of the new technologies (Durkin and Howcroft, 2003:61). Various media channels are at the disposal of banks and other organizations with which to disseminate information. Canary and McPhee (2011:209) identify some channels that are relatively new: e-mail and blogs, mobile phone communications, internet, text messaging (SMS), instant messaging and chat, as well as older technologies like fax machines, video and teleconferences and many others. Communication channels like television, radio, mail and face-to-face sales are still significant though some scholars believe that they are declining (Brady *et al*, 2008:108 and Grewal *et al*, 2001:18).

Technology has changed the communication patterns in society and in businesses. Computer and computer-mediated communication (CMC) technologies, in particular the internet, have provided possibilities for changing the way people communicate with one another and engage in local and non-local activities (Hampton and Wellman, 2003). Messages now can be sent and received anytime regardless of location, enabling easy communication between organizations and their customers.

Banks have been expanding their virtual presence to keep up with the changing technological era. It is the hope of many organizations to create a mutually beneficial environment between it and its publics and that is achieved by a two-way communication process. Successful companies and individuals excel in letting others know their values and preferences (Guth and Marsh, 2003:137). So this means that organizations and the banks should also be able to communicate their values and what they stand for to their customers. This way customer will be fully aware of what the bank can possibly offer them. Bank X strives to reach their

customers by using the internet, emails, cell phones and the other channels like television, radio, newspapers, and billboards to mention a few.

The adoption of e-banking has allowed banks to design delivery channels from a customer perspective and productivity point of view in order to meet the expectations of customers who use electronic banking (Lamb *et al*, 2002:649). E-banking also helps customers to do their banking operations in their most convenient time and place. Banks also benefit from lower operating costs due to reduced staff members and reduced number of branches. Technology has helped to diminish geographic distances allowing new products and services to be created (Liao and Cheung, 2002:285). In Liao and Cheung's (2002) study it was revealed that customers enjoy easy and quick accessibility to information, reduced bank fees and the banks enjoy reduced operating costs, thanks to the new technology.

The new communication technologies help with instant access and networked individualism (Wellman, 2001:101). Instant access can be achieved by using cellular telephones or internet communications to send and receive messages any time (Wellman, 2001:101). Networked individualism is the ability to create one's own social network based on interests regardless of location. For example, Bank X has a mobile App for students that offer free calls, SMS, online chats and all social networking as well as cell phone and internet banking to allow continuous communication between the customers and the bank. The use of cell phones increases the ability of organizations to manage geographical distant units and also to interact with customers in the context of mobility (Geser, 2004). Customers are also at liberty to conduct research via the internet about certain products and services offered by the bank. This shows that the adoption of ICTs has significantly changed the face of corporate communication.

Bank X is also on Facebook, which enables customers to ask questions and give feedback on what they feel about the bank. These various innovative communication strategies have opened more channels of communication for the bank to keep in touch with its customers. Despite all these innovations it is not clear whether all the customers, especially those living in rural areas, are aware of these innovations. Do all the clients have access to the various communication channels? Are the rural clients able to use these innovations effectively and what communication channels do the clients prefer to use and receive information from?

2.6 Challenges of ICT adoption in rural areas

There have been several studies done to evaluate the extent to which ICT adoption has taken place in rural areas. They have revealed that ICT adoption in rural areas involves difficulties such as lack of physical access to ICTs, attitudes towards technology, language barriers in using the internet, education level, location, age, literacy level and culture (Black and Atkinson, 2005 and Akshay and Dhirubhai, 2005, in Alao, 2010).

Alice is a small town surrounded by a large hinterland of rural areas. As indicated above, for the purposes of this study, Alice can be considered a rural area. The International Telecommunication Union (ITU) (2000) describes a rural area as characterized by absence of public facilities such as reliable electricity supply and regular transport, scarcity of technical personnel, low level of economic activity, low per capita income and under-developed social influences. The term 'rural' in this study is thus associated with remote and disadvantaged areas, and limited ICT adoption, knowledge and usage rather than the size of the town.

The researcher suspects that ICT adoption is still lagging and has not yet been fully understood and so is affecting the way clients understand the messages and the channels of communication the bank uses to disseminate information to them. This suspicion was key to the formulation of this research.

According to the Eastern Cape Information and Communication Technology Strategy (ECICTS) (2009-2014:23), there are key challenges in the province that hinder ICT adoption and development. The Eastern Cape Province faces the challenge of inadequate ICT connectivity infrastructure especially in rural areas where there are high levels of illiteracy combined with lack of access to information and communication channels for citizens to be empowered. People in rural areas are not empowered to make use of the internet services available to their urban peers (Richardson, 1996:1). (Although the preceding reference is 18 years old, it is still relevant to what is happening in Alice.) Warschauer (2002) also argues that socialisation via technologies is affected by the differences in economic, social and human resources. This means that the rural people lack the skills, resources and the high illiteracy levels hinder the use and adoption of the ICT in the province. The table below shows the internet access in the Eastern Cape Province.

Table 3 Internet access in the Eastern Cape Province

Description	Percentage
No access to the internet	75.9%
Have access to the internet at home	5%
Have access to the internet via their cell phones	12.8%
Have access to the internet at work	2.8%
Have access to the internet from elsewhere	3.5%

Adapted from the Eastern Cape Socio Economic Consultative Council report (ECSECC, 2012:3)

The results show that internet in the EC province is not popular and many people do not have access to it. This means organizations ought to be well informed of the most popular channels that are used and at the disposal of their clients and use those channels to disseminate information.

The ECICTS (2009-2014:23) also shows that if service delivery is poor in the province, improving ICT before addressing the direct needs of citizens, business and potential investors will not go well. Therefore people will only see the need to adapt to the ICT when their immediate needs like proper health facilities, good roads, electricity and water are first met. The province therefore has a lot of challenges and these challenges significantly affect the businesses and organizations operating in Alice.

Language also plays a role in people's keenness to adapt to ICT. Oladimeji (2006:199) says that language is the biggest obstacle for people to access information; hence it can be considered a barrier to information access. There are channels like the internet that use mainly English so people who cannot read English will miss the messages sent over that channel. Such an ICT can be a challenge and those who are not motivated to learn, or who have any sort of learning difficulty will fail to adapt to the ICTs. Bank X might also be experiencing such challenges when they try to communicate with their Alice clients who could be facing difficulties in ICT adoption. When the above challenges occur, effective

communication could also be hindered; hence this study aims to evaluate the clients' preference for and use of particular communication channels. The research will also find out whether all these factors are indeed obstacles to understanding corporate communication.

2.7 Literacy levels in SA

Literacy is the ability to identify, understand, interpret, create, communicate and compute using printed and written materials associated with varying contexts. Literacy involves a continuum of learning in enabling individuals to achieve his or her goals, develop his or her knowledge and potential and participate fully in the community and the wider society (UNESCO, 2005:21).

This definition is explicit and elaborates the extent to which literacy can help an individual to broaden his or her knowledge base and be able to partake in social and community projects.

Literacy can also be defined as a particular capacity and mode of behaviour: the ability to understand and employ printed information in daily activities, at home, at work and in the community to achieve one's goals, and to develop one's knowledge and potential. Differences in levels of literacy matter both economically and socially: literacy affects, inter alia, labour quality and flexibility, employment, training opportunities, income from work and wider participation in civic society (Organization for Economic Co-operation and Development, OECD, 2000 quoted in UNESCO, 2003-2012:18).

Being able to read and write can develop one's knowledge and potential and the different levels of literacy that one has affects the individual's participation in both economic and social areas. This shows that literacy is important for the economic and social growth of the country at large. However, one cannot discuss literacy without touching on education, since these two go hand in hand.

2.7.1 Education in SA

Education is essential for human beings. A society is able to grow when it is able to develop education and skills of its members because education has positive social externalities or benefits that foster economic, social and political changes (Gakusi, 2010:210). This means when a society has members who are educated, a better living place is inevitable where other sectors like the economy and political issues are resolved with understanding. In this regard, one can say that education is the key to a better life.

The constitution of South Africa (1996) states that, “Everyone has the right to basic education, including adult education and to further education, which the state, through reasonable measures, must make progressively available and accessible.” This shows that the government of South Africa prioritizes the need and importance of education for its citizens and has given itself a mandate to help its citizens attain education.

The provision of education has been a global concern and UNESCO adapted an initiative called Education For All (EFA) to which South Africa is a signatory. The EFA has a mandate that states:

Every person – child, youth and adult – shall be able to benefit from educational opportunities designed to meet their basic learning needs. These needs comprise both essential learning tools (such as literacy, oral expression, numeracy and problem solving) and the basic learning content (such as knowledge, skills, values and attitudes) required by human beings to be able to survive, to develop their full capacities, to live and work in dignity, to participate fully in development, to improve the quality of their lives, to make informed decisions, and to continue learning. (UNESCO, 1990: article 1.1 cited in Carter *et al*, 2010:8)

This definition comprehensively highlights some fundamental elements that education can bring about: literacy, development, improvement to life and leading one into continuous learning. The mandate of EFA and the constitution of SA share a lot of commonalities and one is emphasising the provision of basic education to all people. If people embark on educating themselves, their literacy levels should also improve. People will not only be able to perform the basics of reading and writing, but they should be better equipped to develop and improve their lives.

In South Africa, the government has embarked on many efforts to improve the quality of education and to try and ensure that it is accessible to all South Africans including adults (Carter *et al*, 2010:10). In the Education for All (EFA:2010) SA country report, government’s spending on education was 18.2% of total government spending and 4% of the Gross National Product (GNP) on primary and secondary schooling. These statistics show the efforts the government is making to provide basic education to all. However, in as much as the government is trying to boost the education department, there are still some challenges in providing effective education facilities.

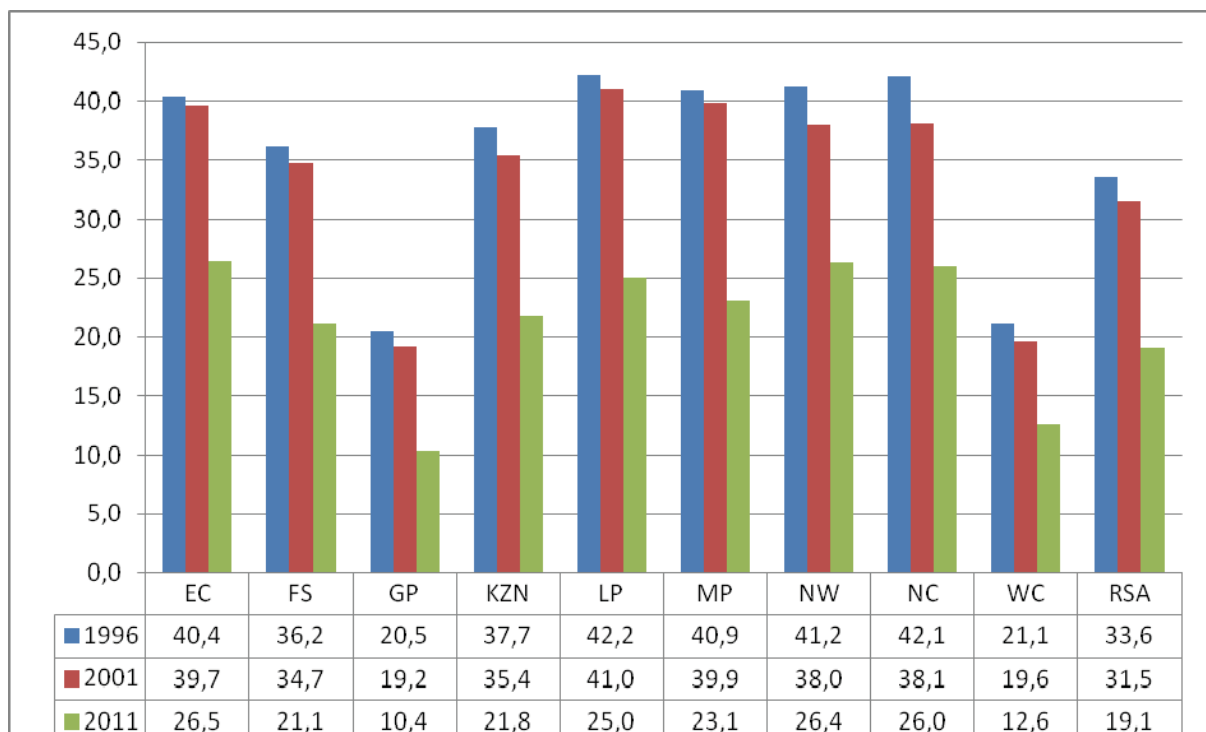
The most prevalent challenges in the Eastern Cape are poverty, shortage of teachers and a huge lack of infrastructure resulting in a major concern about access to education in this

province. South Africa in 2008 enforced a new decision nationally to have ‘no fee schools’ and Eastern Cape’s poverty level was so high that 56% of the schools fell under this category to accommodate access of education to learners (OECD, 2008:25).

The figure below shows the 2011 statistics for South Africa with regard to people with no education or only a junior school education. Figure 1 also shows the low levels of education per province over the years and nationally one can note that there has been a significant decrease in the percentage of people with little education. However, the Eastern Cape Province is still among the provinces in South Africa with very low levels of education.

Some challenges that prevent children from going to school are poverty, HIV and AIDS and cultural practices, as many parents end up preferring their children to work on family farms than going to school because employment prospects are bleak (Gakusi, 2010:216). This could be the reason for lower literacy levels in the Eastern Cape, bearing in mind that it is one of the poorest provinces in the country and has many rural areas.

Figure 1: Levels of education per province (percentage of persons aged 15 years and above with less than Grade 7, per province)



Adapted from: Statistical Release P0301.4 Census 2011 p.34

According to the EFA Country Report (2010:12) despite the high financial investment in education South Africa's education sector is still performing poorly in terms of national and international learner achievement, meaning that the outcomes for these efforts have not improved. Criticisms rose because of very poor performances. In a Monitoring Learning Achievement study (MLA-UNESCO, 1999) South Africa scored the lowest average in numeracy, the fifth lowest in literacy and third lowest in life skills (OECD, 2008:21).

There are many problems in SA's education sector, which include inefficiencies in education management and delivery and a lack of capacity at provincial and district levels, the scale of the existing backlogs, inability to contain expenditure on educational personnel and in redirecting funds towards non-personnel expenses and the desire to equalize per capita learner expenditure despite large disparities between provinces and schools (OECD, 2008:25). In the Eastern Cape, lack of delivery, backlogs and inefficiencies have seen the province still having mud school structures with few teachers, which was described as 'Schools of Shame' by journalist Melanie-Ann Feris in the *City Press* in 2010 (<http://www.Irc.org.za/Irc-in-the-news/1264-2010-09-19-schools-of-shame-city-press>). In a *Newsweek* country survey the Eastern Cape had the second worst Matric pass rate results in SA and SA was fourth-last of 100 countries (*Newsweek* 15 August 2010).

Several reports of corruption, mismanagement and overspending have been noted in the Eastern Cape which left the education department at the verge of collapse and with over R1.9 billion's worth of debt (<http://www.timeslive.co.za/sundaytimes/article686935.ece/Eastern-Cape-faces-R2bn-funding-crisis>). All these examples show the poor status of education in the Eastern Cape Province; hence efforts to overcome the challenges should be designed to improve the state of education in the province.

From the above discussion we see how important education is to the economic and societal growth. Howard, Rainie and Jones (2001) found that education is positively associated with certain types of Internet use, such as sending e-mail, searching for financial, political, or government information, and banking online. Therefore, education and literacy levels have an impact on this study because they influence the way the clients will understand and decode the messages sent to them by the bank and how well or easily they will relate to the different communication channels. The clients will also be able to tell which particular communication channels they prefer the bank to disseminate information to them and the channels they prefer to communicate with the bank.

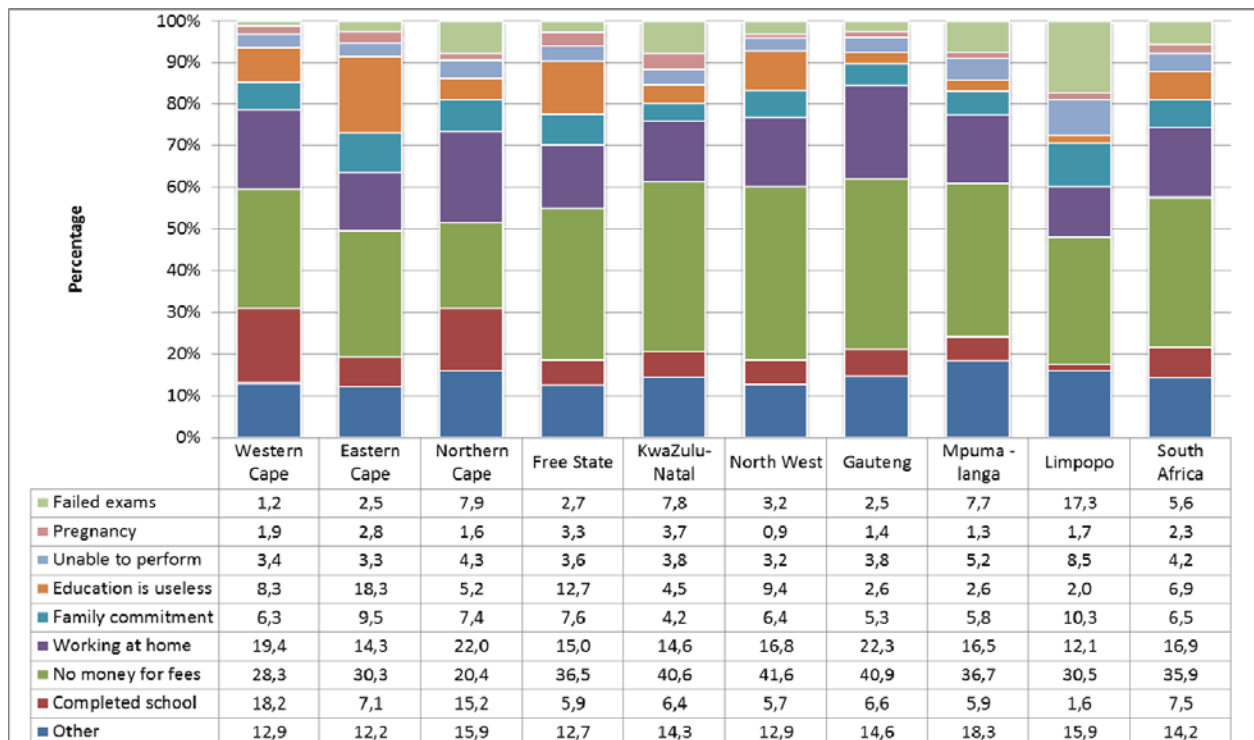
2.7.2 Age in relation to education/literacy level

Age is another determinate in this study and its inter-relation with literacy is of paramount importance. The Apartheid regime's education system had disparities based on racial discriminatory practices which included differentiation in teaching qualifications, salaries, expectations and nature of curricula and mostly the quality of education (Carter *et al*, 2010:9). The black majority struggled to survive since they were forced to learn and be taught in Afrikaans. In 1994 only 16-21% of the Africans survived to Standard 10 compared with 22% of Coloureds, 68.8% of Indians and 72.5% of Whites (Strauss as cited in Gilmour, 2001:8). This shows how much the black majority suffered to survive the education systems and policies in those days. This is likely to have affected the mostly black residents of Alice.

After South Africa became democratic, several ways to rectify the imbalances in the education sector have been drafted and put into place with the introduction of minimum basic education (Grade 9 for children from 7 to 15 years), non-compulsory services which include Adult Basic Education Training (ABET, offered to adults over the age of 18) and the Reception Year (Grade R) offered to children prior their entry to formal schooling (Carter *et al*, 2010:9). Nonetheless, the class clusters are still prevalent; even now we see different pass rates from different school models in which learners from model C schools achieve greater pass rates than those in Model A/B schools. Model A and B schools are state schools which receive government funding.

Many people in the rural and semi-rural Eastern Cape can only afford to go to the Model A and B schools because their household incomes are dependent on government social grants which include old-age pensions, disability grants and child support grants (OECD, 2008:23). However, some learners stop going to school due to HIV and AIDS related illness in which the learners are either the ones infected or affected by the pandemic (Statistics SA, 2007b). According to the General Household Survey (2011); some learners (16-18 years) say "education is useless or uninteresting", and then they stop going to school. Such behaviours have left many learners in EC without adequate education therefore making it difficult for them to understand corporate communication. The figure below further elaborates many reasons given by South Africans aged 7-24 years for not attending school.

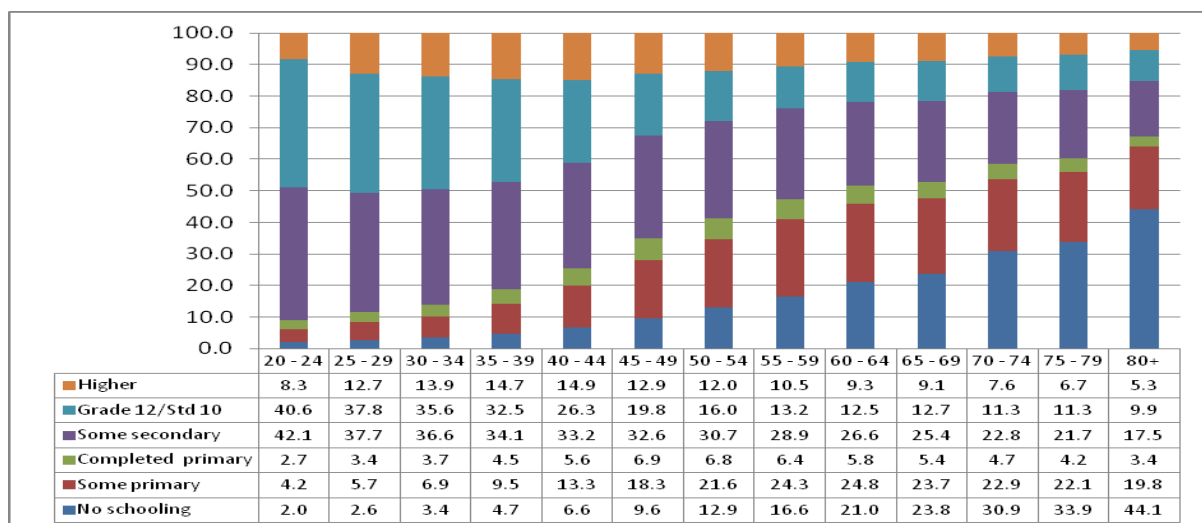
Figure 2: Reasons given by people under 24 for not attending an educational institution



Adapted from: General Household Survey (2011) Statistical release P0318 p 9

The biggest worry is that many people in the EC Province think that education is useless with the highest percentage of 18.3%, which could contribute to the province’s high poverty levels.

Figure 3: Highest level of education attained by those aged 20 and older

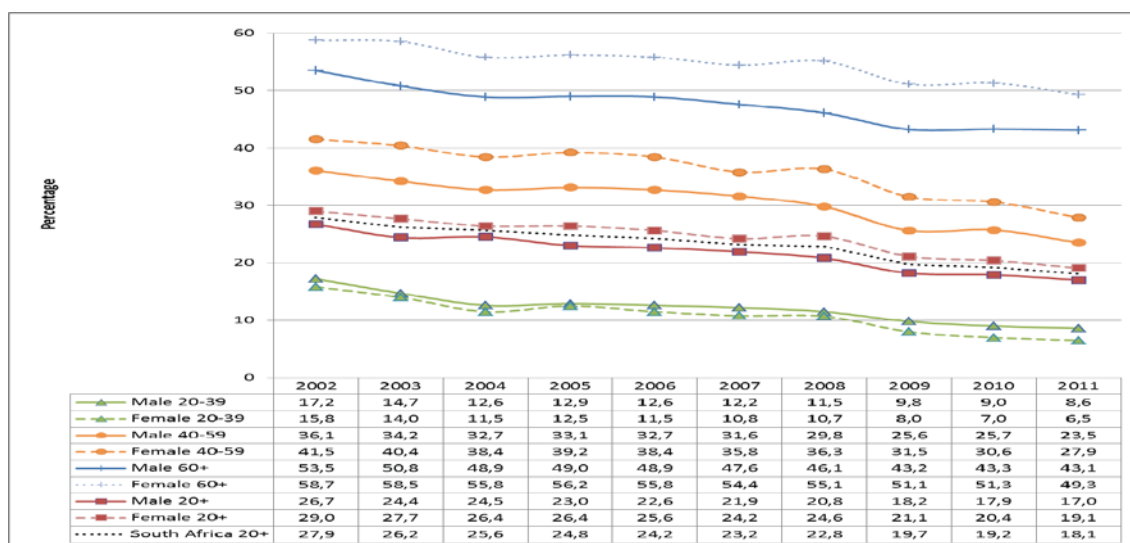


Adapted from: Statistical Release P0301.4 Census 2011 p.32

These results show that age is a significant variable in the higher level of education obtained. The number of people who have never attended school is high in the bracket of 45 years to 80+. In the Eastern Cape Province the rates are increasing, despite the general national decline of illiteracy among South Africans. This was observed when the researcher was conducting this research. Many adult respondents could not read or write.

The figures below further confirm that many people aged 60 years and above are illiterate, which will affect the way they understand messages sent to them by their banks.

Figure 4: Percentage of men and women over 20 with high school education, 2002-2011



Adapted from: General Household Survey (2011) Statistical release P0318 p14

In summary, this section discusses the literature on literacy and education in order to investigate whether these factors can be linked to the way Alice clients perceive the bank's communication channels.

2.8 The different channels of communication

Various channels can be used to disseminate information from one point to another. ICTs and traditional media are very significant in disseminating information to the masses. The media channels that can be used to disseminate information are print, video, films, drama, dance, group discussions, meetings, television, telephones, SMSs, internet, emails, exhibitions, cell phones and demonstrations, to mention just a few. For this study the researcher will focus mainly on channels like radio, television, telephones, SMSs, internet (websites and

Facebook), emails, print media and face-to-face conversations. The study will try to evaluate the clients' preference for and use of particular communication channels of Bank X in Alice. The process of evaluation of the communication channels will also be based on consumer perception, as respondents rate the channels on the media richness continuum.

2.8.1 Television

Television is another channel of communication that incorporates sound, movement, vision and colour. TV has an audio-visual impact which provides realism, immediacy, lasting and immediate impressions. TV programmes can be watched at the comfort of a home and are more appealing to the mass market (Mersham and Skinner, 1999: 185). Many organizations use TV ads to market their products and services so that they can entice customers to buy their goods.

In South Africa, television has a weekly viewership of 91.7%, reaching over 33 022-million adult South Africans (aged 15+) each week (<http://themediainline.co.za/2012/06/saarf-issues-latest-television-audience-measurements>). There are three kinds of television which are public television, private commercial television stations and the community television stations. The public television includes SABC 1, 2 and 3 having a total viewership of 69.3% of the total television audience (Media Development and Diversity Agency- (MDDA) 2009:10). The private commercial television in South Africa is e.tv which is free-to-air commercial terrestrial television station with an audience representing 22.3% of the viewing audience (MDDA, 2009:11). The third type of television in SA is community television. Examples of community television are Soweto community TV, Bay TV, Cape Town community TV and the Trinity Broadcasting Network (TBN) in the Eastern Cape and they are all distributed by satellite on DSTV (MDDA, 2009:11). All these statistics and examples show us that SA has several TV channels which can be used to disseminate information to the general public.

The TV channels also appeal to their varied viewers in different languages. The table below shows SABC's channels and the predominant languages used in each channel.

Table 4

TV Station	Type	Predominant Languages
SABC 1	Public Broadcasting Services (PBS)	English, IsiZulu, IsiXhosa, IsiNdebele, siSwati
SABC 2	Public Broadcasting Services	English, Afrikaans, Sesotho, Sepedi, Setswana, Tshivenda, IsiTsonga
SABC 3	Public Commercial Services (PCS)	English, Afrikaans

Source: MDDA (2009:76)

In the Eastern Cape 63.2% of the population own a television and this shows that TV is one of the powerful communication media in the province (ECSECC, 2012:3). Broadcasting in a home language is one of the factors that TV advertisers can use to market their products. The biggest growth in SA television production is the multilingual programmes that draw large audiences (Laschinger, 2005). This shows television can be used as a good message distributor. Bank X is one of the organizations that use TV to market its products and services through several TV adverts. The study will evaluate whether clients view TV as an effective channel of communication to them or not.

2.8.2 Radio

Radio is a mass medium capable of easily delivering a message to a mass population; one that can be sliced up into smaller segments based on demographics, lifestyle and/ or geography characteristics (Moody, 2014:3). Moody's study of local radio in New Orleans during Hurricane Katrina in 2005 shows that radio is critical to listeners who mostly feel that radio is a valuable public service which should remain a medium of choice in their future. To them, the important features of radio are speed, reliability and having direct geographic proximity to the community it serves (Moody, 2014:4).

In South Africa, radio is one of the most powerful and largest media of communication with an audience of about 29.5 million listeners nationally (MDDA, 2009:59). There are three types of radio stations which are public radio stations, private stations and community radio

stations. The public radio stations are owned by SABC whilst the private or commercial and secondary market radio stations are mainly owned by Kagiso Media and Primedia. The private radio stations are strictly regulated by ICASA (MDDA, 2009:64). The third type of radio is the community radio and SA has licensed 126 community radio stations nationally and 87 of the stations are on air (MDDA: 2009:65). Community radio is a central component of a pluralistic media landscape that plays an important role in the development and improvement of communities (Mohl 2013). Comparing the three types of radio station we see that the highest number of radio stations in SA is community radio. This could be so because community radio stations cover a much smaller area than other stations, which is why it is possible for so many to exist. The community radio has the sense of ownership for its members; the stations appeal to their people by using local language and discussing issues that directly affect the community (Myers, 2008).

The province with the highest number of listeners is Gauteng, followed by KwaZulu-Natal, number three is the Eastern Cape and on the least is Northern Cape Province. According to the MDDA (2009:60) the largest radio station in SA is Ukhozi FM which predominately uses IsiZulu in seven provinces. The second largest radio station nationally is Umhlobo Wenene FM which predominantly uses Xhosa. Umhlobo Wenene FM has about 4.5 million listeners and most predominant in Eastern Cape and in the other six provinces. Umhlobo Wenene is very popular in the Eastern Cape because most of the programmes on the station are presented in IsiXhosa so people in the EC province easily relate to the station.

With the recent advancements in technology now people can even access radio on their phones making it easy for people to keep in touch with what is happening around them. Companies can as well place their adverts and market their products to the audiences using their own language. Even the illiterate can get the messages that are sent through the radio which they might have misunderstood or did not get using other channels.

As a tool for social change and participatory communication, radio has several comparative advantages over the other media. First, it is cost-efficient in terms of investment – both for those that run the station and for the audience. Second, it is pertinent in terms of language and content – ideal for the huge illiterate population that still remains marginalized especially in rural areas of the Third World. Third, it is relevant to local practices, traditions and culture. Fourth, once the initial investment in equipment is made, sustainability is feasible, though dependent on the level of community participation. Fifth, in terms of outreach and geographic coverage, radio has a strong advantage over other media. Last but not least, the convergence between radio and the Internet is providing new

strength to community radio and has enormously increased networking opportunities. (Dagron, 2001:12)

Radio is thus a powerful communication tool that has impressive results in the delivery of useful information and messages to the poor, illiterate and rural people. In the Eastern Cape Province 61.1% of households have a radio even though now access has increased due to car radio or mobile access to radio (ECSECC, 2012:3). In Alice there is Radio Forte that uses IsiXhosa among other local languages to appeal to its diverse audiences. Other radio stations that broadcast in IsiXhosa are CKI, which has changed the name to TruFM. Many organizations use radio to deliver their messages to their target audiences. Consumers in rural areas in India habitually use television and radio; or tend to prefer the radio if many FM stations are available (Kundu *et al* 2013). Therefore, marketers and advertisers could develop campaigns to promote and attract rural buyers by creating awareness about the product and services. For example, some community radio stations have been a great marketing platform for promoting and advertising local talents, cultural identity, creating economic opportunities for the local industry and marketing local products (Du Plooy, 2009:259). Radio has assisted the rural community to gain access to information for many decades (Duncan and Seleane, 1998). This research will investigate the communication channels used in the communication process and which channels Alice clients prefer. The radio messages sent by Bank X will also be rated to check if clients prefer the channel and if they see radio as effective and efficient or not.

2.8.3 Print media

Communication can be done through the print media, which mostly consist of newspapers, magazines and newsletters. Newspapers and magazines provide information in greater depth than broadcasting media. Print media can be read anywhere and are more convenient and available than most electronic media and newspapers and magazines have an extended life span in that they can be shelved and re-read (Mersham and Skinner, 1999:183). Newspapers can be passed from one person to another; therefore information can be shared easily. Organizations use the print media for its advantages and to better market and explain their services and products to the audiences. In SA about 940 million newspapers circulate per annum and the newspapers are printed in English, Afrikaans and in vernacular languages (MDDA, 2009:15-16).

Print media is concentrated among four major players: Naspers through its subsidiary Media 24; Caxton; Avusa (now owned by the Times Media Group) and the foreign owned independent newspapers and Media 24 has the largest number of newspapers followed by independent Newspapers (MDDA, 2009:15). In the whole country the Eastern Cape Province has the smallest readership/circulation statistics, newspapers with only 29% and 27% circulation of magazines being distributed (MDDA, 2009:18). These circulation percentages show that there are relatively few people who read newspapers or magazines in the Eastern Cape.

Local newspaper advertising ensures that adverts are centralised and directly aims the local target market (Belch and Belch 2000:54). In Alice there is a local newspaper called *IDikelethu* which is written in IsiXhosa and costs less than the regional and national newspapers. Company newspapers adverts can bring awareness to the people of the company's products and services. There are now also online newspapers that people can access on the internet and improve access to information yet only the wealthy and computer literate people enjoy these benefits. In rural areas, hard copy is still more viable. According to Burger (2009: 123-25), South African community newspapers have become one of the most popular forms of press media with 171 million newspapers distributed annually. Local businesses can market and advertise on these local newspapers to reach out to their clients. This study aims to uncover whether Alice clients use and prefer newspapers as an effective channel of communication.

2.8.4 Telephone calls

In the context of this study 'telephone calls' include mobile (cell phone) and landline calls. The phone call has the benefit of being interactive, allowing each participant to take the communication in new directions. In the Eastern Cape Province 9.8% of the households have a landline while 81.2% have a cellular phone (ECSECC, 2012:3). Sales of cellular/mobile phones have grown immensely. Even though the use of household landlines has declined over the years, people still use them to communicate. Landlines are significant because those who do not have 3G cards can use the landline telephone to have internet access at home.

A case of Bangladesh shows the effectiveness, benefits and the significance of using phones for communication purposes in rural areas. Bayes *et al* (1999:98) state that in rural Bangladesh landlines and cell phones are used for economic activities: for exchanging price,

business and health related information that have resulted in better prices outputs, easier job searches, reduced mortality for livestock and better returns on foreign-exchange transactions. There are non-economic benefits of phones which are rapid and effective communication during disasters, stronger kinship bonding, reduced inequality and perceptible and positive effects on the empowerment and social status of phone-leasing women and their households (Bayes *et al*, 1999:99). This shows that the telephone has great power to disseminate information among people. The study by Bayes *et al* (1999) could be significant to this study to see whether the telephones have the same positive effect with the Bank X clients in Alice. Do the clients understand the messages they get? More will be explored in the study.

In this era of technology advancements, telephones – especially cellular phones – merge with computers to produce phones that have screen displays and microprocessors. These phones allow people to use services like phone banking, at-home shopping services, electronic mail delivery and internet browsers (Mersham and Skinner, 1999: 198). Because of these advantages of phones some organizations make use of the phones and text messages to disseminate information to their clients. This study seeks to explore if clients of this bank regard cell phones as effective communication channels and whether they prefer to use them for communication.

2.8.5 Email and the internet

The internet and emails have changed the communication landscape in various ways. In developed nations the internet has become the preferred choice of information because it enables individuals to access large markets at low cost, and physical barriers are minimized (Akshay and Dhirubhai, 2005:234).

People use search engines like Google and Yahoo to search for information on subjects they need clarifying. The primary goal of the internet is to provide a way of communication and to provide information in a very short time regardless of geographical location (Mersham and Skinner, 1999: 188).

With blogs, Facebook pages and company websites people can access information on their own when they browse. For example this bank has a Facebook page whereby clients ask questions and seek clarity on certain products and services about the bank.

An email is an internet application that targets communication to an individual in a private manner. Emails have not only made communication easier and efficient but they have significantly reduced the telephone bills, cost of postage, secretarial cost and have advantages of containing other kind of data such as graphics, videos and sounds (Barker, 2005). An organization can directly communicate with their clients on a more personal level in a very inexpensive way. Internet and the email have considerably brought a new way of communication at interpersonal and organizational levels. Elworthy (2008) states that emails increase speed in communication. This means that mass communication can be done within a short space of time and to a lot of people.

However, in the Eastern Cape Province 75.9 % of the population have no access to internet and a lot is desired to make internet accessible to people in the province (ECSECC, 2012:3). Even though the number of cell phone owners has grown high in the province, some cell phones might not be having internet access. For those who have cell phones that have internet access they might not be aware of how to manipulate those functions and in some cases the clients may be computer illiterate. Hence, having a cell phone is not a guarantee that a person has access to the internet. There is still a long way to go in making various media accessible to rural and township environments mainly because of the low computer literacy rates (MDDA, 2009:22). This is a very big challenge for organizations which operate in such disadvantaged communities. This study will investigate whether the internet or emails are effective channels to disseminate information to the clients and whether the channels are relevant in a rural setting like Alice. Furthermore, the use of and preference for emails or internet will be evaluated.

2.8.6 Face-to-face

Face-to-face communication is another way in which messages can be disseminated from one person to another. This can be also called interpersonal communication.

Interpersonal communication is when participants are able to have verbal and non-verbal communication. Participants continually exchange roles of sending and receiving information meaning interaction is focused and reciprocal. Feedback and exchange of messages are immediate as compared to other channels like emails (Mersham and Skinner, 1999:90).

Some individuals prefer information to be communicated to them directly so that they have time to ask questions in areas where they are not clear (Mersham and Skinner, 1999:90).

Some organizations in turn have employed consultants to help their clients to understand the products and services the organization offers.

Direct communication is also seen as paramount to enable the interests of the community to be received directly to the management without having to pass through other intermediate interests of other interest groups (Walter, 1992). This means that at times messages get distorted in their transmission because of different barriers, therefore, to reduce the distractions direct or face-to-face communication should be used where possible. A channel can impact the meaning of a message in two ways: its data-carrying capacity and its symbol carrying capacity (Sitkin *et al*, 1992). Face-to-face interaction is one of the communication channels that is rich and has both the data and symbol (non-verbal cues) carrying capacity as compared to other channels. The study will evaluate whether clients prefer face-to-face interactions.

The above channels of communication have been discussed in detail and they are some of the channels that can be used by organizations to disseminate information to clients.

2.9 Barriers to effective communication

This research aims to evaluate the clients' preference for and use of particular communication channels used by Bank X in Alice. It is also important to know some of the variables and barriers that can affect communication among various parties. Before discussing the barriers of communication, a look at the communication process will shed more light of the essential elements of the communication process. Figure 5 below shows one particular model of the communication process.

This transactional model of communication has several key elements: the sender, receiver, message, noise, feedback. The sender initiates the communication with the desire to convey an idea or concept (Lunenburg, 2001:2). In the case of this study the sender is the bank. The receiver is the recipient (bank clients) of the message who later decodes the message into meaningful information. The message is the idea or concept being conveyed or sent through a medium or channel, which is the carrier of the communication.

This bank makes use of various communication methods ranging from oral, print, written and electronic channels to convey their messages to their clients. During the communication process anything that distorts or interrupts the intentions and motives of the sender is called

‘noise’ or ‘communication barriers’. These distortions range from emotions to physical and semantic noises. Feedback is the response that comes from the receiver of the message. It occurs when the receiver responds to the sender’s message and it corroborates whether the message has been received and understood (Lunenburg, 2010:2).

However, any distractions at any level/point in the communication process become a barrier to effective communication among parties that are interacting. The noise/ barriers in the communication process can range from intrapersonal to mass communication. These barriers make the communication complex, difficult and frustrating to many people. Some of the barriers to effective communication according to Eisenberg (2010) are process barriers, physical barriers, semantic and psychosocial barriers.

Figure 5 below is an example of the communication process showing that noise happens at any stage of the communication process. Authors like Shannon (1948), Lasswell, (1948) and Katz (1957) assume that noise happens only in the channel. However, noise can happen at any stage from the sender, the channel, the receiver and whenever communication is taking place.

Some types of ‘noise’ will be discussed in the paragraphs below.

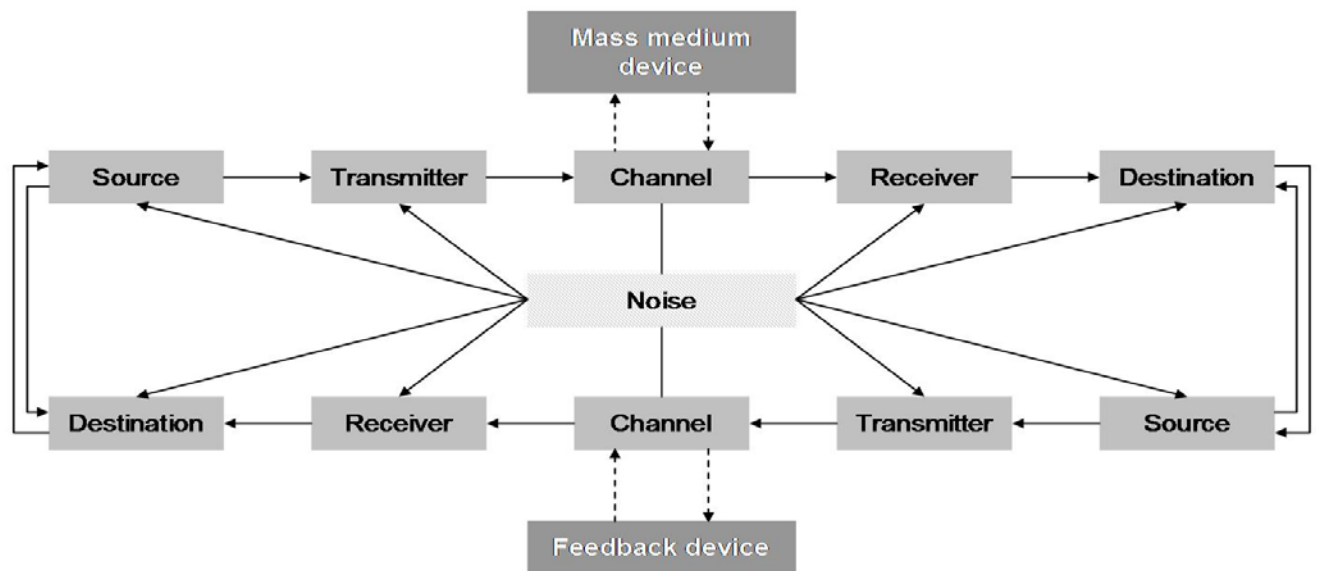


Fig 5: DeFleur’s model of the mass communication process. Source: Narula (2006:8)

Process barriers

A process barrier is the breakdown of communication anywhere in the cycle that can block the transfer of understanding (Lunenburg, 2010:4). These breakdowns range from sender barriers to feedback barriers. A sender barrier could be the failure of a person to express his/her idea properly and an encoding barrier could be the failure to understand the idea that intends to be conveyed by the sender.

The medium barrier is when the sender makes an incorrect choice of channel to disseminate the message. For example, a company might choose to communicate with their customers using the internet, whilst the customers do not have internet access and connection and this becomes a channel barrier. Similarly, because of the digital divide some people don't have access to the newest and the best computers, the most reliable telephone service or the fastest or most convenient internet services, if at all. Hence if organizations choose to use certain new media channels then those who do not have access to them will not receive the message, causing a barrier in communication (Selwyn, 2004:344).

A receiver barrier occurs when the recipient of the message fails to understand the sender's intentions. This means that communication has failed because the message was unclear, the wrong channel was chosen or that the language the sender used was not understood by the receiver.

A feedback barrier occurs when the receiver fails to respond or show his/her understanding of the message that was sent by the sender. This study will try to discover if these barriers affect the effective communication between Bank X and its clients which in turn affects the preference for particular communication channels.

Physical barriers

Lunenburg (2010:4) points that any physical distractions can hinder effective communication. Distractions like telephone calls, visitors, walls and physical distances between people can be barriers to communication. Physical barrier hinder team members from effective interaction with each other. This means that physical distance and noises can prevent effective communication between an organization and its customers. For example, a company might use emails to send messages to people in far-flung locations, yet some might fail to

understand the message and require a one-on-one consultation. This distance between the two parties will become a barrier.

Socioeconomic, demographic characteristic like income and age and their perceived ease of use of specific technologies influence people's willingness to use e-banking (Anguelov *et al*, 2004:1). This argument shows that people's age, perceptions and the way they feel greatly impacts the way they use and understand technology. Old age and a low general literacy level tend to impair effective communication and financial literacy. Parrish and Servon (2006) say that it is challenging to improve financial literacy in adults because they do not attend school, as the youth do, and they do not have the time or interest to attend financial literacy classes. This can also be evident with the Alice clients whereby the statistical results above show that there are still high levels of illiteracy among adults of 60 years and above. Are banks aware of these factors when they select the channels to disseminate messages to their clients? This research intends to evaluate the preference for and use of particular communication channels by Bank X's Alice clients.

As also discussed in section 2.3, potential barriers to communication for banking customers include lack of financial literacy, and lack of computer access, especially when combined with other demographic factors. All these barriers affect the smooth running of the communication process and will hinder effective communication. Some of these barriers might also occur between the bank and its clients. The paragraphs above have highlighted some factors that can hinder effective communication between parties communicating. The section below will focus on the media richness theory, which will be used in this study. This theory will be used to evaluate the clients' preference for and use of particular communication channels in Alice.

2.10 Theoretical framework

Media richness theory by Daft and Lengel (1984) hypothesizes about the information carrying capacity of media. The authors propose that task performance will be improved when task needs are matched to a medium's ability to convey information. Daft and Lengel (1984) state that media low in richness are suitable for facilitating discussion of simple topics, while media high in richness are suitable for complex organizational topics. The theory also considers a spectrum on which a channel is evaluated for its ability to reduce ambiguity among communicators. 'Media richness' refers to the channel's relative abilities to

convey messages that communicate rich information (Daft and Lengel, 1986). 'Rich information' is a message communicated which is clear and unambiguous to the message receiver. Information richness is the ability of information to change understanding within a time interval (Daft and Lengel, 1986). This means that communications and channels that promote understanding within a short time or in a timely manner are considered to be rich channels.

The theory has been used in organizations to improve information flow by prescribing channel selection procedures for managers to make the most efficient use of communication channels (Daft and Lengel 1987). Researchers have found out that managers can spend anywhere between 75-85% of their time engaged in communication activities (Panko, 1992). This shows that communication is also one of the important tools for the survival of any organization hence, it has become vital to understand communication media choice when disseminating messages either within or outside the organization.

Clients also need to receive messages that offer rich information. Goldsmith (2006) says that information needs to be regarded as a right and not as a privilege to a citizen of any society. This means that the Alice clients' need to be informed should be fulfilled and they have a right to get rich information from the bank. The clients should also be able to give feedback whenever possible to the organization because communication is a two way process and is transactional. Some communication channels are used during the communication process and this research aims to evaluate the clients' preference for and use of particular communication channels of Bank X in Alice.

There are two more terms that need clarifying because they will be used later on in elaborating the theory.

'Uncertainty' in an organizational setting means the difference between the amount of information required to perform the task and the amount of information already possessed by the organization (Galbraith, 1973:23). In other words, when there is absence or lack of adequate information, uncertainty is bound to occur. Whenever communication takes place it should be done effectively to reduce the risk of uncertainty.

'Equivocality' means ambiguity, which is the existence of multiple and conflicting interpretations about an organizational situation (Daft and Macintosh, 1981:53). This often means situations where there is confusion, disagreement and lack of understanding.

Uncertainty and equivocality or ambiguity often happens in organizations and even between an organization and its clients. For example, when clients lack information they struggle to understand the organization and some even lose trust in it. When an organization conveys information which is confusing and clients lack understanding, they might also lack confidence and trust in the organization. The major difference between uncertainty and equivocality is in the information processing. Uncertainty leads to the acquisition of data and equivocality leads to seeking clarity, defining the problem and finding solutions where there were disagreements and lack of understanding (Daft *et al*, 1987).

Daft and Lengel (1986) outline four criteria for evaluating media richness: rapidity or speed of feedback; multiple cues (variety of communication channels employed be they verbal/non-verbal); personal focus (personal appeal of source and the ability of the medium to allow communicators to direct the message to a specific individual); and natural language (richness of language used as a way to help bring clarity, accomplish tasks and communicate in a conversational way). This means that a rich channel carries one or more of the above attributes. The researcher assumes that the bank uses cell phones for calls and SMSes, printed mails, television adverts, radio adverts, newspapers, internet, emails and face-to-face conversations. If the bank uses other channels they will be revealed as the research progresses. From the current channels the bank is using, which of the channels do the clients view as very effective, and as meeting their need for information? Do the clients clearly understand the messages sent (via different channels) by the bank?

The theory predicts that the greater the social presence of a medium, the greater immediacy and warmth of the communication, because of the greater number of channels (Daft and Lengel, 1986:18). These channels may possess elements which have verbal and non-verbal cues that could enhance understanding of the message to the recipient and the medium also allows room to seek instant clarity which cannot be offered with other communication channels. The theory also assumes that managers will choose the mode of communication based on the equivocality (unclearness) of the message and try and communicate the message using a richer medium; meaning that for unclear messages, a richer medium should be used.

When the communicator lacks certain resources such as communication tools, time and geographic proximity to the recipients of the message, then the communication process will be difficult and might suffer many obstacles. Some organizational norms and resources support one medium, and so it could be difficult for a manager to choose another channel to

communicate his/her message (Trevino *et al*, 2000). This then shows that the choice of medium to communicate messages is not voluntary where there are rigid company norms. If cases like this exist, does the Alice branch suffer such rigid company norms? Who creates the messages the clients receive? This research will evaluate the clients' preference for and use of particular communication channels.

The theory also makes use of a continuum, which rates channels according to the 'richness' of the information it provides (Rice, 1992:22). This continuum is a scale that rates communication channels from 'lean' to 'rich'. Various channels are depicted on the continuum as providing information in varying degrees of understandability and ambiguity.

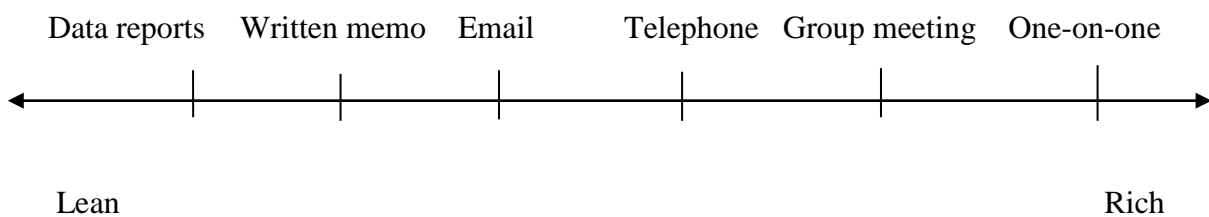


Figure 6: A continuum for media richness (Gilman and Turner, 2001:136)

As Figure 6 shows, the media continuum depicts how channels can be ranked according to their capacity and capability to carry rich information. The theory suggests that richer media should be used to disseminate unclear messages, whilst leaner channels transmit more unequivocal tasks. When Bank X disseminates messages to its clients, do they consider matching the communication channels to the type of messages?

Many scholars have used the media richness theory to test different hypotheses. Trevino *et al* (1990) used media richness theory when they explored the relationship between individual characteristics and media choice. They were studying how managers from many organizations, such as the International Telephone and Telegraph corporation (ITT) from 1959-1977, and the launch of the *Challenger* space shuttle in 1986 made the best media choices for disseminating information from one point to the other. Their research showed that messages communicated through channels that are inappropriate to the equivocality of a situation and the richness of the information sought to be transmitted are misinterpreted by recipients, or are ineffective with regard to their intended purpose. The results showed that participants chose richer communication channels as tasks increased in equivocality. While individual differences could exert influences on media choice, the influence disappeared as

the task become more unclear. Managers are more likely to communicate unambiguous messages to subordinates via electronic mail and communicate ambiguous messages through face-to-face interactions.

Daft *et al* (1987) also tested the theory by identifying a relationship between media selection and managerial performance and the implications for information systems. Their study was done in a petrochemical company and 95 managers were asked to select the medium of communication they would use for each of 60 communication incidents. The incidents were developed from interviews with managers and were rated for equivocality (Trevino *et al*, 1990:78). The findings show that media vary in their capacity to convey information cues. Daft *et al* (1987:355) also discovered that managers prefer using rich media for ambiguous communication and less rich media for unequivocal communications. The data also revealed that high performing managers are more sensitive to the relationship between message ambiguity and media richness than low performing managers.

In conclusion, Daft *et al* (1987:364) suggest that rich media in an organization should be used for resolution of subjective issues that involve different perspectives and media low in richness should be used for efficient communication of objective data to support routine decisions. In their study, managers who are more media sensitive were rated as being more effective in carrying out their managerial roles than those who were media insensitive. The examples above are relevant to this study in the sense that they will be used as a benchmark to see if the bank is choosing and using the correct channels to communicate with its clients.

Russ *et al* (1990) also used the theory and found out that managers selected richer media for ambiguous tasks and leaner media for unambiguous tasks. The authors discovered a hypothesized relationship between the media richness theory and the symbolic interactionist perspective (which is the process of interaction in the formation of meanings) for individuals and it has core principles which are meaning, language and thought. These three principles explain more about a person's self and socialization into a larger community (Griffin, 1997). The theory tested the hypothesis with data from 94 managers. The findings revealed that managers select face-to-face media for highly equivocal communication and written media for clear and objective communications.

The additional tests for the central prescription of media richness theory by Sheer and Chen (2004:77) were generally mixed, meaning that they were not totally in agreement with the

whole theory. They suggested that there are three goals in human communication: instrumental, relational and self-presentational. Relational goals are for building a good relationship with the subordinates. Self-presentational goal-identity management focuses on presenting oneself in a favourable and appropriate manner to others. Sheer and Chen (2004) questioned the media richness theory for only addressing the instrumental goal (which is matching a channel to the equivocality of the message) and not addressing the other issues: namely relational goals and self-presentational goals.

In essence, media richness theory predicts that managers are driven by the instrumental goal of task efficiency: therefore they choose media based on the match-up of message equivocality and media richness. However, Sheer and Chen (2004:78) in their study of managers in Hong Kong discovered that relational (relationship with subordinates) and self-presentational goals (identity management) are also relevant in manager subordinate interactions. Further findings showed that media richness theory only holds when messages are positive. Self-presentational goals are the most powerful predictor of media choice when messages are negative and relational goals have some impact on managers' media choice. Sheer and Chen (2004) suggest that the media richness theory only holds the instrumental goals of task efficiency. Thus, it could be improved by considering relevant interaction goals and the constructs of message valence (negative or positive psychological meaning a person can assign to the sender of the message) and complexity.

Valence is defined as the tone (positive or negative) of the meaning conveyed in a message frame (Siu, 2000:495). Valence is also related to matching the actual informational content or goal of the persuasive appeal with characteristics of the frame and source. Siu (2000:495) argues that it is important to match the valence of a message frame with a credible source because it brings about positive judgments. The point raised by Sheer and Chen (2004) was that the media richness theory can be further improved by including relational goals. In determining media choice behaviour, relational goals are important factors to be considered (Sheer and Chen, 2004).

The above studies will provide impetus to my study to probe the reasons why clients prefer a certain channel over another. Do the clients choose a channel based on how interactive it is, or do they choose a channel based on its accessibility, or do they choose a channel based on how effective it is on delivering information to them? Therefore, understanding the media

richness theory is of paramount importance to this study of evaluating the clients' preference for and use of particular channels of communication of Bank X in Alice.

Communication channels are seen as possessing certain attributes that determine their capacity to carry rich information. This theory suits the study of evaluating the clients' preference for and use of particular channels of communication because the continuum helped rate the effectiveness of the channels the bank is using. Applying the theory also assisted in finding out whether the bank managers or the marketers were able to make the right choice of selecting the appropriate channel to match ambiguous messages. Moreover, are ambiguous messages being communicated via rich channels or not? The theory also helps to evaluate if the bank's communication channels are rich: that is, do the channels possess the four characteristics (earlier stated) that can determine the richness of a communication channel?

2.11 Conclusion

This chapter gave an insight into the significance of the bank branches, as well as providing the general literature review and the theoretical framework. Various communication channels were discussed in detail, describing how these channels have been used and how they benefited those who used them. Some barriers that might affect communication between the bank and its clients were also discussed. The media richness theory was explained as well as the media continuum whereby the communication channels are ranked from least rich to richest.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The purpose of this chapter is to discuss the research methodology employed in this study. Research methodology is the general approach taken by the researcher in carrying out his/her research project (Leedy and Ormrod, 2001:14). Research methodology takes different forms: there are qualitative, quantitative and mixed method approaches. The researcher chose to use a qualitative and quantitative research methodology which is a mixed method approach. The justification for the methodology used to generate answers to the research questions will be discussed. This research employed the constructivist/interpretive and positivist paradigms. The detailed justification of interviews, focus group discussions (FGDs) and use of questionnaires will be given in this chapter. Ethical considerations and procedures of data and analysis will be explored. This chapter will also discuss the different ways in which data will be analysed and presented.

3.2 Research design

A paradigm is the basic belief system or world view that guides an investigation (Guba and Lincoln, 1994:105). Another definition states that a paradigm is a loose collection of logically related assumptions, concepts or propositions that orient thinking and research (Bogdan and Biklin, 1998:22). In every research there is a certain system that researchers employ in order to get information for their studies. There are various research paradigms in social sciences and this study is based on the constructivist/interpretive and positivist paradigms.

The difference between a paradigm and methodology is that a paradigm is a system that guides an investigation whilst methodology is a general approach taken by the researcher in carrying out his/her research project. For this research, the researcher used two methodologies which are quantitative and qualitative approaches. Huberman and Miles (1994) argue that it is vital for one to use both qualitative and quantitative research methods interchangeably where possible. This study used personal anecdotes which quantitative research on its own could not provide, so incorporation of qualitative research was necessary. For qualitative data in-depth interviews and focus group interviews were used to obtain detailed information. Closed-ended questions were used on questionnaires to obtain quantitative data.

Paradigms do imply methodologies, and methodologies are simply meaningless collection of mindless choices and procedures unless they are rooted in the paradigms (Guba and Lincoln, 1988:114). Therefore a researcher has to select a paradigm he/she wants to use then look for the method to use to gather data.

3.2.1 The interpretive/ constructivist paradigm

The interpretive/constructivist paradigm seeks to promote socially constructed knowledge claims in the world in which humans live and work (Crotty, 1998:184). It seeks to understand values, beliefs and meanings of social phenomena and to obtain a deep and sympathetic understanding of human cultural activities and experiences (Smith and Heshusius, 1986:26). This means that the researcher is involved in the research when he/she seeks to find the deeper meaning of the procedures and experiences that the clients have experienced in their social and cultural parameters. The interpretation of the studied phenomenon is itself a construction (Charmaz, 2006:187). In constructing interpretations the researcher investigates the way in which the theories, cultural context of individuals and intellectual involvement affect interactions with whatever is being researched (Alvesson and Skoldberg, 2000:245). The researcher studied other research work that has been done previously, the context of Alice and the clients' living conditions and was able to have a better understanding of the responses and the clients themselves.

The researcher used the terms 'interpretivism' and 'constructivism' interchangeably because the terms reflect one theoretical paradigm that reality is socially constructed (Mertens, 1998). Howe (2003) also argues that constructivism and interpretivism amount to the same thing and are similar.

Lythcott and Duschl (1990 cited in Krauss, 2005:760) say that qualitative research is based on the constructivist/ interpretivist paradigm where people construct their own meaning according to what the mind has registered and the knowledge that already exists or is common to the people's worldview. The type of knowledge is mostly peculiar and meanings are purposefully constructed.

This means that according to the constructivist/interpretivist paradigm, human beings construct meaning according to their lived experiences. The lived experiences the people have will help researchers obtain information that is socially constructed by the respondents. This study requires us to find out the perception and experiences Bank X's clients have of the

bank's communication channels; hence the constructivist/interpretivist paradigm shapes this part of the research.

The constructivist/interpretative paradigm presents rich and descriptive narratives at a macro- and micro-environmental level to provide detailed descriptions which allow readers to make sufficient contextual judgements to transfer outcomes, themes and understanding emerging from the case studies to alternative settings (Pickard, 2002:2). Creswell (2003:8) says that the interpretivist/constructivist researcher relies upon the participants' views of the situation being studied, at the same time recognising the impact on the research of their own background and experiences. This study uses the constructivist paradigm to evaluate the preferences for and use of particular communication channels.

A one-on-one interview with the bank's management was done to understand the channels of communication the bank uses to disseminate information to its clients. The focus group discussions were used to get a deeper understanding of the perceptions and experiences the clients have of the way the bank communicates with them. Qualitative research design was ideal for part of this study because it enabled the researcher to explore information given by the bank and the clients about their lived experiences.

3.2.2 The positivist paradigm

The positivist paradigm assumes that there are universal laws that govern social events, and uncovering these laws enables researchers to describe, predict and control social phenomena (Wardlow, 1989:89). In other words, the positivist paradigm is objective in nature by employing valid and reliable measurements. Validity in the positivist perspective means that findings are accurate statements about the world, as the paradigm is without the researcher's involvement, and the concept of reliability holds that the proof of such truths can be replicated (Walker and Evers, 1999). Positivism aims to describe an experience through observation and measurement in order to predict and control forces that surround us (O'Leary, 2004:5). Therefore, this paradigm assumes a more scientific scenario than the constructivist where there is a general pattern of cause and effect used to predict and control natural phenomena and the goal is to discover the patterns that affect our way of life without the involvement, and the bias of the researcher (Stainback and Stainback, 1988:37). The positivist paradigm relies heavily on experimental and manipulative methods that are solely objective realities. For example, a closed-ended questionnaire binds the respondent to give an

answer that is only within the answer options that have been provided by the researcher who is testing a particular phenomenon. The answer options are limited to the belief that there is one objective reality which is different from the subjective nature of qualitative methods of research (Cook and Campbell, 1979:24).

The positivist paradigm in this research is where the quantitative research belongs and questionnaires were used to collect data from the bank customers. This paradigm was used as a way to reduce researcher bias which, some theorists say, is inherent in qualitative research designs where the researcher is involved (Lincoln and Guba, 1985:290).

This research will use the two research methodologies; qualitative and quantitative research designs. The method of employing two or more data collection methods, types of sampling and sources of data is called triangulation (Du Plooy, 2009:40). The researcher used the two methods to avoid bias and increase validity and reliability of the results of the study.

3.2.3 Triangulation

Triangulation is the use of multiple methods of perspectives for the collection and interpretation of the data about a phenomenon in order to obtain an accurate representation (Polit and Hungler, 1999). Triangulation was also defined by Denzin (1989) as the combination of two or more theories, data sources, between-methods or across-methods and investigations in one study of a single phenomenon. Alexander (2001) described triangulation as the combination of multiple observers, theories, methods and empirical materials to overcome the weaknesses, biases and problems that come from single method, single observer or single theories. Triangulation is used to obtain confirmation of findings through convergence of different perspectives that will represent reality (Alexander, 2001). Triangulation therefore works to complement a certain method of enquiry. In this study the researcher used quantitative and qualitative methods of enquiry. Triangulation helped the researcher to get detailed representation, perspectives and information of the effectiveness of the bank's communication with its clients.

Triangulation is also used for confirmatory and completeness purposes (Shih, 1998). This study used triangulation to get explanations and more detailed information on the lived experiences of the clients. Questionnaires were used to answer some of the questions, but the respondents could not give elaborated responses. Since the quantitative enquiry alone was not going to bring out all the important details, a complementary method was ideal. The

researcher chose to use a qualitative method to obtain explanations on issues that were raised in the questionnaires and other issues that were not included in the questionnaires. An interview was also done to obtain information on the communication channels that the bank uses to disseminate messages to their clients and the challenges they face when communicating with them.

A mixed methods approach allows the development of more complete and full portraits of our social world through the use of multiple perspectives and lenses, allowing for an understanding of greater diversity of values, stances and positions (Somekh and Lewin, 2005:275).

Mixed methods create researchers with an increased ability to make appropriate criticisms of all types of research and have great impact, because figures are very persuasive to policy-makers, whereas stories are more easily remembered and repeated by them for illustrative purposes (Gorard, 2004:7). These points show us the advantages of using both qualitative and quantitative research methods.

However, many debates have arisen between different authors concerning triangulation. It can be unacceptable in quantitative research to have several different realities where participants construct meanings of events according to their different cultures (Rubin and Rubin, 1995:33). Quantitative research operates from an objective point of view so when meanings are derived from cultural perspectives and are subjective, the main thrust of quantitative research will be lost. Guba and Lincoln (1988:111) argue that qualitative and quantitative methodologies are not to be mixed.

Like water and oil, they do not mix; indeed, to put them together is to adulterate each with the other. Like similar magnetic poles, they repel one another; to hold them in contact requires force, and when the force is released, the methodologies fly apart (Guba and Lincoln, 1988:111).

Problems and challenges in triangulation are inevitable. The most challenging task of triangulation is the attempt to relate data (Fielding and Fielding, 1986). Data may not relate at all; in other words data from qualitative enquiries may bring new ideas that may not relate well with data from either quantitative enquiries or the research as a whole. Most of the time, a qualitative enquiry gives well informed data and reasons according to one's individual experiences. This may cause data not to relate because people have different experiences as individuals.

The combination of qualitative and quantitative approaches has been referred to by Tashakkori and Teddlie (1998:3) as the “battlefield of war”. These two approaches belong to different paradigms and worldviews (Guba and Lincoln, 1992). Bryman (2001) argues that it is rare in a multi-method research to put equal emphasis on the qualitative and quantitative methods. This means that the basic paradigmatic assumptions may be violated, making it difficult to easily combine the two processes. These arguments above and many others show that triangulation is not easy, but at the same time it does not mean that it is impossible to combine the two methods in one’s research.

Despite the debates on whether the two methods should or should not be mixed, there are some positive advantages to use triangulation in a research. It can be advantageous for one to use both qualitative and quantitative research methods where possible (Huberman and Miles, 1994). Mertens (2005:7) argues that a researcher’s theoretical orientation has implications for the decisions made in the research process and the choice of method he/she chooses for the study. Narrow socialisation into one paradigm or the other typically involves adoption of a world view that limits the kinds of questions that are asked and the strategies used to answer those questions; therefore, mixing the methods is arguably possible (Patton, 1988:135).

Examples of scholars who are in support for triangulation are Olsen (2004), Smith and Kleine (1986) and Morgan (1998:336) who argued that triangulation can be done where one method will be the principal method and the other will act as a complementary method. Qualitative findings are viewed as adding ‘spice’ to the ‘real’ results and explaining the quantitative findings (Morgan, 1998). Triangulation can be used to increase the wider and deeper understanding of a study phenomenon (Olsen, 2004). This means that by using triangulation a researcher is able to test his/her hypotheses and get more detailed information on the issues he/she is studying. In some instances it helps to increase the validity of the results. Triangulation is used to increase the study’s accuracy (Smith and Kleine, 1986). For this study triangulation helped a lot in getting information from different point of views other than relying on one method of inquiry.

Morgan (1998) argues that some researchers can use triangulation by ignoring pragmatic concerns and reduce science to a question of following method rules. This means that when a researcher opts to use triangulation he/she should use each method holistically and not focus too much on the concerns of the paradigms. A research is a craft and as long as each method is well performed the result will be good science (Howe, 1988). So a researcher has the

chance to choose the method of research that he/she wants to do and he/she should be able to balance the chosen methods.

This research will use triangulation for three main reasons: for validity, reliability, and to get more detailed and in-depth information on the clients' evaluation of Bank X's communication channels. Each method has its own pitfalls, so to rely solely on one method to get reliable results did not seem the best choice for this study. I therefore decided to use a mixed method approach and combined quantitative and qualitative methods. The use of both qualitative and quantitative research methods helped to obtain diverse kinds of information about the preference for and use of particular channels of communication by Bank X, Alice.

3.2.4 Reliability and validity

Reliability is the degree to which an assessment tool produces stable and consistent results, whilst validity is how well a test measures what it is purported to measure (Morskal and Leydens, 2000). Du Plooy (2009:28, 131 & 135) points out that for a study to be reliable there should be consistency so that the same answer might be obtained when researched at different points in time and for a study to be valid, reality should be approximated as closely as possible. There is a big correlation between validity and reliability. A measure cannot be valid unless it is also reliable, meaning these two concepts are linked (Du Plooy, 2009: 135). In order to make this research reliable and valid the researcher used triangulation. Triangulation helped the researcher to establish the validity of the study by analysing the research question from multiple perspectives in order to produce reliable results. The researcher attempted to include an adequate number of diverse participants.

3.2.5 Qualitative approach

Qualitative researchers make interpretations of the data by: developing descriptions of events and processes, analysing data for themes and categories, drawing conclusions about personal and theoretical meanings, stating the lesson learnt and offering questions for further research (Wolcott, 1994). This means that qualitative research seeks to find deeper meaning of lived experiences or perceptions people have of a particular issue and is more normative than quantitative approaches. Information is not meant to be objective and confined to certain standpoints, but in many cases more information and explanations can be sought from people in qualitative research than in quantitative research.

In qualitative research knowledge is purposefully constructed because meaning lies in cognition, not in elements external to us (Lythcott and Duschl, 1990:450). This means that in general, qualitative research is based on constructed philosophies of reality lived by people; in other words the reality is portrayed in a normative way. The clients' personal experiences contributed a lot to this study because they were more explanatory than the facts given in the quantitative study. The knowledge in qualitative research comprises a multiple sets of interpretations that are part of the social and cultural context in which it occurs. This makes qualitative research unique and more discrete than quantitative research. Qualitative research aims to achieve depth rather than breadth and is analytical (Blaxter, Hughes and Tight, 1996:61). Creswell (2005:7) also describes qualitative research as exploratory and inductive, emphasizing the processes rather than the end results, with the respondents developing subjective meanings of their experiences. This means qualitative research brings deeper meanings than those offered in a quantitative research method.

The researcher used interviews and focus group discussion (FGDs) with the bank's clients. The reasons clients prefer certain communication channels over others and the challenges that they face when trying to understand the messages from the bank, were explored using the FGDs and the one-on-one interview. In this study the clients provided their experiences and perceptions of Bank X's communication systems and talked about their own ideas. This will be discussed in more detail further on in the research.

3.2.6 Quantitative approach

Quantitative research is empirical research where the data are analysed in the form of numbers (Punch, 1989:89-90). This study also used the quantitative approach. Quantitative research employs mathematical analysis for the measurement of the variables and places a heavy emphasis on the use of structured questionnaires (Cant *et al*, 2005:175). The researcher thought that normally respondents are not very willing to spend a lot of time thinking and answering a questionnaire, especially with open-ended questions, so she decided to use closed-ended questions.

Quantitative research emphasises relatively large scale and representative sets of data (Blaxter *et al*, 1996:61). For this study, employing quantitative research helped to gather quantifiable opinions concerning the use of and preference for particular communication channels used by clients in Alice. The use of questionnaires enabled the researcher to obtain a

large amount of information as compared to the qualitative method that is a bit restricted in terms of volume and numbers. For instance, I was able to distribute 100 questionnaires in a short time, whereas it is very difficult to gather and interview 100 respondents in that same short time.

3.3 Population of the study

The term ‘population’ refers to all possible units of analysis (Du Plooy, 2009:108). Other scholars like Rensburg and Cant (2009) define ‘research population’ as a phrase that sets boundaries on the study units and individuals who possess specific characteristics under study. A population is essential for every research study. It is estimated that Alice has a population of about 11 000 to 14 000 people (Aspire, the Alice Regeneration Strategy, January 2011:2). However, these figures can be higher if the students from the University of Fort Hare are included, or lower because of rural-urban migration occurring as people leave in search of better jobs and better living conditions.

The population for this research was all the bank’s Alice clients. For equality and fairness to the study, the University of Fort Hare participants were also included in the Alice population since they also use and have accounts with the bank. This makes them temporary residents of Alice for the period they stay in Alice. A sample was drawn from the whole population for this study.

3.4 Sample size

A representative sample is a miniature image of the population (Welman, Kruger and Mitchell, 2006). A sample is important because it is very difficult to select every member of a population to participate in research so a sample will enable the researcher to generate results which are a close to true representation of the whole population. However, Cant *et al* (2005:178) argue that the actual and specific population is usually difficult to obtain. This was true for me, because the list of all clients who bank with Bank X was confidential and it was against the bank’s policy to release such information. Therefore, a sample of 100 clients was chosen.

3.5 Sampling procedure

This study used a systematic and purposive sampling technique. A purposive sampling technique is where the researcher intentionally selects particular people relevant to the study

to participate and provide needed answers (Du Plooy, 2009:123). Purposive sampling therefore allows the researcher to look for respondents who fit a certain profile. In this study the researcher purposively selected two bank staff members to give detailed information of how the bank communicates and disseminates information to its clients. However, the manager was not available at the time of the interview so the researcher interviewed one of the bank's senior employees who is a consultant and is in constant contact with the customers. The researcher also purposively selected people who bank with Bank X to have focus group discussions with them. A single one-on-one interview was done which will be further discussed below and four FGDs were conducted. Purposive sampling helped the researcher to discover detailed information about the use of and preference for particular communication channels of Bank X in Alice.

Systematic sampling was used to administer questionnaires. Systematic sampling involves randomly selecting a starting point in a list of the target population and then systematically selecting respondents in a fixed interval of random numbers (Rensburg and Cant, 2009:82). 100 questionnaires were distributed to various respondents. The researcher selected and administered a questionnaire to every fifth customer emerging from the Alice branch, handing out 45 questionnaires this way.

To get the respondents to answer the questionnaire, the researcher strategically positioned herself at the Fort Hare's library and Great Hall and at the bank's ATM in Alice. In Alice, the researcher chose days when people get their month-end salaries and grant money which was on the 31st, 1st and on the 3rd day of the month. I randomly selected a starting point then systematically chose every fifth person in the queue to answer the question. This method however took me longer than I thought, at times taking +/- 30 minutes with one client to finish administering the questionnaires. Few of the respondents in Alice could write, read and understand the English questions. I had to translate the questions, especially to the older people.

At Fort Hare campus the researcher administered the questionnaires to students who bank with Bank X coming from the library and Great Hall. The library and the Great Hall have a large volume of students moving in and out of them. I stood outside the library from 12pm till two o'clock and I managed to speak to students who were going for lunch to the student centre and those who were entering the library at different occasions. I counted every 5th

person and asked if he/she banked with Bank X. This procedure was effective at first, but as time went on it was tiring because not every fifth person banked with Bank X.

I changed the strategy and started targeting people who were moving in groups and from those groups at least one or two people used Bank X. When I got to the Great Hall I targeted groups and distributed the questionnaires to those who indicated that they bank with this bank. As we continued the process many people realised that there was something about Bank X that was happening so students who banked with Bank X availed themselves. I then changed my sampling technique and used purposive sampling. I had more than 40 students, so from this total I only needed 20 people to fill the questionnaires. I decided to choose every second person and I asked them to fill the questionnaires and thanked them for their co-operation. 40 questionnaires were completed by students and 15 questionnaires were given completed by UFH academic and non-academic staff. I distributed questionnaires only to the staff members who bank with Bank X so purposive sampling was done. The questionnaire provided quantifiable data which is presented in graphs, tables and charts in Chapter Four.

3.6 Data collection methods

One-on-one interviews, focus group discussions (FGDs) and questionnaires were used for this study.

3.6.1 One-on-one interviews

The one-on-one interview is a data collection process whereby the researcher asks questions and records answers given by the respondent or participant (Creswell, 2005:27). The researcher intended to conduct a one-on-one interview with the manager and one or two staff members to find out detailed information on how this bank communicates with its clients. When the researcher wanted to conduct the one-on-one interview, the manager was not available, so the researcher interviewed one of the senior consultants who helped in providing the answers and disclosed the communication strategies this bank uses to communicate with its clients. In order to obtain reliable information the researcher used a purposive sampling procedure and intentionally did the interview with a senior consultant who was nominated by the other bank employees. The selection of this senior consultant was done on the basis of her knowledge, long service and because of her seniority within the bank structure.

The interview questions were semi-structured to allow interaction and to gain more in-depth information about who deals and handles communication within the bank and the ways in

which the bank gets feedback from the clients. Semi-structured interview questions give the researcher an opportunity to deviate slightly and explore other potentially necessary aspects of the research, based on the responses of the interviewee (Merriam, 1998:43). The use of semi-structured questions gave me leeway to follow up other interesting and relevant ideas and areas that emerged during the course of the interview. The interview helped provide first-hand information on how the bank operates and how it communicates with its customers. I also had the opportunity to ask if the branch tried other avenues of communicating with their clients and it gave the researcher and the consultant a chance to share ideas on how best clients may be reached.

Therefore, the interview was very exploratory and useful in gaining in-depth information about who or which department creates messages and where these messages are created, which communication channels the branch uses to communicate with their clients, to understand if the bank considers education, literacy, and language when selecting the channels of communication and the communication challenges the branch experiences when disseminating messages to its clients.

During the interviews, I transcribed the data and in the focus group discussions I first used a tape recorder then switched to transcribing the data myself. There are advantages of transcribing data which have been pointed out by the different authors below. Fasick (2001) states that the use of written field notes during or after the interview has been reported as superior to the fashionable use of audio recordings that are subsequently transcribed verbatim. Taking down notes is much faster, and it is easier for the researcher to read through what he/she wrote down as compared to tape recorded data that will take up to six hours to transcribe (Bryman, 2001:31). However, taking down notes has some shortfalls which include the researcher doing two jobs of being an interview guide and a transcriber (Wengaraf, 2001). All of the data in this research was transcribed by me and I found that it was a bit tiring since I had to perform two roles of asking the question and at the same time transcribe the data. However, I managed to overcome the problem by asking the participants to talk one person at a time whilst I transcribe the responses.

3.6.2 Focus group discussions

A focus group discussion (FGD) is a carefully planned discussion designed to obtain perceptions of group members of a defined area of interest (Langford and McDonagh,

2003:99). FGDs may provide collective shared meaning and understandings from several individuals. The researcher planned for six FGDs but only four were conducted for this research because of time and the responses I was getting were almost the same from each. FGDs provide more believable data than many quantitative data methods since the subject being discussed is common to participants and easy to understand (Marshall and Rossman, 1999). FGDs were ideal for this study to help provide more detailed information and lived experiences the clients have had with Bank X and establish the areas of change they would want the bank to consider. The FGDs also gave room to the participants to air their views, discuss the challenges they have in understanding the messages and the challenges they face in understanding the channels of communication Bank X uses which the closed-ended questionnaires could not allow.

The process of gathering students to participate in the FGDs on the Alice campus of the University of Fort Hare was more challenging than the distribution of questionnaires where the students simply ticked their preferred answer option from the options provided. The first challenge was for the researcher to look for a venue which was not occupied and then gather students and take them to that quiet venue to conduct the discussions. As we moved to the first venue some students slipped away and left, but luckily the remaining six students made up an ideal number for me to go ahead and conduct the discussion. A realised sample consists of about six to twelve people to makes an ideal focus group discussion (Du Plooy, 2009:199). A realised sample is the real or actual sample on which findings are based (Du Plooy, 2009:113).

The first discussion was done in the Psychology building which is some metres from the Great Hall. The second discussion at UFH was held at the VIP lounge upstairs at the student centre. I managed to gather ten students from the student centre, Teaching and Learning Centre (TLC) and some from the library. The FGDs went well and the researcher thanked all the participants at the end of each session.

In Alice, the researcher distributed questionnaires in four areas. First was the Golf Course community which lies in the west of the town, and is the first location one sees when driving from the nearby town of Fort Beaufort. The second area was at the Royal Supermarket which is one of the oldest supermarkets in Alice and is located in the west of Alice near Golf Course community. The Royal Supermarket is the closest supermarket to people staying in Happy Rest, Golf Course community and some rural communities in between Fort Beaufort and

Alice. The third area was the Kwantu shopping centre which is in the CBD of Alice town. The shopping centre is within walking distance to the University of Fort Hare and people staying in town and Hillcrest community. The fourth area where questionnaires were distributed was at the bank's ATMs at the main branch at the shopping centre. The researcher chose these geographical locations because they seemed to attract most of the demography of Alice as a whole.

Golf Course has many of the old people who have a long history in Alice and some of them bank with Bank X. The other reason was that in the Golf Course community there are some strong family structures which were absent in the other points where I distributed the questionnaires. This made it easier for me to contact people who participated in the FGDs. The Royal Supermarket was also an ideal place to consider because it attracts people who stay in the Happy Rest community which is just a few metres up the road from the supermarket and some who stay in the surrounding areas who do not go to the Kwantu shopping centre every day to buy goods because it is too far. The shopping centre was also suitable because it is situated in the heart of the town where people from all walks of life come to do their shopping and their banking. The bank's branch is at this shopping centre.

UFH lies on the outskirts of Alice on the Western side. Two focus groups consisting of six and ten members each were conducted at the University of Fort Hare and the other two FGDs were conducted at Golf Course, which is a fairly densely populated area with many RDP houses and Happy Rest, which is a location with many working class people. Happy Rest and Golf Course are some of the big locations in Alice. In Golf Course and Happy Rest some elderly people did most of the work and their influence managed to attract people to attend the FGD. They even offered their homes for me to conduct the discussions. In Golf Course twelve people participated in the discussion and ten people participated in the FGD in Happy Rest.

In FGDs the interviewer becomes the facilitator of the discussion and he/she gives direction to the conversation while allowing the group to do most of the talking and ensure that people have equal opportunity to contribute (Rubin and Rubin, 1995:139-140). The researcher facilitated the interview and had a set of semi-structured questions that allowed the participants to respond according to their own opinions and perceptions.

The questions for both FGDs and the one-on-one interview were open-ended questions. Open ended questions are particularly useful to encourage respondents to express attitudes, opinions in their own way and to invite respondents to answer in a way he/she wishes (Du Plooy 2009:158). Most of the questions commenced with words like “Do you....? Where.....? What...? Who....? and How....?” in order to elicit underlying ideas, sentiments and suggestions that researchers may not have even considered. Follow-up questions were also used in response to an answer/statement made by the respondent in order to clarify the response.

There were, however, instances where the respondents became carried away because of a response from another participant and the discussion almost deviated from what we wanted to discuss. For example, the question was: how do you feel about the use of new communication channels used by Bank X? One respondent complained about the use of ATM deposits and the long times they have to wait in the queue until their turn comes. People began saying there was a need to increase the number of ATM deposit machines, and education on how to use the deposit machine. Some complained that they never knew that such a thing existed and that they are robbed when depositing money inside the bank. The challenge I experienced was to take the respondents back on track from this heated debate, which was difficult considering that the people were much older than me and they needed me to help air their grievances with the management of the Alice branch.

Nonetheless, I managed to cautiously bring the house in order and told the respondents of suggestion boxes and seek other ways from the bank’s consultants who can effectively help them to air their complaints. I noticed that that the clients had many issues, but these issues were not the main focus of my study so I needed not unpack them. Some of the issues were the problem of long queues at the ATM and lack of staff to assist at the ATMs. We eventually managed to get back to our discussion though we took more time and I had to translate all the questions into Xhosa since some could not utter a single English word. Therefore, I had to translate the questions into Xhosa to accommodate everyone.

The issue of language was complex because my home language is Shona; English is my second language and Xhosa has become my third language through socializing with friends around campus. Over the years my knowledge has become advanced and I can converse perfectly with other Xhosa speaking people. Prah (2009) said that language is the main feature of culture in which all social and human activities are transacted. This means that

language is a major part of a cultural system and as the researcher my knowledge of the Xhosa culture and language was critical for the research to go on well. My ability to speak Xhosa helped me a lot because I had no money to pay a translator so I translated the questions myself.

3.6.3 Questionnaire

A questionnaire is a form consisting of a series of carefully selected and designed questions, usually specific to significant statistical research and widely used in a survey (Tashakkori and Teddlie, 2003:11). A questionnaire also gathers primary data (Hair *et al*, 2008). This research used the questionnaire to obtain primary data for the study. The researcher self-administered the questionnaire to the respondents to get quick feedback and track the questionnaires easily. Self-administered questionnaires are easier to use compared to other research methods due to the limited participation on the part of the researcher, yet with potential to gather considerably large volume of information (Du Plooy, 2009:360). The other advantage of questionnaires is that they are easier to analyze and turn data into quantitative results and the questionnaires also allow for more volume to raise confidence levels in a sample.

The primary data, clients' perception of the effectiveness of the bank's communication channels, were obtained by the use of the questionnaires. Closed-ended questions were structured for the questionnaire to allow easy coding and analysis of the primary data. Closed-ended questions are those that have a fixed number of answer options, from which the respondent has to select one (Du Plooy, 2009:153). A total of 100 questionnaires were distributed to the Alice and Fort Hare Bank X clients.

The researcher tried to construct questions that were clear and relevant to the study. The questions were closed-ended with multiple choice and rating scale answer options.

3.7 Data analysis

Data analysis is the means of categorizing, ordering and summarizing data to obtain answers to research questions (Trochim, 2006:61). The quantitative data from the questionnaire was analysed with the help of the UFH Statistics department. Data obtained via a quantitative design include the use of numerous statistical techniques (Du Plooy, 2009:88). Descriptive and inferential statistics were used. Descriptive statistics are used to describe and organise vast amounts of data to generalise findings from a sample to the target or accessible population from which the sample was drawn (Du Plooy, 2009:88). This research used

closed-ended questions so from the answer options, numerical codes were entered and then optically scanned or typed into a computer programme. The data captured in the data sheet in Excel were then run on software to come up with deductions and graphical representation of the analysed data.

Qualitative data were analysed using thematic analysis. Thematic analysis is a qualitative analytic method for identifying, analysing and reporting patterns (themes) within data (Braun and Clarke, 2006:79). Thematic analysis goes further than other data analysis methods to interpret various aspects of the research topic (Boyatzis, 1998). Thematic analysis seeks to unearth the themes salient in a text at different levels, and thematic networks aim to facilitate the structuring and depiction of these. Thematic analysis gives an opportunity to understand the potential of any issue more widely (Marks and Yardley, 2004). This means that thematic analysis allows issues to be discussed in depth. Rubin and Rubin (1995:226) say that this kind of analysis is exciting because the researcher discovers themes and concepts embedded throughout interviews.

Thematic analysis is appropriate for data interpretation, deductive and inductive approaches, and analysis of two different phased data and coding and categorising of data. For data interpretation, thematic analysis is capable of detecting and identifying factors or variables that influence any issue generated by the participants. Responses given by participants are important because they give most appropriate explanations for their behaviours, actions and thoughts (Ibrahim, 2012:40). Thematic analysis is deductive in that it compares data using other comparative methodologies like a questionnaire. The inductive approach starts with precise content and then moves to broader generalisations that develop into theories, ensuring themes are linked to data (Ibrahim, 2012:41). Thematic analysis can also be used to analyse two different phases of data, which enables the researcher to observe the data collected pre- and post-data. Finally, thematic analysis can be used for coding and categorising. It gives the researcher an opportunity to code and categorise data into themes and also to provide a relationship between the variables and factors in order to create a reasonable and logical chain of evidence (Ibrahim, 2012:41). For this research, thematic analysis was used to analyse the qualitative data from interviews and focus group discussions. Thematic analysis was appropriate for data interpretation and helped me in coding and categorising.

However, thematic analysis is not a very popular method. Braun and Clarke (2006:79) commented that thematic analysis can be seen as a very poorly 'branded' method, in that it

does not appear to exist as a popular method as compared to methods like grounded theory and narrative analysis. Many research projects are essentially analysed using thematic analysis; however, scholars fail to claim using this method, yet in actual fact they did use the method (Braun and Clarke, 2006:80).

There is much confusion when it comes to thematic analysis, mainly because the method is similar to grounded theory in terms of the procedures for coding themes or coding from data (Braun and Clarke, 2006: 8-10). The difference between thematic and grounded theory is that grounded theory's data collection runs parallel with data analysis and further data collection is grounded on what has been previously analysed (Strauss and Corbin, 1990). This means that grounded theory collects data in two phases pre- and post-data, whereas thematic analysis focuses on interpreting data that has been collected in a determined and defined setting (Huberman and Miles, 1994). A thematic analysis study seeks to discover meaning using interpretations that will bestow accuracy, intricacy and enhance the research's whole meaning (Ibrahim, 2012: 40).

In thematic analysis there is a possibility of linking various concepts and opinions and comparing these with data that have been gathered in different situations at different times during the research, making a researcher come up with all possible interpretations (Ibrahim, 2012:40). The data collected in this research was analysed and interpretations and themes were created to explain various opinions and concepts that the bank's clients raised.

When data are being analysed using a thematic approach, themes are created in the process. Braun and Clarke (2006:82) say that a theme captures something about the data in relation to the research question and represents some level of patterned response or meaning within the data set. When the data was collected, themes were created according to their recurrences, significance and importance. All responses were captured to show their value and importance to the study.

A researcher has to firstly become familiar with data; discover the codes; create themes and name them and produce a final category or theme that can be presented in a thesis and in some cases create thematic networks. This is the starting point of thematic analysis. Namey *et al* (2008:138) state that:

Thematic analysis, in contrast, is more involved and nuanced. Thematic analysis goes beyond counting explicit words or phrases and focuses on identifying and

describing both implicit and explicit ideas. Codes developed for ideas or themes are then applied or linked to raw data as summary markers for later analysis, which may include comparing the relative frequencies of themes or topics within data set, looking for code co-occurrence, or graphically displaying code relationships.

In thematic analysis it is beneficial to allocate a narrative to the diverse data to gain a clear logical understanding of the participant's thoughts and to convey their experience (Crawford *et al*, 2008). Data were analysed and narratives were used to show detailed thoughts and experiences of the participants.

Braun and Clarke (2006) drafted a guide to the phases of conducting thematic analysis. The six phases were:

- a) Becoming familiar with the data
- b) Generating initial codes
- c) Searching for themes
- d) Reviewing themes
- e) Defining and naming themes
- f) Producing the report.

Each of the phases will be discussed in detail below.

a) Becoming familiar with the data

This is the process of reading and re-reading data noting down main/major ideas (Braun and Clarke, 2006:87). The researcher needs to immerse him/herself in the data searching for meanings, patterns before creating themes. Data for two focus groups were transcribed using a tape recorder and in the other two FGDs the responses were written down because there was a technical glitch with the tape recorder. I played the recording to familiarise myself with the data. The recorded data was challenging because of noise in the background and at times two people talked at the same time, especially when arguments erupted. The written data was not very difficult to familiarise myself with, because I wrote down the responses from the participants. In the process of familiarising myself with the data, I had some flashbacks of

how the respondents answered the questions and I took the liberty to add the information to the written responses.

b) Generating initial codes

This phase focuses on coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each other (Braun and Clarke, 2006:87). Here codes begin to be produced. Codes are the most basic segment or element of the raw data or information that can be assessed in a meaningful phenomenon/experience (Boyatzis, 1998:63). The data were organised into meaningful groups so that the information made sense.

c) Searching for themes

This phase seeks to collate codes into potential themes, gathering all the data relevant to each potential theme (Braun and Clarke, 2006:87). I gathered all the codes that I identified from the transcribed data and combined them to start searching for themes. To help in this process I drew a mind map, grouping the responses into different categories.

d) Reviewing themes

This is the section where the researcher checks if the themes work in relation to the coded extracts (level 1) and the entire data set (level 2), and generating a thematic map of the analysis (Braun and Clarke, 2006:87). In other words it is the stage where themes are formed. The researcher had to do a lot of editing to uncover the main concepts that make up a theme. The researcher found out that some themes collapsed into each other to form one strong and vivid theme, whilst other themes had to be created in order to avoid collapsing those themes that were not common but very important to the study. For example, Theme 3, ‘The perception of the banking process’, consolidated other, more minor themes including people’s feelings and views about banking and whether they enjoy banking or not. The process of reviewing the themes helped the researcher to identify one strong theme of language that had been previously missed.

e) Defining and naming themes

This stage is an ongoing analysis which focuses on generating clear definitions and names for each theme (Braun and Clarke, 2006:87). The researcher at this stage started defining the

themes that were used for the final report. The process was not very difficult because of the thematic map that the researcher had created previously. The researcher started matching the themes and the narratives and identifying the story that each narrative talks about in relation to the research questions. Sub-themes were very useful at this stage because they were used to help elaborate the core themes and come up with a strong analysis (Braun and Clarke, 2006).

f) Producing the report

This is the final stage of analysis. This stage focuses on selecting vivid and convincing extract examples, final analysis of the selected extracts and for the researcher to be able to relate the extracts back to the research questions and literature and finally producing a scholarly report of the analysis (Braun and Clarke, 2006:8). I started producing the report and included data extracts, checking that the flow of the themes was coherent and logical. To support the themes I wrote vivid examples that captured the essence of the points that were being demonstrated. The report was written and produced in an analytical way. The data is presented and described properly in Chapter Four.

3.8 Ethical considerations

Ethics is the system of moral principles by which individuals can judge their actions as right or wrong and good or bad (Denscombe, 2007). The study followed the University of Fort Hare's ethical consideration and the participants were asked to sign an informed consent agreement form to show that their participation was their own free will. The researcher explained clearly to the participants that the information they provide is entirely for academic purposes and confidentiality, privacy and anonymity will be strictly observed. Names of participants will remain confidential.

The researcher's proposal was reviewed and approved by the University of Fort Hare Higher Degrees Committee to allow the researcher to proceed with the research. A clearance certificate was sought from the Research Ethical Clearance Committee to ensure that the researcher respected participants and did not put them at risk and the authority was granted. No participants in this study were coerced. As stated earlier in this chapter, some participants were at liberty to walk away before the FGD in the Psychology building started, because they were not being forced to stay and participate. I strove to represent the participants' views fairly by making the environment free and conducive. Some participants asked if they were

being recorded and when they realised that they were not, they became free and spoke their minds. This made me realise that people have different perceptions of recordings and at times they make participants feel uneasy.

The researcher strove to avoid plagiarism by referencing properly and by acknowledging other people's ideas. In most instances in the FGDs in Alice town, I was put in a fairly demanding position to become the mediator where the majority of the participants could not hear or understand English. Mediation makes communication possible and keeps an activity system or an interacting activity system together (Lundby, 2007:201). To keep the discussions going I had to act as the spokesperson translating the questions into Xhosa, and regulating people to keep in line of the question in discussion. This mediation role helped to stick to the purpose of the discussions.

3.9 Conclusion

The chapter has examined the research methodology, giving details of how the research was carried out. This research followed both the positivist and the interpretive/constructivist paradigms. Quantitative data was obtained by the use of questionnaires and qualitative data was collected by using one-on-one, in-depth interviews with the bank's staff members and focus group discussions with the bank's clients. Analysis of both qualitative and quantitative data was also explained. The ethical considerations relevant to the research were outlined and discussed.

CHAPTER FOUR: DATA ANALYSIS

4.1 Introduction

This chapter serves to present the results and findings of this research. Data analysis is the act of transforming information with the aim of extracting useful information and facilitating deductions from the data being digested (Lewis-Beck, 1995). The main purpose of this research was to evaluate the preference for and use of particular communication channels. The clients who participated were from UFH and the Alice community.

The data collected was quantitative and qualitative in nature. 100 questionnaires were administered to the study population and they were all returned. A total of four focus group discussions and one interview were done for the generation of qualitative data. For quantitative data, the Statistical Package for Social Sciences (SPSS) was used with the help of a statistician at the University of Fort Hare. Graphic representations were provided by the researcher to make the quantitative data results clearer. Qualitative data were analyzed using Thematic Analysis and are presented in themes.

The analysis begins with quantitative data in Section 4.2.

Section 4.2 Quantitative Data

Gender and demography

Figure 7 Gender distributions of respondents

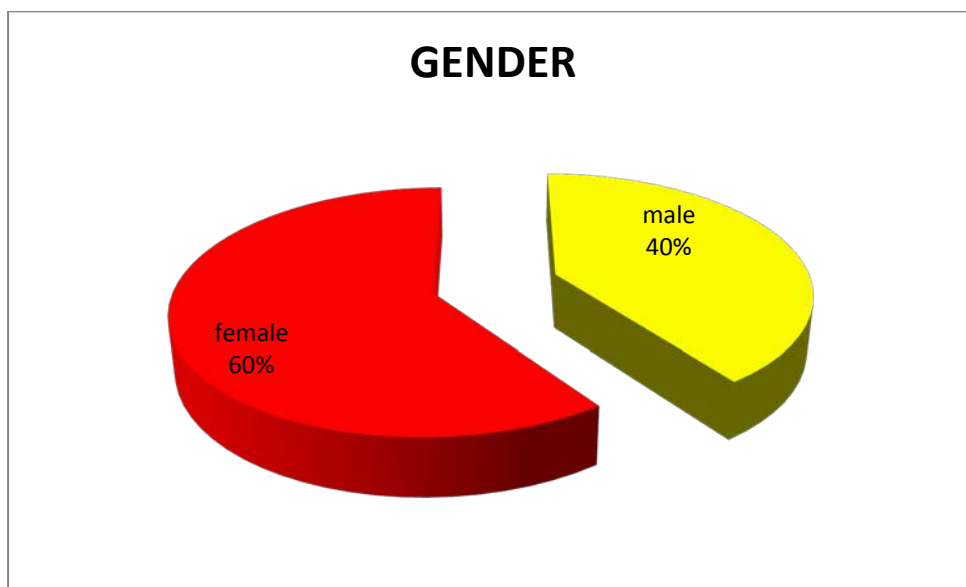
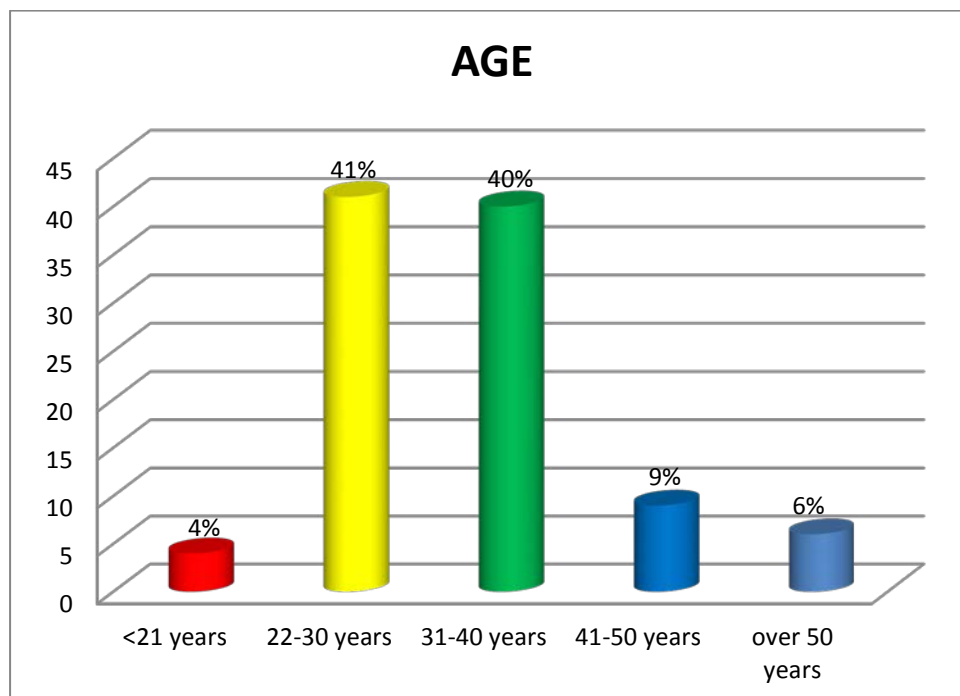


Figure 7 depicts the gender of respondents. The majority of the respondents, that is, 60% (n = 60) were female clients, while male clients comprised 40% of the respondents (n = 40). The respondents were from the university, including academic and non-academic staff and students, and the clients who reside in Alice and in Golf Course community. The researcher collected data from diverse people so that the data is reliable, valid and includes the responses and experiences these diverse customers have on the bank's communication channels. The researcher noticed that the majority of their participants were women whilst their male counterparts were not too keen to participate, hence the fewer respondents. The male respondents tended to be suspicious or asked what their benefits would be for taking part in the research. Generally, it was difficult to find men loitering around ATMs and shops and shopping malls. On the other hand most women who were approached were more willing to take part. Half of these women were from Fort Hare whilst the other women were found at the ATM in Alice where they were withdrawing their child support-social grant money and pension money.

Age

Figure 8 Age distribution of respondents



The majority of the respondents (41% or n = 41) were in the age group of 22-30 years comprising students and the clients from Alice. The second group with many respondents

was the 31-40 years category, with 40% (n = 40) respondents. This category was filled mostly with the UFH academic and non-academic staff, as well as some of the clients residing and working in Alice, comprising vendors, workers in the surrounding shops at the mall, in town and the Royal Supermarket.

The 41-50 years category had 9% (n = 9) comprising mostly UFH staff and a few Alice respondents. Some of the respondents in this age category did not understand English so the researcher had to explain and translate many of the questions in the questionnaire into Xhosa to maximize understanding of the questions. The age group category of over 50 years comprised 6% (n = 6) of the respondents. These six respondents were from the Alice community. Only 4% (n = 4) of the below 21 age group participated in the research. One individual was a student from UFH whilst the other three were clients that were found at the bank’s ATM in Alice. From this age distribution one can tell that majority of the respondents were aged between 22 and 40 years.

Educational qualifications

Figure 9 Qualification categories of respondents

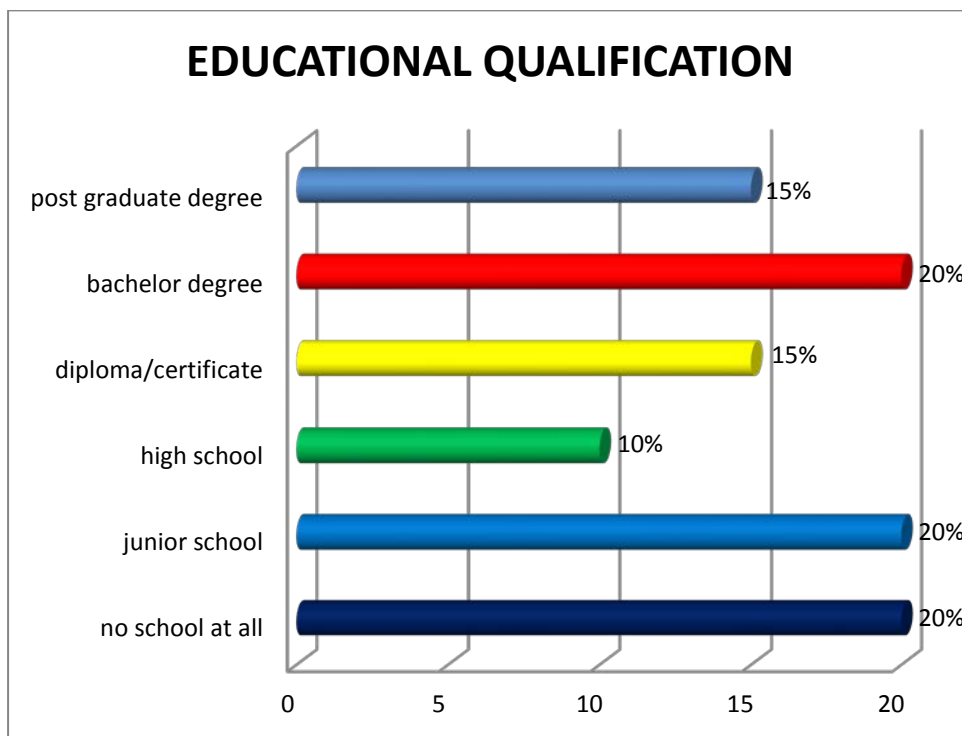


Figure 9 illustrates the education level of the sample. The graph depicts that 20% of the respondents have a bachelor’s degree, whilst 15% (n = 15) possessed a post-graduate degree

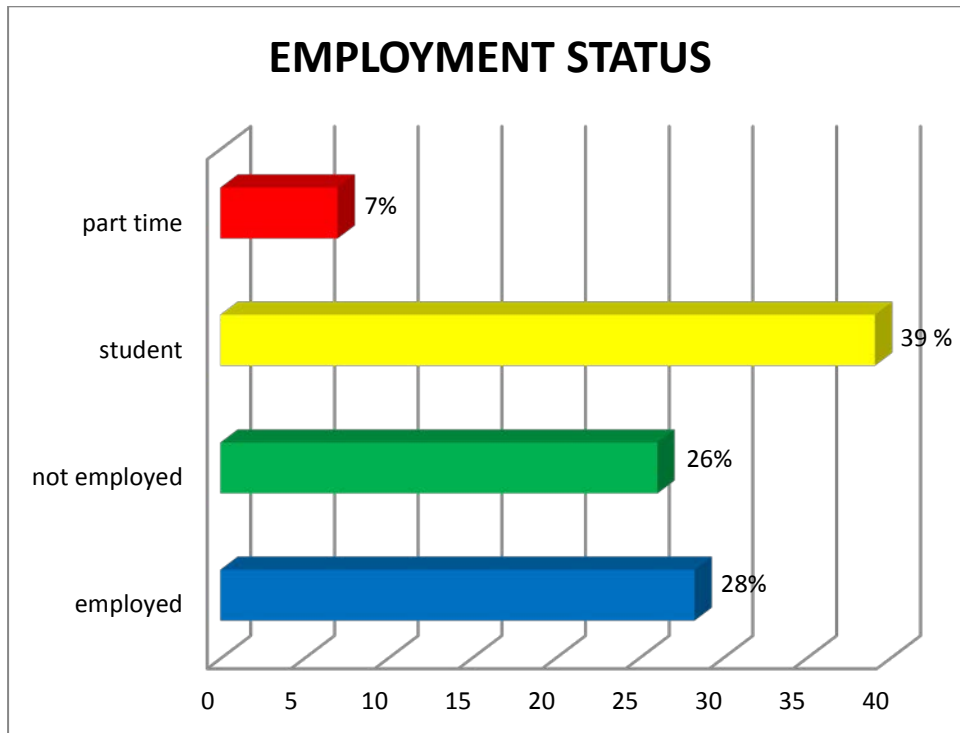
as the highest education obtained. 15% (n = 15) of the respondents possess a diploma or certificate and 10% (n = 10) possess a high school education only. 20% (n = 20) of the respondents had only a junior school education and 20% had no level of education at all. These results show that more than 50% of the respondents had a level of education higher than high school. This could be explained by the availability of many high schools, FET colleges (MSC, Lovedale) and University of Fort Hare within Alice.

The data was derived almost evenly between UFH and the Alice community. However, 20% (n = 20) of the respondents had no level of education or had just a primary level of education. The EC statistics (Statistics South Africa, Statistical Release P0301.4 Census 2011: 34) results as shown in Chapter 2 showed that education levels in the Eastern Cape are very low. According to the General Household Survey (2011:9) Statistical release P0318, the Eastern Cape province gave the highest percentage of responses saying that 'Education is useless'. The researcher asked some participants why they were not at school and six of the respondents said that they dropped out of school due to lack of finances, teenage pregnancies, child headed families after parents died of HIV and AIDS and many other reasons. Some of the respondents at the mall had a Matric certificate and in some cases others possessed a diploma or a certificate which are the lowest qualification required by most shops to employ an individual.

Employment status

Most of the respondents were not employed. 39% (n = 39) were students studying for their diplomas at Lovedale and MSC college or studying for their first degree and a few were doing post-graduate studies at UFH. Only 28% (n = 28) were employed either working in the government sector at Victoria Hospital, Nkonkobe Municipality, War Memorial Clinic, or SAPS, or in the private sector at institutions like UFH, Pep Store, Jet Stores, Spar, Jumbo, Town Talk and Sole traders in town. Some of the employed people had Grade 12 and a diploma; others had only Grade 10. The other employees had higher or better education qualifications and held either a bachelor's, Master's or a Doctoral degree and these were mainly in the academic arena and a few in the municipality.

Figure 10 Employment status

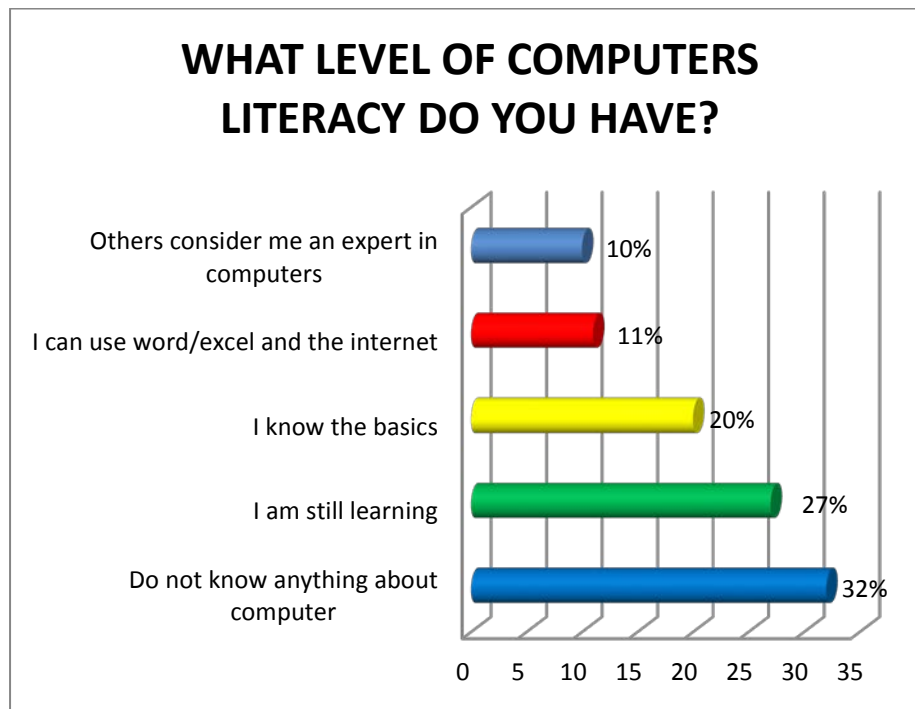


26% (n = 26) were unemployed and not working at all or going to school. Many of the people who are not employed are dependent on the social grant payouts, child support grants and pensions. 7% (n = 7) of the respondents work part-time. Some of the post-graduate students overlap as they work part-time as tutors.

The general analysis of employment status in Alice shows that there is still a lot to be desired. Many people are unemployed and the lack of big organizations could be a contributing factor to this. In Chapter 2 it was noted that unemployment is high and many places and towns in the Eastern Cape Province are under-developed. Many of the skilled people end up relocating to other provinces like Gauteng and Western Cape, contributing to making the Eastern Cape the poorest in SA (Aspire 2011).

Computer literacy

Figure 11 Computer literacy of respondents



Computer literacy was problematic to many respondents. 32% (n = 32) had no knowledge of the computer at all. Only 10% (n = 10) of the respondents had extensive computer knowledge and they claimed others considered them as experts and these were mainly UFH postgraduate students studying towards their MSc in GIS and Computer Science. 11% (n = 11) of the respondents said their knowledge of the computer had improved from the time they first used a computer and now they were confident about using Word, Excel and the internet. People in this category all tended to be students from second year level and some managers in Alice CBD who said they had to learn in order to keep up with new business technology.

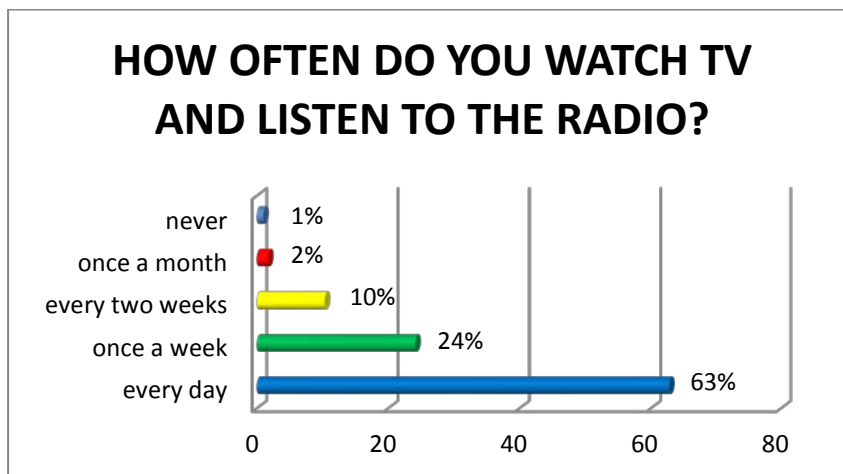
20% (n = 20) of the respondents showed that they have a basic knowledge of the computer and know how it works and they are able to use it. Nurses, college and UFH students and a few employees in Alice CBD made most of the respondents in this category. 27% were not confident of their computer literacy and said they are still learning. Some said they have knowledge of small computer devices like phones and they use them to access mostly social networks like Facebook, Mxit and Whatsapp and they cannot go further to use other websites. Because of the limited and confined use of cell phones for social network purposes, the

respondents in this category admitted that they still have little knowledge of how to use the a laptop or a desktop computer.

The analysis of computer literacy among the respondents indicated that out of 100, 32% of the respondents are computer illiterate. It seems as if those who are studying either at a high school, college or university and those who are working and have access to the computers are the ones who are computer literate, and those without internet and computer access lag in computer literacy. As mentioned in Chapter 2, Eastern Cape is one of the poorest provinces in SA so the high levels of poverty prohibit people from enhancing their computer knowledge when their major concerns have not been addressed (ECICTS, 2009-2014:23).

Listening to radio and watching TV

Figure 12 How often do you watch TV and listen to the radio?



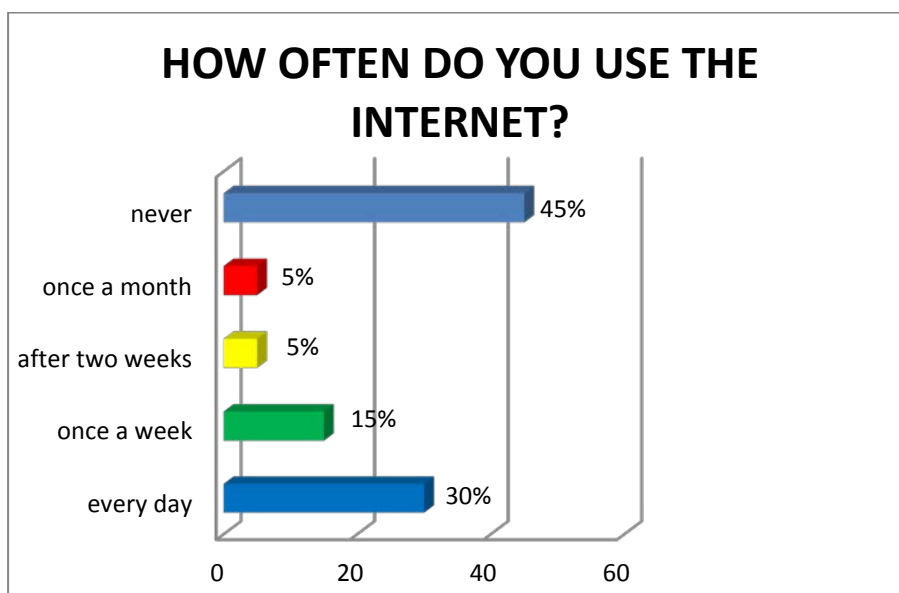
Television and radio are some of the mass communication channels that are used to disseminate information to people. The frequency with which the clients watch and listen to the radio will help in evaluating if people can hear and see the messages sent using these channels. 63% of respondents watch TV every day and most of them own a TV set or have access to one. The majority of the respondents with television sets were the Alice residents. 24% of the respondents watch TV once a week whilst 10% of the respondents watch TV every two weeks. The researcher asked the students during interviews why they watch TV less and 6 students said they do not watch TV often because they are too busy with their university work. 4 students said that the TV reception is poor in their residences, and some do not have their own TV sets so they rely on the University TVs. However, the control of the televisions in the TV rooms and channels to watch is not even-handed and many people end

up losing interest in watching TV; preferring to watch TV when they go home for the weekend. A few Alice clients said during interviews they had no electricity in the homes, especially those who stay in Golf Course. More or less the same reasons were given by the respondents who said they watch TV once a month.

This shows that in some parts of Alice people still do not have access, connection or means of having TV communications. Statistics revealed that in the Eastern Cape 63.2% of the population own a television (ECSECC, 2012:3). The observations from the responses in this study suggest that TV is quite a popular mode of communication and a source of information for people in Alice.

Internet Use

Figure 13 Internet use



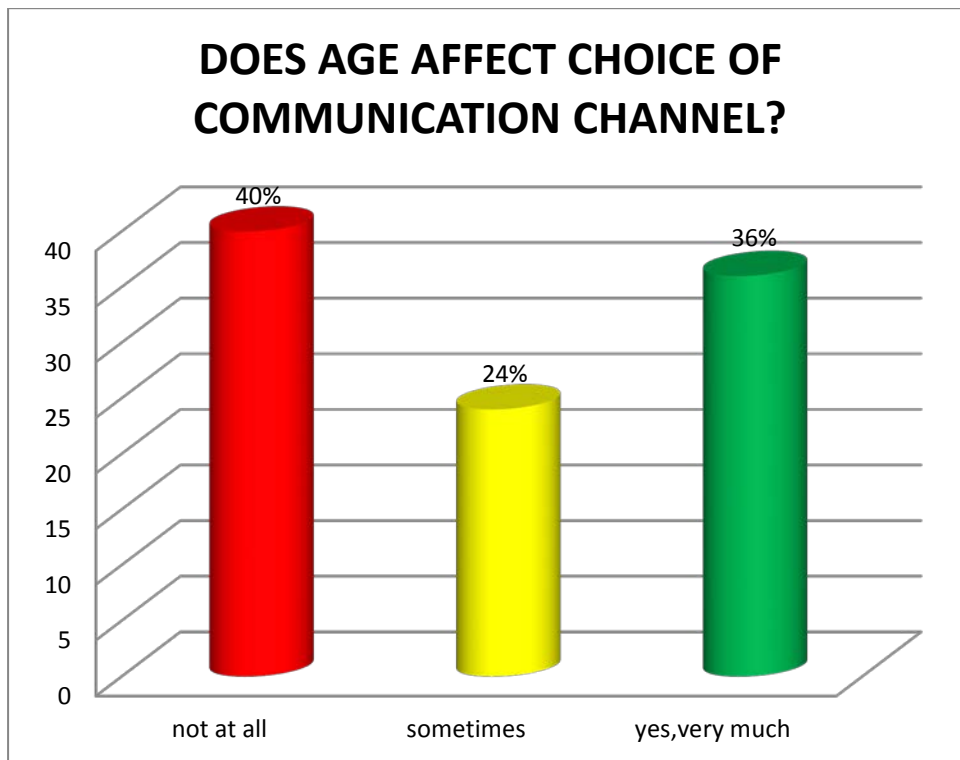
45% of the respondents said that they never have access to the internet. Whilst translating the questions to those respondents who did not understand the questions well, the researcher took the liberty to ask reasons why the respondents did not have access to the internet. 25 people gave reasons like lack of internet cafés in Alice and lack of knowledge on how to use the internet.

30% of the respondents said that they have internet access every day either at work, at the university, or on their mobile phones. 15% of the respondents said that they access the internet once a week. 5% said that they access the internet every two weeks, especially at

high school. The other 5% said that they have access to the internet once a month. The effects of the digital divide and digital inequalities are more evident in Alice and the results above have proved so where majority of the respondents have no access to the internet.

Age and channel choice

Figure 14 Age and channel choice



40% (n = 40) of the respondents said age does not affect their choice of communication channels. 36% (n = 36) agreed that their age affects their choice of communication channel very much. 24% (n = 24) acknowledged that sometimes age does affect their choice of communication channels. And so as discussed earlier in the literature review, over 60% of the clients in Alice are affected by their age, as it relates to education and literacy levels, when it comes to choosing the channel effectiveness. In Chapter Two it was shown that Anguelov *et al* (2004:1) were among those who found that age, among other demographic characteristics, influences people's willingness to use e-banking.

Age also has an impact in the education sector. As discussed in Chapter Two, surveys showed that there were many people without formal education and many of these people were from the ages of 40 to 60+ (General Household Survey, 2011 Statistical release P0318:14). This means that some of the older people had little or no formal education at all.

Furthermore, 12.1% of the female black Africans aged 20 years and older had no schooling as compared to 8.7% of the males (Statistical release P0318:32). Women in this age category were the most affected people with little or no education.

From the statistics in 2011 there seem to be a co-relation between age, education and the choice of communication channel. In some cases lack of education limits the people's choice of channels since they will not be able to comprehend the channels that are beyond their scope of knowledge and understanding. One can conclusively say that age and education levels have a pivotal role when it comes to communication channel preference and evaluating their effectiveness.

Method of receiving messages from the bank

The graph below depicts how the respondents of Bank X in Alice receive messages from the institution. 30% (n = 30) responded that they mostly receive messages from the bank through cell phone SMS and calls. Another 30% (n = 30) responded that they receive messages directly at the bank through face-to-face conversations. 20% (n = 20) of the respondents said that they receive their information via radio. 13% (n = 13) said that they receive messages via television adverts. 3% (n = 3) said that they receive messages from the bank through the internet via emails and printed letters. Only 1% (n = 1) said they receive messages via newspapers. The most popular channels in which respondents receive information from the bank were face-to-face conversations, cell phone messages or calls and radio adverts.

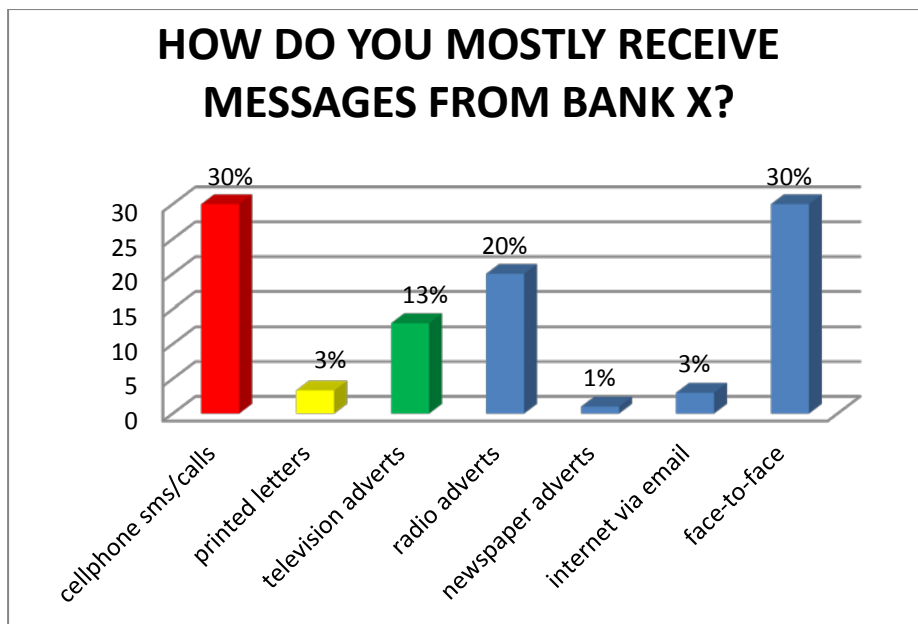


Figure 15 Channels in which the bank’s messages are received

From the literature review we saw that organizations use different channels to communicate with their clients, ranging from traditional communication channels like TV, radio and face-to-face conversations to the new ICTs communication channels like cell phone SMS/calls and the internet (Gilaninia *et al*, 2011 and Lu *et al*, 2003). The clients responded according to how they mostly receive information from the bank. The clients’ responses showed that the bank uses a number of communication channels to disseminate information to its clients.

Rating the bank

The Alice branch is an intermediary branch of the bigger corporation. It serves the local clients and has direct contact with the clients. 51% (n = 51) of the respondents rated the bank’s communication as effective because of its ability to use different and multiple communication channels. Two clients said that the bank is generally a more technologically innovative bank than other competitive banks. 20% (n = 20) rated the bank’s communication as fairly effective, whilst 21% (n = 21) were of the view that the bank’s communication needs work. 8% (n = 8) rated the bank’s communication as ineffective. These ratings help the bank to know how effective their communication systems appeal to the clients they are serving. The more the customers are satisfied the more they become loyal to the bank. These ratings also give pointers to the bank to address areas that might need improvement in order to better their service delivery to its clients.

Figure 16: Rating the bank

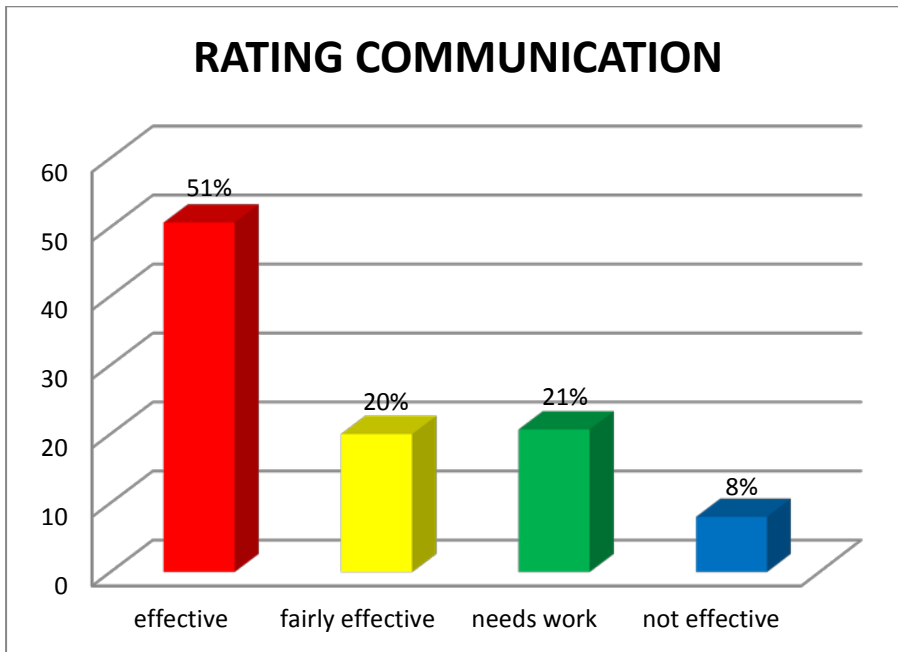
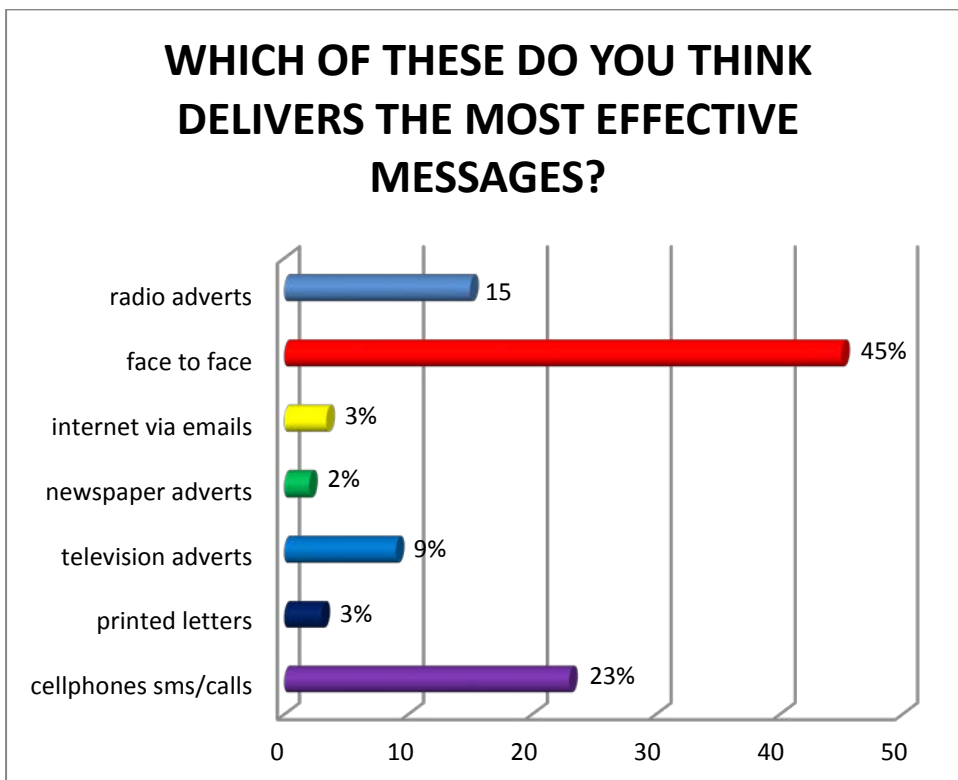


Figure 17: Effectiveness of channels



A good channel is one which reduces uncertainty (Mast, 2002) and reduces confusion (Kitchen and Daly, 2002). The results indicate that 45% (n = 45) of the respondents identified face-to-face communication as channels that deliver the most effective messages to them. The second channel was cell phone SMS/calls with 23% (n = 23). Cell phones have become part of the new ICT and they are one of the most popular communication channels. ECSECC (2012:3) statistics reveal that 81.2% of people in the Eastern Cape Province have a cellular phone.

Radio adverts/communication was third with a percentage of 15 (n = 15). 9% (n = 9) of the respondents saw TV as delivering the most effective messages. 3% (n = 3) identified printed letters and internet and emails as delivering the most effective channels for delivering messages to the clients. 2% (n = 2) said that newspapers delivers the most effective messages.

Again, the above results show that interpersonal communication channels seem to be the most effective channels for the respondents of this study. Brady *et al* (2008:108) and Grewal *et al* (2001:18) state that the traditional channels like radio, TV, face-to-face and print communication channels are still significant even in this era of new technology. The results from this research indicated likewise that the clients mostly prefer the traditional ways of communication. There is perhaps a link between this preference and the fact that Alice is a small rural town with very little ICT penetration, high levels of poverty, high illiteracy rates and still suffering from the aftermath of apartheid that left the town with very little development (Aspire, 2011). The characteristics of Alice, its rural nature and lack of development perhaps lead to most respondents favouring traditional ways of communication that are less complicated to understand and to use. The results above show that the most preferred channels by the clients are face-to-face communication channels, cell phone SMSs and calls, radio and TV adverts.

Channels used by clients

The results below show that 50% of the respondents communicate with the bank face-to-face. 22% use cellphone via SMS or call to communicate with the bank. 17% make use of the suggestion boxes in the bank whilst 11% use internet and emails to communicate with the bank.

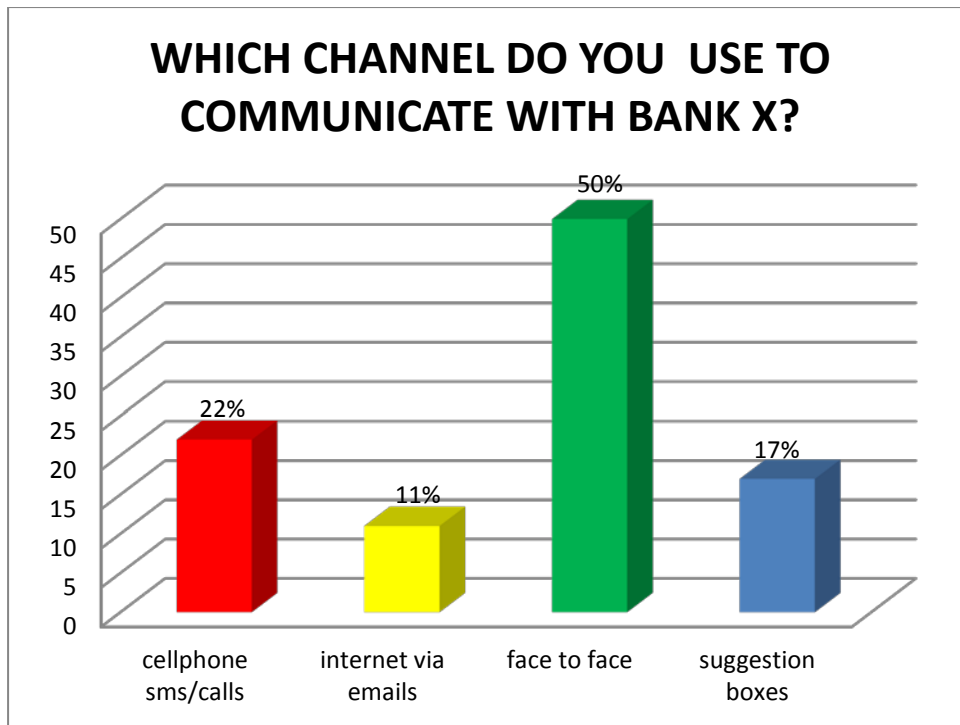


Figure 18

Communication is a two-way process; hence, it is important to acknowledge its role in building relationships between the company and its customers and stakeholders (Rensburg and Cant, 2003:120). In this study we see that face-to-face communication seems to be the most popular way in which the clients communicate with the bank. The researcher also noted that most of the time the clients physically go to the bank to seek clarity whenever they do not understand something. More details will be discussed in the ‘Qualitative results’ section.

Reasons for channel selection

Two of the reasons for channel choice were equally popular. These reasons were: the channel’s ability to offer rapid feedback, and the flexibility of a channel to offer more options to ask questions. 14% of the respondents agreed that some channels have a personal focus that meets their individual needs. 5% of the respondents agreed that certain channels have the ability to use natural language in which they can easily understand the message. 27% of respondents thought all four qualities were equally important. The media richness theory by Daft and Lengel (1986) outlines four criteria for evaluating media richness. They state that a good channel offers at least one or all of the criteria which are rapid feedback, multiple cues, personal focus and natural language. Details of these factors have been discussed in

Chapter Two. 27% of the respondents agreed that some of the channels used by the bank have all the four qualities.

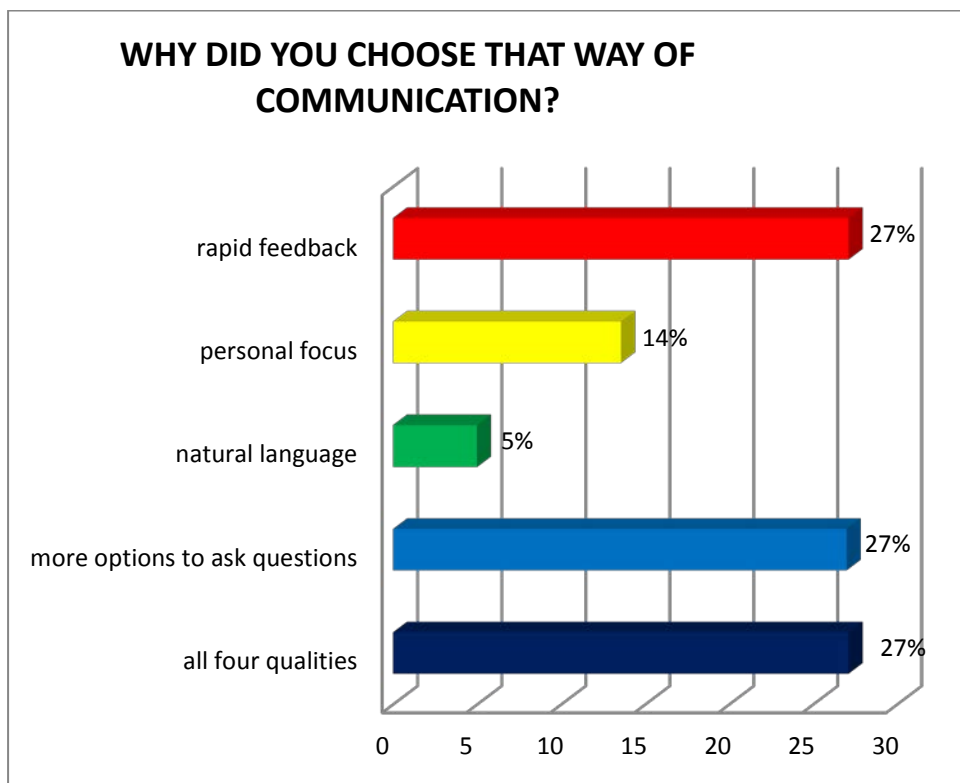


Figure 19: Reasons for channel selection

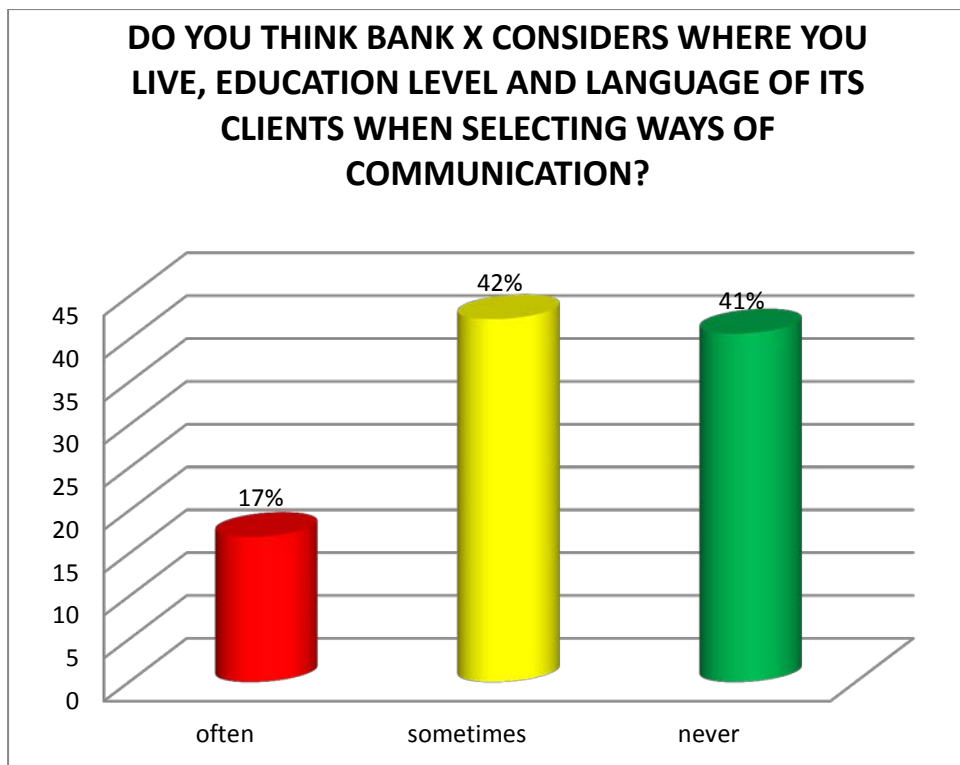


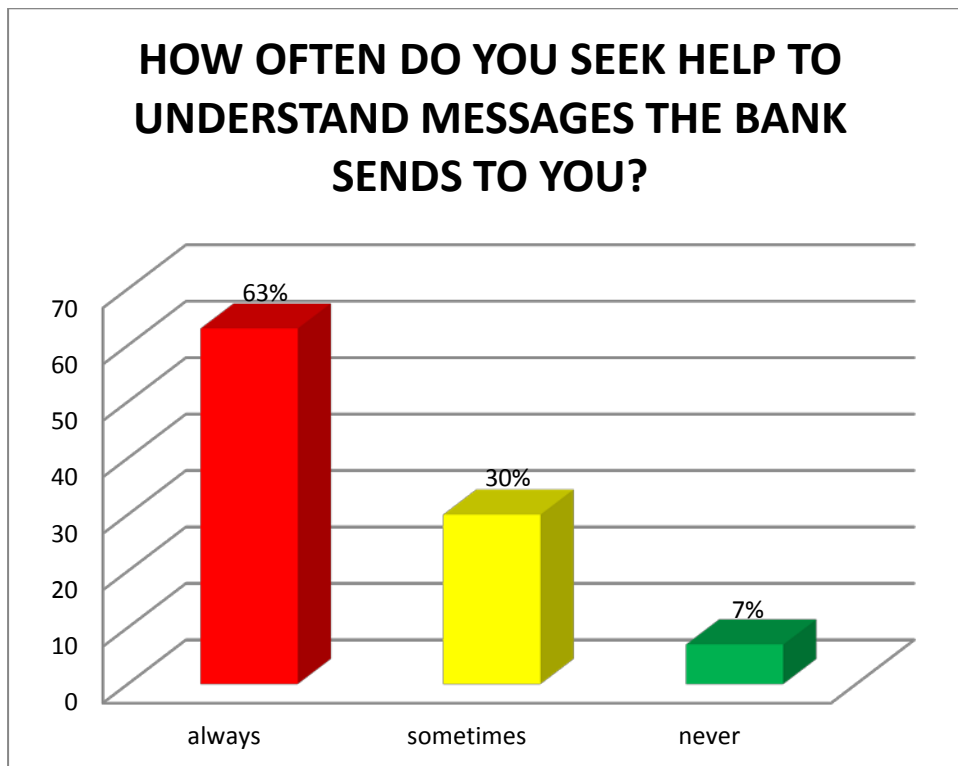
Figure 20: Perceptions of whether the bank considers demographics

42% of the respondents felt that the bank sometimes, but not always, considers where they live, their level of education and language when selecting the communication channel. 41% held the view that the bank does not consider the three factors above. 17% felt that it often considers the geographical location, education level and language of its clients when choosing the communication channels to disseminate their messages.

The majority of the citizens in the EC are Xhosa speaking and their education levels are low (OECD, 2008). Yet, Bank X uses English in most of its communication with its clients, so this is a barrier to effective communication. The lower education levels may tend to affect the clients' choice of channels and the way people understand messages being communicated to them. These factors might adversely affect the way people react and respond to different types of communication channels that the bank uses to disseminate information to them.

The results above suggest that the respondents feel that the bank does not always consider where the clients live, their education level and language they use or speak when choosing the channels to use for disseminating information to clients.

Figure 21: Frequency of seeking help to understand messages

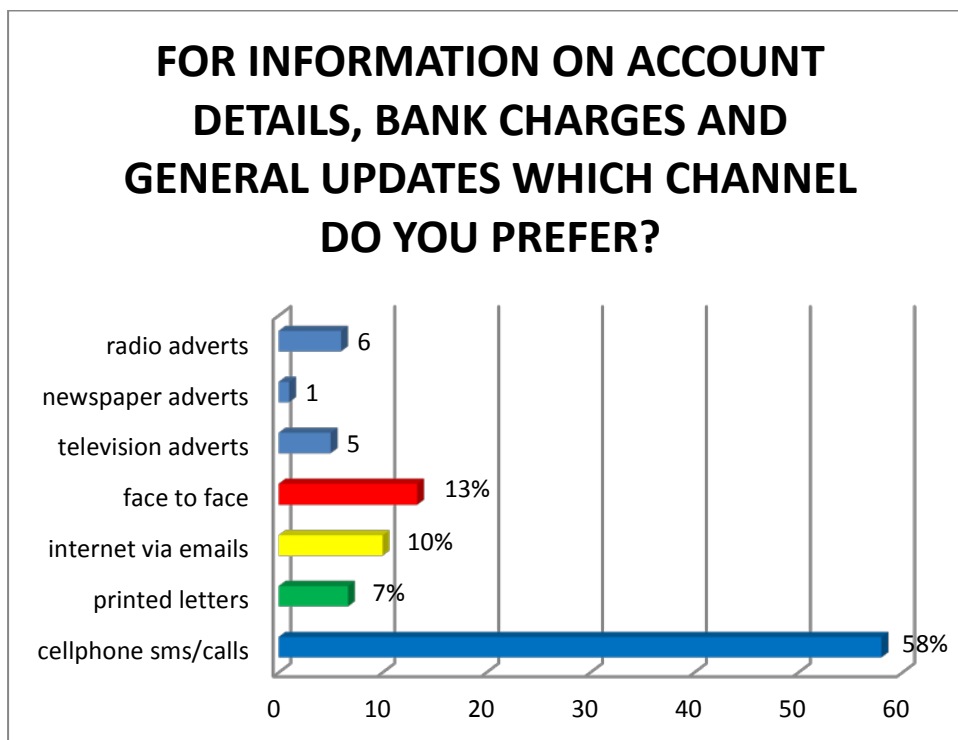


63% of the respondents said they always seek help in understanding the message sent to them by the bank. 30% said they sometimes seek help, whilst 7% responded that they never seek help to understand the bank's communication.

With the majority of respondents seeking help in order to understand the bank's messages, it shows that there is lack of comprehension about the messages and the channels used by the bank and this may increase the uncertainty of messages by the clients. When uncertainty is high due to inadequate information, lack of comprehension due to the nature of the channel itself, recipients are led to attain data to reduce it and when equivocality is high recipients are led to seek clarity, defining the problem and finding solutions where there were disagreements and lack of understanding (Daft *et al*, 1987). Therefore, seeking help to understand the messages by the bank is paramount for its clients. Most of the clients told the researcher that they go to the bank to seek clarity when, for example, an SMS or email has been sent to them and they do not understand what the message is. Some even complained that when they go to seek clarity at times the staff fail to help them or to give them satisfactory responses since the message comes from the head office. More on this issue will be discussed in the section discussing the qualitative results.

The results above show that many of the clients face challenges in trying to understand messages disseminated to them by the bank. This then means that sometimes the communication channels do not offer clear messages. At times it might also mean that the message content are not clear. When a new product or service or transition from one system to another is being introduced by the bank, they normally use mass media channels to notify the clients about the product/service. It might then be better to use interpersonal methods of communication to explain the new system and how the new products and services operate to reduce confusion. The researcher suggests that some channels of communication be used for communicating ambiguous messages and other mass communication channels be used for communicating less complicated messages.

Figure 22 Channel preferences for updates



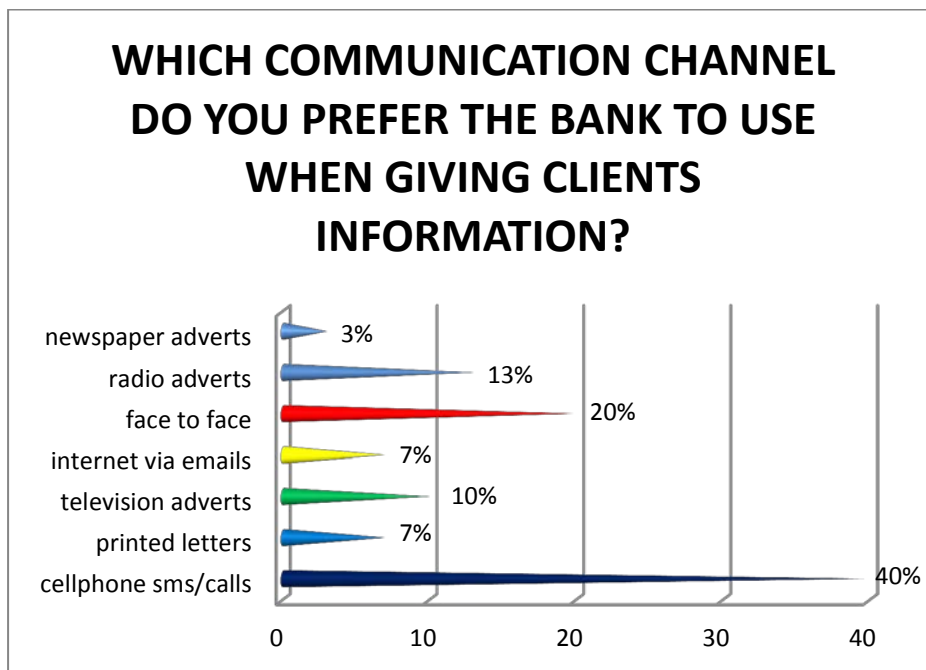
58% of the respondents said that they prefer cellphone SMSs and calls to get updates from Bank X. 13% said they prefer face-to-face interactions ,whilst 10% said that they prefre the updates to be done on internet via emails. 7% said they prefer printed letters and 6% said they prefer to hear of the bank’s general updates on the radio. 5% said they prefer to view the updates on television and only one percent preferred newspaper adverts to get the bank’s updates. The results above also show that the clients prefer more interpersonal

communication channels to get information concerning the updates of their accounts and cell phones were preferred the most.

4.2.17 Which kind of communication do you prefer the bank to use when giving clients information?

40% of the clients said they prefer cellphone SMS and calls to give them information. 20% said they prefer the bank to use face-to-face conversations with them. 13% said they prefer the bank to use radio when disseminating information to them. 10% said they prefer the bank to use television when disseminating information to them. 7% said that they prefer the bank to use television to disseminate information to them. 7% of the respondents said they prefer messages to be sent to them via emails and printed letters whilst 3% chose newspaper as their preferred channel of communication.

Figure 23: Channel preference for other information



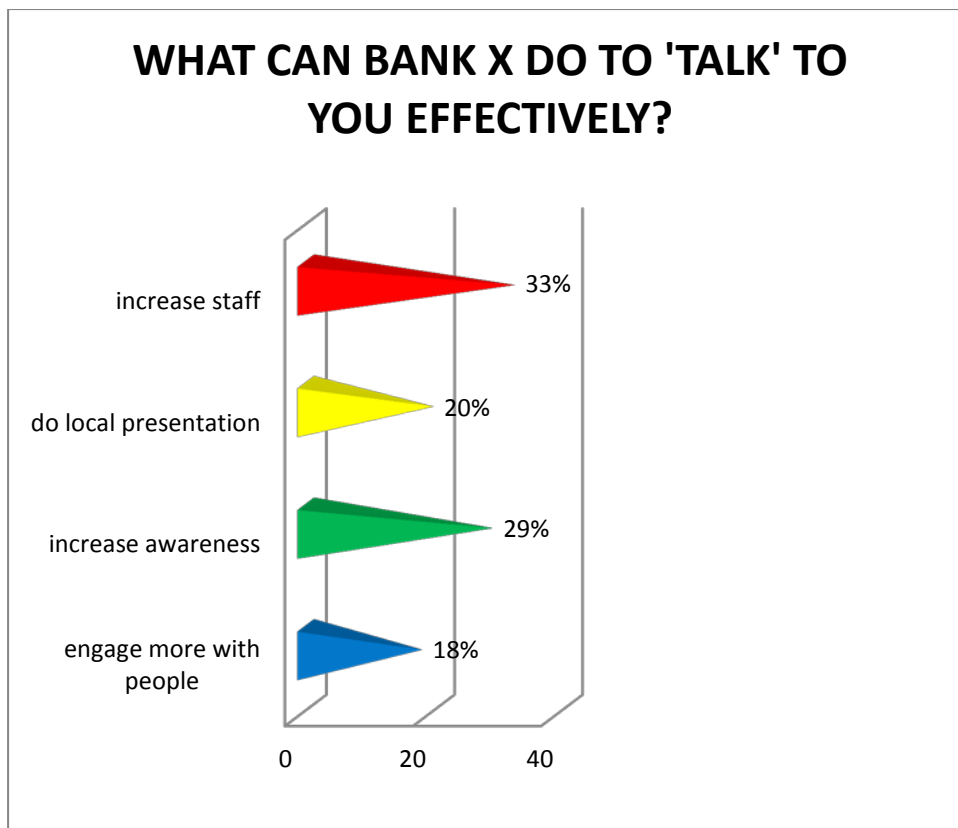


Figure 24 Ways of improving communication

For Bank X to effectively communicate with its clients, 33% agreed that the bank should increase their staff. 29% of the respondents agreed that the bank should increase awareness of the bank’s new products and services. 20% agreed that the bank should engage and do local presentations to make the public aware of their old/new products/ services. 18% of the respondents felt that the bank should engage more with people so as to effectively communicate with its clients. The final answer option allowed respondents to supply their own thoughts on how the bank can effectively communicate with its clients. However, many people left it blank. Only a few respondents suggested that Bank X should ask local clients to choose the communication channels they would want the bank to use to communicate with them. Some of the clients felt that the bank should use the local language Xhosa in their communication materials since it is generally not part of the bank’s communication strategy.

4.2 Qualitative Analysis

Qualitative research aims to achieve depth rather than breadth, as it is exploratory (Blaxter, Hughes and Tight, 1996:61). The qualitative data was analyzed using thematic analysis. In Chapter Three it is stated that I would use the interpretivist paradigm to analyse the

qualitative data. Data are seen as social construction reflecting both the participant and the researcher where data is collected through an ongoing interaction between the participant and the researcher (Charmaz, 2006). The role of the researcher is to take a reflective stance and analyse how, and sometimes why, participants construct meanings and actions in specific situations (Charmaz, 2006). Looking at the nature of my research it needed me to have more interactions with the participants in order to have an in-depth understanding.

I therefore held four focus group discussions and one interview with a senior bank executive.

I gathered all the data from the four focus group discussions and came up with consolidated themes. In creating the themes I adopted a recommended guide phase of conducting thematic analysis which are: becoming familiar with the data, generating initial codes, searching for themes, reviewing themes, defining and naming themes and producing a report. These phases and steps helped me to create sound themes. I also created themes from the interview which I had with the bank's executive. Seven themes were created from all the gathered qualitative data. The themes will be discussed in detail below.

Theme 1: Communication channels used by Bank X for Public Relations purposes

Knowing about the communication channels used by the bank was central to the researcher in this study for the research to be carried on. In order to learn about the communication channels used by the bank, the researcher consulted the bank executive and some of the clients. I interviewed one executive staff member at the branch in Alice and asked four general clients picked randomly at FGDs to mention the channels of communication they thought the bank uses to disseminate information to them. The clients' input was crucial so that I could find out whether the clients knew what channels their bank uses to communicate with them. No organisation can function properly or reach its goals without a good system of communication (Van Staden *et al*, 2002). It is necessary for public relations, which is the building of good relations with an organisation's publics and stakeholders (Du Plessis *et al*, 2010). The respondents unanimously identified: TV, radio, newspaper, emails, Facebook, internet, face-to-face interactions, letters and cellphone calls.

An addition was Facebook which I had not included in the questionnaire. This channel seemed to be very popular with most young adults who said it was quite interactive. The bank also included leaflets in the list of the communication channels they use to communicate

with their clients, adding to the number the bank uses to disseminate information to the clients.

After the channels were noted I went on to ask the kind of messages the bank sends to its clients. The senior executive said that they communicate to clients informing them of the following:

- General updates;
- Introduction of new products and services;
- Payment files and confirmation messages;
- Attending to customers' queries and questions;
- Data files receiving bank statements and transaction information; and
- Constant marketing and advertising the brand, and its services and products.

The list above shows some of the type of messages the bank and its clients engage with on an almost daily basis. The clients also mentioned that they go to the bank to seek clarity about bank charges, deductions, frozen accounts and messages sent to them either by SMS or email. This then increases the communication between the bank and the clients, since they interact about a variety of issues.

The researcher noted that most of the branch/bank's communication are done by the head office in Johannesburg: *"As the Alice branch we do not create any message. All the communication materials or messages are sent straight from the headquarters"* (Senior bank executive). The only thing the branch does to market themselves is to sponsor the rugby tournament at UFH. They put banners and posters around town; although the banners do not extensively sell their product and services, they enhance their brand value. Brand value may be driven by marketing communication through the process of managing customer relationships (Duncan, 2002:8). Such sponsorships help the bank to build customer relationships with clients and could help in brand awareness and loyalty from customers.

Theme 2: Examining the efficiencies of the bank's communication channels

This theme was the core of this study. Effective communication means that the information is received accurately in terms of content and meaning as intended by the sender (Rouse and Rouse, 2002). Effective communication with customers has advantages that include better customer relationships, effective decision-making, successful problem-solving and money

and time saving (Van Staden *et al*, 2002). Effective communication therefore is paramount to the success of any organisation.

In most of the FGDs the participants had a variety of opinions about the effectiveness of the communication channels used by Bank X in disseminating messages to their clients as compared to the data that was collected quantitatively. This was so because in the FGDs participants were at liberty to express their views more explicitly as compared to the data that was collected from the questionnaires. Palmer and Fenner (1999:54) argue that “a key feature of dissemination activities is to tailor the message and the choice of media to the target group’s needs and interests”. In evaluating the clients’ preference for and use of particular communication channels, the above definitions, features and purpose of effective communication were taken into account.

The majority of the participants rated Bank X’s communication channels as ‘good’ when they compare it with the other local banks. One Fort Hare participant said that, “*Bank X really tries to communicate with us-clients and it uses different communication channels which we can relate with as compared to its competitors like Standard Bank or Capitec.*” Another participant from an FGD held at Golf Course also said that, “*Every day we see Bank X adverts on TV or hear the adverts on radio and see them on internet pop-ups.*” These participants shifted the focus from this bank and compared it with the other banks in Alice.

However, a significant number of participants felt that the bank uses various communication channels but does not check whether the channels are relevant or effective for the target group. “*Alice is so rural and is surrounded by many rural areas with many illiterate people who have not even seen a computer; hence the use of emails and internet are not ideal*” (FGD – Alice). Some UFH staff and students felt that the bank is very innovative and moves with the times, but some clients do not know how to use those modern channels. It is thus strongly evident that in Alice the majority of the rural clients are on the wrong side of the digital divide.

However, when doing a thorough evaluation of the clients’ preference for and use of particular communication channels, the bank’s communication techniques overall are better than its competitors because it has a wide range of communication channels. But the geographical location and rural nature of Alice means the use of some modern channels like internet and emails are not well understood. Many people living in Alice are not well

educated and many are poverty stricken, depending on social grant money for survival, hence they do not understand some of the messages sent to them using modern communication channels. Some situations are complex because there are some illiterate clients who cannot understand messages sent to them by text messages, which leaves radio, television, and face-to-face communication as the only channels to use.

Theme 3: The perception of the banking process

The Alice clients, especially the adults over 50 years, have a problem with the general issue of banking and banks. Their negative attitude and frustration comes from their failure to operate banking facilities like ATMs on their own so that they can take full control of their money. *“I feel like I am a failure and it breaks my heart and wish I could have been educated. I do not feel secure having to ask for assistance everytime I have to withdraw money. If we send our own kids to withdraw money they steal from us”* (Golf Course participant). This participant was very emotional and everyone in the discussion was nodding their heads in agreement with his statement.

The five managers interviewed from the bank, and retail shops at the mall the likes of Pep, Spar and Jet said that for the operations in their office to run smoothly they had to teach and develop their workers’ computer literacy.

Most people living in rural areas have little or no access to technology, and so cannot do banking on their own. This results in their having negative emotions towards banking. 10 to 15 million South Africans live in (largely rural) areas that are characterized by extreme poverty and under-development (Olivier, Van Zyl and Williams, 2010:137). The researcher found out that some of the elderly people in Alice cannot operate their own cell phone hence they have to ask their children or grandchildren to assist them. Over 50% of the elderly people from the Golf Course FGDs openly said, *“Education is key, but it’s too late for us to learn new things because of our age.”*

The researcher asked if the participants knew about ABET (Adult Basic Education and Training), but it was very unfortunate that the participants have never heard of such a programme in Alice. Authors like Aitchison *et al* (2000: 131-132) lament that statistical data and other information on provision on literacy and adult basic education were “still unreliable, confused, self-contradictory but more often, simply absent”. Aitchison’s views and those of the participants correlated with the findings of this study. Efforts should be

increased if ABET is to yield positive results and bring change to many uneducated adult South Africans, at the same time bridging the gap between the social class factors of the rich and poor and educated and not educated. Some of the educated people had a positive attitude towards banking and especially Bank X because of its dynamic innovations. However, they said they have to seek clarity on certain occasions.

Most Alice residents are poor and heavily reliant on social grants for their survival (Aspire, 2011). Infrastructure development is moving at a very slow rate and many of the Alice residents think that they have fallen behind when it comes to development. For example, there are many government offices, retail stores and better roads in the nearby town of Fort Beaufort than in Alice; hence, when one needs better service, one has to go to Fort Beaufort.

Theme 4: Traditional and modern communication channels

Organisations need to communicate with their current and potential customers and have to fulfil their role of communicator and promoter (Kotler, 2000:550). This means that communication is of paramount importance for the success of any organisation, yet the communication process should be done effectively. The majority of the participants in this study indicated that they preferred interpersonal and traditional communication channels especially face-to-face and cellphone interactions, followed by radio and then television, as compared to the other modern communication channels like the internet. Schultz *et al* (1995:85) say that it is impossible for a marketer to establish effective communication with the target customers using only mass techniques like advertising, sponsorship and publicity. Therefore, other methods of more personalised and interpersonal communication methods have to be used to ensure a more balanced, effective communication with the customer. A participant said that interpersonal channels gives him room to ask questions when he does not understand, and face-to-face and cellphone calls provide him with that. *“I go to the bank to seek clarity whenever I do not understand a message. Occasionally the bank calls me and we talk even when I am far in our rural areas”* (FGD – Golf Course).

Radio was one channel the participants seemed to favour. They said that radio speaks to them using their own language, they have easy access to radio and at times the presenter on a particular show asks people to call in to ask questions when they do not understand and for further information. Most of the people said they enjoyed listening to their local radio stations, Radio Forte and Umhlobo Wenene, because they both broadcast in IsiXhosa.

Another participant in Alice said, *“I love listening to the radio for information because I do not work, I can not read or write therefore I choose to hear important messages from the radio.”* However, some clients said the bank rarely uses the local radio station Radio Forte to communicate with them. They hear most of the bank’s messages on Umhlobo Wenene. Radio Forte has become so popular amongst the local people that other local businesses like S&L shuttle services, Spar, churches and Nkonkobe municipality are advertising and making important announcements on the station.

Some clients said they often see Bank X’s adverts on TV but they do not hear what is being said because most of the adverts are mostly in English or they have poor TV reception. They said they love the pictures and now know the colours of their bank. *“I boast to my friends whenever I see a Bank X advert on TV”* (FGD – Golf Course). Knowing their bank’s colours and seeing the adverts on TV makes them feel connected to the bank even if they do not understand what is being said. To these clients, the TV adverts brings prestige, signalling that their bank is big and it has status.

Some UFH staff and students and some Alice clients said that TV adverts are how they get to know of the new products and services that the bank is introducing. For further information they use Google, look for pamphlets at the branch or ask the consultants in the bank. One participant said that, *“I came to know of so many products of the bank on TV so I prefer TV communication.”* However, some clients were complaining that most of the TV adverts are always in English or IsiZulu which they at times fail to understand. The clients wished that the bank would use more different languages on their TV adverts to reach out to all its clients.

Letters and newspapers were not very popular channels, since many people said they did not have mail boxes to receive their letters. Some UFH students said that the letters are sent to the university residential address, but they rarely go to the Matron of the residence to check and collect those letters. They preferred instant communication methods. Some said they can easily get their bank statements on the ATMs, so they do not see the need for letters.

Modern communication channels were popular among the young adults, especially those at UFH. The most popular modern channel was the cellphone call and SMS, followed by Facebook, email and the internet. The participants said they liked the bank’s practice of sending SMSes once you receive money into your account. Some youth said they loved the Facebook page where they can communicate and ask questions without any charge or having

to go to the bank. Some were of the view that the internet helps them get more in-depth information that the branch cannot provide them with. *“Many a times when we receive messages either by SMS or email we go to the branch to seek clarification, only to find out the bank consultants at Alice do not know or understand what the message is about because it was sent from the head office. It irritates us, but then we resort to finding the information on our own via the internet”* (FGD – UFH staff and students).

The elderly people, however, said that they cannot read the bank’s messages so they often seek help from people around them who at times ‘steal’ their money. *“These new things the whites came with confuse us and people are robbing us of our social grant money when we go to withdraw our moneys.”*

Five people said, *“We were used to going inside the bank with a book and withdraw my money; we do not understand those things”* (FGD – Golf Course) The researcher went on to ask which ‘things’ they did not understand and the answer was operating the ATM and being able to read the amounts that appear on the cellphones when a deposit has been made into their accounts. The response to modern communication channels was not very good, especially with the elderly people. One common ground that I discovered was that all the clients strongly believed in interpersonal communication and regarded it as the best and most effective channel of communication. Personal interaction reduces uncertainty and anxiety (Brimm and Murdock, 1998).

Theme 5: Technology and infrastructure development in Alice

Technology plays a pivotal role in today’s society. Technological developments have affected every aspect of the marketing process – inside and outside the organisation (Reedy and Schullo, 2004:3). Banks, like other organisations, are making use of these technologies to aid them in their everyday operations. There is a lot of technological advancement in Bank X, which includes online and internet banking where customers do their own banking using the internet and the use of mobile banking and the App on mobile phones and on the internet. Some of the customers now use the App which is an interactive, sensory and intuitive banking application which is used on tablets and smartphones. The App can be used to make Geo-payments, which is a location-based person-to-person payment functionality where you can find and pay other App users without their banking details. It also allows people to pay bills, buy items and send money anywhere in the country. Another distinctive feature of this

bank is its facility that allows non-Bank X clients to receive and send money via SMS to any SA cellphone number. The App also allows customers to view detailed balances and transaction histories, locate ATMs and branches on a map, access a call centre directory, receive messages, and to buy prepaid electricity, airtime and data. These are some of the technological innovations that the bank has introduced and are at their customers' disposal.

One executive commented to News24 saying that the bank embraces technology because innovation is part of its culture and it sees technology as a way to gain competitive advantage (<http://www.webvudu.co.za/fnb-first-national-bank-app/>). This means that the bank embraces technological enhancement and application since it is part of the bank's culture to be the leading bank in technology. Customers who are using internet banking commented they enjoy Bank X's advanced technological banking features. However, it is just a small fraction of clients in Alice who are happy about the new banking technologies, as the majority of the people are still lagging behind and catching up with technology at a very slow pace.

The researcher asked the clients why they were not adapting well to technology; to which the following responses were given:

- *"We have a huge lack of access to computers and internet."*
- *"We are sceptical and afraid to be robbed online by hackers."*
- *"The technology is sophisticated for old people like us and we cannot even withdraw money without the assistance of a second person."*
- *"We are ignorant about the bank's technological innovations."*
- *"We are slow and at times reluctant to react to technology."*
- *"Some of us are illiterate so we cannot use the technology."*
- *"We lack experience and exposure because of the geographical location of Alice."*
- *"The government and Nkonkobe municipality does not want to empower us technologically by building a computer centre for us the people who do not work or study."*

Rhodes (2009:49) argues that there has been little effort to understand the benefits of these new technologies in African rural micro-enterprise environments. He goes on to say that lack of connectivity, low tele-density, limited internet access, scant ICT education, limited literacy and underdeveloped human and technological networks makes it improper to use ICTs for rural development. Burger (2009) says that most of SA's rural areas are lagging behind technology and the major problems listed by Rhodes (2009) are a reflection of the reality. Many rural areas in SA exist below subsistence levels and remain impoverished, without basic infrastructure essential for economic growth and development (Stats SA, 2008).

Alice's infrastructure development is very minimal and moving at a very slow pace. There are many dilapidated buildings; potholed roads; lack of electricity in many houses in Golf Course; and some households do not have running tap water and sanitary services. One respondent said, "*We are still using paraffin for lighting and for cooking because we do not have electricity in our homes. We have been staying in Alice for so many years but when it comes to development Alice is still lagging way behind and is moving very slowly.*"

The digital divide and digital inequalities have had its toll in Alice and a lot is still desired to decrease these inequalities. Other respondents said they wished the bank would add infrastructure like many more ATMs for deposits and withdrawals throughout Alice to avoid the long queues, especially during month-ends. In South Africa month-ends are very significant and are the busiest times for banks and shops. This is the time when many people working or those who rely on pensions, social and government grants get their grants and pay-outs. The queues in banks and shops are very long because the majority of the people will be waiting for that money since they do not have any other source of income.

Theme 6: Language used in disseminating bank messages

Most of the clients complained very much about the issue of language. They said that most of the bank's communication is done in English or Afrikaans, which they do not understand. When the researcher asked the bank senior executive, she agreed that most communication is not done in the language most local people understand. She added that the Head Office is in charge of the communication activities and channels that are done throughout the branches nationwide. "*We have little or no opportunity at times to generate our own communication materials as branches, because most branches do not have local PR and marketing practitioners to manage communication activities.*" This has many implications for rural

branches who might want to use diverse communication strategies that suit the local clients they serve. Marschan-Piekkari *et al* (1997) write that communication intensity is needed to implement control by socialization and networks but makes it an unlikely choice when language barriers between headquarters and a subsidiary are high. Conversely, language barriers should be minimized between the branch and its customers. Therefore, if headquarters plans to disseminate information to clients, the subsidiary branches should be given some room to find the best possible way in which they can effectively communicate to their clients. This is important because the branches know their clients better than the headquarters. In the case of Alice, the language barrier is the biggest barrier to the bank reaching out, and networking more with their clients.

However, those respondents who can read said they have problems in understanding the documents, especially when they are written in English. Other literate clients said that they can read the documents, but it takes time for them to understand the messages written in financial jargon, hence they regarded themselves as financially illiterate. One client said she had received a pamphlet on internet banking and she failed to understand how it works. Neal (1998) identifies language problems as the major source of frustration, dissatisfaction and friction between two parties. Gudykunst (1995:35) and San Antonio (1998:30) say that language barriers easily cause misunderstandings, which will lead to uncertainty and anxiety. Therefore, language plays a very important role in communication processes and in this case Alice clients wished the bank could also include communication in their own vernacular and local languages to aid effective communication and understanding.

Theme 7: Challenges encountered in the process of banking

The major challenge that was noted was that people do not fully understand messages sent to them so they are constantly going to the bank to seek clarity on messages that were sent to them personally or via mass communication. The bank's representative commented that, *"The majority of our clients are not educated and they come from very impoverished communities and our technology and operating machines like ATMs is a challenge to them. Some complain that most of our TV ads are always in English so they take time to understand or never understand those messages."*

"The other challenge that we face is during month-ends we have all the grant beneficiaries at the bank, and queues are so long because our ATMs in Alice become very limited to the huge

demand. Some of the staff have to leave their work stations to go and help the people at the ATMs and at times the manager also chips in to help the clients.”

The bank’s executive representative said that they experience challenges in that most of their communications materials like posters and flyers are designed at the head-quarters, yet those materials are not very useful to their rural clients who cannot speak, read or write in English. The researcher asked the bank’s representative executive if they have ever considered using other alternatives like the local radio station (Radio Forte), local newspaper *iDikelethu* and any other alternative channels to communicate with the clients. However, the representative said that the branch has not considered those alternatives but would try and implement those ideas. She said sometimes community members, especially churches like City of Light, invite the bank to do business, banking, budgeting and saving presentations at their church conferences and that way they take the opportunity to teach and answer questions from the audiences. Public platforms that the bank may be asked to present at are: career guidance tours and business/investment meetings, to mention a few.

Theme 8: Ways of improving effective communication and overcoming challenges

Most of the clients felt that their local branch should look for alternative communication channels to reach out to them and to educate them about banking as a whole. To improve communication they suggested that the bank:

- **Increase staff members:** Some clients felt that more staff should be employed to help deal with client’s enquiries and to cut short the time one has to wait in the queue to get assistance. One client said, *“We wait for over 30 minutes in a long queue to get help from the consultants. There are only three to four consultants and these are not enough especially during month-end periods.”*
- **Increase ATMs:** This was not a communication issue, but is very significant to the study because there are major innovations that the bank has implemented using ATMs such as e-wallet (described above). During the FGDs some clients were complaining that little communication was done on how cheap outside ATM deposits were as compared to deposits made inside the bank. The clients also felt that the access points to get their money are very limited in Alice, so the bank should increase the ATMs and have at least one ATM in their communities to reduce the long hours in queues during weekends.

- **Have some pamphlets and flyers written in Xhosa:** Clients were of the view that the bank should include local languages in their mass communication messages. Some thought the bank should have a database where they should ask the preferred language for every person and use that language to send personalized and individualized messages. Another client said, *“I can read, but it would be better if we would have pamphlets written in our mother tongue IsiXhosa.”*
- **Train their staff:** Some clients say that when they receive messages on their emails/cellphones they do not understand and when they seek clarity at the local branch, some of the staff members do not know and fail to explain the context of the message and end up giving them pamphlets, which is still not giving adequate response to the client. The clients felt in-house training should be given to the staff, including that of the bank’s products and services like the App.
- **Use local media like Radio Forte and iDikhelethu:** The clients felt that they connect better and more to their local media and therefore the bank should use these media as often as possible. Another client said: *“We would be grateful if the branch would also use the local Radio Forte to advertise their products and services.”*
- **Visit their communities and do presentations:** The clients felt that the bank should engage more with its clients and get to know what the clients want. They also thought that the presentations would help them become better clients since they would be equipped with knowledge and hence create customer relationships, loyalty and brand awareness.
- **Run campaigns:** Campaigns help spread word on products and services. These campaigns can be done in the local communities or at the bank and educate the clients.
- **Do road-shows:** The clients felt that road-shows are fun and educational. They felt road-shows will help pass knowledge informally even to the uneducated people.

- **Have financial literacy classes for all people:** Here the clients encouraged the branch to provide financial literacy classes so that the public learn and know more about banking and all it entails.

4.3 Conclusion

This chapter presented and analyzed the quantitative and qualitative data that was collected. For quantitative data the Statistical Package for Social Sciences (SPSS) was used with the help of a UFH statistician to analyze the data. The data was presented in the form of graphs. Major findings were that the unemployment rate is high, computer literacy rates are low, and that people preferred interpersonal communication channels that have room to give feedback. Qualitative data were analyzed using thematic analysis and eight themes were created. From the qualitative data I managed to get more detailed explanations and some direct quotations were included.

Chapter Five will contain the conclusion and the final recommendations.

CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter will give the concluding remarks of this study. The relationship between the research questions and the research findings will be highlighted. The goals of the research were to evaluate the preference for and use of particular communication channels of Bank X in Alice based on the clients' perceptions. This chapter will also state the key findings, recommendations and suggestions for future research.

5.2 Research findings

Media richness theory helped in this study to analyze the channels used by the bank and discovered that interactional channels like face-to-face, cell phone, SMSes, radio and television were the richest communication channels for the clients in Alice. Emails, printed letters and newspapers were the leanest communication channels for the clients in Alice.

The researcher noted that there seems to be one major determining factor in how people perceive messages, and that is level of education. Some clients were well educated and had a general understanding of what banking is and the communication channels that are used by the bank in disseminating messages to them. On the other hand another group were illiterate with basically little or no education. Lastly was another group of clients who were in the middle. These diverse groups of clients held different views in the process of evaluating the preference for and use of particular communication channels of Bank X in Alice. The six key findings are highlighted below:

- a) The study found that the respondents use media to obtain various type of information, including messages from the bank. The bank also markets its products and services by making use of these communication channels that include face-to-face conversations, cellphone calls or SMS, radio adverts, TV adverts, newspaper adverts, printed letters and internet via emails and some clients also highlighted that they get information through social networks like Facebook. The young, educated and computer literate clients commented that they were happy and liked the communication channels used by Bank X. They said the use of social networks was appealing to them because they can ask questions and get help or advice anywhere without physically going to the bank. On the other hand some of the clients preferred traditional communication channels that are less sophisticated and easy to understand. The digital divide and

digital inequalities was seen to be still evident in Alice and the bank feels the impact of these inequalities. Another major finding was that most clients prefer communication channels that allow a two-way communication/interaction process so that they can ask for clarity whenever they are not sure of something. In the process of determining the channels that the clients preferred this study found out that the majority of the clients prefer face-to face interaction, cellphone calls and SMS, radio adverts and television adverts. Emails, internet, printed letters and newspapers were the least popular communication channels for the clients.

- b) The Alice branch noted that most of the communication material and messages are created and designed at their head office in Johannesburg. The branch said it does not do much in terms of creating messages or communication material. However, the bank acknowledged that at times there are churches, like City of Light and other organizations who invite representatives from the bank to do talks with people about the bank and the products and services they offer. In that way the bank has a platform to market the bank and have an opportunity to engage with people answering their questions. Sponsorships for example UFH rugby tournaments, were also a way of the bank making itself visible to the general public. Posters with the bank's logo are occasionally pasted all over Alice and people wear branded T-shirts. This contributes to the goodwill of the bank and improves the bank's customer relationship, customer retention and encourages brand loyalty.
- c) Adaptation to technology was still a major problem in Alice because of the geographical location of the town. Alice is underdeveloped and surrounded by many rural areas which are poverty stricken making it difficult for most people in Alice to adapt to technology. It was revealed in the study that many people are computer illiterate and they do not know how to operate the computers at all and it makes it difficult for them to adapt to internet and online banking. Findings also revealed that adaptation to technology are aggravated by serious lack of access to technology, access to the internet as well as lack of access to computers. Access to ICTs is mostly limited to universities, colleges, schools and some government and non-government offices. Those with access to technology commented that Bank X is very innovative and makes use of technology better than its other competitors. These respondents gave an example of the cardless system that allows people to send money to a cellphone number; even to people without Bank X accounts) saying it was a great innovation and that many people are now using Bank X because of this. However, it is just a

minority who have access to and who benefit from these technological innovations. The slow rate of technological adaptations have made some communication channels like emails and the use of internet unpopular and regarded as less effective especially with most clients in Alice. Their lack of access to facilities, infrastructure like internet cafés and lack of resources have made some clients have a negative attitude towards technology used by Bank X. The clients felt that the municipality is not doing much to empower its local residents with technology hence they feel they cannot adapt to technology. Some of the clients said they are hesitant to use online and even cellphone banking because they are afraid of cybercrime which seem to be rampant on many online banking systems; not only in South Africa, but the world over. Some of the clients in Alice said they also fear to be mugged if they withdraw a lot of cash. These are some of the challenges that the clients face when they have to think of ways to adapt to technology in banks.

- d) Findings also revealed that age, as it relates to language, education, and literacy, affects the clients' choice of channel. Respondents over 40 said that they struggle to get the messages sent to them by certain communication channels like TV because they cannot understand the English language used, even if they watch TV a lot. Some of the respondents also confessed that they are struggling to do banking on their own because they are illiterate. They cannot read the SMS sent to them by the bank and they have to seek help. Some complained that they fear banking now because they cannot use the bank's technology like ATMs and their grandchildren steal from them whenever they send them to do transactions for them. When asked if Bank X considers the education level, language and geographical location of individuals in selecting communication channels, the clients responded that, in their view most of the time the bank does not consider these factors.
- e) This study also noted that most of the time, clients in Alice has to seek clarity from the bank in order to understand the messages sent to them by the bank. This means that the clients are finding it difficult to fully comprehend the messages on their own hence they prefer more interactive channels that give room to seek clarity. The clients however contradicted themselves when they were asked how effective the bank's communication is. 51% said that the communication is effective. The researcher felt that the clients tended to compare Bank X to the other banks. This assumption was cemented when the researcher was gathering qualitative data; some clients said openly that Bank X communicates much better with its clients than its competitors.

The clients said that is why they chose to say that Bank X's communication is effective though some of the channels are not yet usable by most people in Alice.

- f) The majority of the clients were not happy with the language used by the bank to communicate with its clients. The study revealed that most of the messages are sent in English and the majority of the clients said that they would be happy if the bank could also use their local language Xhosa to communicate with them. They thought that if the bank uses their local language in their communication in certain channels like radio, TV and many others, it would simplify things and make life better for them to understand and relate well to the messages the bank sends to the clients.

5.3 Recommendations

a) Localised branch communication strategy

After data was analysed, the findings showed that there is still much to be desired if Bank X is to effectively communicate with its clients. It was discovered that majority of the communication material is designed at the headquarters and little or nothing is created at the branch level. This method does not seem to be producing effective communication with clients. The head offices do not seem to use many of the languages in SA so I suggest it should also include other South African vernacular languages in creating their mass communication messages so that they reach out to all their target groups. I suggest there also be some mini-provincial offices or marketing, public relations and advertising team in every province to create local communication messages that appeal to their local people in their provinces. The messages can be the same nation-wide, but the channels and method of message delivery should differ and be able to appeal and be understandable to the local people. For example, a Zulu symbolic advert might not appeal to a Xhosa society and vice versa, because of the differences in culture, so it could help greatly if specialized messages and communication strategies are designed to meet specific needs for different customers. As said in Chapter Two, bank branches should be the corporate subsidiaries that know more about the type of customers they are dealing with and even their backgrounds.

It is important for the branch to have in-depth information about its clients. This will give an opportunity for the branch to drive effective communication using preferred particular channels that suit the local clients and their cultures. All those communication strategies should remain in line with the mission and vision statement

of the bank and could be monitored and evaluated by the headquarters from time to time.

b) Market and customer research

The local branches should have a good market research team so that they know the type of customers they have and the type of people they will be dealing with. Market research helps the bank to know their customers more and be able to handle them and be able to provide strategies that meets the customers' needs. In Alice and many other branches this seems to be absent; hence the bank fails to fully satisfy its customers' needs as well as the need for information. The market research will also help in determining the communication channels that work best for the people and the channels that the clients view as effective. This knowledge might be difficult to attain and maintain if all the operations are centralized only at headquarters. The market and customer research will not only benefit the local branch but the entire organization.

c) Use of local communication channels

The study revealed that Alice is still underdeveloped and still lags behind in many areas of technology. Therefore, the researcher suggests local language be also incorporated in the communication material like pamphlets that are found in the bank. Some posters can be written in Xhosa so that people may understand the message. The branch can also do road shows visiting the different local communities they serve. The branch can also use the local community channels like Radio Forte and local newspaper *IDikelethu*. Once a month the branch can also put a microphone outside and have a talk show where the community can ask questions and receive answers in an open air platform. Open-air platforms are less expensive yet very informative platforms where messages can be conveyed. These strategies can help to pass relevant information to the people and minimize the risk of misconception of messages.

d) Technology empowerment

Government and local municipality should also do their part and empower its local residents in Alice. There is barely an ABET school, internet café or an ICT centre in Alice. Lack of infrastructure and these facilities makes the situation in Alice worse for other business sectors like Bank X in Alice. If people in Alice were technologically skilled, banking would also be easy. Currently at the bank a staff member has to stand at the ATMs and at the service stations to assist people with their withdrawals, deposits or transfers. In an environment where people are equipped technologically

there will not be a need for them to be assisted. The bank could also have financial literacy classes to teach their clients more about banking and all that encompasses it.

e) **Staff empowerment**

The bank staff needs to be empowered with knowledge of the products and services they offer. It was revealed in the study that clients will walk into the bank to ask questions about an email or SMS they got from the bank, but when they get to the branch some of the consultants themselves do not even know or understand the message. This frustrates the clients greatly, especially when a new product or service is launched. The bank should be able to empower all its employees in the different branches about the product/service so that they in turn may be able to assist the clients who come to them. Other customers have also complained about long queues in the bank and at ATMs during month ends. In Alice the number of ATMs is limited. This point has nothing to do with communication, but lack of ATMs play a role in making the clients frustrated with the bank and addressing this will go some way to making clients feel happier. I also recommend that there be more ATMs at different points in town and service stations to ease the long wait for customers in queues.

- f) Finally, the researcher wants to point out that effective communication is a two-way process; hence both parties participating in the communication process should be engaged and consulted. Bank X should do market research to have enough knowledge of the people they are serving in order to effectively reach out to them in a way they will understand each other. The bank should also note that effective communication is not just a process of choosing a channel at random, but also a process of knowing whether the message sent will be correctly understood and achieve its intended goal. I recommend the bank to take time to understand and get to know their clients.

5.4 Suggestions for further study

- a) This study recommends that further study be done as to why ICTs are still lagging in Alice whilst the general statistics reveal that there is an improvement in ICTs development in rural areas. It would also be appropriate to study which type of technology would be the best in empowering clients for their banking needs.
- b) Further study into the potential influence of local community channels, language and informal gatherings would help in ensuring effective communication between an organization and its clients.

- c) It would also be useful to consider a study between government policy and corporate financial sector especially in rural areas whether they can work together to empower their local residents both technologically and educationally, thus contributing to the economy.

5.5 Conclusion

This study used a combination of quantitative and qualitative approaches, using a questionnaire, an interview and focus group discussion. The findings from the study are that the bank makes use of different communication channels in communicating with its clients. The bank uses both traditional channels like radio, face-to-face interactions, television, print and the new ICTs like cellphones, emails, social networks and the internet. Many clients choose communication channels that are interactive as the most effective communication channels for them; perhaps because of the rural nature of Alice, its underdevelopment and lack of resources and infrastructure. Many people living in underdeveloped areas want interactive channels because they are simple to understand and the channels are readily available to them at no cost. Traditionally this was their method of communication which was effective. The clients regarded channels face-to-face interaction and cellphone calls as the most effective followed by radio, SMS and television. A social network was one of the channels that the young and educated clients preferred. Channels like internet and emails were not very popular because most of the clients do not have access to internet, computers and some do not even know what they are.

On the media continuum, face-to-face will be the richest medium followed by cellphone calls, then radio and TV then emails, internet and printed letters and newspapers were the least preferred and least effective channels of communication. The face-to-face channel was seen as the richest channel because it provides rapid feedback, gives room to ask questions, it has a personal focus and uses natural language with many verbal and non-verbal cues. The clients also give feedback to the bank using suggestion boxes among other methods of communication mentioned earlier.

The clients said in general, comparing Bank X with other banks, its communication channels are effective, but when they focus on Alice, it is clear that much is still desired for the communication methods to be said to be very effective. More localised and focused communication strategies need to be implemented to reach out to the meet individual needs.

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Appendix A



Questionnaire for the Alice bank clients

I am a Communication Masters student at the University of Fort Hare in South Africa. I am carrying out a study aimed at evaluating the effectiveness of this bank's communication channels to its Alice clients. I request your assistance in answering some questions, which I think will assist me in reaching the objectives of my study. If you take part in this survey, you are assured that this is a purely academic research and your identity will not be revealed. Results from this study will only be used for academic purposes. Thank you very much for your help.

NB: Mark the appropriate box with an **X**

No.	Question Item	Answer Options						
	Section A: Personal Information							
1	Gender:	Male	Female					
2	Age:	Below 21	22-30	31-40	41-50	Over 50		
3	Educational qualification:	No school at all	Junior school	High school	Diploma and/or certificate	Bachelor degree	Post-graduate degree	
4	Employment status:	Employed	Not employed	Student	Part-time			
5	What level of computer literacy do you have?	Do not know anything about a computer	I am still learning	I now know the basics	My knowledge is way better now	I have full knowledge of the computer		
6	How often do you use the internet?	Every day	Once a week	After two weeks	Once a month	Never		
7	How often do you watch TV and listen to the radio?	Every day	Once a week	After two weeks	Once a month	Never		
	Section B:							
8	Does age affect your choice of communication channel?	Not at all	Sometimes	Yes, very much				
9	How do you mostly receive messages from Bank X?	Cellphone SMS/ Calls	Printed letters	Television adverts	Radio adverts	Newspaper adverts	Internet via emails	Face-to-face
10	How do you rate Bank X's communication?	Effective	Fairly effective	Need work	Not effective			
11	Which do you think delivers the most effective messages?	Cellphone SMS/ Calls	Printed letters	Television adverts	Radio adverts	Newspaper adverts	Internet via emails	Face-to-face
12	Which channel do you use to communicate with X??	Cellphone SMS/Calls	Printed letters	Television adverts	Radio adverts	Newspaper adverts	Internet via emails	Face-to-face
13	Why did you choose that way of communication?	Rapid feedback	More options to ask questions	Natural language	Personal focus	All four qualities		
14	Do you think X considers where you live, education level and language of its clients when selecting way of communication?	Often	Sometimes	Never				
15	How often do you seek help to understand the messages X sends to you?	Always	Sometimes	Never				
16	For information on account details, bank charges & general updates which way do you prefer?	Cellphone SMS/ Calls	Printed letters	Television adverts	Radio adverts	Newspaper adverts	Internet via emails	Face-to-face
17	Which kind of communication do you prefer the bank to use when giving clients information?	Cellphone SMS/ Calls	Printed letters	Television adverts	Radio adverts	Newspaper adverts	Internet via emails	Face-to-face
18	What can Bank X do to 'talk' to you effectively?	Engage more with people	Increase awareness	Do local presentations	Increase staff	Other (indicate suggestion in lines below)		

Appendix B

Interview Questions

- 1. What kind of media do you use to send messages to your clients?**
- 2. Do you consider the issues of education level, the age group, where people live and language when choosing the channels to send information to your clients?**
- 3. Who creates the messages and chooses the way of communication in your branch?**
- 4. How effective do you think the channels you use are for the clients?**
- 5. How often do you help clients to understand the messages that have been communicated to them?**
- 6. Do you have enough resources at your branch to enable the facilitation of effective communication with your clients and if not, what do you need?**
- 7. As a branch what communication challenges do you have with your clients?**
- 8. How do you overcome the communication challenges?**

Appendix C

Focus group questions

- 1. Do you have access to computers and internet?**
- 2. Where do you access the internet from?**
- 3. What challenges do you face when trying to understand the messages this bank sends to you?**
- 4. How do you feel about the use of advanced communication channels X bank is using in Alice and other branches?**
- 5. Do you understand and know how to use the communication channels X bank is using?**
- 6. If not, what are the reasons for failing to understand them?**
- 7. What do you suggest the bank should do to increase effective communication?**