

**COMPLAINTS AND SERVICE RECOVERY RESPONSES ON SOUTH
AFRICAN BANKS' FACEBOOK FAN PAGES: A NETNOGRAPHIC STUDY**

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ABSTRACT

The internet transformation over the past decade has changed the way businesses and consumers communicate. Instead of face-to-face transactions, businesses can now interact with their customers online, not just by marketing new products and services, but also by providing added value services in the online environment. The internet has become a dominant aspect in assisting businesses to attract and retain customers.

One of the fastest growing platforms for this communication is through social networking sites. Many consumers are preferring to use social media platforms such as Facebook to express their views on the products or service of a business. In fact, the business's Facebook page has become a preferred channel for customers who wish to voice concerns or complaints about the service they have received. As a result, many businesses are using that same platform for service recovery, and to make amends with their customers following a service failure.

The aspect of online customer complaints and service recovery on social media, has not been well researched in the South African banking industry, which highlights both a gap and an opportunity. The aim of this study was to provide an analysis and categorisation of the types of customer complaints and service responses on the top five South African banks' Facebook pages. These banks are; ABSA bank, Capitec Bank, First National Bank (FNB), Nedbank and Standard Bank.

A qualitative approach known as netnography was adopted, as it provided an insider's perspective on what customers complain about on a social media platform and how the banks responded to these complaints. 1250 complaints and the corresponding responses were extracted from each of the banks' Facebook pages over a period of three months through a qualitative research software known as Nvivo 11. Using the framework provided by the justice theory, complaints and the corresponding responses were categorised. Customer complaints were categorised as either process, outcome or random and the banks' responses were categorised as either procedural, interpersonal, distributional or informational dimensions.

The main finding across all the banks, was that 1050 of the total number of complaints were related to the outcomes of the services provided; such as the banking app , the ATM machine and the general service the customers received. On average, the banks responded to around 70% of the 1250 complaints, with Nedbank having the best response rate (196/250) and Standard having the worst response rate (138/250). In addition, most of the banks responded in an interpersonal manner, dealing with customer's problems directly. Once again, Standard Bank had the least number of interpersonal responses. On the whole, all the banks were mindful of the importance of explaining the reasons for service failures and explaining how the problem was going to be solved. Findings from this study indicate that consumer expectations of service failures and recovery are context driven, which requires companies to modify their recovery strategies to improve the customer's personal experience. It can also be noted that many customer complaints stem from a general lack of understanding of banking systems and that banks should therefore be utilising their online platforms to keep customers well informed regarding common and frequent customer complaints. The main recommendation from the study is that banks should be entirely transparent during online service recovery and utilise their social media pages to do so.

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Keywords: Service Recovery, Service Failure, Facebook

DECLARATION

I, Nomfundo Phambuka 201303816, do hereby that this dissertation is the result of my own research efforts except to the extent indicated in the references and acknowledged sources in the body of the study, and that it has not been submitted in part or in full to any University or College.

Signature:

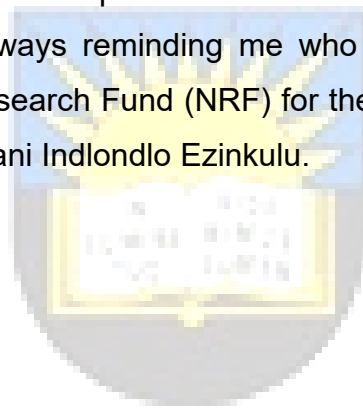
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DEDICATION

This work is a dedication to my younger siblings, may you look at this work and be inspired and motivated to always do better and greater for yourselves. Let it be known to you that it is possible. Always dare to dream and go the extra mile to achieve your goals.



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CHAPTER ONE- INTRODUCTION AND OVERVIEW

1.1 INTRODUCTION AND BACKGROUND

The internet has transformed and advanced over the past decade, allowing businesses to operate in a more advanced manner with their customers (Alarcón-del-Amo, Rialp-Criado, Rialp-Criado, 2018; Matthyssens, 2019). In particular, the development of Web 2.0 technology has brought about significant change with the evolution from static web pages to customer-generated content and online networking (Lawrence, Radcliffe & Schmidt, 2018; Sarmah, Kamboj & Kandampully, 2018; Yao & Ling, 2020). Consequently, many businesses are taking full advantage of social media as a means to provide valuable content to customers, which distinguishes them from competitors, attracts and retains customers and helps to build strong relationships (Cheung, Pires & Rosenberger, 2020; Garrido-Moreno, García-Morales, King & Lockett, 2020; Itani, Kassar & Loureiro, 2019; Matthyssens, 2019; Wang, Cao & Park, 2019). Businesses are currently utilising social media to advertise new products and to engage with customers online in real time, and they constantly need to check on their internet penetration, on who their online audience is and on what content that audience wants to see to keep them satisfied (Anshari, Almunawar, Lim & Al-Mudimigh, 2019; Clark, Black & Judson, 2017). Internet penetration can be explained as the internet user population that have access to and utilise the internet for various reasons (König, Seifert & Doh, 2018).

Ultimately, businesses today have to be innovative about the way they communicate with their customers and they need to use online networking platforms, like Facebook to do so (Bennett, 2018; Kumar, 2020; Owusu-Ansah, Gontshi, Mutibwa & Ukwoma, 2015). As of April 2020, Facebook had 2.7 billion monthly users, which means that it is the biggest and most representative social network worldwide (statista.com). With such a huge active potential customer base, it is no wonder that Facebook is the platform of choice for many businesses. A Facebook page is a free marketing tool that allows businesses to create an identity and a character, which it conveys to the world and most South African retail banks are active on Facebook (Kiran & Srivastava, 2018; Pongpaew, Speece & Tiangsoongnern, 2017; Swanepoel & Bothma, 2013). Facebook and other social networking sites have fundamentally

changed the way we communicate with one another and the way that businesses communicate with us, and this has made it essential for all businesses to develop web-based social networking strategies and techniques (Afolabi, Ezenwoke & Ayo, 2017; Ajina, 2019). Facebook and social media in general has also changed customer behaviour and their expectations of services delivery, because it provides a platform for customers to raise complaints regarding product failures and service delivery (Istanbulluoglu, 2017; Potdar, Joshi, Harish, Baskerville & Wongthongtham, 2018; Rosenmayer, McQuilken, Robertson & Ogden, 2018; Sanne & Wiese, 2018).

Consumers frequently use social media platforms like Facebook to express their opinions and views on the character or identity of the business, and are quick to express dissatisfaction on social media after service failure by the business (Mei, Bagaas & Relling, 2019; Piha & Avlonitis, 2015). Historically, customer complaint behaviour has been explained as a customer expressing dissatisfaction regarding the expected service level and the actual service received (Jacoby & Jaccard, 1981). Service failure can be defined as an exchange between a customer and a business, in which the customer's experiences a loss due to a service failure from the business (Boshoff, 2014). Service recovery is a process involving a business engaging with a customer following a service failure to address their complaints (Chen, Ma, Bian, Zheng & Devlin, 2018).

Numerous studies regarding traditional customer complaint behaviour and service recovery methods have been conducted (Boshoff, 1997; Lorenzoni & Lewis, 2004; Maxham, 2001).

Historically, clients could only express their grievances directly with a business by calling the dedicated customer services line and dealing with an employee in that department. In this way, the complaint was kept private and confidential and there was no guarantee that the grievance would be addressed or that the customer would be helped (Bijmolt, Huizingh & Krawczyk, 2014; Chang & Chang, 2011). As the internet and social media online communication continues to evolve, consumers are now able to acquire instant assistance by taking a more active approach to complaining (Dolan, Seo & Kemper, 2019). Customers are more inclined to utilise online networking as a platform to express their emotions and in this manner, permitting organisations the chance to amend their mistakes or failures. This enables

businesses to manage customer complaints more effectively (Bolton & Saxena-Iyer, 2009; Malthouse & Hofacker, 2010; Stevens, Spaid, Breazeale & Jones, 2018).

It is evident that social media has powerful positioning as a communication tool for both customers and businesses. It has given customers more autonomy and power to question and seek redress following a failure and inadvertently gives businesses the opportunity to develop a system or structure that will attempt to resolve service failures and keep customers satisfied (Singh & Crisafulli, 2016).

Studies on online service failure and recovery strategies have been reviewed and thus afforded the ability to understand and categorise these strategies into typologies (Forbes, Kelley & Hoffman, 2005; Kuo, Yen & Chen, 2011). However, extensive attention has been given to service failure and recovery strategies in the traditional offline experiences and there has been limited attention directed to online experiences (Ozuem & Lancaster, 2014; Wang, Wu, Lin & Wang, 2011).

Azemi, Ozuem and Azemi (2015) suggest that when researching customers in the service failure and recovery process, it should be done in a generic manner instead of being standardised. Wang et al. (2011) utilised the approaching customers method and examined the customers perceptions based on the justice theory. The principles of justice theory are based on the equal fairness assessed from all the parties in a society (Mandle, 2009). Their study reveals that customer perception of fairness is a reflection of the marketer's behaviour towards the customer. The justice theory has relevance in both online and offline settings in studies that are concerned with customer complaint behaviour (Abney, Pelletier, Ford & Horky, 2017).

Initially, the justice theory comprised of three dimensions namely; distributive, procedural and interactional justice dimensions. The most recent conceptualisation of the justice theory, suggests that interactional justice can be separated into two dimensions; informational and interpersonal. This study will follow the four-dimensional justice framework developed by Colquitt (2001) as separate dimensions of overall fairness perceptions and for categorisation purposes.

In comparison to academic research conducted on service failure and recovery strategies in the various sectors globally, there is still a need for research into online complaints and service recovery in the South African banking industry.

The economic performance of the sector provides an indication of a strong well-developed banking industry with local banks performing well on both the top 100 African Banking list as well as globally. The World Economic Forum Global Competitiveness Report (2018-2019) states that South Africa ranks 67th globally – with a score of 60.8 – and attains the second spot in Sub-Saharan Africa. According to SARB data (2019), the annual growth for the five banks are as follows; ABSA bank (13%), Capitec bank (18%), First National Bank (7%), Nedbank (6%) and Standard bank (10%). Additionally, the banks that are focused on in this study boast large followings and counting, on Facebook; Capitec bank (700 000), Standard bank (166 000), Absa (508 000), Nedbank (435 000), FNB (1,100 000) which makes these banks ideal as social media representative samples for this study. This study analyses and systematically categorises the customer complaints and service responses on Facebook for each of these banks.

1.2 The Research Problem and Objectives

1.2.1 The Research Problem

The internet has changed the way business interact with their customers; as a result, online communication has become a standard means of communication and online interaction (Mccoll-Kennedy & Sparks, 2016). The rise of online communication has been catapulted even further due to online platforms, such as Facebook, that create a space for online social networking. This gives a platform to customers for complaints and highlights service failures, but also provides a vital opportunity for businesses to attempt to restore justice and for service recovery (Mei et al., 2019). The South African banking industry has embraced technological innovations over the past two decades and has integrated web-based social networking such as Facebook into their marketing communications tools, which extends and affords online support for customers (Bevan-Dye & Akpojivi, 2016; Mwencha, Muathe & Thuo, 2014). The creation of corporate websites and online networking, allows for

inexpensive, more efficient and effective ways of communicating with customers (Barrera, Garcia, & Moreno, 2014; Chong & Ooi, Lin & Tan, 2010).

Service recovery can be defined as a process in which a business engages with a customer following a perceived service failure to address their complaints or grievances. The concept of service recovery is important because the objective is to resolve grievances whether during service delivery or after service delivery when the customer is dissatisfied. Studies have shown that if service recovery is done well, it can lead to greater customer satisfaction (Corneliu & Maria, 2013; Kim & Nitecki, 2014; Mackay, Mostert, & Petzer, 2015).

Conversely, online service recovery and its effects on virtually present customers or clients is likely to differ from offline service recovery attempts. This is because complaints that are voiced online and especially on social media platforms, tend to reach vast audiences of actual and potential customers (Customer Rage Survey 2017; Hogleve, Bilstein, & Hoerner, 2019). Online service recovery has been researched in various contexts and sectors; in the context of online and offline customer experiences, service recovery and the relationship between customer satisfaction and loyalty, customer behaviour and perceived justice, majorly within the hospitality, health, retail and airline industries (Liat, Mansori, Chaun & Imrie, 2017; Matikiti, Mpinganjira & Roberts-Lombard, 2019).

Online platforms, particularly social media platforms being utilised as a source of information for research studies on service recovery in the banking industry within the South African context has been conducted (Dalziel, 2014; Petzer, De Meyer – Heydenrych & Svensson, 2017), however it is not prevalent. The issue of customer complaints and service responses on social media has not been widely investigated or explored, particularly in the South African banking industry. This therefore highlights a gap and an opportunity to conduct further research on online customer complaints and service responses in the banking industry. This study's context aims to conduct a qualitative analysis of the types of complaints and service responses that occur on the Facebook pages of the major five South African banks, namely ABSA, Capitec, Standard Bank, Nedbank and FNB.

1.2.2 Primary objective

The primary objective of this study was to contrast the trends in customer complaints and service recovery behaviour across the five major South African banks' Facebook pages

1.2.3 Secondary Objectives

- To analyse complaints and categorise them into process, outcome and random complaints from customers using ABSA, Capitec, FNB, Nedbank and Standard bank(s) respective Facebook pages over a specified period of time.
- To analyse service responses and categorise them into procedural, interpersonal, distributional or informational dimensions from ABSA, Capitec, FNB, Nedbank and Standard bank(s) respective Facebook pages over a specified period of time.

1.2.4 Significance of the research

In this transparent online environment, it is imperative that a business should exert emphasis on maintaining customer relationships by encouraging a service culture that allows customers to express their grievances and handle customer complaints from the customer perspective within a reasonable timeframe (Sparks & Fredline, 2007). Considering that service failures in business are quite inevitable during service delivery, organisations can never be entirely sure of fulfilling their clients' needs, since errors can easily occur in the normal course of a client interaction even if this is not the intention of the customer service personnel (Alzaydi, Al-Hajla, Nguyen & Jayawardhena, 2018). This is particularly true of businesses in the services sector, like banks, where the service is intangible, Due to the nature of the service industry and its intangibility, production and consumption occurs simultaneously and service delivery from one transaction to another and from one employee to another can vary greatly. In addition, the customers themselves may vary in terms of how they think service recovery should be conducted (Nguyen, McColl-Kennedy & Dagger, 2012; Siagian & Triyowati, 2015). These factors greatly increase the chances of failures and shortcomings in the service provided (Nadiri & Tanova, 2016). Taking into cognisance, the above stated information, it is therefore imperative for businesses to invest in expeditious service recovery following a failure,

more importantly because consumers have bargaining power and access to information and online platforms at their disposal. Despite the fact that it is widely accepted that service quality is an antecedent to customer satisfaction, it is surprising that the online aspect of service recovery in service delivery has been neglected.

The banking industry is affected by the concept of trust due to the likelihood of fraudulent activities and cybercrimes (Liebana-Cabanillas, Nogueras, Herrera, & Guillen, 2013). Trust is a key concept in customer relations management (Al-Hawari, 2014; Barrera et al., 2014; Munoz-Leiva, Luque-Martinez, & Sanchez-Fernandez, 2010). As much as vast developments have been made in online service recovery after the emergence and establishment of a new kind of services, namely, services provided through the internet (e-services) in the past decade. One of the critical success factors that has been consistently reported in the literature has been the ability to achieve successful recovery from failures (Collier and Bienstock, 2006; Holloway and Beatty, 2003).

This literature suggests that a successful recovery may lead to increased repurchase intentions and positive word-of-mouth. However, the other aspect of negative word-of-mouth cannot be ignored, considering that it spreads much faster online, usually in the form of customer feedback systems and can have very damaging effects on the reputation of the service provider (Reichheld & Scheffer, 2000; Goetzinger, Park and Widdows, 2006). Although service recovery and failure issues have received considerable attention in the literature, the topic of the analysis of customer complaints on Facebook pages has barely been researched and has received extremely limited attention.

This study therefore contributes in assisting businesses to maintain optimal customer service levels in the online environment by examining actual customer complaints and feedback on how service recovery is conducted across the different banks. The study will shed light on the manner in which customers want to be addressed by paying close attention to the patterns and trends that emerge from the frequent customer complaints and appreciation from customers due to efficient service recovery methods. This knowledge will enable banks to improve their service recovery processes and procedures and to train their personnel to deal more

effectively with customer complaints and service failures. It would be useful to find modern tools that can help in improving service recovery methods for online platforms.

1.3 Research Paradigm, Design and Approach

Methodology is defined as the process of gathering data or information to re-examine actualities, practices and theories (Creswell, 2013; Gray, 2019). Research methodology is an efficient arrangement for leading exploration; it shapes the course of the research methodology. This is a vital part of research since it considers the research objectives and how they can be accomplished proficiently.

1.3.1. Research paradigm

A research paradigm focuses on the patterns of beliefs and thoughts that regulate inquiry within a discipline (Vashishth & Chakraborty, 2019; Wiid & Diggins, 2015). Within the social sciences, there are two paradigms (or belief systems) that are considered most important, the positivist and the interpretivist paradigm. The positivist paradigm focuses on the acquisition of knowledge using scientific enquiries in an objective manner. The interpretivist paradigm on the other hand, is subjective and places a focus on looking at the world and at systems in a new way (Goldkuhl, 2012). The interpretivist paradigm assumes that social reality is profoundly subjective because it is impacted by the individuals' unique experiences and viewpoints (Collis & Hussey, 2013). This research study draws on both the positivist and interpretivist paradigms. It is interpretivist because it examines individual subjective customer complaints, but it is also positivist because trends are examined and compared across the different banks. The study leans more towards the interpretivistic approach due to the study's exploratory design and qualitative approach nature. Considering the previously mentioned, a qualitative research approach is most appropriate for this paradigm with a selection of either exploratory or descriptive research designs (Creswell, 2014; Naidoo, 2019).

1.3.2 Research Design and Approach

A research design provides a roadmap that coordinates the diverse segments of an investigation necessary to adequately address the study problem. It gives detailed elements of each progression in the market research project (Gray, 2019; Malhotra,

2014). Essentially, there are three research designs in marketing; namely, causal, descriptive and exploratory.

For the purposes of this study, the exploratory research design is mostly suited for researchers that are looking to know more about the subject matter of a topic. This design allows for discovery of new ideas and insights (Iacobucci & Churchill, 2018).

1.3.3 Research Approach

The research approach is determined by the design and is described as the procedure or process to be taken to discuss and detail the data collection methods, data analysis and interpreting of the study. There are two main types of research approach, namely qualitative and quantitative. The quantitative technique approach accentuates the numerical or factual examination of information, whereas the qualitative approach takes into account the topic to be investigated and seeks to uncover trends in thoughts and opinions to get a deeper and fuller comprehension of the problem, which is why it is relevant to this study.

1.3.3.1 Qualitative Research Approach

Qualitative research is a technique that emphasises gaining comprehension on a phenomenon under study through the subjective gathering and analysis of data (Tracy, 2019; Berndt & Peter, 2011). In the context of marketing research, the qualitative approach studies the significance of customers' lives in the real market environment and examines the perspectives and viewpoints of the customers in the context of their lives. It contributes insights into existing or emerging ideas that may clarify customer social behaviour (Yin, 2015; Lawrence & Giles, 1999). Qualitative research collects data qualitatively, and the method of analysis is primarily qualitative. This often involves an inductive exploration of the data to identify recurring themes, patterns, or concepts and then describing and interpreting those categories.

1.3.4 Data Collection Method

Data collection is a process whereby information on topics of interest are assembled and measured to answer the research question and test the hypotheses (Sekaran & Bougie, 2013). This study relies on a method of qualitative data collection known as ethnography. This data collection strategy is concerned with analysing the conduct of

the members in a specific or particular social circumstance and furthermore understanding their confrontation of such behaviour (Eriksson & Kovalainen, 2016). Ethnography has traditionally been used in anthropological studies, but more recently a variation known as netnography has been used to study people's behaviour online (Kozinets, 2010).

1.3.3.2 Netnography

In netnography, a notable amount of the data emerges from the open discussions that are recorded by contemporary communications networks, these discussions can be utilized as information or data (Addeo, Delli Paoli, Esposito & Ylenia Bolcato, 2019). Netnography is an interpretive research strategy that adapts the customary, in-person participant observation techniques of human sciences to the study of interactions and encounters expressed through digital communications (Kozinets, 2010).

For the purposes of this study, the Facebook pages of the five main SA banks were analysed on various selected days for a total of 30 days per bank. The qualitative research software Nvivo 11 was used to extract and analyse the data from the wall-posts of these Facebook pages. Nvivo 11 was chosen because of ease of administration and efficiency, as it allows for the importing of comments from the Facebook pages using NCapture for further coding and analysis. A total of 1250 complaints and corresponding responses across the five banks' respective Facebook pages were imported and coded using a simple systematic sampling method whereby every fifth complaint and response per bank was included in the study sample.

1.3.4 Data Analysis

Data analysis can be defined as a process of transforming, and modelling data and interpreting it to discover and derive useful insights. The data analysis process entails data organisation, summarising and categorising to data reduce large amounts of data into smaller fragments and this helps with finding themes and patterns to analyse and draw inferences (Patton, 1987).

1.3.4.1 Content Analysis

The objective of content analysis is to systematically transform a large amount of text into an organised and concise summary of significant results. It is a continuous process of coding and categorising then reflecting on the raw data collected to revise the initial analysis if need be (Erlingson & Brysiewicz, 2017).

Content analysis will be used to analyse the posts on the banks in South Africa and their respective Facebook pages. An analysis of this nature assists with determining the presence of certain words, themes, or concepts within some given qualitative data (Roller, 2019). Customer complaints are assessed in this particular research study and will be extracted from the Facebook posts to be analysed and located into the various customer complaint categories. The data was then coded to minimise errors and to increase its reliability before it can be cleaned for final analysis so that reliable inferences or conclusions can be drawn, trying as much as possible to address specific research objectives.

1.4 Limitations of the study

This is a qualitative study and is therefore limited in terms of the generalisability of the findings. Quantitative data would need to be collected to back up these findings. In addition, only a selected number of remarks were considered for this investigation, which leaves space for a larger sample of remarks to be considered. The findings of this study can hence not be generalised over the entire South African banking industry.

1.5 Ethical Considerations

In South Africa, the Protection of Personal Information Act governs and regulate the collecting, sharing and processing of data. The act's purpose is to promote the protection of personal information processed by public and private bodies from security breaches, theft, and discrimination through the compliance of eight principles set out in the act. The act however, does not provide sufficient guidelines to the handling of information on the internet and internet-based research (Viljoen & Cilliers, 2019). The study considered the POPIA act as well as the university

research ethics committee (UREC) guidelines to govern and regulate the necessary research ethics issues.

Ethical clearance for this particular project was sought from the Faculty of Commerce and Management research ethics committee (FREC) and the University Research Ethics Committee (UREC). The nature of the data is primary, Facebook posts are regarded as primary data as they have not been altered or utilised for other purposes, when extracted from respective Facebook pages. This study gathers people's comments and complaints from the various banks Facebook pages. Taking the above-mentioned into consideration, the customers' personal pages will not be accessed, only the banks Facebook pages will be accessed. Additionally, the customers' usernames will be removed to ensure confidentiality and anonymity.

The study complied with the ethical standards of academic research, particularly so, in the online realm which also seeks to protect the identities and interests of respondents. According to Amirkhani, Vahdat and Khezrian (2010), ethics have not been developed simultaneously with information technology and that has caused a lack of consensus regarding internet research. Three major aspects are of great importance in human subject research: the distinction between private and public, informed consent, and anonymity of the participant (Ess, 2002).

Data can be considered as public or private by checking if there are permission restrictions, if there aren't any restrictions, the data is considered as public. Additionally, if these special permissions entail a username and password, in comparison to payments or registrations, then technically, the data qualifies as public (Viljoen & Cilliers, 2019).

Informed consent is concerned with the researcher informing participants about the nature of the study as well as to ensure that the participants understands the study. The greatest issue lies with observing participants unobtrusively, meaning, reading messages within a discussion board or participating without disclosure of being a researcher in an online community. Frankel and Siang (1999) agree that consent is not required for every research project. Generally, consent should be obtained when private data is being collected. Determining whether consent is required or not is also dependant on or influenced by the data being collected.

To protect personal information about the participants and to ensure confidentiality, researchers typically de-identify participants as a standard requirement (Viljoen & Cilliers, 2019). When it comes to the online environment, a sender's message can be quoted and can then be easily traced down using current internet search technology. The suggestion made by some researchers, is to slightly change the content of quoted messages to ensure a higher degree of anonymity (Pfeil & Zaphiris, 2009). These three aspects pertaining to online ethics are applied to the study and discussed in the section below.

The social media platform utilized for this study was Facebook and its privacy policies state that information sharing is the very nature and purpose of social networking sites, otherwise, they would cease to exist. Furthermore, personal privacy settings of the social media site can be determined by the online setting. Facebook posts should only be assumed to be public, if researchers don't have to 'befriend' participants or groups or ask permission to view them. However, researchers are generally not supposed to be friends with participants on any social media platform (Viljoen & Cilliers, 2019).

Data collected for this study was considered as public, according to the above-mentioned, consent should be required when collecting private data. There were no special permissions or payments needed to access the data and ultimately collect it, therefore consent was not required. Furthermore, discretion was utilised when collecting data, posts that did not seem to be for public consumption were omitted as in, posts with Identity or passport numbers.

In addition to omitting customers' names that post comments on Facebook, the complaints and comments made by customers' were replaced with words with similar meanings so as to avoid the above-mentioned scenario of technological advancement affording the ability to trace back to people that post by simply quoting their comments. This will ensure anonymity in that, the paraphrased comments cannot be quoted and traced back to the customer.



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1.6. Outline of the project

Chapter 1 Introduction

The first chapter is the introduction, which encompasses of a summation of the concepts involved in the research along with the research background. The research problem and objectives are presented and briefly discussed.

Chapter 2 Literature Review: Justice Theories, Service Failure And Recovery

Chapter 2 discusses the theoretical underpinning of online service failure and recovery using justice theories. Additionally, empirical studies regarding service failure and service recovery generally and within the banking industry are presented and analysed. Service recovery and service failures are defined.

Chapter 3 South African Banking Industry and Online Recovery

The South African banking industry was explored, along with contemporary, digital and social media marketing. This chapter also discussed social media marketing and the usage of Facebook within the South African banking industry. The chapter concluded with a classification of customer complaints and service recovery

Chapter 4 Research Methodology

In this chapter, the research design and method was explained. The data collection procedure as well as the delimitations and ethical clearance considerations were covered.

Chapter 5 Data Analysis and Interpretation

The analysis of data and findings of the research were presented in this chapter. There was an in-depth discussion of the categorised complaints and service recovery responses from each of the five banks.

Chapter 6 Conclusions

The final chapter sums up the conclusions and findings of the research. The research objectives achievements are discussed. This chapter also discusses the contributions of the study and future research suggestions.

CHAPTER TWO - LITERATURE REVIEW: JUSTICE THEORIES, SERVICE FAILURE AND RECOVERY

2.1 INTRODUCTION

The previous chapter provided an overview and background to the topic and presented the research objectives, hypotheses and significance. An outline of the research methodology and design were also discussed and the relevant ethical issues were explored. The chapter concluded with an outline of the whole research project.

Chapter two provides a discussion of Greenberg's justice theory as well a brief introduction of the equity and social exchange theories from which it was derived. The Greenberg's justice dimensions within service recovery are intricately elaborated upon namely; the outcome, distributive and procedural justice dimensions, which attempt to explain how consumers react to being treated unjustly during the service recovery process and how the theories are applied to the study. The chapter concludes by discussing the application of the justice theories through the defining and categorising of service failures and recovery.

2.2 The Justice Theories

Society has different perceptions of what fairness, equity and social justice comprise (Hatfield, Salmon, & Rapson, 2011). Social institutions regard the principle of fairness as a primary virtue and furthermore, it is regarded as highly as honesty and integrity principles in the system of human activities. From a justice point of view, individuals will always prefer more to less of a good or service and the cooperation of individuals results in a conflict of interest in that manner. In a society where every individual has an insatiable desire for more, justice affords the ability to ensure equal sharing of goods and services as well as societal benefits and burdens (Rawls, 1971). Ultimately, society will be able to define the rights and obligations of individuals fairly through justice.

Essentially, the absence of justice has negative effects on people's relations and it leads to resentment. People that have resentment will behave negatively towards the

perpetrators of injustice (Hatfield et al., 2011). The past decades have seen scholars applying the justice theories to explain many different and complex situations in society, including fairness and equity in transactional relationships between customers and organisations (Bahri-Ammari & Bilgihan, 2017; Mayser & von Wangenheim, 2013; Giuma & Ramadan, 2012; Yim, Gu, Chan, & Tse, 2003).

Firstly, the four main justice theories will be discussed, namely; the Mill theory, Rawls theory, Nozick theory and Greenberg theory. These theories are the cornerstone to the philosophical development of the justice system, both in business and societally and therefore will assist in the development of the discussion of how the Greenberg justice theory and the types of justice within the theory have an impact on service failure and service recovery, particularly for this study.

2.2.1 Mill's Theory of Justice

Mill presents the notion that equality is a constituent part of the justice concept as well as its practice, and that the essence of justice means that people should be treated equally. According to Mill, social welfare surpasses the individual subject and individual preferences should be avoided to ensure that each subject is equal to the rest of the community (Schejter & Tirosh, 2015). Mill's theory upholds the utilitarian principle which states that actions are right if they tend to promote overall human happiness and productivity. Mill's theory also equates justice with morality and conversely equates injustices with immorality. According to the theory, all individuals are capable of exercising moral judgement and thereby promoting justice (Miller, 2010; Mills, 1997). Mill's theory has been open to some criticism, as policy makers often struggle to develop precise principles that favour the majority and not only a specific class (Clark & Elliott, 2001).

In the service recovery context, Mill's theory suggests that service providers should always attempt to curb service failures and ultimately, cause less distress to customers or clients (Al-Hawari, 2014). The significance of morality superseding rights is observed in trading environments with businesses adhering more to cultural and social values when developing their business portfolios (Dobson, Boone, Andries, Daou, 2018).

2.2.2 Rawls's Theory of Justice

John Rawls (2009) founded his justice theory on the presumption that justice and truth are inevitable components of society and argued that justice means fairness. Rawls believed that individuals in society engage in transactions after there has been a discussion detailing their individual expectations and the extent to which they will benefit from this undertaking (Chou, Lin & Huang, 2016). Individuals will therefore only participate in transactions that they deem to be fair to themselves and others.

Justice as fairness also revolves around the idea that no subject should receive greater priority than another, or have an advantage over another for any reason and this is where Rawls and Mill's theories are similar (Collquit & Rodell, 2015). The existence of unequal positions contradicts the notion of fairness and therefore would not be deemed just. It further suggests that what is considered fair should be pursued even when it is not necessarily considered to be the best standpoint (Goldman & Cropanzano, 2015). Every individual has the desire to protect their own interests; therefore, any act of unfairness experienced is accompanied by a withdrawal from the transaction, complaints or demands to recover what has been perceived to be lost due to the unfairness of the situation (Kim, Kim & Kim, 2009). While Mill and Rawls's theories have similarities in terms of equality and fairness, the following two theorists Nozick and Greenberg adopt different views of justice.

2.2.3 Nozick's Theory of Justice

While Mill and Rawls's theories both imply a fundamental value judgement with regard to transactions, Nozick's theory focuses on the process of the transaction itself and how it is conducted. Nozick's theory of justice is also known as the entitlement theory and it is primarily concerned with explaining the distribution of property and it involves three ideas; justice in acquisition, justice in transfer and rectification of injustice (Nozick, 1973). The first idea of justice in acquisition describes an initial acquisition of holding. It is an account of how people first came to own property. Justice in transfer is how one person can acquire holdings from another, including voluntary exchanges and gifts. The third idea discusses how to deal with holdings that are unjustly acquired or transferred, whether compensation is

viable and how much it could be (Nnajofofor & Ifeakor, 2016; Komunda & Osarenkhoe, 2012).

Nozick further proposed that the entitlement theory is primarily concerned with respecting people's rights to property and to self-ownership and believes that if the world were wholly just, only the first two principles would be needed. The logic would be that a person who acquires a property or possession in accordance with the principle of justice in acquisition is entitled to that holding and secondly, a person who acquires a holding in accordance with the principle of justice in transfer, from someone else is entitled to the holding. Essentially, no one is entitled to a possession except through the application of the two ideas mentioned above (Nozick, 1973). Unfortunately, it is unrealistic to believe that people will always operate in a just manner, there are people who are unjust and defraud and steal from other people and this reason promotes why the last idea of rectification is required (Nnajofofor & Ifeakor, 2016).

Nozick's theory proved to have weaknesses or discrepancies that were identified in his laissez-faire market system approach. The critical shortcomings of Nozick's allusion to the market system approach thus lead to the development of Greenberg's justice theory in 1987 which was derived from the social exchange theory and the equity theory to further explain the relevance of the justice theories in service failure and service recovery (Chou, 2015).

2.2.4 The Equity Theory

The equity theory focuses on determining whether the distribution of resources is fair to both relational partners (Folger, 1986). Equity is measured by comparing the ratio of costs to benefits for each person and has been adapted to explain fairness in customer-organisation transactional exchange in the context of both products and services (Hofmans, 2012).

Lyons and Scott (2012) state that perceptions of inputs versus outputs are compared to other individuals who are held at high esteem in society and who have an influence on the behaviour of other members in society. If individuals identify inequities in the input or output ratios of themselves and their referent group, they

will seek to adjust their input to reach their perceived equity of fairness. Equity theory proposes that individuals who perceive themselves as either under-rewarded or over-rewarded will experience distress, and that this distress leads to efforts to restore equity (Berkowitz & Walster, 1976). Organisations are then required to develop procedures that equally suit all interested parties in pursuit of restoring equity (Mowday, Steers & Porter, 1979).

Essentially, individuals have expectations about the outcomes that should result when they contribute their time or resources in interaction with others and there is a similarity between individuals evaluating their social relationships process, as well as their economic transactions in the market process. In the incident that the balance between the inputs and the outputs is equal, the exchange is considered as somewhat fair. However, if the individual's expectation of the outcome is not met, then the result is inequity. Inevitably, inequity is anticipated to result in both dissatisfaction and disloyalty (Huang, 2011). Consequently, customers repeatedly utilise the perceived justice component of the equity theory to assess the service recovery effort. This allows customers to decide whether the service recovery attempt was fair or not.

2.2.5 The Social Exchange Theory

The social exchange theory is focused on a social psychological and sociological perspective that explains social change and stability as a process of negotiated exchanges between parties (Emerson, 1976). It describes a social life as a reciprocal relationship. Individuals expect to contribute something to gain a desired outcome (Cropanzano & Mitchell, 2005). Social acceptance is achieved through adherence to social norms. Personal satisfaction, building of trust feelings through interaction with others and less societal misfits will be the result of the adherence to social norms (Clark & Melancon, 2013).

Essentially, this theory suggests that abiding to these norms and values will yield to a social fitness benefit. In the context of this study, when individuals gain information through social interaction (Facebook) with others to gauge whether an exchange is advantageous, satisfaction or dissatisfaction may be the result of the interaction. The outcomes and contributions of the interaction should be relatively equal with whom the individual is interacting for there to be a satisfactory result. As previously stated,

the Greenberg justice theory was interpreted from the equity and social exchange theory. Greenberg's justice theory will be discussed in section 2.2.6.

2.2.6 Greenberg's Theory of Justice

Greenberg's theory of justice forms the underpinning theory for this study and it comprises of the procedural, distributive and interactional justice theories as depicted below. However, this study separated interactional justice into interpersonal and informational justice, in line with more recent thinking (Colquitt, 2001). At the essence of this theory, is that it helps businesses to predict consumer behaviour and to determine the causes of such behaviour (McQuilken & Robertson, 2013).

The justice theory is believed to be an important technique to assist in addressing customer dissatisfaction through service recovery (Rawls, 2009). The principle of justice maintains that customers, in an exchange relationship with others, are entitled to receive a reward that is relative to what they have invested in the relationship (Homans, 1961). The importance of complaints as a communication device and as a means of giving the business a chance to recover, from service failure has been recognised by researchers (Davidow, 2003; Koc, 2019; Todd, Wolter, Allen & Xu, 2018).

Customer responses to unjust service experiences are generally stronger than experiences perceived as just (Schneider & Bowen, 1999). There are four justice dimensions within the service recovery which seek to reflect customers' different complaint behaviours and expectations (Maxham & Netmeyer, 2003; Tax, Brown & Chandrashekar, 1998).

In this study, the four-dimensional justice framework (i.e. distributive, procedural, interpersonal and informational developed by Colquitt (2001) as opposed to the traditional three-dimensional framework will be utilised. The four justice dimensions comprise of:

- procedural justice is the level at which policies and procedures are utilised to achieve the final outcome are perceived as fair; such as prompt and responsible resolutions (Wang, Wu, Lin & Wang, 2011; Neale & Murphy, 2007; Lind & Tyler, 1988)

- distributive (outcome) justice is the level at which to the final outcome is perceived as fair, including compensating customers and fixing the problem (Lamont, 2017; Hocutt, Chakraborty & Mowen, 1997).
- interpersonal justice is the level at which an individuals' personal interactions with a firm's employees are perceived as fair, such as; "the extent to which the parties are polite, courteous and respectful of each other" (Bradley & Sparks, 2009, p. 132)
- informational justice, where truthful, adequate, appropriate and relevant explanations are provided (Bradley & Sparks, 2012; Colquitt, 2001).

Although the types of justice differ when it comes to implication, the approaches are associated and applied together to effect a sense of fairness to the aggrieved clients (Ramadan, 2012).

2.3 Perceived Justice Dimensions

Greenberg's theory of justice as explained above provide an important lens through which we can view customer dissatisfaction and service recovery (Rawls, 1971; Voorhees, Fombelle, Gregoire, Bone, Gustafsson, Sousa, Walkowiak, 2017). The service providers who experience service failures mostly endeavour to address customer complaints and issues through the service recovery justice (Spreng, Harrell & Mackoy, 1995). There are four perceived justice dimensions; the distributive justice, informational and informational justice as well as procedural justice. The following section will thoroughly discuss each justice dimension from section to section.

2.3.1 Distributive Justice

Distributive justice is also known as outcome justice and can be used interchangeably. This justice dimension is described as the designed structures that govern the distribution of wealth in a society as per the John Rawls approach (Rawls, 2009). These structures therefore serve as guidelines such as in business

conditions explaining the emanation of desired favourable practices. Under service failure and recovery situations, distributive justice influences the moral conduct of businesses where a deviation to the prescribed compels the organisations to reimburse clients (Lamont, 2017; Seiders & Berry, 1998). The primary concern narrowly focuses on the service providers' actions to appease dissatisfied clients while ensuring proper handling of the complaint to restrain potential switching behaviours (Kau & Loh, 2006; Koc, 2019).

Distributive justice mostly considers the remedy given to clients, such as compensation for the failed service, which should always be greater than the cost of the loss incurred. Other distributive justice measures implemented include reimbursements such as being apologetic and refunding the full service failure. According to Kaya (2015), distributive justice is mostly applied in scenarios where inputs and outputs can be easily quantified. The fairness of the service recovery process should determine the customer's overall experience and satisfaction.

2.3.2 Procedural Justice

Procedural justice relates to the procedures, practices and standards applied to recover a service incident to reach a reasonable and fair recovery process according to the perceptions of clients (Wang et al., 2011). The criteria of the applicable policies should include speed, thus incorporate the stipulated responsiveness of the service provider when faced with a situation. Therefore, applicable remedies within procedural justice to service failure should include speed, customers appreciate prompt responses.

Furthermore, the approaches implied should be dependable, unprejudiced, and considerate of the interests of all parties involved while avoid being centred on ethical upholding principles (Kau & Loh, 2006). Procedural justice has been earmarked as an imperative approach of service recovery and a means of addressing unsatisfied clients in a fair manner, thus supported by the equity theory.

The procedural justice concerns the policies and rules that any customer will have to go through in order to seek service recovery (Kunard & Moe, 2015; Ramadan, 2012). There are four factors to procedural justice namely; convenience, scheduling, adaptability and the regulation of decision-making. These factors should be dependable, unprejudiced, and considerate of the interests of all parties involved.

Furthermore, procedural justice encompasses timing, accessibility, flexibility and the process endured in addressing consumer satisfaction (Kau & Loh, 2006). Consumers always appreciate being reimbursed as a result of service failure, however, if the reimbursement process is lengthy and time-consuming, the customer is likely to remain dissatisfied. Ultimately, the manner in which restoration efforts are carried out by the organisation to a client is critical.

2.3.3 Interpersonal Justice

Interpersonal justice relates to the degree to which the customers feel they are treated fairly by the employees of service companies during the recovery process (Hofmans, 2012). Extensive research on offline service failure and recovery recognises that employee empathy, politeness and courtesy (Tax et al., 1998; Chebat & Slusarczyk, 2005; Gelbrich & Roschk, 2011). Studies usually do not account for online customer and employee interaction (Mazaheri et al., 2012).

According to Kaya (2015), different aspects influence customers' perceptions of interpersonal justice; these include relational compassion, treating clients in a proper and deserving manner, and outlining the reasons for service mishaps together with the strategies of instilling effective service recovery. Kau and Loh (2006) also noted the five fundamentals of interpersonal justice, which included clarification, trustworthiness, respect, determination and responsiveness. Online communication interactions in the service recovery context and related perceptions of interpersonal justice have been overlooked.

2.3.4 Informational Justice

The informational justice dimension, relates to the extent to which managers provide employees with clear and apt clarifications concerning why certain procedures are utilised or how regular outcomes are allocated (Scott, Colquitt & Zapata-Phelan, 2007). Managers need to encourage service staff to articulate service mishaps and need to train staff to present their explanations in ways that are genuine and reliable (McColl-Kennedy and Sparks, 2003).

According to Bradley and Sparks (2012) training front-line staff for greater insight on organisational strategies and complaint handling will afford them the ability to give

more effective recovery responses. They further express that explanations given by employees affect customer evaluations, should they be communicated accurately and effectively it can have a direct effect on the future implementation of effective service recovery practices.

2.4 Application of Greenberg's Justice Theory

Bolton, McColl-Kennedy, Cheung, Gallan, Orsingher, Witell & Zaki (2018) argue that service failures prompt emotional responses from consumers, and from here the consumer begins an assessment of the situation, considering procedural justice, interactional justice, and distributive justice elements, while engaging in conditional thinking and rationing accountability. The customer is interested in and assesses whether the service provider could and should have done something more to remedy the problem and how the customer would have reacted and felt had these actions been taken. Furthermore, under distributive justice, despite the offer of reimbursements to the prejudiced clients, it is assumed that contact is crucial in determining the power of switching behaviour executed after recovery (Buttle, 2004).

The extent to which these justice dimensions are apparent in the South African banking industry and their respective Facebook recoveries, in particular, the top five banks (ABSA, FNB, Standard Bank, Nedbank and Capitec). This is especially significant, as customers' evaluations and their future behaviour are somewhat influenced by the perceived fairness of an organisation's recovery of shared Facebook complaints (Fan & Niu, 2016; Gu & Ye, 2014).

Actual and real customer complaints and recoveries on companies Facebook pages, rather than customers' recollection of failures (Holloway & Beatty, 2003) and recoveries, will be collected and utilised for this study which increases its' validity. Moreover, the study contributes to the developing significance of customer complaints and service recovery on social media. Numerous studies have investigated online customer complaints, to mention, but a few, on TripAdvisor.com (Sparks & Browning, 2010), Facebook (Balaji, Jha & Royne, 2015), complaint websites (Harrison-Walker, 2001; Lee and Hu, 2004), as well as online service recovery, including on social media (Fan and Niu, 2016; Gu & Ye, 2014). Whereas, this study conjointly examines social media (Facebook) customer complaints and service recoveries, which is rare (Ma, Sun & Kekre, 2015; Rosenmayer et al., 2018).

Lastly, numerous industries have been researched for the examining of service failure and recoveries. These industries include fashion (Luo, Jifeng & Ba, Sulin & Zhang, Han, 2012; Ozuem & Lancaster, 2014), the airline industry (Bonifield & Cole, 2008; Ringberg, Odekerken-Schroder & Christensen, 2007; Roggeveen, Tsiros & Grewal, 2012; Tshin, Tanakinjal & Sondoh, 2014), medical care (Choi & Mattila, 2006; Singh, 1990), hospitality (Bitner, Booms & Tetreault, 1990; Hess, Ganesan & Klein, 2003; Smith & Bolton, 2002; Smith, Bolton & Wagner, 1999), grocery shopping (Singh, 1990), automotive repair (Craighead, Karwan & Miller, 2004) and the financial industry (Augusto de Matos, Luiz Henrique, de Rosa, 2013; Chuang, Cheng, Chang & Yang, 2012; Maxham & Netemeyer, 2002). Based on the reach of the analysis, it can be argued that the latter industry is perhaps amongst the least researched area.

For the study's purpose, the service failures (customer complaints) and service recovery (responses from the banks) will be analysed and categorised to allow trends to be identified and the process of categorisation will be defined and discussed below.

2.5 Service quality

Service quality refers to the capability of the service provider to fulfil their client's needs (Afthanorhan, Awang, Rashid, Foziah & Ghazali, 2019). The concept of service quality is also based on clients' perception of interaction and outcome quality. Clients have set expectations and they would appreciate their expectations being met. Essentially, the perceived service quality is the client's judgement of the overall service received, subsequent to the difference between client expectations about the service and their perceptions about the actual service (Liu & Lee, 2016; Venugopal & Priya, 2015).

Clients are more educated and knowledgeable about the banking system and because of that, they expect high quality services (Rathee, Rajain & Isha, 2015). The modern marketplace has developed into a global one, where clients are exposed to international businesses that have innovative services to offer. Clients then expect similar client service offerings in their local markets (Liu & Lee, 2016; Chopra & Arora, 2013). In any competitive market, the main priority is service quality, it majorly contributes to having a successful service-based business, and failure to prioritise

service quality in any business ultimately leads to losing clients due to failed business relationships because of poor service (Novixoxo, Pomegbe & Dogbe, 2018; Quach, Thaichon & Jebarajakirthy, 2016).

Clients are reasonable enough to comprehend that mistake and service mishaps may occur, however, the basic requirement from them is for the error to be corrected. Additionally, service quality depreciates when communication is lacking between frontline personnel and the business management (Kwok et al., 2016; Okeke et al., 2015).

2.6 Defining and Categorising Service Failures

Core service failures were defined by Keaveney (1995) as those that are due to mistakes or technical problems with the services themselves and can be viewed as an exchange in which a client experiences a loss due to the service failure. Service failures are evaluated by customers as negative events (Komunda & Osarenkhoe, 2012, Maxham, 2001; Palmer, Beggs & Keown-McMullen, 2000; Singhal, Krishna & Lazarus, 2013; Suh, Greene Rho & Qi, 2013).

Traditionally, service failures were identified as; process failures vs. outcome failures; magnitude of failures; and core vs. non-core failures. What customers actually receive from the service is the outcome dimension, whereas the process dimension is based on how customers receive the service (Mohr & Bitner, 1995; Parasuraman, Zeithaml & Berry, 1985; Smith, Bolton & Wagner, 1999). Outcome failure refers to a core service failure, and process failure is the inconvenience experienced during service delivery (Gronoos, 1988; Parasuraman, Zeithaml & Berry, 1991). Essentially, customers place greater value on an exchange of similar resources and economic loss (outcome failure) and social or psychological loss (process failure), whereby people code, categorize and evaluate economic outcomes. For organisations to appease customers again, they have to attempt to make amends following a service failure.

According to Boshoff (2014) the causes of service failure are malfunctioning, incorrectness, unavailability, lateness, slowness as well as uncaring, impolite, unknowledgeable staff. Malfunctioning is associated with technical failures when delivering a service, incorrectness is the inability of a service provider to supply accurate results or information to a consumer. Lateness, slowness and unavailability

are all concerned with time; unavailability refers to a service not being provided due to service provider not keeping an appointment. Whereas, slowness and lateness are service providers wasting consumers time in the process of delivering a service. The last mishap is the inability of staff members to care, be polite towards customers and moreover be knowledgeable about the service being provided to ensure that the consumer is ultimately satisfied.

2.7 Defining and Categorising Service Recovery

As discussed in the previous section, service failures were defined by various authors as those that are due to mistakes or technical problems with the services themselves. Service recovery is therefore an attempt by the business to make amends with their customers from dissatisfaction resulting from a service failure (Boshoff, 1997). Service recovery studies that have been conducted entail companies addressing dissatisfied customers by taking action that will leave customers satisfied again (Gronoos, 1988; Mattila & Cranage, 2005; Chen et al., 2018; Ho, 2017).

Using the justice theory; customers evaluate complaint incidents based on the outcome received, the procedures used to arrive at the outcome and the nature of the interpersonal treatment during the process (Bacile, Wolter, Allen & Xu, 2018; Singh & Crisafulli, 2015). The moderate to high service recovery efforts can enhance customers' perceptions of satisfaction, repurchase intent and positive word-of-mouth; and consequently maintain customer retention and loyalty by means of effective service recoveries (Yoo, 2020; La & Choi, 2019; Jung & Seock, 2017; Maxham, 2001).

A superior service recovery effort may induce a “paradoxical” scenario, whereby consumers will rate the failing firm higher after the recovery than they rated the firm prior to the failure (Kelley, Hoffman & Davis, 1993; McCollough & Bharadwaj, 1992; Hart, Heskett & Sasser, 1990). Furthermore, service recovery intends to minimise customer dissatisfaction and emphasise customer satisfaction.

A “recovery paradox” (Hazarika & Dhaliwal, 2019) is a situation in which a customer has high regards of a company after the company has corrected a problem with their service, compared to how they would regard the company if non-faulty service had been provided. Behavioural intentions towards the service provider become more

favourable than they would be had no failure occurred. The paradox is related to a secondary satisfaction following a service failure in which customers compare their expectations for recovery to their perceptions of the service recovery performance (Baker, 2017; Matos, Henrique & Rossi, 2007). Several studies report results are consistent with the recovery paradox effect (Hazarika & Dhaliwal, 2019; Gohary, Hamzulu & Pourazizi, 2016; Hansen & Danaher, 1999; Smith & Bolton, 1998) and assumptions about the existence of such a phenomenon have been made by several authors (Johnston & Clark, 2005; Kotler, 1997; Rust, Oliver & Keiningham, 1996), however, other studies have questioned this notion (Andreassen, 2001; Zeithaml, Berry & Parasuraman, 1996).

2.8 Online Service Recovery

The aforementioned categorisation and discussion of complaints was suitable for customer complaint management on an offline basis. Although service failure and recovery issues have received considerable attention in the literature, these topics have received only limited attention in the context of online services. A large portion of preceding research has focused on the effects of perceived service recovery encounters on observing customers in offline contexts (Mattila, Hanks & Wang 2014; Van Vaerenbergh, Vermeier & Lariviere, 2013). The various reasons that cause dissatisfactory online service encounters have been found to be different from that of traditional offline service encounters (Lee & Lee, 2020; Forbes, Kelley & Hoffman, 2005; Holloway & Beatty, 2003).

Customers use social media platforms for several reasons, which include voicing complaints in public and thereby seeking a resolution (Causon 2015; Schaefer & Schamari, 2016). Companies are usually reluctant to handle openly voiced complaints in public, because they fear damage to their reputation (Einwiller & Steilen, 2015). In most service encounters, other customers are present, and they are witnesses to the interactions between business and customer, including service failures and recoveries. The presence of other customers is a critical factor of the customer experience and the image of the service provider (Colm, Ordanini & Parasuraman, 2017). Online service recovery and its effects on virtually present customers or clients is likely to differ from offline service recovery attempts. This is because complaints that are voiced online and especially on social media platforms, tend to reach vast audiences of actual and potential customers (Customer Rage

Survey 2017; Hogleve, Bilstein, & Hoerner, 2019). This highlights a gap in research carried out for the categorisation of online complaints and allows for further research to be conducted.

Gregoire, Salle and Tripp (2014) suggested that there are six types of social media complaints namely; directness, boasting, badmouthing, tattling, spite and feeding the vulture. Directness is contacting the business directly and privately in order to achieve resolution or satisfaction. This is usually viewed as the first level of customer complaint (Singh, 1988). Boasting entails customers spreading positive comments on social media about how well the company received the complaint (Gregoire et al., 2014). Badmouthing occurs after initial service failure where the customer spreads negative Word-Of-Mouth through social media; all without ever contacting the business and, complaining to a third-party website, blog or newsletter is referred to as tattling (Gregoire et al., 2014). Additionally, spite occurs after a company fails to respond to the initial service complaint and the customer spreads negative Word-Of-Mouth with a heated vengeance via social media (Gregoire et al., 2014). Lastly, feeding the vultures is when a competitor not only takes joy in the business mishandling of the complaint but also uses social media to amplify the mistake to steal more of the company's customers.

2.9 Customer Complaints and Service Recovery on Facebook Pages

In a study done by Handley (2012) the findings were that Facebook was the most dominant social media platform, this was because 26 per cent of the UK customers utilised it to express their concerns and complaints.

In spite of Facebook being a popular and dominant online social media platform, there have rarely been empirical studies that have sought to examine customer complaints on Facebook, especially in Southern Africa (Matonhodze, 2018; Matongo, 2018; Phambuka, 2017; Gavaza, 2017). Several studies have identified and alluded to some of the previous circumstances of customer complaints on Facebook, these include; perceived unfairness and the perceived probability of service recovery (Balaji, Jha, & Royne, 2015), as well as the impetus to seek redress (Ma, Sun, & Kekre, 2015).

Presi, Saridakis, and Hartmans (2014) suggested that the Facebook social media platform gained its popularity from customers because it is an emotionally charged

platform. The preferred choice of this particular online platform is influenced by customers' motives to vent, immediate retaliation and self-enhancement. None of these studies has examined the specific nature of service failures through customer complaints on Facebook pages. This study addresses this gap by exploring customer complaints and online service recovery as reported on the top five South African banks' Facebook pages.

2.9.1 Classification of Facebook Complaints and Service Recovery Responses

Individual customer complaint posts will be systematically classified into various unique service failure categories as suggested by (Rosenmayer et al., 2018). All of the service failure categories and sub-categories will be unique to this study and adapted existing sub-categories will be italicised. The frequency of complaint posts on respective South African banks' Facebook pages will be researched and concluded on. Even though previous research has been conducted concerning the effectiveness of online service recovery comprising of social media (Fan & Niu, 2016; Gu & Ye, 2014), the justice framework has rarely been applied for further enquiry on the topic.

Neale and Murphy (2007) assessed service recoveries enacted by means of e-mail and established that the original three-dimensional justice framework (distributive, procedural and interactional justice), which has been readily applied to offline recoveries, was just as valid online. Furthermore, a study was built on Neale and Murphy's (2007) work through the application of the recent and revised four types of justice to the recovery responses of retailers on their corporate Facebook pages (Rosenmayer et al., 2018). Both recently mentioned studies will be utilised as aids to support this current study in terms of classification and the categorisation of customer complaints and service recovery in the online realm, particularly on the Facebook social media platform.

Source	Study purpose	Context	Method	Main results
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Holloway and Beatty (2003)	To develop a typology of online service failures. Examines to what extent online customers are engaging in complaint behaviour and are satisfied with service recovery	Online retailing	In-depth interviews and survey; CIT	Incidents of online retail failures were classified into six groups: delivery problems, website problems, security problems, customer service problems, payment problems, security problems and miscellaneous. Most customers complained following an online service failure (83% in Study 1 and 54% in Study 2). However, only 25.6% of those who complained planned to return to the online company
Forbes, Kelley and Hoffman (2005)	To create typologies of service failures and recovery strategies in the context of shopping websites	Shopping websites	Survey (CIT)	Classified service failures into two groups and 10 categories: 1) response to service delivery system/product failure: slow/unavailable service, system pricing, packaging errors, out of stock, product defect, bad information and website system failure; and 2) response to customer needs and requests: special order/request, customer error and size variation. Packaging error was the most common failure and "size variation" was the main cause of customer dissatisfaction
Neale and Murphy (2007)	To classify e-mail service recoveries using a perceived justice framework. Examined which e-mail recovery characteristics relate to successful service recovery	Organisation e-mail responses	Respondents sent a complaint letter to company and received an e-mail reply	Distributive, procedural and interactional justice elements were positively with customer satisfaction, positive word of mouth and repurchase intentions
Holloway and Beatty (2008)	To classify the customer dissatisfiers and satisfiers in the online environment	Online retailing	Survey (CIT)	Four dimensions were suggested that drive (dis) satisfaction, including website design/ interaction, fulfilment/reliability, customer service and security/privacy
Kuo, Yen & Chen, (2011)	To classify failure incidents and recovery strategies. Identified an effective strategy for each service failure type	Online auctions	Survey (CIT)	Incidents of failures classified into three groups and 18 sub-categories: service delivery system failures; buyer needs and requests; and unprompted and unsolicited seller action. 10 recovery strategies were derived: correction, correction plus, discount, replacement, store credit, apology, refund, unsatisfactory correction, failure escalation and nothing
Sparks and Bradley (2017)	To develop a typology of management responses to negative online reviews of hotels	Online accommodation review sites, e.g. TripAdvisor	Interviews with expert panel and content analysis of customer negative reviews made via TripAdvisor	The "Triple A" typology comprised 19 types of managerial responses within three higher-order categories, i.e. acknowledgements, accounts and actions

This study, (2018)	To contrast customer complaints and service recovery behaviour trends over a specified period of time across the five major banks' Facebook pages	Online customer complaints and service recovery	Review of Facebook customer complaints and service recoveries	The study will categorise the customer complaints with relevant service recoveries and identify trends
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Table 2.1: Failure and recovery typologies in the online context (Adapted from Rosenmayer, McQuilken, Robertson & Ogden, 2018)

An overview was provided of the existing service recovery studies that have assisted in developing typologies relating to service failures and or recoveries in the online context as adapted from the Rosenmayer study. It highlights the original contribution of the current study in updating failure and recovery typologies to reflect the emerging online service failure and recovery in the online context.

2.10 SUMMARY OF THE CHAPTER

Chapter two covered the theoretical framework and literature utilised for this study. The justice theories namely; Mill's, Rawl's, Nozwick's and Greenberg's theories of justice were discussed. Particular attention and detail was given when discussing Greenberg's justice theory, as it was utilised for further discussions of the study that included the perceived justice theories. The four perceived justice theories were discussed in length to assist with defining and ultimately categorising service failures and service recoveries. The following chapter will give an overview of the South African banking industry and the usage of social media marketing and Facebook within the industry.

CHAPTER THREE – SOUTH AFRICAN BANKING INDUSTRY AND ONLINE MARKETING

3.1 INTRODUCTION

The previous chapter focused on detailing the theoretical framework of the study. The four justice theories were defined and discussed, followed by the application of the theories to this study. The chapter summarised significant elements of the theoretical and conceptual framework that contribute to the literature review.

Chapter three will discuss the South African banking industry. This will be followed by a discussion of digital marketing and various social networking platforms, as well as discussing how this has affected the banking industry. The chapter is concluded with a discussion of how South African banks can use social media, and Facebook in particular. Additionally, online service recovery will be introduced in conjunction with electronic marketing and social media marketing. Lastly, the incorporation of social media marketing into the South African banking industry will be also be discussed.

3.2 The South African Banking Industry

According to the World Economic Forum Global Competitiveness Report (2018-2019), South Africa ranks 67th globally and has the second position in Sub-Saharan Africa. Among its strengths, South Africa has a well-developed financial system (18th) and more specifically, South Africa's financial sector offers relatively balanced access to various sources of finance, including credit, venture capital, equity and insurance.

There were 42 registered banking institutions, excluding registered foreign bank representatives in May 2019. This is an increase from 36 institutions a year earlier. There are 30 foreign banks with approved representative offices in South Africa. Additionally, total assets of all types of registered banks stood at R5.74-trillion in May, a year-on-year increase of 11.1%. Despite this, South Africa's banking industry is still highly concentrated with the five largest banks (namely; ABSA, Capitec, FNB, Nedbank and Standard Bank) holding over 90% of total assets in February 2019 (BankSETA SSP, 2020).

In recent years, customers had to visit banks or branch offices and queue to get assistance for most of their queries. When taking into consideration how the customer will receive service, the type of contact required needs to be taken into regard (Ozli, 2018; Boshoff, 2014). The banking industry has shifted their service delivery focus to electronic and automated means of service delivery, instead of the traditional way of customers having to be physically present on the premises for banking services to be delivered (PWC, 2014; Penn & Thomas, 2019). Banking services are delivered by telecommunications and other forms of technology, which include internet banking as well as telephone banking to further minimise interaction between the banks and customers.

The South African banking industry has advanced into an established industry that is well-managed and that which integrates the most progressive banking systems to conduct its daily business (Hundre, Kumar & Kumar, 2013). Over the past decades as a result of mergers, consolidations, technological advancement and changes in legislation has transformed the banking industry. Nonetheless, the banking industry is faced with unparalleled challenges to sustain its growth rate (Nhundu, 2016; Mlambo & Ncube, 2011).

According to Makhaya and Nhudu (2016) some of the most significant challenges faced by the South African banking industry are; technological innovation, customer acquisition and client retention, financial innovation, fierce global competition, the reduction of transaction costs, rapidly changing markets, risk management, and demanding clients. In order to combat these challenges, banks need to be able to understand what will satisfy their customers. Further challenges were presented such as negative comments and their effect on the image, changed customer expectations, regulatory changes, risk and cybercrime, and political, economic and societal shifts (BankSETA SSP, 2020; Kaplan and Haenlein, 2010; Liebana-Cabanillas, Nogueras, Herrera, & Guillen, 2013; Schulte, Streit, Sheriff, Delclos, Felknor, Tamers, Fendinger, Grosch & Sala, 2020).

Technology has become the impetus of change in the banking industry, as is the case in other service-related industries (Hundre et al., 2013; MarketLine Industry Profile, 2015). This is because technology enables banks to better serve their clients and derive enormous benefits for themselves. The influence of mobile technology,

social media, rising customer experience and service expectations, and lower switching costs for customers to take their business elsewhere, have intensely changed the competitive landscape for banks (BankSETA SSP, 2020; PWC, 2019).

This should propel banks into embracing social media, giving customers more ways to interact with the business, reconsidering traditional marketing strategies and grasping analytics. Both traditional and new media are utilised in the South African banking industry and there is some integration of traditional marketing with social media marketing, but research suggests that positive acceptance of social media marketing within banks is still low (Chikandiwa, Contogiannis & Jembere, 2013).

Specifically, banks lack strategies to implement social media marketing. Kietzmann, Hermkens, McCarthy and Silvestre (2011), Palmer and Koenig-Lewis (2009) and Pitt and Berthon (2011) provide a foundation on how social media tools can be used strategically and suggested that social media strategies should be integrated strategically with traditional marketing but at the same time avoid including push marketing strategies that could possibly ward off customers.

This was further emphasised by Ahlqvist, Bäck, Halonen and Heinonen (2008) stating the significance of creating customer based product development programme through interacting with customers on social networks. Dragger et al. (2009) suggested that companies should do a situational analysis when developing a social media-marketing plan, as a means to develop models to adopt and implement.

In South Africa, banks are surrounded by legal and other uncertainty issues surrounding social media (WorldWideWorx, 2020). Thus, the importance of clearly defining social media adoption and implementation strategies that are integrated with marketing communication (Mangold & Faulds, 2009). Before an organisation begins considering how it can implement a social media strategy, it needs a framework to execute the strategy within (Clemons, 2009; Kietzmann, Hermkens, McCarthy, Silvestre; 2011). Though social media is perceived to be a risk, most organisations do not implement a social media policy; this might be because social media policies are not perceived to be effective, or because social media is classified as a lower priority risk within the organisations (Mushwana & Bezuidenhout, 2014). This study focuses on the banking industry and their usage of social media as a marketing platform for their services.

3.3 Digital Marketing

The first marketing activity online started in the early 1990s with simple, text-based websites with basic information about a product or organisation. These were complemented with basic emails that shared information in a rudimentary manner. As web tools evolved, so too did the websites, incorporating images, sounds, videos and more advanced formatting styles (Jones, Malczyk & Beneke, 2011).

Since these early stages, the whole digital marketing space has changed and has completely changed the way businesses market themselves. Initially, social media was for social engagement, but the commercial value soon became apparent and marketers are now relying heavily on social media as a means of marketing their brands (Boone et al., 2019). Traditional media such as print and radio are utilised as a means to communicate between organisations and customers; but increasingly digital media, and the internet in particular, are utilised (Adeola, Hinson & Evans, 2020; Khorsheed, Othman & Sadq, 2020). Through the evolution and development of technology, there has been emergence of several different types of digital marketing. These digital marketing types include; internet marketing, search advertising, e-mail advertising, viral marketing, mobile marketing and social media marketing (Bothma, 2015).

Todor (2016), discusses how and or if digital marketing is overpowering traditional marketing. He further discusses contradicting views by various analysts regarding traditional vs digital marketing. Some analysts hold the view that digital marketing has taken precedence and traditional marketing has lost its importance. The other view is that digital marketing is merging well with traditional marketing. A ZenitOptimedia (2015) study shows that in the previous five years, internet (+105%) usage has increased and other media; Television (-8%), Cinema (-11%), Radio (-15%), Magazines (-23%), Newspapers (-31%) usage has decreased. According to Stokes (2013), digital marketing strategy builds on and adapts the principles of traditional marketing, using the opportunities and challenges offered by the digital medium.

A digital marketing strategy should be constantly evolving. Since the internet allows for near-instantaneous feedback and data gathering, digital marketers should constantly be optimising and improving their online marketing efforts (Zarouali,

Poels, Ponnet & Walrave, 2018). According to Fill and Jamieson (2006), this communication is not only with their customers but also with potential customers, suppliers, financiers, distributors, communities and employees, thus the emphasis on a continuously evolving digital marketing strategy.

3.3.1 Importance and benefits of digital marketing

Organisations that actively engage on online platforms has a direct positive correlation to the benefits it can derive. The benefits of digital presence are; improvement of information gathering and feedback, user-friendly tool, increases knowledge, promotes internal and external relationships, supports decision-making process, increases productivity and better outcome measurement (Tiago & Verissimo, 2014).

Marketers have recognised the importance of digital marketing and have started investing significant financial resources to develop and implement their digital presence (Weinberg & Pehlivan, 2011; Zhao & Zhu, 2010). There is no standardised formula or quantified amount for developing digital presence, however, the development and implementation of digital media affects investment decisions. Organisations are aware of the benefits that can be reaped and most are highly considering increasing their investments in digital media as opposed to traditional media. Weinberg and Pehlivan (2011) further state that it would be reasonable to expect firms to dedicate substantial financial resources to facilitate interaction with their customers. In a study conducted by Tiago and Verissimo (2014), it was noted that organisations were now considering digital advertising as a priority within their investment areas, which is in line with worldwide investment trends.

3.4 Social Media Marketing

“Social media is a generic term that describes online information that is initiated, circulated and used by consumers’ intent on educating each other about products, brands, services, personalities and issues” (Boshoff, 2014, p.302). Although social media may be regarded as the new element in the promotional mix, organisations do not have as much control over nature and extent of content on social media as compared to other elements within the promotional mix. Stokes (2013) p.31 emphasises that “Social media platforms also play a role in building awareness, due to their shareable, viral nature. They can also provide crowdsourced feedback and

allow brands to share valuable content directly with their fans. There are five dimensions to social media marketing that serve as requirements for the above mentioned, namely; online communities, interaction, content sharing, accessibility and credibility.

According to Taprial & Kanwar (2012), a business can use social media to build a vibrant online community to create loyalty and promote discussions that can have meaningful contribution towards business development and improvement. Interaction deals with the company being able to disseminate quick and simultaneous information and communication to their followers. The information should be relevant and current to promote greater interaction with the online community through social media channels (Fischer & Reuber, 2011). Content sharing deals with the extent to which an individual exchanges, distributes and receives content in a social media setting (Babac, 2011). The social media platform should not require any special skills or knowledge to navigate or use, it must have minimal cost implications Taprial, & Kanwar, 2012). Trust can be generated by companies through their social media platforms by “listening” to their consumers and being able to deliver clear and credible messages about what they say and do. That will assist in connecting with target audience, motivate buyers and generate loyal customers (Taprial & Kanwar, 2012).

It may be outside the managers’ control to monitor the content, timing and frequency of social-media-based conversations that occur between consumers, however, marketers can exert a limited amount of influence over the amount of consumers’ discussions so that they aligned to the organisations marketing objectives (Hollebeek & Macky, 2019; Boshoff, 2014). Organisations can significantly benefit from making social media marketing an integral element of their overall business strategy (Felix et al., 2017; Kapoor et al., 2016; Plume et al., 2016; Rathore et al., 2016; Shareef et al., 2018; Shareef et al., 2019a; Shareef, Mukerji, Dwivedi, Rana, & Islam, 2019b; Shiau et al., 2017, 2018; Singh et al., 2017; Yang et al., 2017).

3.4.1. Social media usage and social media marketing in South Africa

According to Statista (2020) there are 22 million active social media users in South Africa as of January 2020. Additionally, below is in an illustration from Hootsuite based on survey findings regarding the most active social media platforms in South

Africa. The discussed social media platforms; LinkedIn, Instagram, Youtube, Twitter and Facebook appear to be the most popular social networking sites. As depicted in figure 3.1 below, the most popular social network is Facebook with 2449 million active account users, the second most popular is Youtube not lagging too far behind with 2000 million users.

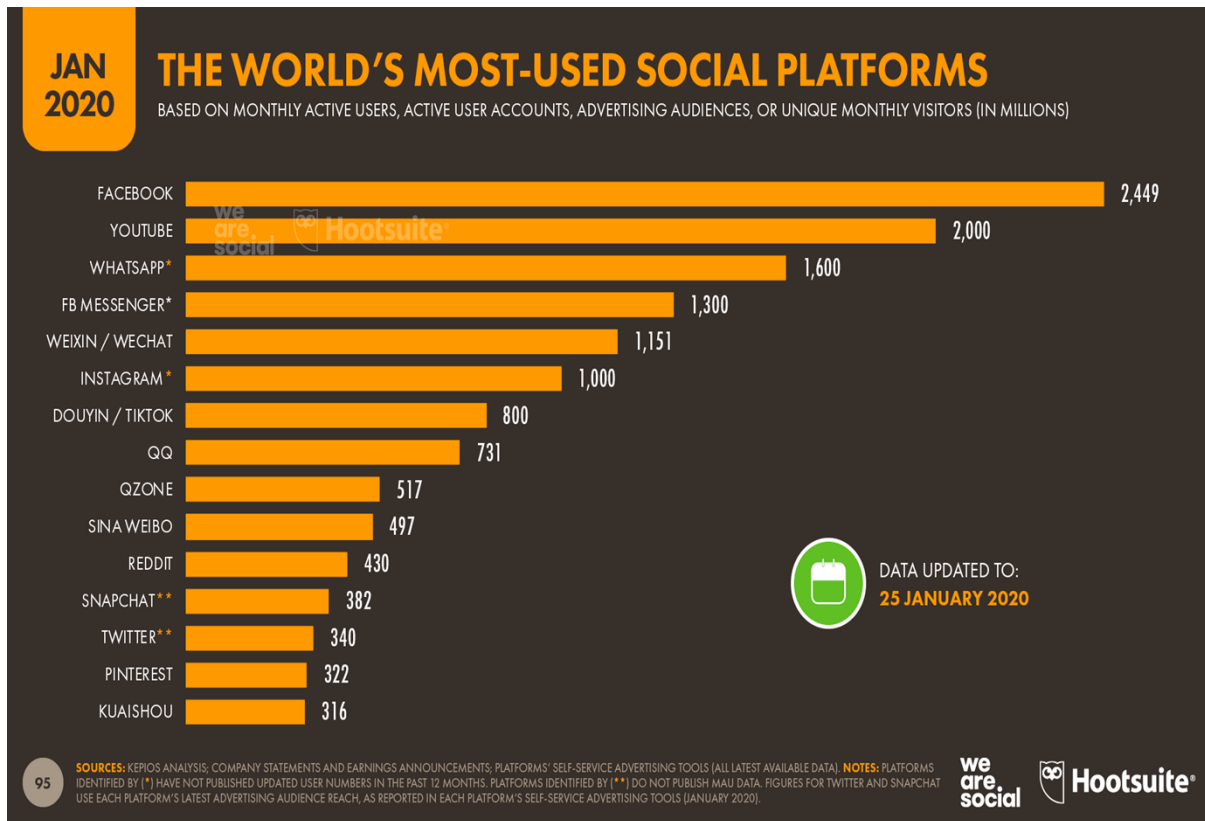


Figure 3.1: Most active social media platforms (Hootsuite, 2020)

The South African Social Media Landscape (2020) report shows that there are currently 21-million Facebook users in South Africa, representing 28% of the population. This has increased from 19-million users a year ago. The study, which also drew on data collected directly from social networks and additional market research, reveals that Instagram is the new force in social media. It grew a massive 73%, from 3.8-million to 6.6-million in the past year. The rapid growth of Instagram officialises its placement in the Big Five of social networks in South Africa, behind Facebook, YouTube, Twitter and LinkedIn.

According to the 2019/20 edition of the SA Social Media Landscape, by World Wide Worx and Ornico, included a survey of 116 major South African brands, making for a representative sample of the country’s major brands. In 2020, the same survey

among South Africa's largest brands also highlighted the "big five". Facebook is prevalent in its use, with 96% of big brands on the platform, followed by Twitter on 87% and Instagram with 78%. LinkedIn is used by 73% of major brands and is followed by YouTube at 68%.

Gordhamer (2009) states that company public relations are easily maintained through social media, mainly due to a great portion of potential consumers being available on virtual networks. This has made it even easy for businesses to connect with consumers. Potential consumers and customers in the digital age are more powerful and busy and expect companies to be accessible and available on several social media platforms, i.e. Facebook. Essentially, it is important for organisations to exploit and seize all opportunities provided by social media communication channels (As'ad & Alhadid, 2014). Furthermore, 76,5% companies have business to consumers (B2C) formal social media marketing strategies and 57,8% have business to business (B2B) social media marketing strategies (SocialSA, 2020). This suggests that companies are aware of the importance of social media strategies and including this in their monthly budgets.

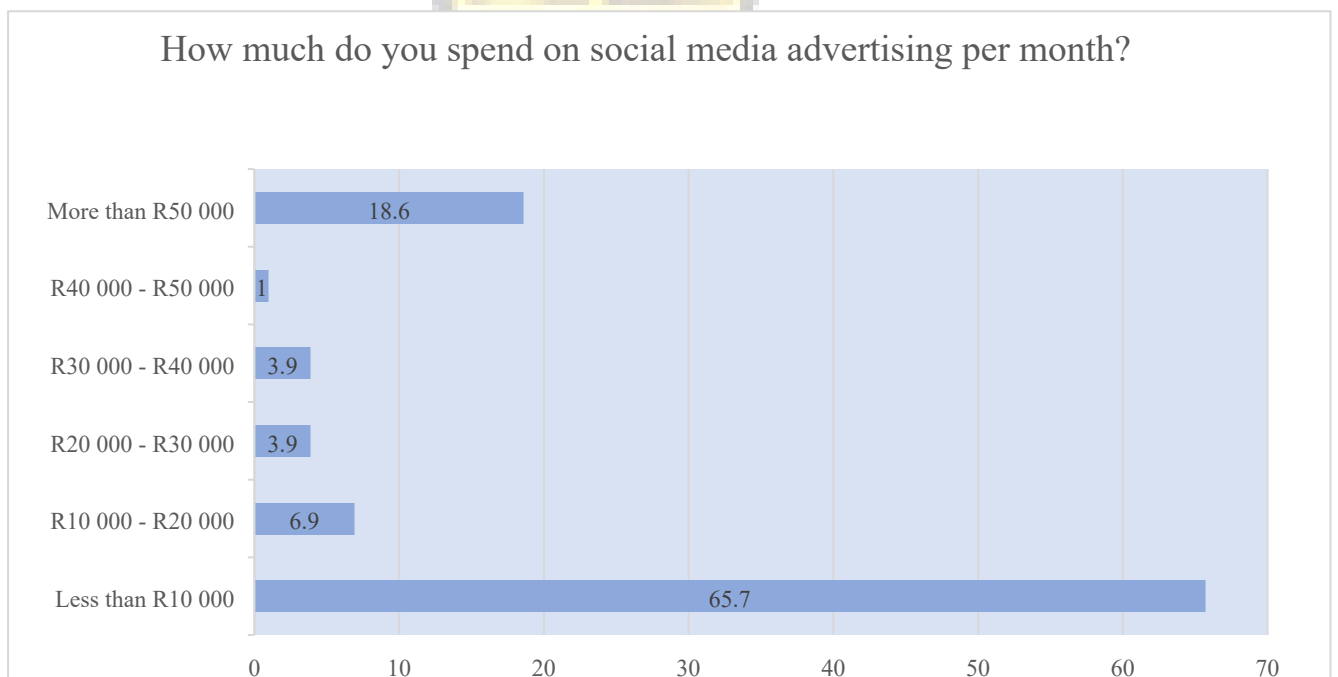


Figure 3.2: How much do you spend on social media advertising per month? (SocialSA, 2020)

According to SocialSA (2020), as depicted in figure 3.2 above, companies invest in social media marketing, by incorporating it into their monthly budgets. The graph shows that majority (65,7%) of the companies spend less than R10 000 per month on social media advertising and 18,6% of the companies spend more than R50 000.

In addition to companies recognising the importance of having formal social media strategies and a monthly budget, companies have identified social media platforms to which they designate majority of their budget as depicted in figure 3.3. Facebook takes up a significant majority (59,4%) of the budget for social media in most companies, followed by LinkedIn (15,6%), Instagram (11,5%), Twitter (5,2%), Google+ (3,1%) and YouTube and WhatsApp both at 2,1%.

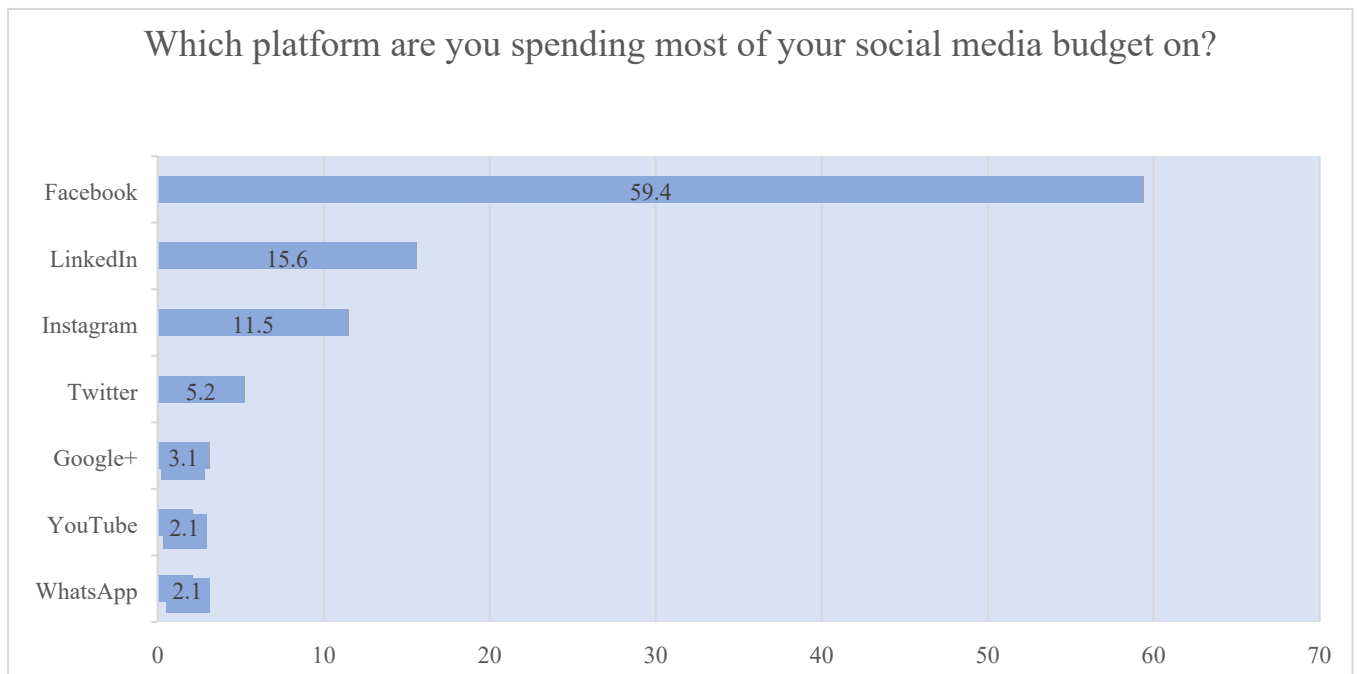


Figure 3.3: Which platform are you spending most of your social media budget on? (SocialSA, 2020)

3.5 Social Media Marketing and Service Recovery

Online service recovery means that complaints from customers are addressed online. Basically, consumers do not have to be physically present to have their complaints or problems resolved (Fan, Miao & Wu, 2013). Distinguishing features of online service recovery are its abilities to cut costs, expedite complaints, improve accessibility, responsiveness and serve many customers simultaneously (Al-jader, 2015; Lai, 2011). Kaplan and Haenlein (2010) and Bolotaeva and Cata (2010) also

concur that social media helps build brand awareness, visibility, reputation, knowledge sharing, customer acquisition and retention, low cost promotions, new product development, customer relationship marketing. Online interactions are another aspect of the same offline relationships and that social media is helpful in revealing the mediated nature of prior communication and sociality (Miller, Costa, Haynes, McDonald, Nicolescu, Sinanan, Spyer, Venkatraman & Wang, 2016).

Du Preez, Tate and Nili (2015) argue that the role of employees in digital service recovery is often overlooked and state that a study conducted by Johnson and Michel (2008) could assist with remedying online service failure. The study discusses and summarises seven key activities which include; acknowledgement, empathy, apology, own the problem, fix the problem, provide assurance and provide compensation.

The first key activity is acknowledgement and involves the business acknowledging that a problem has occurred. Empathy is concerned with understanding the problem from a customer's point of view and consequentially, offering an apology following the realisation. The fourth activity is where the business takes ownership of the problem and customer. Fixing the problem, or attempting to fix the problem for the customer assists with ultimately providing assurance to the customer, which is the sixth activity and the aim is assurance to the customer that the problem will be sorted and would not reoccur in the future. The last activity deals with providing compensation in the form of a refund or a token, depending on the severity of the problem. These dimensions can be used to assess and improve the online service quality of an organisation and also identify service failures that need to be addressed (Du Preez et al., 2015).

Considering the complex nature of the services that banks offer and the necessity for knowledge sharing to create value for their services, social media provides a perfect platform for customer relationship management (Du Preez, Tate & Nili, 2015).

Immense improvement has been made in online service recovery following the emergence of new form of service(s), such as, services provided through the internet in the previous decade. The common thread from these online service failure and service recovery studies is the emphasis on the importance of fairness of the service recovery process following a service failure and how consumers expect a fair and

resolute form of service recovery if failure occurs. (Isaeva, Gruenewald & Saunders, 2020; Liebana-Cabanillas et al., 2013; Tan, Benbasat, & Cenfetelli, 2011; Neale & Murphy, 2007).

The findings of the Isaeva, Gruenewald and Saunders (2020) study recommended the need to enhance and create awareness among customers of the fairness of the service recovery process by designing strategies and procedures related to service recovery. The implemented strategies must be clear and should be characterised by speed and flexibility that is adequate enough to create cognisance amongst customers or clients, of the fairness of the service recovery process.

Neale and Murphy (2007) and Singh and Crisafulli (2016) studies applied perceived justice to discuss online service recovery. One of the studies discussed email service recovery and applied a theoretical perspective, perceived justice to email service recovery. The results of the study supported the extending of perceived justice to service recovery by email, the distributive element of replying and offering compensation to customers, the procedural element of answering completely and the interactional element of thanking the customer, showed significant positive relationships with customer satisfaction, positive word-of-mouth and repurchase intent (Neale & Murphy, 2007). The second study discussed interactional justice delivered through technology-mediated communication and information can be used as online service recovery strategies and is a strong predictor of satisfaction with online service recovery. When online service recovery is fair, it can restore customer satisfaction, lower switching and enhance positive word-of-mouth. Therefore, South African banks should invest in the robustness of technology to shield themselves from losing clients to competitors.

3.6 Social Media Marketing and South African Banks

Social media marketing is described as a system that allows marketers to engage, collaborate, interact, and harness collective intelligence crowd sourcing for marketing purposes (Chikandiwa, Contogiannis & Jembere, 2013). This system integrates social media principles with marketing communication elements in an effort to create strong and lasting relationships. Furthermore, Mangold and Faulds (2009) state that social media increases brand awareness, influences purchasing behaviour, provides assistance in pre and post-sales communication and evaluation as well as increases

the audience. Facebook has gained substantial popularity in the banking industry worldwide and it has on average, more than eight million daily active users (Dootson, Beatson, & Drennan, 2016).

South Africa has one of the largest telecommunications markets in Africa (Duffett & Wakeham, 2016) and the rise of internet and social media has catapulted online communication to a new dimension. Traditionally, customers complained directly to the business and received feedback privately. Nowadays, customers and businesses share a transparent relationship and are able to communicate instantly. Customers can acquire feedback on social media platforms, allowing other customers to be involved in the service recovery process.

The use of social media in the South African banking industry has swiftly evolved over the last decade, with Facebook being the leading social media platform preferred by banking institutions (Mushwana & Bezuidenhout, 2014). Social media allows businesses to create a public profile in which they communicate in real time with their clients and customers and utilise it to create valuable service platforms (Appel et al., 2020; Buhalis & Sinarta, 2019; Young & Strelitz, 2014).

According to Roma and Aloini (2019) social media incorporates user-generated content and information sharing online. LinkedIn, YouTube, Instagram, Messenger, Twitter and Facebook are examples of the various social media platforms that can be used to convey valuable information and potential service recovery for banks (Goldstuck, 2015; Maliti, 2020). The most popular social media networks utilised as communication channels with clients by the banking industry are Facebook and Twitter (Owusu-Ansah et al., 2015). Facebook has gained substantial popularity in the banking industry worldwide, and it has averaged more than eight million daily active users (Dootson et al., 2016; Statista, 2020). The South African social media landscape 2018 found that Facebook is utilised by 16 million people, Twitter by 8 million, Instagram by 3,8 million, LinkedIn by 6,1 million and Youtube by 8,74 million. Furthermore, local businesses that utilise social media to reach new and existing customers are estimated to be 86 of brands utilise Facebook to advertise, 45% use Twitter and Instagram respectively and 35% use LinkedIn (Vetromedia, 2018).

3.6.1 Facebook

Facebook is a social media channel that allows organisations to create an online communication channel, where they can share new information and events and facilitate conversations with customers (Achen, 2019). Mostly individuals, who wish to stay connected with, or reconnect with, people that they know offline use Facebook. It affords users the liberty to select from various privacy settings, from a completely visible profile to one that is not even searchable except by acknowledged friends. Users can change the privacy setting on each individual post, from public, friends only, private, or however users wish to customise their settings (Swanepoel & Bothma, 2013). Personal profiles are created and people post messages on their profiles whether it be; to upload photo albums and videos, share links, write long notes, send private messages to friends, instant message and video chats. Facebook users can also interact with a wide selection of applications including social games and even Instagram (Statista, 2020). Furthermore, Statista states that in 2025, the number of Facebook users in South Africa is expected to reach 26.8 million, up from 22.9 million users in 2020.

As previously stated Facebook is the biggest social network globally compared to other online social platforms (World Wide Worx, 2020). In the third quarter of 2012, the number of active Facebook users surpassed one billion, making it the first social network ever to reach that number (Statista, 2020). Naturally, the importance of incorporating social media, particularly, Facebook, into a business's marketing plan becomes imperative. Conclusively, a significant social media presence is beneficial for a business, more so because social media users engage with their preferred brands on the platform (Escobar & Fernández, 2017).

3.7 Facebook and service quality in South African banks

Due to service quality being a multidimensional concept and it varies from one service industry to another (Kwok, Jusoh, & Khalifah, 2016; Okeke, Ezeh & Ugochuckwu, 2015). In regards to this study, service quality refers to the bank's ability to offer a standardised service consistently and reliably, resulting in client satisfaction (Kwok et al., 2016; Venugopal & Priya, 2015; Yarimoglu, 2015; George & Kumar, 2014; Khurana, 2014).

South African banks are continuing to utilise Facebook as a marketing aid for their businesses to achieve and advance their visibility, viability, and sustainability, as a means to survive in the current competitive era (Taneja & Toombs, 2014). The usage of Facebook by businesses has been incorporated in the South African banking industry, mainly because it contributes to client experience through the analysis of sentiment and trends across the industry so as to improve client care and streamline client research (Gavaza, 2017; Nel & Halaszovich, 2015). Customers are turning to social media platforms to engage on a multitude of concerns such as inquiries, handling of complaints, advertising of new banking services, and the distribution of banking information (Kwok et al., 2016; Okeke et al., 2015; Maphakisa, 2014).

Bank clients utilise their respective banks Facebook pages to search for bank-related information, it would only make business sense for banks to continuously offer relevant information to their consumers through their pages (Taneja & Toombs, 2014). Clients are most likely to remain loyal and engaged should there be provision of the opportunity to design their own banking services through Facebook posts (Nel & Halaszovich, 2015). The key to a successful banking industry relies on clients' recreation of the current service quality as opposed to their own desired service quality.

Clients create their own solutions through solicited responses from banks, complaints, personalised surveys, polls and any other comments and feedback on a banks respective Facebook page (Maphakisa, 2014).

Dissatisfied clients usually switch to competitors after a negative experience and spread negative word-of-mouth marketing (w-o-mm), which in turn impacts on market share. Regardless of whether the creators were unable to attract more customers to their respective pages, without respective banks taking any action to curb negative comments from customers could have negative effects on the banks, considering the viral nature of social media based activities (Rahi, Ghani & Ngah, 2020; Senadheera, Warren & Leitch, 2011).

Electronic word-of mouth (e-WOM) can be defined as “any positive or negative statement made by potential, actual or former customers about a product or

company that is made available to a multitude of people and institutions via the internet” (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004, p. 39).

Social media websites enable the distribution of eWom information amongst a large audience and users thoughts can be shared by only forwarding the posts they agree with (Chu & Kim, 2011; Sohn, 2014). As a result of this, consumers increasingly resort to social media to obtain brand information (Barreda, Bilgihan, Nusair, & Okumus, 2015; Naylor, Lamberton, & West, 2012).

EWom information is circulated, namely through users intentionally posting about certain brands products or services and as well unintentionally showing their brand preferences to their audience by either; interacting with the brand’s post or posting content that includes a brand without an advertising purpose (Alboqami, Al-Karaghoul, Baeshen, Erkan, Evans & Ghoneim, 2015).

Consumers seem to prefer WOM from personal sources as opposed to marketer dominated information sources, particularly when making purchase decisions about services. They are perceived to have a higher purchase risk, due to their nature of being difficult to evaluate prior purchasing (Murray, 1991).

This highlights the need for South African banks to have a social media service quality monitoring mechanism that is merged into their social media strategy.

3.8 The use of Facebook by South African banks

Facebook has claimed its position as a significant platform for global banking communications and continues to command a larger share for advertising to reach almost all market segments. Therefore, banks interacting with customers’ is of great interest to banks and academics. Indecisive and unpredictable clients serve as a great target for banks to attract on the Facebook page through utilising relevant marketing strategies (Duffett & Wakeham, 2016; Wronski & Goldstruck, 2013). The utilisation of Facebook in the banking industry serves an opportunity to infiltrate social network systems (Hansson et al., 2013). Retail banks are obliged to manage Facebook updates so that they are able to identify customer’s grievances and consequently create required resolutions, while ensuring that the bank prioritises their client’s voices and will respond and act accordingly (Nițescu, 2015). Client comments and reviews on a business’s Facebook page can serve as an aid to

attract new clients, gain insight into the feedback received by clients from banks (Ramanathan, Subramanian & Parrott, 2017). Essentially, Facebook affords banks with insight into their already existing client relationship management systems and opening opportunities for building social client relationship management systems.

This widespread adoption of Facebook by clients along with the opportunity to engage clients in a social manner, has cemented Facebook as a key component of the South African banking industry marketing strategies (Nel & Halaszovich, 2015). The rapid growth of Facebook has permanently altered the manner in which banks interact with clients and clients interacting with each other in South Africa (Rootman & Cupp, 2016).

Similarly to the rest of the world, South African marketers have quickly taken to the realisation of the influence of Facebook in terms of interacting with customers comprising of personalised messages, better banking experiences and greater convenience.

3.9 SUMMARY OF THE CHAPTER

This current chapter focuses on the South African banking industry and the manner in which the internet, digital marketing and social media marketing has changed how consumers bank as well as how banks are forced to adapt. Moreover, social media marketing was discussed within the context of both the South African banking industry and its relativity to the context of the study.

The following chapter will explain the methodology utilised for this study, including the research paradigm, research process, design and approach, as well as the sampling and analysis of the data collected. The chapter further discusses ethical considerations in the online context.

CHAPTER FOUR – RESEARCH METHODOLOGY

4.1 INTRODUCTION

The previous three chapters have set out the main objectives and underpinning literature. The first chapter introduced the study and gave an overall summary of the topic. Chapter two provided the underpinning theory of the study, Greenberg's theory of justice and the perceived justice dimensions namely; distributive, procedural, interpersonal and informational justice. Lastly, chapter three gave an overview of the South African banking industry and the utilisation of various forms of marketing, including digital marketing and social media marketing within the industry.

This chapter will discuss the research methodology that was utilised for this study. The research process and paradigms will be explained, followed by a discussion of the research design and approach. The last section covers the data collection method, which includes a description of the population and sampling technique adopted, as well as describing the method of data analysis, and important ethical considerations.

4.2 The Research Process

Research methodology serves an effective procedure for exploration purposes. It is an important process that considers all the various elements of the research component, as previously discussed in section 1.3. Typically, research methodology encompasses concepts such as research design, research approach and research paradigm (Basias & Pollalis, 2018; Igwenagu, 2016).

The research process includes designing methods for collecting information, managing the acquired information collection process, the analysis and interpretation of results and the communication of findings to decision makers to maximise performance (Cooper & Schindler, 2014; Maholtra, 2014; Van den Berg & Struwig, 2017). According to Quinlan (2011) the research process consists of several steps; defining the problem, developing an approach to the problem, formulating a research design, doing fieldwork or collecting data is followed by preparation and analysis of data collected and finally, a report is prepared and presented. The final three steps in the research process are centered on the collection, analysis and reporting of research findings (Maholtra, 2014).

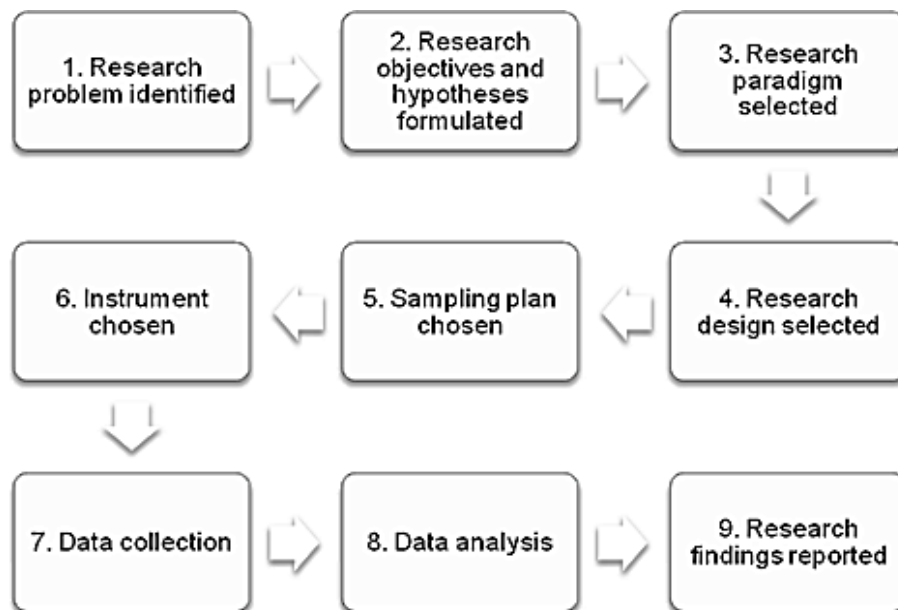


Figure 4.1: The Research Process (Quinlan, 2011)

Essentially, the most critical element of the research process is the research management question. Problem definition is more significant than reaching a solution because raising questions, ideas and new possibilities to old questions requires a creative imagination (Cooper & Schindler, 2014; Einstein & Infeld, 1938; Maholtra, 2012).

Additionally, the formulation of a problem following a discussion concerning environmental factors that will influence the scope of the research is an essential fragment of a research process. Several environmental factors that have affected marketing research practices and had an impact on business decision making have been encapsulated as follows; internet and e-commerce, gatekeeper technologies and data privacy legislation, global market expansion and lastly, marketing research as a strategy (Shiu, Hair, Bush & Ortinau, 2009). Overall, the research process has facilitated the ability to conduct research using a standardised process to make a decision or solve a marketing problem.

4.2.1 Overview of Research Objectives

The need for further enquiry into this particular topic has been previously highlighted in the significance of the study under section 1.2.4. Although studies have been conducted in several industries and within various internet utilisation aspects and sectors (Boerman, Kruijemeier & Zuiderveen Borgesius, 2018), the need for online

service recovery research is not eliminated because there are a relatively small number of research projects that focus on this topic. Thus, the research objectives emerged for this study. Research objectives serve to concisely describe what the research aims to achieve, whilst simultaneously assisting with summarising the aims of the research and providing direction to the study (Easterby-Smith, Thorpe, Jackson & Jaspersen, 2018). Essentially, research objectives facilitate the development of the research.

Research objectives are generally divided into two segments, specifically; primary and secondary objectives. The following section will detail this study's primary and secondary objectives.

4.2.2 Primary Objective

The primary objective of this study was to contrast the trends in customer complaints and service recovery behaviour across the five major South African banks' Facebook pages

4.2.3 Secondary Objectives

- To analyse complaints and categorise them into process, outcome and random complaints from customers using ABSA, Capitec, FNB, Nedbank and Standard bank(s) respective Facebook pages over a period of three months.
- To analyse service responses and categorise them into procedural, interpersonal, distributional or informational dimensions from ABSA, Capitec, FNB, Nedbank and Standard bank(s) respective Facebook pages over a period of three months.

4.3 The Research Paradigm

The paradigm adopted provides direction to the manner in which the data collection and analysis procedures will be investigated. Consequently, the research paradigm has imperative "implications for every decision made in the research process" (Kivunja & Kuyini, 2017, p. 26).

A "research paradigm" is a broad view or perspective that explains the patterns of beliefs and practices that standardise inquiry within a discipline by providing lenses, frames, and processes through which investigation is fulfilled (Kamal, 2019). In the

social sciences, there are two paradigms that are most often adopted namely; the positivistic paradigm and an interpretivistic paradigm (Mukherji & Albon, 2018). The interpretive paradigm is centred on the understanding of the world as it is from subjective experiences of individuals, whereas the positivistic paradigm is interested with interpreting observations in terms of facts or measurable entities (Kamal, 2019).

Figure 4.2 has been utilised as an aid to further elaborate the selected research paradigm for this study. The first two parts of the spectrum on the left hand side of the table state that the social world is perceived as rigid, solid and independent of human perception. Whilst the last two on the right hand side state that language, myths and symbols play a role in influencing and sustaining social reality and lastly that conception of social reality is created anew in each encounter of everyday life (Collis & Hussey, 2013).

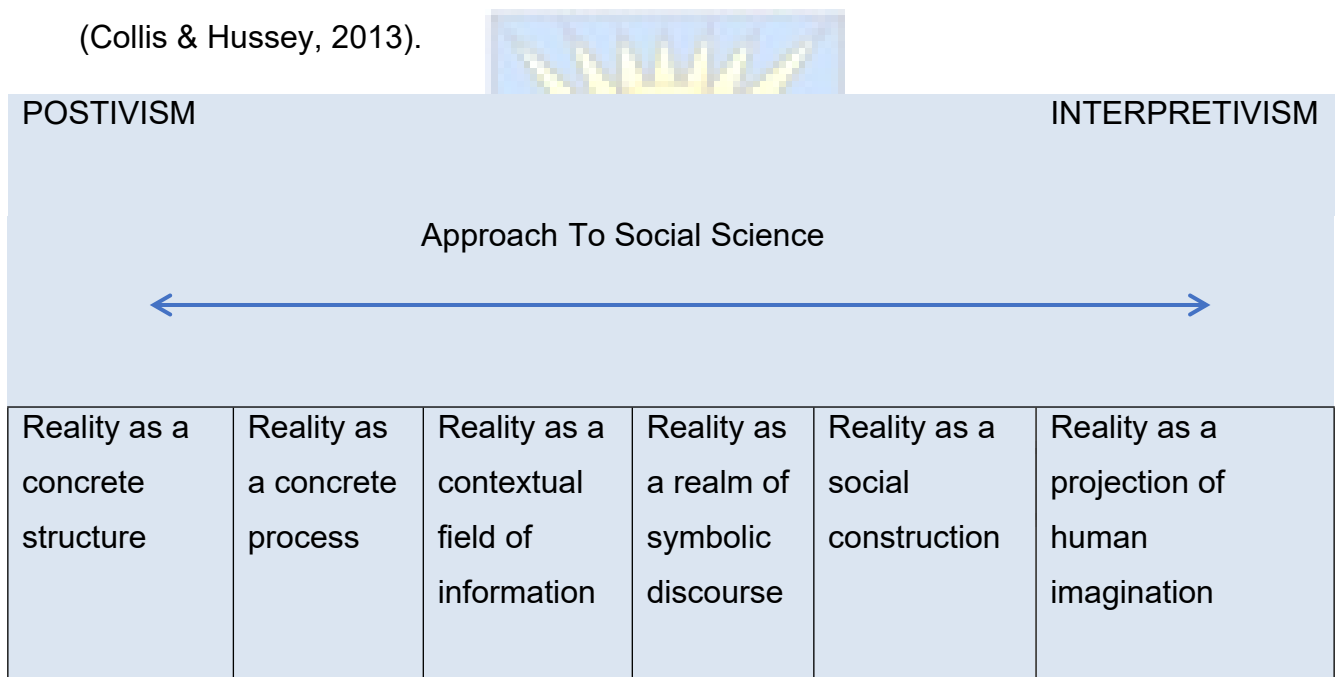


Figure 4.2: Continuum of Core Ontological Assumptions (Collis & Hussey, 2013)

The collected qualitative data was utilised to analyse online customer complaints and service recovery trends on five South African banks’ Facebook pages. Section 4.3.2 provides the explanation of the research paradigm adopted in this study.

4.3.1 Positivism

The assumption for the positivist paradigm is that social reality is singular, objective, and unaffected by the act of its investigation). The positivism paradigm accentuates the independence and objectivity of the researcher and that reality was manipulated through independent variables (Ryan, 2015). The separation between the researcher

and research is stipulated by positivism, the epistemology provides a layout that governs reality distinctly from the researchers, and respondents by means of a quantitative research approach (Bryman & Bell, 2015). Furthermore, the promotion of objectivity of this paradigm translates into minimising or eliminating sources of bias and subjective thinking. The interpretivistic paradigm seeks to understand the subjective world of human experience. Efforts are made to understand the viewpoint of the subject being observed instead of the viewpoint of the observer (Kivunja & Kuyini, 2017). The interpretive approach draws from an inductive perspective where the objective is often for theory development. This clear discrepancy between the positivism and interpretivism reasoning process places both approaches at polar or extreme opposites on the research process continuum (Mufti, Wahab & Parvaiz, 2016).

4.3.2 Interpretivism

The qualitative research paradigm results from an interpretivist ideology which states that reality is subjective and varies with each subject under study, it refers to the way humans attempt to make sense of their surroundings and the world (Ryan, 2018). Interpretivists argue that what an individual thinks exists directly translates into what exists in the social world, furthermore perception can be reformed by various cultural and social factors that support the construction of such collective understandings (Howell, 2013; Potrac, Jones & Nelson, 2014). Fundamentally, the interpretivism perspective affords the ability to gain a profound understanding of the phenomenon and its intricacy in its unique context, as opposed to generalising the base of understanding for the entire population. In the context of this current research study, the expectation is that the findings derived from this study should reveal the service failure and recovery trends on the five South African banks' Facebook pages. It can therefore be noted that the themes outlined from the findings of this research are more of a qualitative nature henceforward there is no need for inferential statistical analysis (Davies & Fisher, 2018).

The interpretivist paradigm rests on the assumption that social reality is highly subjective because it is influenced by client perceptions (Collis & Hussey, 2013). As a result of a marketing phenomenon known as word of mouth, customers are usually influenced by each other during discussions, therefore, should a customer complain, other customers become aware of it and subconsciously lose trust in the business

(Davies & Fisher, 2018). However, should the business display their ability to expedite the service recovery process, it allows the other consumers to be at ease and restores confidence in the businesses abilities Florès (2018). In the context of this study, the humans being understood are the bank clients. The interpretive paradigm involves an in-depth study of a certain phenomenon and the findings generated from an interpretivistic study are not derived from statistical analysis.

Considering the above-mentioned information, naturally, for the purposes of this study, the interpretivistic paradigm will be utilised. As the study aims to discover any trends that may emerge from the customer complaints as well as the service recovery responses that are extracted from the respective bank's Facebook pages. For the purposes of this study, interpretivism is the chosen paradigm.

4.4 The Research Design

A research design provides a roadmap that integrates the different components of a study that are necessary to effectively address the study problem. It provides details of each step in the marketing research project (Malhotra, 2014). The research design is usually adopted in order to answer questions validly, objectively, and accurately (Wiid & Diggins, 2015). The most common research designs that marketing researchers use are causal, descriptive and exploratory and research design.

4.4.1 Causal Research

A causal research design is needed and appropriate for cause and effect relationships (Miller, 2020; Quinlan, 2011). A causal design is one which independent variables are manipulated by other variables that are checked as much as possible that ultimately will affect the independent variable (Wiid & Diggins, 2015). The main method used for casual research is an experiment. This type of design is directly linked to predictive studies that can be used to estimate future values, such as sales income and market share.

4.4.2 Descriptive Research

According to Maholtra (2014, p.104), descriptive research is “a type of conclusive research that has as its major objective the description of something - usually market characteristics or functions”. The purpose of implementing the descriptive research design is to provide an accurate picture of a phenomenon that occurs in a specific market environment (Venugopal & Priya, 2015). Descriptive research designs are

considered rigid in nature and compatible for ambiguous research questions and have been used to describe a marketing phenomenon (Bryman & Bell, 2015). Descriptive information includes demographics; client attitudes; intentions; preferences and behaviours.

4.4.3 Exploratory Research

This design is helpful in the formulation of research problems, clarifying concepts and assisting in the elimination of impractical ideas (Iacobucci & Churchill, 2018). Furthermore, it is repeatedly used as a preliminary study in the form of focus groups, projective tests, ethnographies and experience surveys to bring in new insights. Exploratory research techniques usually make use of qualitative research methods (Hunter, McCallum & Howes, 2019; Poneis, 2015). Exploration is particularly useful when researchers lack a clear idea of the problems they might encounter during the study. The purpose of exploratory research is an attempt to ask questions and assess phenomena in a new light, especially where concepts are unclear to develop an operational definition. Through exploration, concepts can be developed and made clearer, priorities can be established and the final research design can be improved (Cooper & Schindler, 2014; Maholtra, 2019).

The area of investigation is a fairly new concept that requires an element of exploration to learn something regarding online customer complaints and service recovery. Furthermore, according to Cooper and Schindler (2014), there are several adaptable exploratory approaches within the qualitative research scope. This particular study is concerned with document analysis, which can include; the evaluation of historical or contemporary confidential or public records, reports, government documents as well as opinions. The posts made by customers and the bank's responses can be classified as public records, in the context of the study.

This study seeks to understand customer complaints and service recovery on Facebook and is considered to be a social media study, which is a relatively new field. Considering the nature of this study, the exploratory design is most suitable as there is no clear idea of the problems that might be encountered in the study as previously discussed. A qualitative approach often underpins this sort of inquiry and focuses on obtaining new insights into current situations and issues (Rahi, 2017). The exploratory research design will allow for the usage of qualitative research

methods to inform and better align data collection techniques as well as the analytical approaches.

4.5 The Research Approach

A research approach can be described as a group of techniques used to gain an understanding of something (Wiid & Diggins, 2015). Generally, qualitative researchers tend to adopt an approach that is inductive which means that they develop a theory or look for a pattern of meaning based on the data that they have collected. Quantitative research uses a deductive approach and tests the validity of assumptions, theories or hypotheses in hand. It is imperative to determine the advantages and disadvantages of using either of these approaches to determine the most suitable approach. A brief summation of the marketing research approaches will be discussed in section 4.5.1 and the driving factor towards the ultimate choice to adopt a qualitative research approach for this particular study is discussed in section 4.5.2.

4.5.1 Quantitative Approach

Burns and Bush (2014) define quantitative research as a method that extracts data from a large and sizeable group of respondents who significantly represent the target population with the aid of prior developed questionnaires. Quantitative research falls under a positivistic approach that holds that there is one objective reality, therefore, the researcher has no influence on the study and has to be an objective observer (Apuke, 2017).

Quantitative research studies make use of samples and population, thus relying heavily on numerical data and statistical analysis. Quantitative research methods often include written questionnaires, experiments, methods, and theories (Collis & Hussey, 2013). Examples of quantitative data are scores on achievement tests, number of hours of study, or weight of a subject. Quantitative research is of more of a rigid nature when collecting data and analysing it; while, the qualitative approach is more methodical it allows for greater flexibility.

4.5.2 Qualitative Approach

According to Cooper and Schindler (2014) qualitative research is a method that is focused on gaining an understanding on a phenomenon through the subjective collection and analysis of data. Qualitative research can be defined as the studying

of the meaning of clients' lives in the real market environment, representing the views and perspective of the clients through investigating the contextual conditions within which clients live and contribute insights into existing or emerging concepts that may help to explain client social behaviour (Yin, 2015). Qualitative research is also centred on methods of inquiry such as ethnographies, grounded theories, phenomenology and narratives (Ritchie & Lewis, 2012).

The qualitative research method refers to a naturalistic approach that is concerned with understanding the meanings that clients attach to their actions, decisions, beliefs and values within their social world (Ritchie & Lewis, 2012). This is done through the use of specialised skills for interviewing and other tools like tape recorders, projection devices, video, pictures and discussion guides (Iacobucci & Churchill, 2018). Qualitative method is used to collect the in-depth details on a particular topic. This approach assumes a single person represents the group feelings and emotions and is considered of equal importance when results are interpreted. This particular element is usually ignored by the quantitative method (Rahi, 2017).

This approach will be suitable to analyse and highlight trends in customer complaint behaviour on five South African banks' Facebook pages as well as service recovery efforts by respective banks on the same platform. As mentioned previously, this approach will be suitable as it is considered to be in line with the interpretivistic paradigm and an exploratory design. Subsequently, the type of data (primary or secondary) to be utilised will be explained in the section to follow.

4.6 Types of Data

There are two types of data in research namely; primary data and secondary data. The main difference between the two types of data is that primary data is factual and original whereas secondary data is the analysis and interpretation of the primary data (Rosenthal, 2016). Both types of data will be discussed in sections 4.6.1 and 4.6.2.

4.6.1 Primary Data

Primary data originates from the researcher for the specific purpose of addressing the research problem (Maholtra, 2014). Primary data is data originated for the first time by the researcher, can be referred to as raw data. Primary data can be gathered

through surveys, observations, interviews, and experiments (Okeke et al., 2015). In essence, primary data refers to first hand data gathered by the researcher. The collection time of primary data is usually long and the process is very involved. Always specific to the researcher's needs and sometimes may be not as cost effective.

The data extracted in the form of customer complaints and bank responses are considered primary sources (Clyne, Pezzaro, Deeny & Kneafsey, 2018). The complaints and responses on the Facebook pages are considered raw data because they have not been used before; the data is extracted directly from the pages and was posted by customers and the banks'. The collection of the complaints and responses was a time consuming and very involved process as it involved data collection across five different banks. The Facebook posts had to be filtered through to identify complaints and checking of responses to the complaints where applicable. The process was not particularly expensive as the data was extracted from a social media platform (Facebook).

On the other hand, secondary data represents any data that has already been collected for purposes other than the problem at hand. Secondary data can be gathered quickly and inexpensively compared to primary data (Maholtra, 2014).

4.6.2 Secondary Data

Maholtra (2014) defined secondary data as the data that already exists and can be gathered from external and internal sources. Secondary analysis is a systematic method with procedural and evaluative steps, Secondary data refers to data that is already available in refined form for other purposes that can still be useful to guide the study at hand. The major advantages of using secondary data in research may include the cost effectiveness and convenience this form of data provides in addition to the researcher being able to collect data quickly and inexpensively in comparison to primary data (Davies & Fisher, 2018). Researchers can utilize available and accessible secondary data to them for high quality empirical researches and these provide researchers with opportunities to work effectively to test new ideas, theories, frameworks, and models of research design (Flick, 2014).

For the purposes of the study, secondary data was employed majorly for theories, frameworks and research design models. The justice theory framework served as a

cornerstone for the study to assist with categorising customer complaints and service recovery responses. Various books, journal articles were accessed for more information regarding the theory. Similarly other information for the study such as research design models, social media and the South African banking industry data was retrieved from books, journal articles, annual reports and websites. Government publications were used to access information regarding the Protection of Personal Information Act (POPIA) act information.

Conclusively, both secondary and primary data sources were used to explore and analyse the research problem. The five South African bank's Facebook pages were the source of data collected. Additionally, secondary data sources were used in the form of drawing inference from justice theories for a theoretical framework and ultimately, the literature review. This assisted with the categorisation of customer complaints and the recovery responses for the study as previously stated. The type of data collected determined the data collection method utilised, the subsequent section explores the systematic manner in which the data was collected.

4.7 Data Collection Method

Data collection is the process of gathering and measuring information on variables of interest that allows for research questions to be answered, hypotheses to be tested and allow outcomes to be evaluated (Cooper & Schindler, 2019; Sekaran & Bougie, 2013). The systematic manner in which data is collected has been explored in the sub-sections to follow; population and sampling for the study will be discussed in section 4.7.1.

4.7.1 Population and Sampling

In the context of marketing research, the definition of population translates to the whole group of respondents that might be considered for the study. All of the bank clients who use their Facebook accounts to interact with their respective banks were considered as the population of the research study. The great number of followers on each banks page makes this population very suitable to explore and analyse online customer complaints and service recovery (Bevan-Dye & Akpojivi, 2016). Due to the great number of comments on each of the banks' Facebook pages, however, a sample from the population has to be drawn to avoid setbacks such as time available to analyse these complaints.

Bryman and Bell (2015) defined a sample as the portion of a population from which data is collected. Sampling follows a process and it begins with defining the target population, identifying a sampling frame, selecting a sampling procedure to determine the sample size and sample elements for data collection purposes. This sample is a sub set of the target population and it will facilitate the ability for inferences to be drawn regarding online customer complaints and service recovery.

A non-probability sampling technique known as purposive sampling was employed for the study. Purposive sampling is also known as judgmental, selective, or subjective sampling and was deemed appropriate for this study, because every 5th complaint and response per bank was analysed along with the corresponding responses and respective message threads (Hoeber, Hoeber, Snelgrove & Wood, 2017). Data of approximately 500 comments (customer complaints and respective bank responses) each was extracted from all five banks Facebook pages, tallying up to approximately 2500 comments. Previous studies conducted of a similar nature, one in particular, consisted of 400 comments for one bank (Dalziel, 2014). Therefore, the data collected for this study will be an adequate representation of the population.

The data collection took place over three consecutive months for each bank, and that will allow the study to have a dispersed data set and a more generalised one. Data from Capitec bank's Facebook page was collected during the months July to September 2019, FNB data was collected from September to November 2018, Standard bank data was collected from October to December 2019, Absa data was collected from January to March 2019 and lastly, Nedbank data was collected from April to June 2019. The following section 4.8 will discuss in detail, how ethnography and netnography were used as data collection procedures in this study.

4.8 Data Collection Procedures

This research will be based on data collected from five South African banks' Facebook pages for a duration of three months using the Nvivo 11 software application. Nvivo is a qualitative research software which allows for the extraction and analysis of data from social media posts (Leech & Onwuegbuzie, 2011). Zamawe (2015) further substantiates that Nvivo also comprises an Ncapture package which is an extension of Nvivo and is utilised for extraction of data from social media posts. The primary data will thus be extracted from the banks'

respective Facebook pages using the Nvivo software. The choice to use the Nvivo software is premised on the fact that it is comparatively easy to administer and comparatively efficient.

4.8.1 Ethnography

“Ethnographic information is a kind of information which as a whole, describes a culture or way of life of the population under study” (Kumar, 2014, p. 5713). This information includes, but is not limited to data about behaviour, belief, knowledge, worldview, attitudes and values of the population. The importance of ethnography is its significance in allowing provision for a background against which certain aspects of the people’s behaviours can be meaningfully explained. This method of collecting rounded information in qualitative research is often referred to as ethnographic research.

As a strategy for data collection, ethnography involves analysing the conduct of the members in a specific or particular social circumstance and furthermore understanding their confrontation of such behaviour (Eriksson & Kovalainen, 2015). Ethnography explains that this conduct might be moulded by the imperatives the members feel on account of the circumstances they are in or by the general public in which they have a place. For the purposes of this study, netnography will be the data collection method used and will be discussed in section 4.8.1.1 below.

4.8.1.1 Netnography

Netnography is a specific type of qualitative social media research that adapts ethnographic methods and other qualitative research methods to cultural experiences that are reflected within and involve social media networks and systems (Kozinets, 2010). Essentially, it is an interpretive research strategy that adapts the customary, in-person participant observation techniques of human sciences to the study of interactions and encounters or experiences expressed through digital communications (Kozinets, 2019). Netnography emphasises online interactions and socialities, it pragmatises studying social media using a cultural lens and uses these online discussions as information or data.

There are numerous benefits of netnography, including and not limited to; being described as rich and naturalistic, and has the capability of accurately representing customers’ lived realities (Rokka, 2010; Sandlin, 2007). Kozinets (2019) further

states that a great benefit about netnography is that it is faster, simpler and inexpensive compared to traditional ethnography. According to Kozinets (2010), there are six notable and recommendable steps for methodological stages and procedures for netnographic studies: research planning, entrée, data collection, interpretation, ensuring ethical standards, and research representation.

Entrée is the formulation of research questions and identifying an appropriate online community for a study. Data can be collected through direct copy from the computer-mediated communications of online community members and observations of the community and its members, interactions and meanings. Data analysis and interpretation can be in the form of classification, coding analysis and contextualisation of communicative acts. All steps must be taken in accordance with research ethics.

Considering the context of this current study, the netnographic data collection method is applicable. Data from the five South African banks will be directly collected from an online social network. Customer complaints and service recovery responses from the five South African bank's will be extracted from their respective Facebook pages and used as data to contrast customer complaints and service recovery behaviour trends across the five major SA banks' Facebook pages. In order to facilitate the collection of data, the qualitative software application NVivo 11 was used for this study, which is explained in more detail below.

4.8.1.2.1 Nvivo11 Qualitative Software

The growth in the use of social media, has resulted in a parallel growth in research on the topic (Kim & Kuljis, 2010). This has stimulated advances in computational software and data mining methods, to analyse online data and more specifically the content that is available on social media platforms (Bruns & Burgess, 2012). NVivo is a software application that has replaced a large amount of the manual labour involved in content analysis (Stepchenkova, Kirilenko & Morrison 2009; Yu, Jannasch-Pennell & DiGangi, 2011). It has been designed for qualitative researchers working with rich text-based and or multimedia information. This software will be employed to extract the wall-posts from the various South African banks' Facebook pages.

NCapture is a free web browser extension of NVivo, that enables the gathering of content from the web to import into NVivo. NCapture is used to collect data including social media content from platforms such as; Facebook, Twitter and YouTube. The choices made regarding the manner in which data will be collected for this study were based on ease of administration and efficiency.

4.9 Data Analysis

Data analysis is the process of systematically applying statistical or logical techniques to describe and explain, summarize and review, and evaluate data (Flick, 2014). According to Marshall and Rossman (2014) data analysis is a messy, ambiguous, and time-consuming, but a creative and fascinating process through which a mass of collected data is being brought to order, structure and meaning. Essentially, data analysis is how researchers scale down a large mass of data to meaningful insights. Thoroughness, awareness and comprehension of the various data categorisations was an integral part of the study. These categorisations consisted of complaints and responses from the respective South African banks. Each bank had their complaints categorised into three categories and the responses categorised into four.

4.9.1 Categorisation of customer complaints and service recovery responses

The second element of analysis and interpretation is focused on categorisation. This involves categorising both the customer complaints and each of the bank's responses into the suggested various categories explained in previous chapters. 250 complaints and respective responses from each bank were collected as data and utilised for the study as discussed in chapter four. To create order out of the different patterns and commonalities of the service failures and recovery, a process of categorisation was carefully administered.

Service Failures (customer complaints)	Service Recovery (bank responses)
Process: Introduction to bank, e.g. trying to open accounts	Resolution Procedures: Procedural justice, e.g. bank informing customer to go to nearest bank branch to register banking application

<p>Outcome: Result of purchase, e.g. Problem with the account</p>	<p>Interactional Comment & behaviour: The informational justice dimension, relates to the extent to which employees give clear and apt responses to customers</p> <p>Interpersonal justice, e.g. degree to which the customers feel they are treated fairly by the employees of service companies during the recovery process</p>
<p>Random Complaints: Complaints that are not necessarily issues and might just be clients fault, e.g. Not registering bank application at bank</p>	<p>Outcomes: Distributive justice, e.g. bank executing courtesy and fairness when appeasing customers after service failure</p>

Table 4.1: Service failures and service recovery categories (Adapted by author)

As Table 4.1 depicts the various categories utilised to order the customer complaints and service responses in this study. The service failures can be said to be presented as customer complaints and the service recovery as the bank responses. The service failures being the customer complaints will be divided into three categories namely; process failures, outcome failures and random complaints. On the other hand, service recovery will be categorised into the following four categories; resolution procedures, informational and interpersonal communication and behaviour as well as outcome recovery. Examples are given to attempt to provide clarity of service failure and service recovery in relation to the study. The service failure and recovery categorisation is expressed in detail in sections 2.7 and 2.8 in chapter two in accordance to Greenberg's perceived justice theories that is discussed in section 2.3.

Thereafter, content analysis was utilised to further evaluate the data. This kind of categorisation allowed for the complaints and responses to be information that is structured and ordered.

The analytical process “does not proceed tidily or in a linear fashion but it is more of a spiral process; it entails reducing the volume of the information, sorting out significant from irrelevant facts, identifying patterns and trends, and constructing a framework for communicating the essence of what was revealed by the data” (de Vos, Strydom, Fouche & Delport, 2005, p. 333). Interpretation of data is what ultimately transpires after data is analysed as was the case in this research, categorisation was extremely difficult and time consuming.

There are a number of analytic methods that seek to describe patterns across qualitative data. The focus in the next section will expand on the content analysis for this study.

4.9.1.1 Content analysis

Content analysis aims to make sense of what is mediated between people including textual matter, symbols, messages, information, mass-media content and technology supported social interactions (Krippendorff, 2004; Hsieh & Shannon, 2005). Furthermore, content analysis needs to have data that is durable, analysable, and comparable and can be further replicated to give viable results (Krippendorff, 2018).

The qualitative content analysis places emphasis on the themes and topics of the categories and the distribution, meaning and relations of them within the data under investigation. Research using qualitative content analysis focuses on the characteristics of language as communication with attention to the content or contextual meaning of the text (Vaismoradi, Jones, Turunen & Snelgrove, 2016). Methodologies that were previously utilised for studying old media should not be disregarded as they can assist and elevate the comprehension of trans-media. These methodologies can be applied to new media.

Content analysis as a method has been utilised when exploring online communities given its flexibility. The framework can be applied to a variety of disciplines, such as politics, sociology, public opinion and marketing (Byrne, Nei, Barrett, Hughes, Davis, Griffith, Harkrider, Hester, Angie, Robledo, Connelly, O'Hair & Mumford, 2013; Herrera & Requejo, 2012).

Conclusively, considering the abovementioned information, the content analysis will be used for this study. Customer complaints and service recovery responses will be extracted from the Facebook posts to be analysed and placed into various fitting or suitable categories. The posts (customer complaints and service recovery responses) on the big five banks in South Africa and their respective Facebook pages will be analysed. The categorisation categories were informed by a pre-existing theory, the justice theory is the framework utilised as explained in the literature review. The practical nature of this design allows flexibility, which is needed for categorising the dataset for this study (Cozma & Chen, 2013). Allocating categories for the complaints and responses from the bank will be based on the manner in which bank responds to the customers' complaints and the trends resulting from the analysis will be interpreted and concluded upon.

4.10 Ethics in the online context

In South Africa, the Protection of Personal Information Act governs and regulate the collecting, sharing and processing of data. The act's purpose is to promote the protection of personal information processed by public and private bodies from security breaches, theft, and discrimination through the compliance of eight principles set out in the act. This law will protect any natural or juristic person who processes personal information. The act however, does not provide sufficient guidelines to the handling of information on the internet and internet-based research (Viljoen & Cilliers, 2019).

Information on the internet is readily available and accessible to a large audience of people. This can prompt questions and pose challenges from researchers collecting data from the internet regarding acquiring or obtaining consent from internet users. The likelihood of the researcher meeting all users in person and being able to keep the users updated about the research developments is very low to non-existent (Katurura & Cilliers, 2016). Viljoen and Cilliers (2019) further argue that internet based research does not require ethical screening because there is no interaction required between researcher and person who posted the information on the internet because even though it is identifiable, it is not considered as private.

The National Health Research Ethics Council (NHREC) guides the university research ethics committee (UREC) to govern and regulate the necessary research ethics issues. Researchers must clearly define and articulate their study interests and methodology to be considered by UREC, the ethical considerations are usually include confidentiality, anonymity, informed consent and dignity of research participants (Viljoen & Cilliers, 2018). The transferability and application of ethics in the online context can prove to be very difficult (Hox & Boeije 2005). It is therefore important to be aware of existing guidelines and to acknowledge ethics when choosing a sample to be studied and the methodology to use too.

Taking the above-mentioned into consideration, ethical clearance for this particular project was sought from the Faculty of Commerce and Management research ethics committee (FREC) and the University Research Ethics Committee (UREC) and aligns with the Protection of Personal Information Act (POPIA) is designed to protect how individual's personal data is used, stored and processed. The eight principles in the act are; accountability, processing limitation, purpose specification, further processing limitation, information quality, openness, security safeguards and data subject participation. These principles can be transferrable and can be applied to online research, however at great difficulty for researchers (Viljoen & Cilliers, 2018) as previously introduced in section 1.5 in chapter one.

Ethics in internet research is a highly debated topic among researchers and due to ethics not being simultaneously developed with information technology, a clear consensus on this issue has not been reached thus far (Ess, 2020; Kinder-Kurlanda & Weller, 2020). There is also the struggle to reach agreement around standard ethical principles to apply to internet research, particularly in social media (Golder, Ahmed, Norman & Booth, 2017). Generally when conducting research, three major aspects are of great importance in human subject research: the distinction between private and public, informed consent, and anonymity of the participant. In the following sections, these the principles applicable to the study will be discussed as well as the application of ethics to this study.

4.10.1 Distinction between public and private

The comprehension of a public space as it is considered offline is difficult to directly translate into the online context. The distinction between private and public in the

online environment is difficult to judge and the boundaries are unclear (Kantanen & Manninen, 2016).

Data that has permission restrictions are not considered public, however, if these special permissions entail a username and password, in comparison to payments or registrations, then technically, the data qualifies as public. In determining whether data is deemed public or not, also rests with the researcher and they should determine whether there are any privacy expectations. If the data be deemed to not have been intended for public consumption, then it should be treated as private (Sugiura, Wiles & Pope, 2017; Viljoen & Cilliers, 2018).

4.10.2 Anonymity

To protect personal information about the participants and to ensure confidentiality, researchers typically de-identify participants as a standard requirement (Viljoen & Cilliers, 2019). Furthermore, the customers' personal pages were not been accessed, only the banks' Facebook pages were accessed. When it comes to the online environment, a sender's message can be quoted and can then be easily traced down using current internet search technology. The suggestion made by some researchers, is to slightly change the content of quoted messages to ensure a higher degree of anonymity (Saunders, Kitzinger & Kitzinger, 2015).

4.10.3 Application to the study

The social media platform used for this study was Facebook and its privacy policies state that information sharing is the very nature and purpose of social networking sites, otherwise, they would cease to exist (Ess, 2020). Furthermore, the privacy settings of the social media site can be determined by the online setting. Facebook posts should only be assumed to be public, if researchers do not have to 'befriend' participants or groups or ask permission to view them. However, researchers are generally not supposed to be friends with participants on any social media platform (Zimmer, 2010).

Data collected for this study was considered as private, according to the above-mentioned, consent should be required when collecting private data. There were no special permissions or payments needed to access the data and ultimately collect it, therefore consent was not required. However, ethical clearance was sought from UREC at the time of data collection in 2019. Furthermore, discretion was utilised

when collecting data, posts that did not seem to be for public consumption were omitted as in, posts with Identity or passport numbers.

There was a two-step process employed to anonymise the data collected. The first step was the removal of any private or personal information, namely; full names, contact details, identity numbers, bank log in credentials, from complaints and responses (Viljoen & Cilliers, 2019). In addition to omitting customers' names that post comments on Facebook, the complaints were further anonymised by masking them, slightly altering the sentence construction (Saunders, Kitzinger & Kitzinger, 2015). This was done to curb the above-mentioned scenario of technological advancement affording the ability to trace back to people that post by simply quoting their comments.

4.11 SUMMARY AND CONCLUSION

Chapter four focused on the research design and research process utilised for this study. Each section seeks to explain a different concept within the research methodology and its relevance to this particular study. These different sections discussed the research paradigm, research design, the research approach, data collection method, data analysis and lastly important ethical considerations for the study. The research methodology chapter discusses the methods or procedures that were used to conduct a structured research process with the main purpose of formulating an original and significant outcome that will make a meaningful contribution towards the online service recovery field of study. The following chapter will explain the findings of the data. Data collected will be grouped according to customer complaints and service recovery responses for the selected five South African banks to further showcase meeting the primary and secondary objectives of the study.

CHAPTER FIVE- PRESENTATION OF FINDINGS

5.1 INTRODUCTION

Chapter four focused on the research process, which adopts an interpretivist paradigm, an exploratory design and a qualitative approach. The chapter also included a discussion about how the data was collected and analysed, and concluded with an analysis of the important ethical considerations.

The current chapter details the findings and outcomes of all the five South African bank's namely; ABSA bank, Capitec bank, Standard bank, Nedbank and First National bank. The customer complaints and service recovery responses are categorised and presented according to the perceived justice theories.

5.2 Overview of the chapter

As previously discussed in chapter two and further illustrated in chapter four (table 4.1), the study utilised the justice theory as a cornerstone for developing categories for the complaints and responses. The service complaints consist of three categories and the service recovery consists of four.

Service failures consists of process failures, which are considered as the introduction to bank, e.g. trying to open accounts, get a loan etc. Outcome failures refer to the result of purchase, after the account has been opened or loan granted, e.g. problems with the account, bank application etc. Random Complaints are not issues entirely and some might be the clients' fault, e.g. not registering bank application at bank after downloading it the first time or personal connectivity issues i.e. phone signal problem.

The service recovery (bank responses) included the procedural justice category refers to responses where the bank requests the customer to go to nearest bank branch to register banking application or resolve other issues that they were unable to solve online. Interactional comment and behaviour from the banks was divided into two dimensions; the informational and interpersonal justice dimensions. The informational response relates to the extent to which employees give clear and apt responses to customers whereas, the interpersonal response refers to the extent in which employees treat customers fairly during recovery process. Lastly, the

distributive response dealt with courtesy and fairness when appeasing customers following service failures.

The primary objective of this study was to contrast the trends in customer complaints and service recovery behaviour across the five major South African banks' Facebook pages.

The secondary objective is to analyse and categorise complaints from customers using ABSA bank, Capitec bank, First National bank, Nedbank and Standard bank and its respective Facebook pages over a specified period of time.

The chapter will discuss each bank's complaints and responses to achieve the secondary objective of the study and the chapter will conclude with a cross analysis of all the banks to achieve the primary objective of the study.

5.3 Categorisation of ABSA Bank Customer Complaints

ABSA Bank similarly to the other banks utilises its' Facebook page as a platform to advertise and keep their customers abreast to any developments with the bank. The customers acknowledge the posts from the bank and comment on the post, however, they also comment on issues they have or have had regardless of the relativity to the post.

5.3.1 ABSA Bank Customer Complaints

Appendix I comprises of all the customer complaints in their respective categories. The complaints were collected during month's January to March 2019 from ABSA bank's Facebook and categorised and allocated into one of the three categories. There were no complaints in the process category, the random complaints category consisted of the least number of complaints compared to the outcome category. The abovementioned will be discussed in the following section.

5.3.1.1 Process customer complaints

There are no complaints in this category, therefore the assumption that can be made is that opening an account with ABSA bank is not an issue, hence the lack of complaints in this category. This can generally be the case with the bank or it can be

that during the months that data was being collected, there were no customers having issues with opening an account with the bank.

5.3.1.2 Outcome customer complaints

ABSA bank seemed to be experiencing major technical difficulties during these months of the data being collected. These technical issues affected customers in several ways namely; the banking application, ATM's and online banking, this is evident in the complaints made by customers. Majority of the complaints are centred around ABSA bank's technical issues. Response 24 further reinforces the bank's technical issue negatively affecting customers; *"This bank is just a big technical difficulty. The app and internet banking are offline most of the time. Even though a Cashsends fails, the money is not reversed back into your account. When you change one debit order, it messes up all the other debit orders. Secondly, all of a sudden I am unable to EFT to preregistered accounts on both the banking app and internet banking, these beneficiaries have been functional for past 3 years at least. There has not been a single month in the past 2 years that I don't have issues with this bank. They are very efficient though with ensuring bank charges deductions. Useless. A disgrace."*

The banking system being offline often than not was the predominant issue (7, 21, 26, 29, 30, 49, 52, 53, 54, 60, 61, 81, 105, 106, 109, 143, 175, 203). Customers made complaints such as *"There's nothing new about the system being offline"* and *"This offline system happens every month, which further indicates that it has been an ongoing issue as well"*.

Another issue was the banking application being offline. This issue meant customers being unable to not only log into the app, they also could not process transactions on the app (5, 16, 20, 43, 53, 58, 92, 104, 124, 151, 156, 188, 206, 212).

Unauthorised debit orders were a concern for a great number of customers. There are recurring random and unknown debit orders clearing from customer's accounts and the problem is the onus and admin being on the customer to resolve the issue themselves, which involves physically going to the bank often (24, 65, 85, 92, 95, 142, 148, 153, 160, 190, 191, 195, 211, 223).

ABSA bank's ATM's being offline, not being maintained and their functionality was also a dominant issue that customer's expressed (23, 39, 73, 118, 119, 132, 139,

176, 192). Complaint 217 reads; *“I am not happy with this bank. The ATM’s have been out of service since the morning until now. When will we get help?”*

The remainder of complaints expressed by customers were unauthorised debit orders (24, 65, 85, 92, 95, 142, 148, 153, 160, 190, 191, 195, 211, 223), bank charges (8, 24, 31, 35, 65, 68, 156), long queues at the branches and lastly, issues of cards being blocked and not being activated by the bank (33, 39, 40, 41, 42, 74, 87, 167, 193, 216).

5.3.1.3 Random customer complaints

There are twenty-four complaints in this category. Random complaints are considered as such when they lack context and at times could be that the customer is at fault for the issue. The last complaint; *“This bank steals your money and then goes on to block your account for no reason!”* is an example of a complaint that lacks context, there is not enough information to conclude on what exactly the customer was trying to express. Complaint four; *“Please advise on how I can redeem my rewards. I have tried several times and I always get asked for a pin.”* Could be that the customer has not put in effort to familiarise themselves with redeeming rewards and therefore does not know how to do it. Another example of random complaints is the seventh complaint where a customer expressed an unfounded and probably false statement.

5.4 Categorisation of ABSA Bank Responses

ABSA Bank replied to 176 of the 250 customer complaints, this indicates that generally, the bank replies to their customers. All four justice categories had responses, the procedural had the least number of complaints and the informational category had the most. Appendix J details all the responses as taken from the ABSA bank Facebook page.

5.4.1 ABSA Bank Responses

Sections 5.4.1.1 through to sections 5.4.1.4 discuss the banks responses and their various categorisations as per the Justice Theory. Informational responses was the predominant category, indicating that ABSA engages with their customers, however, it generally is not done with empathy (distributive) or in detail (interpersonal). There is usage of colloquial language in some responses, some of the responses are

poorly constructed, however, this is not the norm and most of the responses have good sentence construction and good language.

5.4.1.1 Procedural Justice

This category consists of responses where ABSA bank requests customers to go to either visit the nearest bank, contact their various teams for enquiries and assistance or email their team. Response 10 is an example of a response of the bank requesting a customer to physically go to the bank; *“Oh no! We're sorry to hear about this. It will be best to visit your nearest branch in order for our team to investigate this matter and to check your card.”* An example of the bank requesting customers to utilise other avenues for assistance besides visiting the bank are seen in several responses (1, 2, 3, 4, 5, 6, 9).

5.4.1.2 Distributive Justice

ABSA tends to show sensitivity and empathy to customers whilst attempting to remedy their grievances. An example of such a response; *“Sincerest apologies for the inconvenience caused and we're pleased to know that you were assisted at the branch. Our team will do their utmost best to have your complaint resolved as swiftly as possible.”* This response shows the courtesy is afforded to customers even after their issue has been resolved. Respect and acknowledgement is afforded to their individual issue regardless of whether the complaint is from an active client, an example of such a response reads; *“Hello, thanks for reaching out to us. We're sad to hear that you have left us and that you're still receiving calls from our team regarding your account. Please share more details regarding this matter via Private Message and provide us with your ID number, email address and contact number so that we can take the matter up with our team to look into.”* The remainder of the responses further reinforce how ABSA is empathetic and courteous to their customers during redressing issues as well as afterwards service recovery.

5.4.1.3 Informational Justice

This category contains a majority of responses that are repetitive and do not necessarily assist the customer to a greater extent. Occasionally, colloquial language and poor sentence construction is used, as with responses 8,10 and 41. Additionally, ABSA has a large number of responses that ask the customer for further enquiry, however, this does not usually end up with the customer getting the

assistance they required, this seems to be as a delay tactic (6, 7, 13, 14, 16, 17, 25). An example of the above-mentioned is a thread including responses two to four, which does not result with the bank concluding on the issue, rather the bank continuously poses questions to the customer. ABSA also asks customers for feedback, as seen with response 15; *“Please let us know if our Helpline managed to assist you.”* Several of those instances include the bank not attempting to assist the customer (7, 18, 25, 27, 30, 42, 46, 47, 52, 53, 57, 60, 66, 67, 70). An example of a precise and summarised response that ABSA gave, that would work better than posing questions without actual assistance to the customer is response 37; *“Hi, thank you for making contact with us. Please confirm what account you have with us? Have you considered opening another account with some of these benefits included in the package?”*

5.4.1.4 Interpersonal Justice

This category comprises of responses that were precise, detailed and relevant to the customer. The responses in this category gave customer the adequate information and adequate responses and were well-rounded (26, 33, 34, 53, 70). Response twenty-three is a perfect example of an interpersonal response, ABSA acknowledged the issue, apologised and gave a detailed informative response which options of how the customer can be assisted. The abovementioned response reads; *“Good day, we’re terribly sorry to hear about your challenges. Please provide us with a description of the error message received, when trying to access the App. With regards to your Cellphone Banking PIN, please call 0860 111 123 to troubleshoot this matter. We have added debit order reversals to our call centre functions. You can now call our team on 08600 08600 to reverse and stop an unauthorised debit order. Alternatively, you can do this via Online Banking or the Branch. If you dispute a debit order within 40 days of the debit order being debited from your account, the amount will be credited to your account immediately.”* ABSA also gave responses assuring the customer that their issue had been addressed and gave detailed feedback, an example is response 44; *“Hi, we apologise for the long wait for service at our Field Street branch earlier. We’ve had a chat with the Branch Manager to address that, and we hope your experience will be a lot more pleasant the next time you visit our branch.”*

5.5 Categorisation of Capitec Bank Customer Complaints

Capitec bank generally uses their Facebook page for advertising and to seek their customers' opinions by posing questions or polls. Upon observation, it shows that customers do not generally make comments about the bank unless the bank poses a question or advertises competitions or new emerging services from the bank itself. As previously stated, the data spanned three months and the bank's Facebook page was accessed specifically from the month of July to September 2019 and a total of 250 complaints along with their respective responses were collected, carefully read through and used as a basis for the sample study.

5.5.1 Capitec Bank Customer Complaints

Capitec customers tend to complain about their own issues on the Facebook page, regardless of the advertisements or polls that are being posted by the bank. This made it slightly more difficult to separate out complaints from comments. Some comments were not as explicit as others, which could easily be mistaken for random complaints when in actual fact, they were not. The categorisation of the 250 complaints comprised of the following concerns; there were 5 process complaints, 33 random complaints were and the rest of the complaints were in the outcome category. The process category therefore has the least number of complaints, suggesting that customers are not having issues with opening accounts, in comparison to the issues experienced after the accounts have been opened. The outcome category has the greatest number of complaints, these complaints range from bank charges to banking applications not working efficiently. The following three sections provide further detail with regard to each complaint category.

5.5.1.1 Process customer complaints

Here were five complaints in this category, where potential customers complained about being unable to open accounts at the bank. All of the complaints in this category centred around not being given the correct assistance or information by bank staff. This scenario is clearly depicted in the first complaint where a potential customer had to go to a different branch to get assistance with opening an account; *"I went to one of your branches to open an account and was told that you don't accept the green barcoded ID, then I went to another branch and it was accepted. This is unacceptable".*

5.5.1.2 Outcome customer complaints

Most of the complaints on the Capitec Facebook page were categorised as outcome service complaints. The specific complaints that were highlighted by customers are shown in detail in Appendix A, and generally relate to the banking application not optimally functioning, unauthorised debit orders and fees associated with reversals of these debit orders, as outlined below; Customers complained about unauthorised debit orders and the fees associated with reversing these debit orders (as depicted by complaints 4, 13, 35, 36, 48, 50, 52, 53, 54, 55, 56, 57, 58, 59, 67, 70, 81, 106, 111, 112 and 119). A good example of this is complaints 4 which states *“I disputed debit orders the previous month and they went off again this month, please assist”*.

Airtime queries are depicted in complaints 3, 15, 16, 17, 18, 19, 26, 27, 40, 41, 44, 45, 95. Including a thread from complaint 29 to 34. An assumption can be made from the airtime complaints being similar in nature and consecutive, that during this period there was a problem with the airtime feature on the banking application, or their airtime balances not increasing after having bought airtime. An example being; *“I am unimpressed by the fact that I had to leave the house to get airtime, when money has already been deducted from my account but now it says network is temporarily unavailable”*.

The banking application functionality in itself and its insecurity has been complained about on various occasions. The complaints range from general queries about having to go the bank to register the banking application when changing handsets to other features, such as the app being offline. These complaints are depicted by complaints 1, 2, 21, 22, 23, 25, 69, 114. For example; *“Why is there a need for me to go physically go to the bank when I need to use my banking app on a different phone. Isn't registration and using the same cellphone number enough?”*

Customer service from staff members (see complaints 49, 83, 86, 87, 88, 90, 100, 114 and 118). A good example being complaint 49; *“I have been a customer for over a decade without experiencing any problems, until recently I received horrible service for the second time from the same employee at the same branch”*.

Other complaints comprise of complaints about banking fees (see complaint 38 and 42) as well as complaints about their accounts being hacked (72, 74, 75 and 80) and other complaints that don't fall into the major categories specified above. An example being, *"I went to the bank and now they say it's a dispute, I don't understand what it means cos I can't afford to go up and down to the bank"*

A suggestion can be made that there is somewhat of a disconnection in most instances between the banks intention when advertising or communicating and the customers' reaction to that communicate. This translates to the interpretive paradigm that ascertains that social reality is highly subjective because it is influenced by client perceptions (Collis & Hussey, 2013). To reiterate this assumption, some customers raise and discuss issues that were brought up by other customers in the comments and that then makes other customers become aware of these issues and they subconsciously lose trust in the business. Customers took it upon themselves to discuss and attempt to rationalise an issue they were experiencing regarding purchasing airtime on the banking app, this is depicted by a thread of complaints from complaint 28 to 32. As shown below;

1. *Why are you not replying to our concerns regarding this airtime issue?*
 2. *I'm not getting a response, can anyone else please assist me. I am getting a failed purchase message. I am just concerned that I will attempt to purchase again and end up with excess.*
 3. *It usually automatically processes but now I have tried multiple times and have even withdrawn money. Scared*
 4. *No, I attempted purchasing multiple times as well and I just tried again and it was successful and my balance was the accurate amount. They didn't deduct for the failed attempts to buy airtime.*
 5. *Okay thanks, got anxious because we all know about internet thieves with stealing insignificant amounts of money.*
- However, depending on the bank's ability to efficiently and effectively give a response that will appease the issue raised, it allows the bank to restore the customer's faith in the bank again.*

5.5.1.3 Random customer complaints

There is a total of thirty three random complaints in the sample. Customers usually bring up other issues not related to the topic at hand or it could be that the complaint does not have context or the issue could somehow be the customer's fault. Despite this, these complaints are included, as they may provide valuable information about how the bank's customers are using the Facebook page and the role it might play. An example of an issue being a customer's fault is depicted in complaint 20, where a customer is complaining about the bank being unable to open an account, but then admitting that their ID is lost. Out of context complaints are seen with complaints numbers 4, 6 and 24. Out of the 250 complaints analysed, the majority were attributed to the specified categories. Due to the large number of complaints, only a number of complaints were referenced in the bullet points to give a general idea and sense as to how complaints were categorised and which complaints were collected in each category.

5.6 Categorisation of Capitec Bank Responses

Out of a total of 250 customer complaints, Capitec bank responded to 173 of the complaints. The only responses taken into consideration were those that were applicable to the main focus of the study, meaning that these responses correspond with the complaints in the study. These responses are distributed across all three categories of service recovery responses. The bank tends to give more interpersonal responses- the responses given are adequate for the complaints or questions asked by customers.

5.6.1 Capitec Bank Responses

The ability to only regard responses that were given to customer complaints made the task of identifying responses lengthier but nonetheless, it afforded the ability to clearly see if responses were given to complaints or not. There was a significant amount of difficulty experienced with clearly distinguishing which responses were either informational or interpersonal, because it was greatly influenced by the nature of the complaint. The bank could give similar responses for various complaints and technically, that should be classified as informational, however; a repetitive response could also be interpersonal due to the nature of the complaint and the relevance and adequacy of the response given. Sections 5.6.1.1 through to sections 5.6.1.4 discuss

the banks responses and their various categorisations as per the Justice Theory. Appendix B details all the responses as taken from Capitec bank Facebook page.

5.6.1.1 Procedural Justice Responses

This is the first category of service responses. Kunard and Moe (2015) state that procedural justice concerns the policies and rules that any customer will have to go through in order to seek service recovery. Capitec bank gives customers a procedure to follow in attempt to appease them and to rectify the service failure. This category has the least number of responses. An example of this justice being utilised by Capitec bank can be seen in the following response given, *“Are you using mobile banking? If so the number must be four digits. You can reset the pin at your closest branch”*. This response shows that the customer should go to the nearest bank to get the assistance that they need which will solve their problem.

5.6.1.2 Distributive Justice Responses

Sixteen of the responses given were of a distributive justice nature, making this category with the second least number of responses. Lamont (2017) states that, the customer is awarded their physical desired outcome to assist in the restoration of customer experience and satisfaction. This category displayed how the bank showed courtesy towards their customers when responding to ensure that customers are clear from the given response. An example from this category reads; *“We apologise for the inconvenience caused. We’re experienced intermittent issues. Our system issues has since been restored :-) External transfers can take up to 2 working days to reflect if not an immediate transfer”*. Capitec bank implementing distributive justice is displayed in this by firstly acknowledging that they are aware of their technical issue and proceeds to state to the customer that it has since been resolved. The response also assures and affirms customer of the banks sense of urgency to satisfy their customer.

5.6.1.3 Informational Justice Responses

Informational justice category comprised of the majority of the responses given by Capitec bank. There are fifty-one responses in this category and according to the definition of informational justice, were expected to be redundant, somewhat automated and mechanical, however, this was not the case with Capitec bank. The responses were instead different and non-repetitive, which resulted in a blending of

informational and interpersonal justice concepts. The response given by the bank indicates what the category will be. Since Capitec gave different responses, the distinguishing factor between the two above-mentioned categories, narrowed down to the quality of the response given in relation to the complaint and if there was an indication of going the “extra” mile to ensure that the complaint is given the attention it deserves. An example is responses 23 and 40 in both categories which read; *“Please inbox your reference number in order for us to look into this”* as well as, *“Please send us your reference number in order for us to look into this”* respectively. These responses are instructing the customer to do the same thing, however, response 23 was not adequate enough as a response to the customer complaint as compared to response 40.

5.6.1.4 Interpersonal Justice Responses

The interpersonal justice category has the greatest number of responses meaning that Capitec generally gives good quality responses to their customer’s complaints. The quality of the response to a complaint determines whether a response can be categorised as interpersonal. An example of a quality response would be that of the bank giving a detailed response that indicates adequacy and relevance to the customer’s complaint. An example is response five, which reads as follows; *“Hi, please inbox your account number and the debit order details for us to look into them. The amount was increased to R 400 that can be disputed on the app”*. The merge between the informational justice and the interpersonal justice, is further reinforced in this section from previous section 5.6.1.3. When the bank for example, continuously gives the same response, even if it is a detailed one, to other customers with similar complaints, the categorisation can be an informational response rather than an interpersonal response. Examples are seen with responses 11 and 15 in informational justice category as well as responses 13 and 15 in the interpersonal justice category. The response reads; *“The transaction should auto correct within 48 hours. If not, please contact Client Care to dispute it. We apologise for any inconvenience caused”*.

5.7 Categorisation of FNB Customer Complaints

The second bank being considered in the South African banking industry is First National Bank (FNB). 250 complaints were collected and analysed for categorisation

too and the findings will be discussed in this section. Similar to Capitec bank, the customers generally comment or complain when there is a post by the bank. The bank posts on their Facebook page and customers make various comments underneath the bank's posts. The data collected spanned three months and the bank's Facebook page was accessed specifically from the month of September to November 2018.

5.7.1 First National Bank Customer Complaints

The 250 complaints comprise of the following concerns; 12 complaints fell under process service complaints, 39 complaints were random, the rest were outcome service complaints. As with Capitec Bank, the process complaint category had the least number. This suggests that customers are not experiencing major issues before opening a bank account as compared to the issues with the accounts that already exist. The outcome category has the most number of complaints, which are highlighted in the following sections.

5.7.1.1 Process customer complaints

Process service complaints are the least for FNB. The twelve complaints include issues that range from opening accounts, applying for loans and being referred to the bank for assistance. Customers complain about applying for loans and not being accepted for the said loans, there is a thread concerning this issue in the complaints (from complaint 2 to complaint 5) where customers share the same sentiments regarding this issue. As shown below, the customers discuss amongst themselves the difficulty of getting loans approved from FNB;

- 1. I was their customer for more than 20 years and when I applied for a home loan was, I was rejected. But funny enough, I managed to get a home loan from another bank. I immediately closed my account and switched banks.*
- 2. I can attest to that, I changed because I was rejected by this bank, only to go to another bank and get approval*
- 3. I was refused a home loan but there was willingness to give a personal loan of the same amount of the property I wanted to purchase. I still cannot make any sense of it, not to mention how vehicle finance of the same value is easily approved.*

4. *Honestly, we are only with your bank for your app. You reject us for home loans but your competitors approve us. Then again, you inform us that we qualify for your platinum cheque accounts.*

The next issue is concerning opening bank accounts, customers generally complain about being unable to open accounts due to not being given sufficient information and support to assist them in successfully opening bank accounts (9, 10, 11 and 12). Complaints 6 and 7 address issues of customers being previously referred to get help from the branch and yet still they have not been assisted after physically going to the bank to seek assistance.

5.7.1.2 Outcome customer complaints

As stated in the previous section, the outcome service category has the greatest number of complaints. The issues experienced by customers will be shown in Appendix C and discussed in more detail below;

There are 39 complaints regarding unauthorised debit orders, which suggests that this was an on-going concern for customers. These issues are expressed in these examples of the customer's complaints (4, 13, 20, 21, 23, 24, 31, 40, 64, 75, 79, 80, 81, 89, 90, 91, 95, 106, 107, 110, 117, 129, 132, 136, 140, 145, 147, 151, 152 and 153). A good example of this is; *"I left this bank due to hidden fees, I was getting charged debit order that I didn't authorise. Seems like I get charged for even passing the banks"*.

The next biggest issue within this category is customer service, there are on average 27 complaints that are concerned with this issue. Customers are complaining about staff members not giving them the service they are expecting whether it be at one of the bank's branches (22, 51, 103, 111, 129, 162, 167), getting responses online (56, 61, 69, 88, 157, 164) or over a telephonic conversation (67, 105, 142, 144). An example encompassing all the above-mentioned issues is complaint 61 which reads; *"Please respond to my service requests. You should be embarrassed, I have made contact via emails, phone calls, in app support messages and Facebook messages and all have been ignored... I have been waiting for a response for over a month for my business account to be set up. All the necessary documentation was sent and*

accepted. I was told that I had to transfer money into the account to activate it and now my calls go answered”.

The other complaints comprise of issues such as airtime queries, ATM issues, bank charges, loan interest rates and fraud. Majority of these issues more or less have similar number of complaints, this ranges from a single complaint (banking application and airtime queries) and 10 (interest rates on loans). The most prevalent from the above-mentioned are bank charges (1, 2, 75, 77, 87, 128, 150, 170), loan interest rates (5, 6, 15, 30, 33, 77, 95, 151) and ATM issues that are mainly concerned with malfunctioning, cloning and swallowing of cards by the ATMs (8, 44, 101, 102, 109, 132, 165) have slightly more than the rest of the issues.

5.7.1.3 Random customer complaints

There are thirty-nine complaints in this category. The complaints in this category are still deemed valid and contribute to the study, regardless of whether the complaint is partially or entirely the customer’s fault. Most complaints from this category at FNB lacked context and therefore have to be considered as random by default. In many cases, there is evidence that the customer is trying to address an issue but has failed to include the context, facts or evidence and at times the ability to articulate their problem. An example of complaints that lack facts or evidence are the first to the third complaint which highlights on an issue that was regarded and addressed by the bank as hearsay and false. Complaint one reads; *“White people are getting racially profiled now too and when we have bad credit they don't want to give us money and then they want us to pay back any money we previously borrowed”.*

The rest of the complaints are an attempt to express issues that are the same or similar to those included in the outcome service complaints category, but lack articulation and context. Appendix C shows the categorisation of the complaints discussed in this section.

5.8 Categorisation of First National Bank Responses

First National bank responded to a total of 186 of the 250 complaints. The considered responses are those that correspond with the complaints in the study. Appendix D includes all the responses in table format for reference. These responses are distributed across all three categories of service recovery responses.

The bank tends to give more interpersonal justice responses, which loosely translates into the responses to the complaints are deemed as adequate.

5.8.1 First National Bank Responses

This section will discuss all the response categories in detail. There are four categories in total, namely; procedural, distributive, informational and interpersonal. FNB has the most responses in the informational category, which suggests that the bank usually gives repetitive or responses that do not entirely assist their customers. The interpersonal category has the second most number of responses, which is then followed by the distributive category and the category with the least responses is the procedural category.

5.8.1.1 Procedural Justice Responses

This category has only two responses, this suggests that FNB does not frequently refer their customers to go to the bank for further assistance following a complaint, another suggestion could be that most of the complaints that were collected for the study did not require a customer to go to the bank. Response one reads; *“Oh no :(Please visit your nearest branch to request a refund for this withdrawal”*. Both responses in this category are instructing the customer to get assistance by physically going to the bank.

5.8.1.2 Distributive Justice Responses

Thirty-nine responses that were given to customers by FNB were of a distributive justice nature. This category showcases the bank's kindness towards their customers when responding to their complaints. There are various responses that show FNB being kind to customer's when responding, an example being response 10; *“Please accept my sincere apologies for the frustration. Which insurance did you take up with us, is it funeral insurance? Please let me know so that I can help in the best possible way”*, other examples are responses 4, 24, 38. FNB also acknowledges and thanks their customers for their understanding, which can be seen with response 21; *“I'm glad we managed to chat more about your matter via inbox. Thank you for your patience and understanding :)”*. Response 7, 28, 39, 35 further reinforces how FNB extends kindness for their customer's understanding. Responses 31 and 33 showcases how FNB personalises and reassures their customers with adequate service recovery. An example of this kind of response is;

"I'm terribly sorry this issue hasn't been resolved yet :(I have escalated your concerns, and will do my best to have you assisted as soon as possible".

5.8.1.3 Informational Justice Responses

First National Bank gave seventy-one responses that were categorised as informational, which makes this category with the most responses. Upon observation, it can be seen that FNB addressed a substantial amount of complaints regarding unauthorised debit orders. The responses given to address this issue even though detailed were sometimes inadequate to what the customer was complaining about (the merge between informational and interpersonal justice category). Responses 40, 41, 58 and 59 serve as evidence to reiterate this point. At times, FNB asks the customer if they have been assisted even though the customer is complaining, this is seen with responses 61 and 62, of which one of reads; *"my apologies for the long wait... Were you assisted?"* Furthermore, FNB at times uses colloquial language when addressing their customers- phrases such as; *"please ring us"* and *"we're cracking down"* (28, 54, 46).

5.8.1.4 Interpersonal Justice Responses

This category has the second highest number of responses meaning that FNB generally gives responses that are adequate for the customer complaint at hand. Responses 22, 23, 24, 33, 34, 41 and 71 are very detailed and give the customer an adequate and quality response to their complaints. These detailed responses go as far as giving step by step instructions to assist their customers', such as response seven. Additionally, there are responses that are very detailed and even offer an alternative resolution to the customer, examples are responses 1, 4, 9 and 10. An example to Response 4 which reads; *"Really sorry about the hassles :(Please clear your cache then try logging in again. If that doesn't work, please get in touch with our online team so our techs can find out what's wrong"*. First National Bank also responds to customers by reassuring them that their complaints sent to their inbox have been acknowledged (11, 12, 16 and 45). An example of this is response 45; *"I have received your details, thank you. The team has been notified and will be in touch with you directly to assist. I confirm that the team has been in touch and currently attending to this with the couriers"*.

5.9 Categorisation of Nedbank Customer Complaints

Similarly, to the previously mentioned banks, Nedbank utilises its Facebook page to advertise their new developments to their existing system and advertise themselves to the public and customers then proceed to use the comment section of the bank to voice out their concerns or issues regardless of whether or not it is pertaining to what the bank is communicating to them. The collected data from Nedbank's Facebook page spanned from April to June 2019 which tallied up to 250 complaints.

5.9.1 Nedbank Customer Complaints

This section will consist of an in-depth discussion of Nedbank's customer complaints across the four justice categories. The discussions will include examples within the category that can be referred to in Appendix E.

The 250 complaints comprised of the following concerns; process customer complaints had the least number of complaints, the largest number of complaints were in the outcome category and the random complaints tallied up to 55 complaints.

5.9.1.1 Process customer complaints

There are only four complaints and all these complaints are centred on the customer's experience when attempting to open an account as well as the treatment received. The first and second complaint shows how even though a person could already be an existing client of the bank, there is still a possibility of being unable to open other accounts with the bank. Complaint one reads; *"I've been a client for 10 years now but I recently got poor service at one of your branches. I want to open a business account and for some reason, I cannot be assisted. I will ensure that I move all my accounts to another bank"*. The last complaint shows a person attempting to open an account and being unable to due to the treatment received from a staff member, it reads; *"I went to your branch because I wanted to open an account and the lady said she can't open one for me if I won't be able to deposit R500 or more every month. I'm so disappointed"*.

5.9.1.2 Outcome customer complaints

The data was collected during a period where Nedbank were reducing the number of ATM's and branches in the country to promote a more technologically advanced bank and embrace digital banking. Customers complained about having to travel a distance to use ATM facilities when needed. Complaint 2 reads; *"What are we*

supposed to do when all your ATM's in a single town are "temporarily out of service? This is an ongoing issue that is starting to annoy me. I'm incurring additional charges because of your inconvenience, not only that, I drove 45 mins to various ATM's to get money. Might as well remove all the ATM's in this area because they are of no use. How can only one ATM be operating during month end? I mean seriously?!"

Complaints that concerned ATM vary from availability of ATM in certain areas following the reduction of branches (6, 39 and 73) to ATM frauds and maintenance. Complaints concerned with fraud (76, 93 and 122) and those concerned with ATM frauds (103) in which a customer expresses how money was deposited into an account using the ATM and the slip supposedly reads that the deposit is rejected, however, no money came out the ATM.

Complaint 14 reads; *"Can somebody please attend to my email regarding a refund that was lodged a while ago. My money hasn't been paid yet to date. I've sent several emails, to no success. I've called your call centre and always put on hold until they disconnect my call. What kind of customer service is that?"* which addresses another issue regarding customer service. This particular highlights the inability to have their complaint resolved through numerous attempts on various avenues (telephonically and electronically). Other complaints regarding customer service are complaints 8, 11, 21, 26, 27, 41, 42, 52, 53, 63, 78, 83, 84, 88, 111, 126 and 131.

Other issues within this category include bank charges (30, 72 and 140), banking app (43, 44, 88 and 89) and lastly, there were several complaints regarding loans, which are expressed in complaints 110, 117, 140 and 147.

5.9.1.3 Random customer complaints

Random complaints are the second most complaints out of the three categories. This category consists of complaints that are considered as random due to lack of context as well as the complaints that can be attributed to being the customer's fault. Despite the former concern with random complaints, it can be seen that the sentiments shared in the outcome justice category are echoed in this category. The first example being a concern about the banking application amongst others; *"You are lucky to have a week without errors at this. It is filled with bugs and I would highly*

recommend it to people who would like their money locked in". An example of a complaint lacking context is complaint 11 which reads; *"I'm not trying to be rude but now this has gone beyond control. Please check your system or maybe there is someone who is doing fraud inside"* is an example of a complaint that lacks context.

5.10 Categorisation of Nedbank Responses

Nedbank responded to a total of 196 out of the 250 complaints. This means that Nedbank frequently engages with their customers on their Facebook page. This section will focus on discussing the responses from Nedbank within each of the four justice categories, all the responses can be referred to in Appendix F. Procedural justice has the least number of responses and the Informational justice category has the most responses, all this information will be detailed below;

5.10.1 Nedbank Responses

The informational justice category is concerned with the bank responding to similar customer complaints by utilising the same response. This means that the bank is repetitive in their approach to appeasing their customers with responses to assist them. Procedural justice category has responses that deal with issues concerned with customers needing to be referred to the bank and cannot be resolved electronically.

5.10.1.1 Procedural Justice Responses

There are three responses in this category . All three are instructing the customer to physically go the bank for them to receive the assistance that they need to resolve their issue. Response number two reads; *"Hi there, the sms for the unlock.me rewards will be sent to the primary cell number. Should you require amending this number this will need to be done at your nearest branch"* which reinforces the idea of the bank referring the customer to the bank when the complaint cannot be dealt with using their online facilities.

5.10.1.2 Distributive Justice Responses

There are a total of 25 responses within this category, meaning that Nedbank does exercise empathy, professionalism and kindness when responding to their customer's complaints. The professional and language utilised when responding to customers is seen with several of their responses (2, 5 and 23). Response 23 reiterates Nedbank's professionalism and language and it reads; *"Hi, we are terribly*

saddened to hear about this experience :(It is never our intention to disappoint you or cause you to feel this way about being one of our clients. We are here to listen and assist you with your financial obligations and arrangements. Please send us a private message with your ID, contact number and a suitable time during office hours when you are able to chat, we'll have our teams unburden you by assisting with the arrangement so that you have peace of mind." Nedbank generally does not seem to utilise colloquial language to address their customer's complaints. Additionally, the empathy and politeness expressed through the bank's responses is shown in several responses (8, 11, 12, 13, 16 and 20).

5.10.1.3 Informational Justice Responses

A majority of the responses given by Nedbank are in the informational justice category. This category showcases how Nedbank prefers to resolve their customer's complaints through private messaging. This dynamic made it challenging to decipher which responses are to be considered and categorised as informational or interpersonal, the bank does well with acknowledging their customer's complaints, however, they do not usually respond with a direct resolution. One example of the bank's approach to assist their customer's reads; *"Hi, should you be experiencing any issues with our digital banking private message us so we can assist further"* There are responses where the bank does not opt for private messaging for resolution, this can be seen through a thread from responses 22 to 26 and through several other responses that involve the bank engaging by asking the customer's questions (12, 32, 33, 58, 63, 66, 67). Nedbank also reassures customers when engaging them, this is the case with responses 5, 28, 61, 74, 75, 76 and 78. There are two responses where the bank answers the customer on the page (11 and 17) an example being; *"We're sorry to hear about your experience and to have kept you waiting. Kindly private message us your ID and contact number as we cannot locate it via your Facebook profile name on our Banking systems so we can have this addressed further"*.

5.10.1.4 Interpersonal Justice Responses

There is a recurring theme where the bank prefers utilising private messaging with their customer's, almost every response promotes private messaging as a means to get assistance and prompt the customer to rather further engage and seek assistance through private messaging. This is seen with the responses in this

category as well. Detailed and quality responses show that the bank is paying attention to customer and Nedbank does that with their customers, there are several responses that are answered in this manner, an example is a response that reads; *“Good afternoon, we're sorry to hear about this. Kindly private message us your ID and contact details so that we may have this addressed for you with our Clearwater mall branch networks during office hours.”*

Another factor that helps with distinction between an informational and interpersonal response is that there is additional information that can assist the customer as compared to the bank merely instructing the customer to private message; *“We can assist with tracing the details of the company debiting your account to allow you to take the matter up directly with them. We also offer a service of a stop payment which prevents your account from being debited by that company for a period. Should you need further assistance kindly send us a message during office hours and we'll gladly assist.”* Another noteworthy trait that Nedbank has is tending to customers who are not satisfied with feedback that was given to seek further assistance utilising another channel, this is seen with responses 8 and 13. Lastly, Nedbank reassures their customers that feedback will or has been given to them (37, 39, 53 and 65).

5.11 Categorisation of Standard Bank Customer Complaints

Standard bank utilises their Facebook page as a means to interact with their customers, similarly to the other banks in the South African banking industry. The interaction includes, advertising and making announcements regarding developments in the bank. Customers then use this opportunity to either comment on what the bank has posted or rather seek redress for issues that they are experiencing or have experienced.

5.11.1 Standard Bank Customer Complaints

The development of this section will show the grievances Standard bank customers have regarding various issues. There are three categories within customer complaints and the Process category had no complaints for Standard bank, therefore, only the outcome and random complaints will be discussed in length. 250 customer complaints spanning across the months of October to December 2019, were collected for the study. Appendix G can be referred to for Standard bank

customer complaints. The outcome category has over 200 of the complaints, which implies that customers have issues after opening accounts and being Standard bank customers. The random complaints category has 29 complaints and lastly, the Process category does not have any customer complaints.

5.11.1.1. Process customer complaints

The Process justice category does not have any complaints, there are two conclusions drawn that can be made in this regard. The first inference made is that, people who would like to open accounts have not experienced any issues with doing so and have been successful. The second inference is that, it just could be that at the time of data being collected for Standard bank, there were no issues.

5.11.1.2 Outcome customer complaints

As previously mentioned, the outcome justice has the majority of the customer complaints. There are various issues that customers have expressed in the complaints. Complaint 204 summarises the issues that are mostly reported by other customers as well; *“Firstly, the closing of branches and retrenching employees has made things a disaster. The queues are long and the elderly and disabled are forced to stand for long periods of time waiting for assistance. Yet, you will continue to brag about profits. Secondly, the banking app is not user friendly. Having QR codes and a pin is firstly frustrating, as it usually doesn't accept the pin. Why login on a PC only to be given a QR code to be forced onto the app? What about those who don't have a phone or smart phone and the elderly? Also, tellers have very little capabilities of resolving customer issues, they keep telling customers to use online banking and lastly, online banking is being forced down everyone's throats. Basically, making paying clients do the work of that the bank should be doing. To be honest, I'm embarrassed to be associated with a bank that has very little compassion. Not to mention an insult to my family who have worked for this bank”.*

Issues that are expressed and constantly highlighted in this section are concerned with; customer service from staff, general service from the bank, app queries as well as ATM issues. These complaints can be referred to in Appendix G.

The greatest issue according to customers with Standard bank their staff's shortcomings. This includes but is not limited to complaints about staff treatment towards customers as well as their quickness to attend to customers. (9, 12, 16, 51,

73, 88, 94, 99, 105, 119, 127, 129, 135, 144, 161, 218, 219). Complaint 66 is concerned with staff members not being knowledgeable enough to assist them, reads; *“I have been to 2 branches in Cape Town. Even phoned JHB just to be transferred multiple times without any success. Clearly, client service is not a priority. I am gobsmacked at a service being advertised in the media and yet not one single employee is knowledgeable to assist me.”*

The second issue is concerned with general service from the bank, general service includes issues arising from branches closing down, how policies are handled and accessibility to the bank on various platforms (emails, calls, going to the branch) and feedback or a lack thereof (7, 27, 30, 37, 41, 44, 51, 53, 55, 62, 63, 64, 83, 84, 86, 91, 100, 110, 113, 120, 128, 136). Additionally, to further reinforce the issue of inefficient service being given to customers, complaint 186 reads; *“Then what is the point of a Facebook page if you cannot give simple advice? Clearly, I have to look for an open branch myself”*. Other issues are the closing down of and the maintenance of ATM's (7, 10, 15, 79, 80, 139, 152, 216), issues with the app (93, 111, 149, 151, 163, 164, 204), bank charges (48, 92, 110, 149, 171, 181, 193) and lastly, unauthorised debit orders (103, 125, 177).

5.11.1.3 Random customer complaints

There were twenty-nine complaints in this category. Although the complaints were classified as random, they still mention the same issues as those in the outcome justice category. Issues regarding poor general service are also predominant in this category (4, 8, 9, 10, 11, 13, 16, 17, 20, 25) Complaint 17 reads; *“I've been experiencing poor service since last week and I am very disappointed”* this is still acknowledged as a complaint because the customer is speaking to the shortcomings of the service given by the bank, however, it was classified as random because it lacks precision and articulation. Other complaints are expressing issues with bank charges, unauthorised debit orders, internet banking and the banking app.

5.12 Categorisation of Standard Bank Responses

Standard bank responded to 138 of the 250 customer complaints. All four of the service recovery categories have responses, the least complaints are in the procedural category and the most responses are informational. Several responses

given to customers had colloquial language, sentences that were not well-constructed as well as spelling errors. This section will detail the responses given to customers by Standard bank, these responses are shown in Appendix H.

5.12.1 Standard Bank Responses

All four categories had responses, the procedural category has the least number of responses in comparison to the other categories. The informational justice category had the greatest number of responses, interpersonal category had the second most responses, which was followed by the distributive justice category. Standard bank engages with their customers and their responses will be discussed in the following sections and the responses can be referred to in Appendix H.

5.12.1.1 Procedural Justice Responses

The responses in this category are about referral to the bank or another avenue for redressing a grievance that cannot be solved online. The first response refers a customer to call the bank and the other two responses show Standard bank refer customers to a client customer care team. The last responses in this category, show another avenue that is not of the norm, the norm being referred to the bank or to call customer care, but here the customer is referred to another online platform on Facebook to seek assistance. Response four reads; *“Hi, we understand how frustrating this might have been for you. For effective assistance with this query, can you please contact us on Facebook with regards to this query and they will gladly assist you.”* This implies that Standard bank has separated their Facebook pages, on one they advertise and engage with their customers on new developments and the other page is solely for complaints.

5.12.1.2 Distributive Justice Responses

There are 13 responses in this category and this implies that Standard bank does express kindness and courteousness to their customers when attempting to assist them. Response 9 is an example of Standard bank being empathetic towards a customer; *“Good morning, we sorry to hear about your experience. We understand your frustration however these are security measures. We will raise your issue with our team.”* Standard bank generally acknowledges their mistake, apologises and proceeds to attempt to remedy the grievance with the customer with tact and empathy when replying to some complaints. There are responses that reassure the

customer that their complaint has been will be resolved (1, 4, 5, 11) and there are responses that ask the customer how they would like to be assisted further or what exactly the customer needs to be redressed (2, 3, 6, 7, 8, 10, 12, 13).

5.12.1.3 Informational Justice Responses

As previously mentioned, the informational justice category has majority of complaints and as a result this category includes the responses that lack professionalism and has spelling errors. *“On the contact that they sent you, they didn’t request you to send documents?”* the first response has a spelling error, contract was misspelled as contact. Another problem with the responses, is the sentence construction (20, 22, 24, 48), this is seen with response 44; *“Good morning, sorry to hear about your experience. Please tell us with who are you communication with.”* Two responses are not in sentence case and have some words with capital letters mid-sentence (30, 35). There are responses that question the customer about how they are feeling, after the customer has complained (26, 36, 38), there are responses that question how the bank can help the customer, even after the customer has expressed their grievance (33, 45, 52, 55). A large number of the responses are of the bank asking how they can help the customer, without actually sorting or even attempting to appease the customers, an example of this is a response that reads; *“Good morning, we sincerely apologize for the service. Please confirm if your matter has been sorted.”* The suggestion made previously regarding Standard Bank separating their pages is further reinforced in this category, as the bank responds to customers by referring them to another Facebook page (61, 62, 63, 66, 67, 68, 69). The responses following the above-mentioned that refer customers to another platform to seek redress, seems to be inconsistent because, none of the responses that follow response 69 are referred.

5.12.1.4 Interpersonal Justice Responses

There are forty-six responses in this category, meaning that Standard Bank gave responses that were appropriate and relevant to issues that customers were experiencing at the time. The common trend regarding the bank’s style of engaging or responding to customers by posing questions is prevalent in this category too. There is colloquial language in a few responses in this category too, response 42 is an example of the bank’s usage of colloquial language. There is a response that seems to explain the type or kind of responses that are referred to another online

avenue to seek redress, this is response 7 and it reads; *“Hello, apologies. Please note that we will need the exact location of this ATM to raise this issue with our team. Also please note that for effective assistance on Prestige queries you can chat to us via Facebook Messenger”*. This response clearly demarcates that the referral is to urge customers to message directly on Messenger instead of in the comments. Standard Bank not only gave customers detailed and precise responses (11, 13, 18, 30, 46), honest responses (36 and 37), they also gave their customers assurance of their complaint being acknowledged and attended to (14, 15, 24, 27, 28, 31, 33, 34, 38, 43).

5.13 Contrast and comparison of customer complaints and service recovery responses

This section will discuss the inferences made from the contrast and comparison of complaints and responses across the five South African banks as per the primary objective of the study as shown below. Table 5.1 displays the number of complaints and responses in respective categories and the frequency of complaints and responses in each category.

	ABSA	Capitec	FNB	Nedbank	Standard Bank		ABSA	Capitec	FNB	Nedbank	Standard Bank
Complaints						Responses					
Process	0	5	12	4	0	Procedural	11	9	2	3	5
Outcome	226	212	199	192	221	Distributive	18	16	39	25	13
Random	24	13	39	55	21	Informational	75	51	71	90	74
						Interpersonal	72	97	74	78	46
Total	250	250	250	250	250	Total	176	173	186	196	138

Table 5.1: Service failure and service recovery across five South African banks (Adapted by author)

The sections below will expand upon the similarities and differences across the five banks complaints and responses by category. Section 5.13.1 will first discuss the customer complaints analysis in each of the three service failure category’s and section 5.13.2 will discuss the analysis of service recovery responses in each of the designated four categories.

5.13.1 Analysis of customer complaints across all five banks

FNB had the greatest number of process complaints across all five banks and ABSA bank and Standard bank have no complaints in this category. Capitec bank and Nedbank have 5 and 4 respectively. Standard bank and ABSA bank have the most

outcome complaints, Capitec bank has the third highest followed by FNB bank and Nedbank had the least complaints in this category. Nedbank and FNB bank have the highest number of random complaints, the other three banks have similar number of random complaints. Based on the findings, it can be concluded that FNB bank has the most process complaints, ABSA has the greatest number of outcome complaints and Nedbank the most random complaints. ABSA and Standard bank have no process complaints, Nedbank has the least number of outcome complaints and ABSA the least number of random complaints.

A constant amongst the banks, is that all the five banks have the least number of process complaints. We can then conclude that generally, procedural issues are minimal, the banks try their best not to refer their customers to the physical branches for assistance following a service failure and the processes, such as opening accounts are mostly efficient. Similarly, all five banks have the highest number of outcome complaints, which suggests that customers generally have complaints about banking services for various reasons as depicted in each of the banks separate discussions. The most prominent customer complaints across all five banks were; bank charges, banking app queries, which were mostly airtime related, unauthorised debit orders and customer service from the bank constant.

Finally, all the banks have the least random complaints and the suggestion that can be made here is that customers don't generally have pointless or unfounded complaints. It can be summarised that generally customers complain the most about distributive processes and they complain the least about process complaints. The banks similarities and differences will be discussed in comparison to the rate or ratio of responses to the customer complaints. This discussion will conclude which bank responds the most and responds to the customer's needs without being redundant and giving the same or similar responses for various customer complaints.

5.13.2 Analysis of service recovery responses across all five banks

Table 5.1 above, illustrated the banks' responses across the banks to give an overview of the number of responses to customer complaints per bank in each of the four service recovery categories.

Generally, Nedbank has the greatest number of responses amongst all the banks, which indicates that this bank is the most responsive and has a good system in place to attend to clients complaints and queries on their Facebook page. This corroborates with the bank being more technical in their banking approach, as previously highlighted that the bank was promoting being more technologically advanced and embracing digital banking. The least responsive bank overall is Standard bank with only 138 responses to 250 customer complaints.

ABSA bank had the highest number of procedural responses; Capitec bank has the second highest number of responses. Nedbank and FNB bank have similar numbers and have the least number of responses in this category. Standard bank and Nedbank has the highest number of distributive responses followed by FNB bank. Nedbank has the most informational responses; followed by ABSA bank, FNB bank and Standard bank with similar numbers and Capitec bank has the least number of responses in this category. Capitec bank had the highest number of interpersonal responses, which is followed by Nedbank. FNB bank and ABSA bank have a very small difference in the number of responses in this category and Standard bank has the least number of responses in the category. The bank with the least number of procedural responses is FNB, Standard bank has the least number of outcome and Capitec bank has the lowest number of informational responses. Standard bank has the least number of interpersonal responses.

The similarities across the banks are that they all have the least number of procedural responses suggesting that the banks try to minimise not attempting to solve their client's complaints online. Considering the above-mentioned information and as depicted by table 5.1, ABSA has the highest number of procedural responses (11) compared to the other banks which suggests that ABSA bank rarely refers their clients to physically go to the bank or to call the bank for resolution in comparison to the frequency that the other banks do or would. Another perspective could be that there are minimal administration issues when potential customers are wanting to open accounts or get loans from ABSA bank compared to the other banks.

Distributive responses refer to banks executing courtesy and fairness when dealing with clients and according to the data collected, FNB bank is the most fair and courteous bank amongst the five banks. FNB bank has 39 distributive

responses, which suggests that the bank exercises courteousness towards clients when attending to their complaints. Standard bank has the lowest number of outcome responses, which suggests that the bank does not deem courteousness as particularly important when attempting to appease their clients. In this category, Nedbank and FNB bank can be regarded as the friendliest banks compared to Capitec bank and Standard bank that have 16 and 13 outcome responses respectively.

The interactional category was divided into two components for the study, as previously discussed and highlighted in chapter two, there are five fundamentals of interactional justice, which include clarification, trustworthiness, respect, determination and responsiveness (Kau & Loh, 2006). According to the study findings, In the informational category, Nedbank triumphs over the other four banks with 90 informational responses. This suggests that Nedbank gives sufficient and adequate responses to its clients in comparison to the other banks. ABSA comes second with 75 responses, Standard bank with 74 responses and FNB had 71 responses, which suggests that the banks also give a fair number of sufficient responses as well. Capitec has the least number (51) of informational responses, which suggests that the bank does not necessarily give apt responses to their customer's complaints.

Interpersonal responses refers to degree to which the bank showed relational compassion and outlining reasons for service failures and responding to ensure service recovery. Capitec bank had the highest number of interpersonal responses at 97, which suggests that the bank employees are invested in treating customers fairly whilst attempting to appease them. Nedbank followed closely with 78 responses and ABSA bank and FNB have moderate interpersonal responses with 72 and 74 respectively. Standard bank had the least number (46) of responses in this category, which can also suggest that the bank may have not been entirely clear in their responses to instil effective service recovery or may have not responded quickly enough for their customers.

5.14 SUMMARY AND CONCLUSION

In summation, the main focus of this chapter was to present, analyse and categorize the qualitative data that was gathered from the five South African banks' Facebook

pages. Therefore, the various categories of customer complaints and the responses by the banks' were described here in greater detail. In addition, the chapter elaborately discussed and presented the emerging themes where the categorization of customer complaints and service recovery responses were explained. There were generally more complaints than responses in the sample study taken across the five South African banks. The banks responded to a large number of the complaints posted by customers and whether the responses were sufficient or not was explained through categorisation.

The collected complaints and their categorisation are described in detail in this chapter for each bank, which was followed by an elaborate discussion of the categorised customer complaints and service recovery responses from the five South African banks. Lastly, the chapter was concluded by a contrast and compare of the customer complaints and responses from the banks in a tabulated format.

The following chapter, which is the final chapter of this study will summarize the findings of the study. Chapter six will also explain and clarify the importance of the research study which was undertaken before drawing conclusions and making important recommendations.



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CHAPTER SIX - SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

6.1 INTRODUCTION

Chapter five relates to the findings in the data and its analysis for patterns or themes, and is presented based on the major themes found in the data. The emerging themes stated were expanded upon and conclusions were formed from the data analysis. The qualitative content categorisation of these complaints and responses allowed for more structured and ordered information as depicted in this chapter.

Chapter six begins with an overview of the study and its objectives. The bulk of the chapter is devoted to synthesising the findings from chapter five, and drawing out conclusions and recommendations with regard to each of the study objectives. Management implications and areas for future research are elucidated and the chapter concludes with the limitations of the study and an overall conclusive summary.

6.1.1 STUDY OBJECTIVES

The primary objective of this study was to contrast the trends in customer complaints and service recovery behaviour across the five major South African banks' Facebook pages and the secondary objectives were previously stated as follows;

- To analyse complaints and categorise them into process, outcome and random complaints from customers using ABSA, Capitec, FNB, Nedbank and Standard bank(s) respective Facebook pages over a specified period of time.
- To analyse service responses and categorise them into procedural, interpersonal, distributional or informational dimensions from ABSA, Capitec, FNB, Nedbank and Standard bank(s) respective Facebook pages over a specified period of time.

The sections to follow, will discuss in detail the conclusions and recommendations for the primary and secondary objectives of the study for each of the five banks. The sections will begin with conclusions for the secondary objectives; the discussion will be followed by conclusions for the primary objective. The final sections of the chapter will detail the recommendations for each bank as well as in comparison to the other banks.

6.2 CONCLUSIONS FOR THE SECONDARY OBJECTIVE: ABSA BANK

6.2.1 Secondary Objective: Service Failure

To analyse and categorise complaints from customers using ABSA and its respective Facebook page over a specified period of time.

6.2.1.1 Conclusions regarding process customer complaints

ABSA bank did not have any complaints in this category. Customers did not express any issues in the process outcome category. This is not to presume that there are no issues with process customer complaints, however, during the time of data collection, there were no process customer complaints.

6.2.1.2 Conclusions regarding outcome customer complaints

Customer complaints regarding outcome customer complaints tallied up to 226 complaints. It can be concluded that ABSA customers are bothered with the manner in which the bank delivers their services to them. This category was dominated by the bank experiencing technical issues more often than not. The technical issues affected not only the banking app and ATM's, it also affected the ability for customers to transact when utilising online banking. Moreover, customers complained about unauthorised debit orders and bank charges.

6.2.1.3 Conclusions regarding random complaints

There were 24 random complaints as previously discussed in chapter 5, the complaints here highlighted customers lack of knowledge about the bank. The customers are interacting amongst themselves and expressing unfounded statements and complaints that lack context.

6.2.2 Secondary Objective: Service recovery

To analyse and categorise service responses from ABSA bank and its respective Facebook page over a specified period of time.

6.2.2.1 Conclusions regarding procedural justice responses

This category consisted of eleven responses from ABSA. There are two options that ABSA gives customers namely; referring them to go to the bank or requesting them to contact a relevant division at the bank. As depicted in chapter 5, ABSA frequently referred their customers to other avenues when seeking assistance over them requesting for them to physically go to the bank. This observation does not necessarily directly translate into this being the norm for the bank, however, this is the observation made during the months of data collection.

6.2.2.2 Conclusions regarding distributive justice responses

There were eighteen distributive responses given to customers by ABSA. There was acknowledgement of issues and gave reassurance while being sympathetic regardless of whether the complaint is from an active client. This shows that ABSA is respectful and responds with tact.

6.2.2.3 Conclusions regarding informational justice responses

This category deals with comments that are constantly repeated to customers for various complaints as highlighted in chapter five. There were redundant and mechanical responses for several complaints, they also responded using colloquial language and had poor sentence construction. ABSA bank also poses questions to customers more often and asks customers for feedback. Complaints were considered informational if they did not go further and be as detailed as possible as discussed in previous chapters.

6.2.2.4. Conclusions regarding interpersonal justice responses

This category comprises of responses that were relevant and detailed. ABSA replied in an interpersonal manner to their customers in 72 responses. This category had the second most responses and it depicts how ABSA acknowledged and attended to grievances. ABSA also gave responses assuring the customer that their issue had been addressed and gave detailed feedback.

6.3 CONCLUSIONS FOR THE SECONDARY OBJECTIVE: CAPITEC BANK

The secondary objective of the study will be presented here alongside the conclusions and recommendations.

6.3.1 Secondary Objective: Service failure

To analyse and categorise complaints from customers using Capitec bank and its respective Facebook page over a specified period of time.

There were three customer complaints (service failures) categories; process, outcome and random complaints. Outcome customer complaints refers to a core service failure, and process customer complaints is the inconvenience experienced during service delivery (Gronoos, 1988; Parasuraman, Zeithaml & Berry, 1991). The following section provides conclusions related to secondary objective one.

6.3.1.1 Conclusions regarding process customer complaints

As depicted in chapter five, the first category of customer complaints had the least number of complaints from customers. Customers expressed the least service failures in the process outcome category. This is not to say that customers do not complain more about process customer complaints because the time period and number of complaints stipulated for data collection did not allow for the display of complaints in this category. Furthermore, upon observation, it is common for Capitec bank employees to misinform and give incomplete information to customers when they to bank to open accounts.

6.3.1.2 Conclusions regarding outcome customer complaints

Majority of the complaints were in this category and this is a clear indication of how customers are more inclined to complain about outcome customer complaints as they are regarded as core service failures (Gronoos, 1988; Parasuraman, Zeithaml & Berry, 1991). Core service failures were defined by Keaveney (1995) as those that are due to mistakes or technical problems with the services themselves. Customer complaints regarding outcome customer complaints averaged more than half of the complaints in general. It can be concluded that Capitec bank is failing customers at the core of service delivery, meaning that the customers are extensively unimpressed with the manner in which the bank delivers their services to them.

An apparent and popular complaint in this category refers to unauthorised debit orders and the red tape that accompanies the bank trying to resolve the issue, the banking application having issues whilst customers attempt to or buy prepaid airtime. Furthermore, the banking applications functionally and insecurity when the

application is offline and lastly, the least complaints were concerned with customer service from staff members and banking fees being understated by the bank.

6.3.1.3 Conclusions regarding random customer complaints

The random complaints tallied up to 33, which suggests that customers barely complain without valid reasons to complain. In some of these comments, it is merely customers interacting with one another and exerting influence over each other over a similar experience with the bank. Nonetheless, these customers are concerned about the banking application, the implicit bank charges and unauthorised debit orders, hence the consideration of these comments being complaints. Moreover, these comments suggest a lack of understanding of some of the banks function on the customers' part.

6.3.2 Secondary Objective: Service recovery

To analyse and categorise service responses from Capitec bank and its respective Facebook page over a specified period of time.

There are three categories for service recovery (Capitec bank responses). These three categories are based from the justice theory; customers evaluate complaint incidents based on the outcome received, the procedures used to arrive at the outcome and the nature of the interpersonal treatment during the process (Singh & Crisafulli, 2015). The following section provides conclusions relating to secondary objective two.

6.3.2.1 Conclusions regarding procedural justice responses

The procedural justice category had nine complaints, amounting to the least number of complaints compared to the other two categories. Capitec bank was very clear and distinctive with their responses in this category regardless of the customer complaint. This is shown in their responses to the various complaints, an example being telling their customers to visit their nearest branches for certain issues that cannot be resolved online or by not physically going to the bank.

6.3.2.2 Conclusions regarding distributive justice responses

The major focus of the outcome justice is the service recovery aftermath. The responses to customers in this category showcase the courteous manner in which Capitec bank addresses their clients and resolves their issues. This speaks to the fairness and respect expected by customers from the bank. An example of that being the responses to customers are on name basis (makes it more personal) and promotes order. Due to anonymization and adherence to online ethics, the names could not be included in the appendices. Furthermore, the responses are detailed which leaves no room for inaccurate interpretation of the response or resolution given.

6.3.2.3 Conclusions regarding informational justice responses

This category deals with comments that are constantly repeated to customers for various comments as depicted in the categorisation in chapter five. Faith is lost in the bank for it constantly responding in a redundant manner, however, this was not the case with Capitec bank as previously expressed in chapter five. As a result, complaints were considered informational if they did not go further and be as detailed as possible. Otherwise, the responses given by Capitec were not mechanical or redundant.

6.3.2.4. Conclusions regarding interpersonal justice responses

This category comprises of responses that were adequate and detailed. Capitec bank does a great job of replying to their customers in that manner because most of the responses given were in this category. Quality responses that were relevant to the customer's issues were given and grievances were acknowledged and attended to.

6.4 CONCLUSIONS FOR THE SECONDARY OBJECTIVES: FIRST NATIONAL BANK (FNB)

The secondary objective of the study will be presented here alongside the conclusions and recommendations.

6.4.1 Secondary Objective: Service failure

To analyse and categorise complaints from customers using FNB and its respective Facebook page over a specified period of time.

6.4.1.1 Conclusions regarding process customer complaints

The first category of customer complaints had the least number of complaints from customers as shown in chapter five. Procedural service failures were not prevalent according to the data collected. Customers did not express too many issues with in the process outcome category. Upon observation, a common problem is the issue of getting a loan from the bank and customers being given incomplete when they try open bank accounts.

6.4.1.2 Conclusions regarding outcome customer complaints

Customer complaints regarding outcome customer complaints averaged more than half of the complaints in general. It can be concluded that FNB is failing customers because customers are bothered with the manner in which the bank delivers their services to them.

Complaints about customer service from staff (both online and offline) dominated the category alongside unauthorised debit orders. The complaints point out that customers are mostly dissatisfied with the manner in which FNB staff engage with them. Customer service is a core value of any business, so this implies that FNB is doing a great injustice to their customers. Additionally, customers expressed issues of high bank charges, loan interest rates and the malfunctioning of ATM's.

6.4.1.3 Conclusions regarding random customer complaints

There were 39 random complaints, which suggests that customers do not usually make random complaints without valid reasons. As previously discussed in chapter 5, the complaints here still echoed the issues expressed in the outcome category, however these complaints lacked context. The other complaints are attributable to customer's not being well informed about certain aspects of the bank.

6.4.2 Secondary Objective: Service Recovery

To analyse and categorise service responses from FNB and its respective Facebook page over a specified period of time.

6.4.2.1 Conclusions regarding procedural justice responses

There were two procedural responses, which made this the category with the least responses from FNB. The assumption that can be made here is that FNB does not frequently refer their customers to other avenues when seeking assistance or that customers did not have procedural issues during the data collection time period. Both responses in this category instructed the customer to physically go to the bank to get assistance.

6.4.2.2 Conclusions regarding distributive justice responses

The responses given to customers in this category showcased the courtesy given to customers by FNB. The manner in which their clients or customers were addressed showed fairness and respect to the customer. FNB acknowledged issues and gave reassurance while being sympathetic. There were thirty-nine responses in this category, which shows that FNB do grant a considerable amount of distributive responses.

6.4.2.3 Conclusions regarding informational justice responses

This category deals with comments that are constantly repeated to customers for various comments as highlighted in previous chapters. Redundant and mechanical responses are not an ideal manner to address customers' issues. Majority of FNB responses were in this category. Upon observation, it can be seen how FNB continuously questions customers even when customers' are complaining as suggested in chapter five. Complaints were considered informational if they did not go further and be as detailed as possible.

6.4.2.4. Conclusions regarding interpersonal justice responses

This category comprises of responses that were adequate and detailed. FNB replied in an interpersonal manner to their customers in 74 responses. This category had the second most responses and it shows how FNB acknowledged and attended to grievances. Quality responses that were relevant to the customer's issues were given and some responses went as far as giving alternative solutions to the issues.

6.5 CONCLUSIONS FOR THE SECONDARY OBJECTIVE: NEDBANK

The secondary objective of the study will be presented here alongside the conclusions and recommendations.

6.5.1 Secondary Objective: Service Failure

To analyse and categorise complaints from customers using Nedbank and its respective Facebook page over a specified period of time.

6.5.1.1 Conclusions regarding process customer complaints

Nedbank had only three customer complaints in the process customer complaints category. This category having the least amount of service failures basically means customers did not have issues during the three months of data collection. However, upon observation, Nedbank employees are prone to not handling customers with care and respect when interacting with them. As depicted in chapter 5, customers were complaining about the lack of customer service from staff.

6.5.1.2 Conclusions regarding outcome customer complaints

Majority of the complaints were in this category, which means customers are more inclined to complain about outcome customer complaints. Overall, customer complaints regarding outcome customer complaints averaged more than half of the complaints. As discussed in chapter 5, Nedbank closed down several branches to encourage a more technologically advanced bank and that did not impress customers.

Popular complaints in this category were centred on various ATM issues. The issues included ATM's being reduced, ATM fraud and maintenance. Customers complained the most about these issues in this category. The second most frequent complaint was customer service, customers complained about staff not treating them well. The other complaints were not as frequent but included the banking applications functionality and loans.

6.5.1.3 Conclusions regarding random customer complaints

The random complaints tallied up to 55. Customers are interacting with one another and sharing similar sentiments with experiences with the bank. The concerns are concerns raised in the outcome justice category, namely; banking app, customer service and unauthorised debit orders.

6.5.2 Secondary Objective: Service Recovery

To analyse and categorise service responses from Nedbank and its respective Facebook page over a specified period of time.

6.5.2.1 Conclusions regarding procedural justice responses

The procedural justice category had three responses, amounting to the least number of complaints compared to the other two categories. All three responses shows how Nedbank simply asked their customers to visit their nearest branches for the issues the customer's faced.

6.5.2.2 Conclusions regarding distributive justice responses

There were 25 responses in this category, which indicates that Nedbank does respond to their customers in a distributive manner. An apparent trait from Nedbank is that their responses are very professional and do not have colloquial language. Moreover, the responses given are detailed and are respectful, politeness and empathetic.

6.5.2.3 Conclusions regarding informational justice responses

This category deals with comments that are constantly repeated to customers for various comments as depicted in the categorisation in chapter five. However, this is not entirely accurate with this bank. Nedbank acknowledges their customers, however, their preference is to address grievances using private messaging. Therefore, it is unclear whether customer's grievances are resolved or not since they are not dealt with on the Facebook page. Additionally, other responses given in this category were indirect and were just questions and not resolutions to the customer.

6.5.2.4. Conclusions regarding interpersonal justice responses

Nedbank also showcased their preference of asking customers to privately message them to get further assistance from them. Another noteworthy trait with Nedbank is the quality of responses given to customers in this category. Responses and resolutions given to customers in this category were detailed and relevant to the issues that the customer's expressed. Another noteworthy trait that Nedbank has is

tending to customers who are not satisfied with feedback that was given to seek further assistance utilising other channels to ensure their grievances are appeased.

6.6 CONCLUSIONS FOR THE SECONDARY OBJECTIVE: STANDARD BANK

6.6.1 Secondary Objective: Service Failure

To analyse and categorise complaints from customers using Standard Bank and its respective Facebook page over a specified period of time.

6.6.1.1 Conclusions regarding process customer complaints

Standard Bank did not have any customer complaints in the process customer complaints category. This can be interpreted as that customers did not have issues with opening accounts with the bank during the three months of data collection.

6.6.1.2 Conclusions regarding outcome customer complaints

Majority of the complaints were in this category, which means customers are more inclined to complain about outcome customer complaints. Overall, more than half of customer complaints were outcome customer complaints. As discussed in chapter 5, Standard Bank closed down several branches and ATM's and this negatively affected customers.

The most popular and apparent complaints in this category were concerning customer service and treatment received from staff. The other concerns were accessibility to the bank and ATM's. Customers complained the most about these issues in this category. The other complaints were not as frequent but included the banking applications functionality and bank charges.

6.6.1.3 Conclusions regarding random customer complaints

There were 29 random complaints. Customers are interacting with one another and sharing similar sentiments with poor staff treatment and customer service experiences with the bank. The concerns raised in this category are those of the outcome justice category, these complaints lack context.

6.6.2 Secondary Objective: Service Recovery

To analyse and categorise service responses from Standard Bank and its respective Facebook page over a specified period of time.

6.6.2.1 Conclusions regarding procedural justice responses

The procedural justice category consisted of five responses, amounting to the least number of complaints compared to the other two categories. Standard Bank referred customers either to the bank or to a customer care client team.

6.6.2.2 Conclusions regarding outcome justice responses

There were 13 responses in this category, which indicates that Standard Bank does not frequently respond to their customers in a distributive manner. However, the thirteen responses in this category indicate that Standard Bank is able to respond to customers with empathy and tact.

6.6.2.3 Conclusions regarding informational justice responses

As previously discussed in chapter 5, the interpersonal category comprises of redundant responses to various comments. Standard Bank responses lacked professionalism and had numerous spelling errors and diction. Even though Standard Bank acknowledges their customers complaints, their responses were not concise and usually questioned the customer more than trying to giving a resolution. Moreover, customers are inconsistently referred to another online avenue to seek redress as highlighted in chapter 5 in section 5.10.1.3.

6.6.2.4. Conclusions regarding interpersonal justice responses

Standard Bank's preference of posing questions to customers instead of getting to the point and offering a resolution is seen in this category. Although Standard Bank acknowledges complaints and gives relevant responses, their responses have colloquial language and are sometimes indirect and not adequate.

6.7 CONCLUSIONS FOR THE PRIMARY OBJECTIVE

To contrast customer complaints and service recovery behaviour trends over a specified period of time across the five major banks' Facebook pages

6.7.1 Conclusions regarding customer complaints across banks

Considering the discussion in chapter 5, section 5.13.1 regarding all the five South African banks' customer complaints; Customers complain mostly about distributive issues, understandably so because the complaints are predominantly from existing clients, whereas the other two categories may only consist of potential clients. Customers complain the least about procedural issues.

6.7.2 Conclusions regarding service recovery responses across banks

Noting the discussion in chapter 5, section 5.13.2 regarding all the five South African banks' service recovery responses; the banks had a similar trend of responding mostly in the distributive, informational and interpersonal categories and the least in the procedural category. Interestingly, all the five South African banks have the highest number of interpersonal responses, which means overall, the banks generally aim to respond to customers as much as they can and also give insightful, adequate and somewhat empathetic responses to their customers.

6.8 RECOMMENDATIONS FOR THE SECONDARY OBJECTIVES

In the sections 6.9 to 6.13, the overall recommendations for the study are made, a few of them may overlap or seem repetitive, due to the bank's encountering very similar and sometimes exact complaints or service failures from customers. It will be highlighted in recommendations made and cross-referenced to give context and reasoning for the repetitiveness. An example of an overarching recommendation is for each bank to employ a long term tracking system that will monitor complaints to discover any trends or patterns and adequately address them.

6.9 RECOMMENDATIONS FOR THE SECONDARY OBJECTIVE: ABSA BANK

6.9.1 Recommendations pertaining to Customer Complaints and Service Failures

Process customer complaints

ABSA bank should continually ensure that process driven failures and complaints are continually handled with the respect and importance required at the bank, to avoid customers venting online about poor service.

Outcome customer complaints

- ABSA could be more transparent regarding all their implicit bank charges, which will in turn reduce customer complaints in that regard.
- An alternative system could be introduced that reduces the amount of red tape and timeously responds when customers report unauthorised debit orders, for example, have a 24 hour hotline service or email address specifically designated for such service failures.
- The ATM's could be maintained more frequently to curb ATM malfunctions and the machines being offline.
- The banking online system and banking application could be refurbished and then regularly maintained to reduce the frequency of the banking system being offline.

Random Complaints

- ABSA bank could employ a long term tracking system that will monitor these complaints to discover any trends or patterns and adequately address them.
- Customers can be educated customers more about how the bank functions to avoid the random complaints, an example being the bank posting information on the various random issues that arise from customers in the comments.

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6.9.2 Recommendations for pertaining to Service Responses and Service Recovery

Procedural justice responses

- The bank should be consistent with their designated or preferred way of attending to customer's complaints. This can be done through ABSA bank demarcating which platform (online or offline) customers should utilise for expressing complaints as previously mentioned for Nedbank and Standard Bank.

Distributive justice responses

- All business have to be courteous and respectful to their customers at all times. ABSA bank should remain exercising patience and empathy to

customers and do that as frequently as possible and make it the standard when addressing issues.

Informational justice responses

- The bank should minimise the usage of colloquial language to address customers, all responses should maintain professionalism and proper language use when responding to customers as previously recommended for FNB.
- The bank should minimise questioning customers without actually eventually addressing their concerns. Adaptable templates of different ways to address topics that are seemingly too complex to answer to online can be developed.
- The bank could also display posts about taking into consideration the volume of the same customers' complaints over a period of time and the plans to make amendments to the system based on these complaints.

Interpersonal justice responses

- ABSA bank can adapt their overall response style to that of their current interpersonal response manner. The responses they give are detailed, relevant and of a great quality overall, especially with the acknowledgements and apologies accompanied with alternative ways to resolve customer's complaint.
- Templates or a generic interpersonal response can be standardised and be adaptable to the customer's issue.

6.10 RECOMMENDATIONS FOR THE SECONDARY OBJECTIVE: CAPITEC

Bank

The recommendations section will discuss the five South African banks respectively and then conclude with the overall primary objective recommendations.

6.10.1 Recommendations pertaining to Customer Complaints and Service Failures

Process customer complaints

- Capitec should have information evenly distributed to all employees throughout the bank to avoid different branches giving customers incomplete and inaccurate information.
- Capitec bank should also train their employees to ensure they handle customer complaints in a uniform way.

Outcome customer complaints

- Capitec could be more transparent regarding all their implicit charges, which will in turn reduce customer complaints regarding charges that customers continue to complain about not being aware of.
- The banking application could be refurbished and the option of entering own amounts when buying prepaid airtime would solve the issue of customers not being at liberty to choose the amount of airtime they require.
- An alternative system could be introduced that reduces the amount of red tape and timeously responds when customers report unauthorised debit orders, for example, have a 24 hour hotline service or email address specifically designated for such service failures.

Random customer complaints

- Capitec bank could employ a long term tracking system that will monitor these complaints to discover any trends or patterns and adequately address them.

6.10.2 Recommendations for pertaining to Service Responses and Service

Recovery

Procedural justice responses

- Capitec bank should consider answering their customers at a faster rate, to just improve efficiency. Despite time factors being taken into consideration in the entire study, it is worth a suggestion for any business any to resolve service failures timeously for their customers. As discussed in chapter three, timeliness and flexibility can be considered as factors to consider in online service recovery.

Distributive justice responses

- Courtesy and fairness from a business in pursuit of service recovery is vital for customers to be appeased. Therefore, Capitec bank has to remain being courteous to the customers and being fair regardless of the number of times customers complain about the same issue, especially if no improvement has taken place regarding the issue.

Informational justice responses

- Capitec bank can develop a tracking system that will allow the bank to see trends in the complaints and suggestions made regarding their current systems to develop or advance.
- The bank should minimise using the exact same responses for a variety of complaints. There could be a detailed update of any advancements made or posted by the bank in terms of apparent issues voiced out by customers instead of the bank giving the same response.
- The bank could also display posts about taking into consideration the volume of the same customers' complaints over a period of time and the plans to make amendments to the system based on these complaints.

Interpersonal justice responses

- Capitec bank should adapt their response style to that of an interpersonal nature. They are already doing a great job with the interpersonal responses they give, they are detailed and are of great quality and frequent as showcased in chapter five.
- Templates or a generic interpersonal response can be made as to how responses should be set as the standard. Subsequently, the basic standard interpersonal response can be adapted to be relevant to the customer's issue.

6.11 RECOMMENDATIONS FOR THE SECONDARY OBJECTIVE: FIRST NATIONAL BANK (FNB)

6.11.1 Recommendations pertaining to Customer Complaints and Service Failures

Process customer complaints

- FNB should have information evenly distributed to all employees, through different levels as unanimously as possible to avoid different bank branches giving customers incomplete and inaccurate information.
- Employees should be continuously trained on customer service and they can be evaluated by customers' through rating their experience with staff after getting assistance.
- FNB could also train their employees when new developments are made with the bank, so that everyone is kept abreast with all the new information and can give complete information to customers.

Outcome customer complaints

- FNB could be more transparent regarding all their implicit charges and loan interest rates, which will in turn reduce customer complaints regarding charges that customers continue to complain about not being aware of.
- An alternative system could be introduced that reduces the amount of red tape and timeously responds when customers report incorrect debit orders, for example, have a 24 hour hotline service or email address specifically designated for such service failures.
- All employees that deal directly with customers can be closely supervised and evaluated more frequently when dealing with customers who need assistance at the bank.
- The ATM's could be maintained more frequently to curb ATM malfunctions and fraud.
- FNB could have targeted campaigns to educate customers about ATM fraud, cards getting cloned and swallowed. This can be done through marketing messages displayed on the ATM screen before and during a transaction.
- The banking application could be refurbished and the option of entering own amounts when buying prepaid airtime would solve the issue of customers choosing the amount of airtime they require.

Random customer complaints

- FNB could employ a long term tracking system that will monitor these complaints to discover any trends or patterns and adequately address them.

- FNB should educate customers and be more transparent about how the bank handles account and loan processes to avoid the complaints regarding racial profiling when it comes to granting home loans.

6.11.2 Recommendations pertaining to Service Responses and Service Recovery

Procedural justice responses

- FNB bank should consider employees being trained more regularly on how to deal with customers that want to take loans and open bank accounts to avoid customers being disappointed. This can be done through the employees being more transparent and simply and truthfully explaining concepts and conditions regarding loans and opening bank accounts, moreover, employees need to do this with patience and courtesy.

Distributive justice responses

- All business have be courteous to the customers fair regardless of the number of times customers complain about the same issue especially if no improvement has taken place regarding the issue. This is no different with FNB, therefore, the most important thing is to remain exercising patience, empathy and respect to customers and do that as frequently as possible and make it the standard.

Informational justice responses

- A tracking system should be developed that will allow the bank to see trends in the complaints and suggestions made regarding their current systems to develop or advance.
- The bank should minimise the usage of colloquial language to address customers, all responses should maintain professionalism and proper language use when responding to customers.
- The bank should minimise questioning customers without actually eventually addressing their concerns. This can be done by FNB creating adaptable templates of different ways to address topics that are seemingly too complex to answer to online, i.e. unauthorised debit orders.

- The bank could also display posts about taking into consideration the volume of the same customers' complaints over a period of time and the plans to make amendments to the system based on these complaints.

Interpersonal justice responses

- FNB can adapt their overall response style to that of an interpersonal nature. They are already doing a great job when the responses they give are interpersonal, they are detailed and of a great quality especially with alternative ways to resolve customer's complaints.
- Templates or a generic interpersonal response can be made as to how responses should be standardised and be adaptable to the customer's issue.

6.12 RECOMMENDATIONS FOR THE SECONDARY OBJECTIVE: NEDBANK

6.12.1 Recommendations pertaining to Customer Complaints and Service Failures

Process customer complaints

- Nedbank should ensure that process driven failures and complaints are always handled with the sensitivity and importance required at the bank, to avoid customers venting online about poor service.
- Nedbank could train its' employees and supervise them more often when they are dealing or engaging with customers at the bank.
- Information should be evenly distributed to all employees, throughout the different levels of the company as unanimously as possible to avoid different bank branches giving customers incomplete and inaccurate information.
- An alternative system could be introduced such as a 24-hour hotline service or email address specifically designated for reporting staff misconduct.

Outcome customer complaints

- Nedbank should revise their plan of the ATM dispersion across the country. This can be done by placing an ATM or two at least in each city region to avoid customers having to struggle finding an ATM and branches.

- The second most important factor is maintenance of ATMs, seeing that they have been reduced, Nedbank should ensure that all their limited ATM's are kept functional. This can be done through regular servicing of the ATM's.

Random customer complaints

- Nedbank could employ a long term tracking system that will monitor these complaints to discover any trends or patterns and adequately address them.
- Nedbank should educate customers more about how the bank functions to avoid the random complaints, an example being the bank posting information on the various random issues that arise from customers in the comments.

6.12.2 Recommendations for pertaining to Service Responses and Service Recovery

Procedural justice responses

- Nedbank should consider answering their customers at a faster rate, to just improve efficiency. Despite time factors being taken into consideration in the entire study, it is worth a suggestion for any business to resolve service failures timeously for their customers.
- Nedbank employees should continuously treat their customers that go to their bank with the utmost respect, patience and professionalism to ensure that customers have a good experience at the bank. This can be done through regular monitoring of employees by supervisors' at the bank.

Distributive justice responses

- Nedbank does well at replying to customers in a courteous and fair manner. Therefore, Nedbank has to remain being empathetic and respectful to the customers when replying regardless of the number of times customers complain about the same issue especially if no improvement has taken place regarding the issue. This can be the set standard style for responding to customers.

Informational justice responses

- Develop a tracking system that will allow the bank to see trends in the complaints and suggestions made regarding their current systems to develop or advance, as previously mentioned
- The bank should minimise using the exact same responses for a variety of complaints. There could be a detailed update of advancements being made of the banking system that can be posted regarding a common certain issue, instead of the bank giving the same response.
- Nedbank can also minimise asking questions and be more direct and specific when responding to reassure customers that they will try to appease their grievances.
- The bank could also post on their page about being aware and taking into consideration the volume of the same customers' complaints over a period of time and the plans to make amendments to the system based on these complaints.

Interpersonal justice responses

- Nedbank should adapt their response style to that of an interpersonal nature. They are already doing a great job when giving these kind of responses, they are detailed and of a great quality as depicted in chapter five and previously advised for FNB.
- Templates or a generic interpersonal response can be made and should be standardised. Subsequently, the basic standard interpersonal response can be adapted to be relevant to the customer's issue at the given time.
- Nedbank should be consistent with their designated or preferred way of attending to customer's complaints. This can be done through Nedbank clearly stating that they will only attend to complaints that are privately messaged and not posted on the page or be consistent with the types of complaints that are referred to private messaging.

6.13 RECOMMENDATIONS FOR THE SECONDARY OBJECTIVE: STANDARD BANK

6.13.1 Recommendations pertaining to Customer Complaints and Service Failures

Process customer complaints

Standard Bank should continually strive towards ensuring that process driven failures and complaints are handled with the sensitivity and importance required at the bank, to avoid customers venting online about poor service.

Outcome customer complaints

- Standard Bank employees should be continuously trained on customer service and they can be evaluated by customers' through rating their experience with staff after getting assistance.
- Standard Bank should ensure that all their ATM's are kept fully functional, especially after reducing the number. This can be done through regular service and maintenance of the ATM's.
- An alternative system could be introduced that reduces the amount of red tape and timeously responds when customers complain, for example, have a 24 hour hotline service or email address specifically designated for when customers cannot access ATM's or banks due to dispersion.
- The dispersion plan of the ATM's and branches dispersion across the country should be revised. This can be done by placing an ATM or two at least in each city region to avoid customers being unable to access ATM's and a bank branch, as similarly recommended for Nedbank.

Random Complaints

- As previously discussed, a long term tracking system should be implemented to monitor these complaints and discover trends.

6.13.2 Recommendations for pertaining to Service Responses and Service Recovery

Procedural justice responses

- Standard Bank should consider answering their customers at a faster rate, to just improve efficiency. Despite time factors being taken into consideration in the entire study, it is worth a suggestion for any business to resolve service failures timeously for their customers.
- The bank should be consistent with their designated or preferred way of attending to customer's complaints. This can be done through Standard Bank clearly stating that they will only attend to complaints that are privately messaged and not posted on the page or be consistent with the types of complaints that are referred to private messaging, similarly to Nedbank.

Distributive justice responses

- Standard Bank is very good at replying to customers in a polite and tactful manner. Therefore, it would be ideal to standardise this type of responding and remain being empathetic and respectful to the customers.

Informational justice responses

- Develop a tracking system that will allow the bank to see trends in the complaints and suggestions made regarding their current systems to develop or advance.
- Standard Bank should invest in a language editing software (i.e Grammarly or SpellCheckPlus) that will assist with reducing or eliminating spelling errors when responding to customers.
- The bank should minimise using the exact same responses for a variety of complaints. There could be a detailed update of advancements being made of the banking system that can be posted regarding a certain issue, instead of the bank giving the same response.
- Standard Bank could post on their page to make customers aware of them taking into consideration the volume of the same complaints over a period of time and the plans to make amendments to the system based on these complaints.

Interpersonal justice responses

- Templates or generic interpersonal responses can be standardised. Subsequently, the set standard of interpersonal response can be adapted to be relevant to the customer's issue.
- Standard Bank should be consistent with their designated or preferred way of attending to customer's complaints as previously recommended for FNB and Nedbank. This can be done through the bank clearly stating which complaints should be directed to the client customer care avenue.

6.14 RECOMMENDATIONS FOR THE PRIMARY OBJECTIVE ACROSS THE FIVE BANKS

As previously shown in table 5.1 in chapter 5 and within sections 6.2 to 6.13 above, the conclusions and recommendations for each of the five South African banks have been intricately discussed and expanded upon. The current section will discuss overall recommendations across all the banks. The recommendations below pertain to customer complaints and service recovery trends and behaviour across the five South African banks.

Studies that are based in social media contexts are worthwhile, in that observers might not be customers of the service provider therefore when handling complaints, the service provider must be aware that these observers must be considered in their service recovery approach because social media platforms make it possible for virtually any consumer to gain insights about a service provider.

Generally, all the five South African banks need to begin with ensuring that they have a formal social media marketing strategy (use specialist strategies) and have a budget specifically for social media management purposes. The strategy and budget would assist in the managing of the Facebook pages more effectively and efficiently.

The banks' can change the way in which they measure their social media effectiveness, they can measure through the number of enquiries gotten on their page, the longevity of activity around posts or comments or complaints as well as sentiment analysis to assist with service recovery in particular. This will promote efficiency in catering to the customer's issues and enquiries when a formal social media marketing strategy for businesses to consumers is in place.

In line with Hogleve, Bilstein, Hoerner (2019) service providers cannot limit their attention to the complainant. Instead, service recovery efforts must account for the effects on potential customers as well because these potential customers may still make decisions based on their observations of the service recovery process to already existing customers. These decisions could potentially affect the intentions to recommend the service provider.

Another recommendation is for service providers to integrate transparency into their customer communication strategies, it was observed in the study that banks still handle social media service recoveries by directing customer complaints away from the public and toward a private channel. This strategy can be rethought and rather be transparent with their complaint handling and this, in turn this will prompt the empowerment of the employees and or social media managers to handle complaints with authority and transparency.

Banks should therefore prioritise empowering their employees with skills, knowledge and the ability to deal with service failures. There is also a need of empowering the employees with good interpersonal skills that will help them in handling future service failure experiences. The banks can emphasis the need to invest in training their current staff members alternatively, social media agencies, a social media consultant or experts can be hired to ensure the overall management of the Facebook pages.

These recommendations would be to generally ensure that their online community is always treated fairly and with courtesy especially to avoid customers continually venting on the Facebook page about poor service or lack of responses. Furthermore, this will balance out the complaints to responses ratios and improve the overall quality of the responses given with minimal grammatical, colloquial language usage.

6.15 CONTRIBUTIONS OF THE STUDY

It was previously stated in the problem statement that thorough research has been done in South Africa with regards to service recovery in various industries. This was further reinforced and reiterated in detail in chapter two, section 2.6. These industries include fashion, the airline industry, medical care, hospitality, grocery shopping, automotive repairs, the mobile network industry and the financial industry. However, based on the reach of the analysis, it can be argued that the latter industry is perhaps the least researched area. It was also identified that online service recovery

research has been conducted mostly in first world countries and significantly lower than that of less developed countries (Snelson, 2016; Kotler et al., 2012).

More significantly, the outcome of the current study will be useful in categorizing online service failures as well as online service recoveries for businesses that utilise social online platforms for advertising and customer service. The banking industry is the specific industry and the targeted group of businesses that this study will contribute to. The primary objective of this study is to analyse customer complaints and service recovery trends over a specified period of time. Therefore, the gap highlighted serves as a contribution to the under researched topic regarding online customer complaints and service responses in the banking industry.

The primary objective of the research study made it possible to highlight pertinent service failure and recovery issues that challenge the South African banking industry. As previously discussed, the focus of the research was customer complaint behaviour on each of the top five South African Facebook pages. The main areas of importance which required attention in the banking industry were indicated and discussed to obtain findings. Results of this study lend further support to the application of the justice theory within the banking industry, demonstrating that customers' perceived justice, can potentially influence the service recovery strategies employed by the banking industry to effectively resolve service failure. The findings of the study can therefore, be inferred to in future and be of greater use to the South African banking industry.

The secondary objective is to analyse and categorise complaints from customers using each of the five South African banks and its respective Facebook page over a specified period of time. This objective will allow for the derivations made from this study regarding categorising online service failures and recovery be referred to by businesses that utilise online platforms, particularly Facebook to promote themselves and engage with their customers. The findings of the study in this regard can be of great importance and be utilised by businesses to understand and be cognisant of not just offline service recovery, but also effective online service recovery, both aspects of service recovery should be regarded as important, the study expands on prior

research by directing the discussion to an online context, which is critical considering the vast reach of social media complaints. Furthermore, the study can also be a useful business strategy for customer retention and overall online customer engagement and interaction.

The conceptual method to utilise qualitative content analysis to categorise online complaints and responses brought a different dynamic and context to categorization of complaints and responses as they were previously conducted. The methodology utilised in this study was developed from previous literature in various other studies as highlighted in chapter two, specifically in sections 2.7 to 2.9. The content analysis and categorisation of online customer complaints and responses can be used to catapult other categorisations of the above mentioned in future studies. The target for this study was the top five South African bank's customer complaints and the banks responses to complaints on the banks Facebook page. Every study has contributions as well as limitations. The limitations will be expressed in the following section.

6.16 LIMITATIONS OF THE STUDY

The findings of the study cannot be generalized across the South African banking industry without further probing and enquiry. The sample of the study focused on only five of the South African banks and not the entire industry. Due to the study dealing with mainly the customer complaints of the five South African banks, it makes the representation of the South African banking industry customers and other banks' skew. Therefore, it cannot fully be concluded that the findings fully represent the trends within customer complaints and the bank's recovery responses because only a small portion of the comments were analysed. Additionally, the determining and categorisation of complaints and service recovery responses rests upon the researcher's discretion, hence this can produce skewed conclusions due to possible misinterpretations. Given the exploratory nature of our research objectives, there are restrictions with regard to this study. Although the perceived justice theory was adopted as the conceptual approach, the classification system is neither definitive nor exhaustive of the range of possible service failure occurrences and service recovery processes. The study is a step toward the derivation of a classification system of online service failures and recoveries containing conceptually distinct

categories and dimensions. Future research can expand on this study and refine the classification system through replication studies.

Moreover, only 250 complaints were considered for each of the five banks for this study, which leaves room for a larger sample of complaints to be considered. The timeframe during which the data was collected from the various bank's Facebook pages was also limited across a span of three months which leaves room for a longer timeframe to be considered in future research.

Additionally, the online customer complaints were extracted from Facebook and none of the other popular social media platforms, particularly Twitter and Instagram. As discussed in section 3.5, various online platforms have a considerable amount of customers engaging on those platforms and they were not considered for this current study. Conclusively, the findings of this study can therefore not be used as a blanket over the entire South African banking industry.

Another limitation deals with the chosen research. The methodology for this research was previously discussed in chapter four and was concluded upon that it cannot rest on a single paradigm to be able to adequately draw accurate conclusions. This was the case, due to the study being at an intersection between two paradigms, namely; interpretivism and positivism. Essentially, the employed research methodology can have implications regarding the findings and conclusions made, as they are based on the researchers' interpretation and ultimately cannot be generalized.

6.17 FUTURE RESEARCH SUGGESTIONS

There is a need for the advancement of qualitative software to allow more efficient categorization of online data, this would also improve the quality of the data and findings as it would be less exposed to human error. This is important for all industries and businesses that utilise the internet (social media platforms) to reach out to their customers. BrandsEye is a software that is currently available, however, it is expensive and not necessarily accessible for academic purposes. This software is a customer service solution tool that assists with mitigating risk and improves retention and acquisition rates on behalf of the company. Furthermore, the software uses a proprietary prioritisation method that can assist the company to rapidly

respond to the most important customer interactions on social media. BrandsEye is a leading social media software that filters unstructured social media feedback and ultimately assists with managing risk and improvement of reporting. This tool could be very useful for various sectors not just the banking industry.

This study utilised the qualitative research approach, however it can be suggested that a hybrid of the research approaches (qualitative and quantitative) may be interesting to employ when tackling this topic. This will assist to draw more inferences and improve the findings of the study. The fitting or most appropriate research approach that could possibly improve upon and take the research to greater heights would be a mixed methodology approach.

Furthermore, the sample size of the study is too small. A larger sample size will allow for more accurate findings and interpretations of the collected data. All banks Facebook pages should be analysed to note online service failure and recovery trends in the South African banking industry as a whole and not just the top five banks.

The present study highlights the importance of categorisation of customers' complaints and the service recovery after a service failure to identify trends that could potentially influence the service recovery process in the future. Strategies for service failure are strongly associated with business and brand image, therefore, for a long-term relationship with customers, the banking industry should emphasise perceived justice after service failure through various methods and how this emphasis can evoke customers positive emotions, thereby influencing their overall satisfaction and positive word-of-mouth intentions for potential customers. The interconnectedness between perceived justice dimensions and online service recovery strategies can be further explored and further recommendations can be made with distinct categorisations and strategies.

Subsequent empirical investigations should be undertaken to further refine and validate the theoretical model adopted through alternate methods and for other online platforms and communication or interaction. Future research can replicate our empirical study across other forms of industries and social media platforms to test,

adapt, and generalize the study's classification system to the broader domain of online service recovery.

6.18 FINAL SUMMARY AND CONCLUSION

The first chapter relayed the overview of the entire study and formed a foundation for the current study. The primary objective of the study was to analyse online customer complaints and service recovery trends. The second chapter dwelled upon the literature review, which consists of underpinning theories for the study as well as empirical research. The third chapter described the South African banking industry and online service recovery, this chapter summarized key aspects of the banking industry and detailed the influence that the internet and social media have had on the banking industry. Chapter four presented a detailed research methodology, ranging from the research process, the methods utilised to collect data and concluded with a discussion of online ethics. The fifth chapter presented the findings of the data collected, the process to analyse the data and the themes and trends that emerged were highlighted in this chapter.

Lastly, chapter six serves to summarise the study. The research and data collected informed conclusions and recommendations made in this chapter. This chapter reinforces the objectives of the study and established that both primary and secondary objectives were fulfilled. Limitations of the study are presented as well as future research suggestions. The final conclusion of the study is that customers generally complain about the banking system whether given the opportunity or not. There is also a lack of understanding of these systems and a lack of transparency from the banks as well. Ultimately, banks should always try to keep their customers updated with new developments informed by their complaints and generally, banks should their platform for more transparency and detailed explanations of common complaints from customers and an update of progress that has been made so far in those regards.

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