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Factors influencing financial service encounters in rural South African markets

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Factors influencing financial service encounters in rural South African markets

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in the field of Strategic Marketing

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ABSTRACT

Using digital services and touchpoints by financial service providers in South Africa is advancing; however, these services are not accessible to all customers. South African rural markets encounter hurdles in migrating from traditional touchpoints to self-service technologies as financial service providers introduce technologically advanced service touchpoints. The research contributes to knowledge about how rural communities encounter financial services and towards efforts to provide touchpoint solutions for rural markets to build an equal and inclusive market. The study objectives were to establish the financial service encounter needs and preferences of the Mbizana rural market, examine the factors influencing financial service encounters, and identify the measures adopted to encounter services of financial service companies. A qualitative research methodology was used to collect data from 15 participants between the ages of 26 and 55 from Ludeke and Kwajali in Mbizana in the Eastern Cape, South Africa. Five out of six propositions were accepted based on the collected data, while insufficient evidence exists to support one proposition. The results indicate that rural customers fail to experience technological and financial services mainly because of inadequate networks, distant offices of financial service companies, travel costs, and alien technology. The research reflects on the implications for financial service providers on service innovations and service design, government policies, and marketing managers. The results imply that FSPs should ensure that RMs have equal access to financial services and communication; FSPs should focus on research and development and CRM initiatives that constantly deliver data and insights that improve the relationship quality between FSPs and the RM; government and FSPs should introduce sustainable solutions that create SE opportunities and encourage rural customers to use self-service technologies; the needs of rural customers are evolving with time, and they are aware of their struggles; rural customers make an extra effort to experience financial service; and there is a lack of trust in financial touchpoints.

This study proposes recommendations for future research.

Keywords: touchpoints; rural market; digital; Mbizana; financial service providers

DECLARATION

I, Boniswa Nosicelo Matshoba, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other University.

Boniswa N. Matshoba

Signed at ……..

On the……. day of…… 20…….

TABLE OF ABBREVIATIONS

APES	Academic and Professional Editing Services
CAQDAS	Computer Assisted Qualitative Data Analysis Software
FSCA	Financial Sector Conduct Authority
RM	Rural market
SE	Service Encounter

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CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 Introduction

Chapter 1 contains background information about the title and theory relevant to the study. The chapter comprises the research purpose, context, problem, objectives, and significance. The chapter includes delimitations and the definition of the relevant terms and assumptions about the study.

1.2 Purpose of the study

The study aimed to uncover the factors influencing the service encounters of the Mbizana rural market with FSPs, understand the experience of the Mbizana rural market regarding the service encounters, and the meaning of their service encounters or lack thereof.

1.3 Context of the study

Rural markets are among the fastest-growing markets in large emerging economies (Kapur, Dawar, & Ahuja, 2014), such as South Africa, India, Russia, China, and Brazil. Customers and financial service companies globally interact at multiple service touchpoints owing to technological advances. The latter and the subsequent service encounter innovations present new opportunities and challenges in emerging markets, mainly rural areas (Kapur et al., 2014). “Service encounter” refers to the interaction between financial service companies and their customers (Zeithaml, Bitner, & Gremler, 2018). Service encounter channels include a mobile phone, email, the company website, face-to-face interactions, and social media; however, access to these multiple touchpoints varies significantly between developed and emerging markets.

The literature emphasises the significant development of the rural market through technological advancements. The development resulted from the positive effects of technology-related government policies (Shankar & Narang, 2020), companies offering innovative solutions to increase their share of the rural market (Kapur et al., 2014), and corporations from various industries customising their products or services to access and differentiate themselves in rural

markets. Other literature also demonstrates that companies in emerging markets, such as India, China, and Ghana, are allocating budgets to gain more knowledge and develop cost-effective innovations tailored to those rural markets (Koning & Valenzuela, 2015; McNamara & Descubes, 2016). limited rural market innovations are established in South Africa.

South Africa is an emerging market comprising rural and urban communities developed at various levels. Rural markets in South Africa is vital in economic development; therefore, withholding access to financial service encounters means holding back the potential progress of these rural markets; 50% of the South African population cannot connect to the Internet owing to the price of smart devises, data prices, inadequate digital literacy, and factors related to technological and socioeconomic inequalities ("Digital equality: South Africa still has a long way to go," 2020).

In 2020, Vodacom (a South African telecommunication giant) reported that the company extended its rural coverage from 240 to 377 sites and indicated that more communities still require network coverage (Vodacom Group Limited, 2021). The additional communities had limited or no network coverage before Vodacom attempted to extend its network in these areas. This example considers the limited nature of connectivity in some rural communities. Nyahodza and Higgs (2017) identified access to information and communication technologies as one of the critical challenges in bridging the digital divide between rural and urban communities in South Africa.

Companies, customers, and employees use information and technology in collaboration to create customer value. The *services marketing triangle,* outlined by Gronroos in 1990, emphasises the role of marketing in the interaction between the company, customers, and employees and technology for value creation and delivery (Wilson, Zeithaml, Bitner, & Glemler, 2016). Interactive marketing between customers and the company employees or technology relates explicitly to the purpose of this research regarding companies delivering on their promises to customers through their employees or technology. The triangle is demonstrated in Figure 1.1 below.

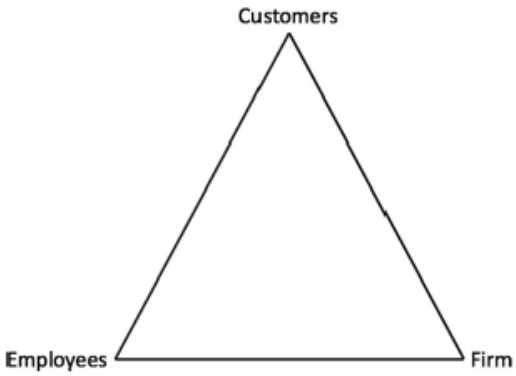


Figure 1.1: Service marketing triangle

Source: Anderson and Smith (2017).

Financial service companies, such as insurance companies and banking institutions, provide services as their primary offering and customer service, which includes customer interaction, as their secondary offering (Wilson et al., 2016). Over the years, technological advancements have enabled banks and insurance companies to interact and deliver services to clients more efficiently and frequently through various channels (Arina, 2015). These channels include mobile applications, electronic emails, websites, retail banking, and other technology-driven innovations.

The Financial Sector Conduct Authority (FSCA), which serves as a conduct regulatory body for all financial institutions, places a significant focus on the requirement for consistent commitment and delivery of inclusive innovations, fair treatment of customers, and fair outcomes for customers before, during and after finalising the service agreement ("Conduct of financial institutions bill," 2018). Significant to this study is that banks and insurance companies must keep their customers informed fittingly throughout their service journeys with FSPs ("Statement supporting the conduct standard for banks," 2019); however, the difference in access to digital information between rural and urban markets means various awareness levels among these financial markets.

In addition to the aforementioned service marketing triangle theory, service encounter challenges affect the service marketing mix defined by McCarthy, comprising the 4Ps—product, price, promotion, and place, plus the additional three Ps—people, physical evidence, and process

(Mahajan & Golahit, 2020). The *service marketing mix* "process" influences the service encounters of rural markets regarding the way the delivery of services by FSPs is experienced.

Mbizana, also known as Bizana, is a small town in the Mbizana Local Municipality of the Eastern Cape, surrounded by over 160 rural villages ("Draft integrated development plan review for 2016/2017 financial year," 2017). Over 83% of the population does not have access to the Internet ("Draft integrated development plan review for 2016/2017 financial year," 2017) owing to limited infrastructure, the limited network provided by telecommunication companies, and no Internet cafés for the community. In areas covered by a cellphone network, telecommunication companies mainly provide network facilities for telephone calls and text messages but limit networks for Internet access which would provide rural communities access to mobile applications, websites, online channels, and social media of financial service companies. This challenge restricts the touchpoints for customer-company interaction between financial service companies and their Mbizana customers. Customers have limited or no access to the touchpoints, which could add value to their encounters with the financial service sector.

1.4 Problem statement, research questions, and research objectives

1.4.1 Main problem

Customers and financial service companies globally interact at multiple service touchpoints owing to technological advances. Technology enables the financial sector to interact with clients by email, phone applications and websites for product updates, personal information updates, and easy access to the status quo of the accounts or insurance policies. Technological advances by the FSPs motivate service innovations which improve customer-company interaction, channels for interaction and service quality (Huang & Rust, 2017). Rust (2020) contends that rapid technological innovations produce opportunities and challenges for service marketing. The opportunities include various digital services and channels financial service companies provide to improve service and service encounters.

Challenges relate to technological access, digital risks, and various urban-rural dynamics in emerging markets; therefore, clients of FSPs in rural villages have limited or no access to innovations in information and communication technology and therefore experience limited or no connectivity to services offered by the financial sector (Lusigi, 2019). This cause limited to no technology-enabled service encounters for rural customers. Emerging markets display various characteristics compared to developed markets (Shankar & Narang, 2020), as emerging markets comprise high market heterogeneity, socio-political challenges, a shortage of resources, and insufficient infrastructure (Sheth, 2011).

Previous studies reveal that emerging markets, such as India and China, experience a wide range of customised product solutions and innovations by local and multinational companies for rural markets (Kapur et al., 2014; Shankar & Narang, 2020). South Africa is one of the five largest emerging markets besides India, China, Brazil, and Russia. Rural markets in South Africa still experience bank and insurance policy service solutions tailored for the rural market. Owing to the Mbizana rural market having limited access to digital service encounters through email, phone applications, and websites, this market mainly consults with their FSPs through their offices or branches and banking cash machines (ATMs), while some may have access to a post office mailbox.

The Mbizana rural market has limited-service encounters with financial service companies, which causes limited customer value. The limited interaction between rural customers and financial service companies invariably adversely influences value creation for rural customers (Echeverri & Salomonson, 2017). The Mbizana rural market cannot contribute to the co-creation of customer value, developing relationships with financial services and feeling empowered by technological innovations owing to technology restrictions (Neghina, Caniëls, Bloemer, & Birgelen, 2015). This implies that the FSP marketing communication campaigns and innovative solutions are ineffectively discussing the needs of the rural market.

The research intended to reduce the knowledge void around customer value by uncovering the factors influencing the financial service encounters of the Mbizana rural customers. “Customer

value" refers to customers' perception of whether they benefit from a service based on what they paid versus other alternatives (Mahajan, 2020). The study examined value as defined by the customer's perspective.

1.4.2 Research questions

The research questions of the study entail:

1. What are the financial service encounter needs and preferences of the Mbizana rural market?
    1.1. Can knowing and understanding the service encounter needs and preferences of the rural market from financial service companies improve rural consumers' perceived value?
    1.2. Can improving the rural market's customer experiences assist with developing and delivering convenient service solutions that enhance the outcomes of customer-company interaction?
2. What are the factors influencing financial service encounters by the Mbizana rural market?
    2.1. Can increasing service encounter opportunities for the rural market positively affect the factors influencing their service encounters and the potential reach of service marketing by the FSPs?
    2.2. Can financial service companies build long-term relationships with rural customers retained beyond rural-urban migration by optimising the co-creation of value and touchpoints?
3. What measures are adopted by the Mbizana rural market to encounter services of financial companies?
    3.1. Can an interactive relationship with rural customers advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels?
    3.2. Do rural markets actively seek service encounters to experience the benefits of and receive information about financial services?

1.4.3 Research objectives

The research objectives of this study are:

1. To establish the financial service encounter needs and preferences of the Mbizana rural market.
    1.1. Establish if knowing and understanding the service encounter needs and preferences of the rural market from financial service companies can improve rural consumers' perceived value.
    1.2. Establish if improving the rural market's customer experiences can assist with developing and delivering convenient service solutions that enhance the outcomes of customer-company interaction.
2. To examine the factors influencing financial service encounters in the Mbizana rural market.
    2.1. Examine if increasing service encounter opportunities for the rural market can positively affect the factors influencing their service encounters and the potential reach of service marketing by the FSPs.
    2.2. Financial service companies can build long-term relationships with rural customers retained beyond rural-urban migration by optimising the co-creation of value and touchpoints.
3. To identify the measures adopted by the Mbizana rural market to encounter services of financial service companies.
    3.1. Identify if an interactive relationship with rural customers can advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels.
    3.2. Identify if rural markets actively seek service encounters to experience the benefits of and receive information about financial services.

1.5 Context of rural communities

South Africa has three types of municipalities—metropolitan, urban, and rural. The metropolitan and urban municipalities are more structured and effective in delivering essential community services. Rural municipalities are characterised by meagre infrastructure, poverty, and unemployment (Ncube & Monnakgotla, 2016). The study was conducted in the Eastern Cape in South Africa, in the small town of Mbizana.People who live in Mbizana, such as many rural and

township communities in South Africa, were forcibly moved by the colonial authorities and apartheid government from their homes and segregated according to ethnic groups as far away as possible from urban and industrial areas. The result was the underdevelopment of rural municipalities (Ncube & Monnakgotla, 2016).

Over the years and following the election of a democratic government, rural communities in South Africa, including Ludeke and KwaJali in Mbizana, receive access to essential government services, such as electricity, water, and housing. Telephonic network services began with Telkom landline telephones in the 90s, followed by major telecommunication companies, such as MTN, Vodacom and Cell C. These telecommunication companies are committed to and report on increasing network access to rural communities. The rural population of South Africa has grown from 9,128,063 in 1960 to 19,305,303 in 2021 (TheWorldBank, 1960 - 2021). South African rural villages experienced similar developments in infrastructure, access to media, access to electricity, and network connectivity since the beginning of democracy. The government and the private sector are introducing developments at a slow yet progressive rate. For example, electricity in rural towns was being phased over several years, followed by implementing water street taps a decade or more later. Telecommunications companies provide limited network towers to rural communities as determined by their resources.

Over the years, with access to education and the removal of limits to the movements of black people and their power to own land, rural communities experienced growth in numbers, homes, businesses, employment opportunities, and infrastructure development. These are rural communities across all nine provinces of South Africa Eastern Cape, KwaZulu-Natal, Western Cape, Limpopo, Mpumalanga, North West, Northern Cape, Gauteng, and Free State. Banks were mainly the first nation-wide private sector businesses to move their services to rural towns, followed by large retail brands, such as Spar and Shoprite. These changes brought access, awareness, and experiences which continue to develop the rural market across South Africa.

The Eastern Cape is a good representation of the rural market for this study because it is the third most densely populated province after Gauteng and KwaZulu-Natal (StatsSA, 2016) and the

second largest province in the country by kilometres after Northern Cape. Issues of meagre infrastructure, lack of essential services, lack of schools, and subsequent consequences observed and reported about the Eastern Cape are also reported in rural communities in other provinces.

Mbizana adequately represents the South African rural market that needs digital access, skills, and infrastructure for an equal and inclusive financial service industry. Mbizana was chosen for convenience; however, South Africa comprises several rural villages such as Ludeke and KwaJali. Rural communities are of the South African population that lacks Internet connectivity and adequate infrastructure to experience the development and prosperity of financial services. This is significant and influences the country's economic growth.

1.6 Significance of the study

Limited literature exists about the measures and actions undertaken by rural markets to cope with the service encounter divergence. This study attempted to discourse and fill the divergence and add to the body of literature available about this topic. The additional literature could also guide product and service innovations by FSPs.

The findings produced literature supporting and enhancing strategies by FSPs aimed at creating value for rural customers based on their actual needs and contributing new insights to the body of knowledge on factors influencing financial service encounters by rural markets. Palmatier and Sridhar (2020) agree that a customer-centric company can identify unmet claimant needs and alter marketing strategies in an informed manner. Practically, the study guides service marketing managers for marketing strategies or enhancement of service marketing strategies for the rural market. The study also assists government and its stakeholders with informed decisions where a technology-related government policy is being implemented to accelerate rural development.

1.7 Delimitations of the study

The study focused on the rural market of Mbizana rural villages, with participants hailing from eLudeke and KwaJali villages. Community members in these villages have continually expressed challenges regarding accessing the Internet and digital channels. Second, the FSPs referred to in

the study are limited to insurance companies and banking institutions. Other FSPs, such as mobile network operators, e-money issuers, retailers, and the post office, are excluded; therefore, claimants who own insurance policies and bank accounts participated in the study. Third, the research results are not aimed at the entire rural market population of South Africa.

1.8 Definition of terms

These terms used in the study, are explained below:

- **Service encounter** refers to the interaction between financial service companies and customers (Zeithaml et al., 2018).
- **Interaction** is a two-way contact between financial service companies or digital channels and customers (Echeverri & Salomonson, 2017).
- **Service touchpoints** are interaction points between financial service companies and their customers (Keyser, Verleye, Lemon, Keiningham, & Klaus, 2020).
- **Financial service providers or financial service companies** provide financial services to customers. Koning and Valenzuela (2015) remark that FSPs include banks, mobile network operators, e-money issuers, retailers, post offices, and nonbank financial institutions, such as insurance companies. This study focused on banks and insurance companies.
- **Digital financial services** resulting from technological advances in the financial service industry. These are services, such as digital transfers, payments, insurance, credit and more, plus digital channels, such as mobile phones used for digital applications, emails and more (Koning & Valenzuela, 2015).
- **Customer relationship management** (1) refers to the process and systems used by financial service companies to build long-term relationships with customers to positively influence the market share (Meena & Sahu, 2021).
- **Customer relationship management** (2) is similar to a relationship where dialogue is initiated, and responses are sought for results-driven service strategies (Sofi & Hakim, 2018).
- **Customer value** is the customer's perception regarding whether they benefit from a product or service based on what they paid versus other possible alternatives (Mahajan, 2020).

- **Value co-creation** means that financial service companies not only create value for customers, but customers also assist the companies with creating value for them as they identify their needs and preferences during the interactions (Neghina et al., 2015).

1.9 Assumptions

It was assumed that the participants might have limited knowledge of the service encounters and the opportunities they presented. This required simplified questions and a broad questioning technique rather than a succinct one.

1.10 Conclusion

Previous research indicates that rural markets are still lagging in technological advancement with FSPs in various countries, developed and developing, finding innovative ways to close the digital divergences between rural and urban markets and finding ways to deliver suitable service designs. There is a dearth of literature on factors affecting service encounters of rural customers in South Africa. South Africa lacks traces of financial services tailored for rural customers. Yet, technological developments and advancements must be tracked to build an inclusive economy.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The literature reviewed in this chapter brings the study topic into context using various theories and empirical findings. Propositions are also advanced based on the presented literature and justifications where there is insufficient literature. In Chapter 1, there is limited literature about the measures rural markets take to experience service encounters with financial service companies.

2.2 Definition of topic or background discussion

The study identified and described factors influencing financial service encounters in the Mbizana rural market. Touchpoints facilitate service encounters. “Touchpoints or company touchpoints” are interaction points between financial service companies and customers (Keyser et al., 2020). They are controlled by financial service companies implementing service changes and digital innovations driven by rapid technological changes (Huang & Rust, 2017). Company touchpoints provide financial service companies with an opportunity to engage with customers and understand where and how to form customer relationships. Keyser et al. (2020) contend that touchpoints differ from one customer to the next depending on the stage of the customer journey with the company and the proportion of control between the customer and the financial service companies.

In South Africa, customers of banks and insurance companies may access services through email, website, mobile applications, text, physical offices and employees, despite the customer journey stage. Touchpoints play a significant role in shaping marketing communication strategies of financial service companies, influencing service encounters and collecting customer data. Touchpoints deliver innovative solutions that advance customer inclusion by enabling financial products and services that meet customer needs as required by the FSCA ("Conduct of financial institutions bill," 2018).

Service encounters are essential moments of interaction between a customer and a financial service company which influence the customer’s perception of the company (Bitner, Brown, & Meuter,

2000). Encounters for banks and insurance companies occur face-to-face at the branches or offices, telephonically, through electronic or post office mail, or over the Internet. The FSCA, through the Conduct of Financial Institutions Bills, prescribes providing sufficient post-sales support or service to customers by financial service companies ("Conduct of financial institutions bill," 2018; "Statement supporting the conduct standard for banks," 2019). In South Africa, convenient post-sale services of financial products are primarily delivered through digital channels that are not as accessible to rural customers as they are to urban customers.

Huang and Rust (2017) affirm that technological advances have accelerated digital service innovations; however, some rural villages mainly experience face-to-face interaction with frontline employees because of limited resources and infrastructure. Melro, Oliveira, and Amaro (2020) caution that rural communities might not be aware of the need for more service encounters because they lack the infrastructure to improve their knowledge and encounters. Copious studies investigated the evolution of touchpoints, their influence on customers as they encounter services, and the outcomes resulting from the service encounters. A need exists for more studies that explicitly connect the service encounter experiences of rural markets and value creation, which is what this study aimed to achieve.

2.3 Service encounter needs and preferences

Technology has significantly changed customer needs and services from financial service companies; however, customers may not know what they need unless that need is ignited through effective marketing communication strategies and innovative customer solutions. Available literature about emerging markets emphasises the diversity of the local markets within the emerging markets. For example, in India, M-Pesa is available in over five languages to make the digital offering user-friendly to the rural market. In contrast, other emerging companies have innovated by hiring mobile service agents who provide financial services to rural markets (Koning & Valenzuela, 2015). This demonstrates the level of commitment by financial service companies in India to providing solutions that meet the needs of Indian customers while also making their services accessible to rural markets.

Sure and Usha (2019) emphasise that financial service companies should understand the needs, behaviour and psychology of rural consumers to include them in the primary market and for the companies to benefit from the growing market. The study by Wang and Tian (2014) supports the above observation by arguing that more attention should be directed towards including rural markets in the primary market because of their significant contribution to the economy, which exceeds the benefits and services they receive. Determining and understanding the needs and preferences of rural markets and improving their service encounter opportunities would benefit the FSPs by producing favourable service outcomes. The outcomes of developing more service interaction opportunities for rural markets may include influencing customer satisfaction, loyalty, word-of-mouth and intention to repurchase the service (Bitner et al., 2000). This ultimately affects the company's profitability.

Financial service providers in South Africa should also produce innovative solutions, whether digital or not, to improve the service encounters they provide to rural markets. Such convenient and innovating service solutions would positively influence the delivery of customer value and the effectiveness of service marketing. The service solutions should be developed in addition to building infrastructure to advance rural markets.

2.3.1 Customer value

Customer value is the customer's perception about whether they benefit from a product or service based on service or product price, customer effort and the product itself against other possible alternatives (Mahajan, 2020). Value is not only created during the customer-company interaction or service exchange but also from within the context of the customer's personal and communal experience (Heinonen, Campbell, & Ferguson, 2019).

Value is affected when customers share good or bad experiences with their friends and loved ones. Rural dwellings are partly communal, and as a result, rural dwellers share their experiences and knowledge. They share details about receiving what they perceived as valuable or lacking. Perceived value is mainly recognised when the service innovation is designed from the customer's perspective, less so from the service provider's perspective, to yield positive consumer attitudes

and behaviour patterns (Echeverri & Salomonson, 2017). The customer's perspective requires the financial service provider to study and listen to rural markets to co-create value using the service encounters and deliver services that meet their expectations.

Financial service companies communicate value to customers by emphasising their financial products, benefits, and service capabilities. The promotions incite customers to recognise the need for the financial product or service (Bradford & Boyd, 2020); however, insufficient touchpoints and technological channels exist for rural markets to participate in service experiences which enable them to extract value, an adequate value similar to that of customers living in urban areas. For customers who act on marketing communication, the perceived value increases the customer's experience with financial products (Mahajan, 2020); however, a customer must encounter some perceived value to feel an enhanced level of the customer experience.

Financial service companies which develop and provide convenient service encounter solutions for rural consumers create value for rural customers. Financial service companies that do not create, communicate and deliver value to rural customers harm the company's profitability and service marketing strategies for those markets. The companies communicate and deliver value through their people, touchpoints and processes, which influence the decisions of customers pursuing or expecting satisfaction (Bradford & Boyd, 2020). A firm knowledge and understanding of how rural customers interact with the companies, employees and their community should enable FSPs to create and deliver value to rural markets. Brands must design and develop service solutions that bridge the service encounter divergence between rural and urban markets; therefore, insights into customer needs, preferences and value lead to the subsequent proposition:

Proposition 1: Knowing and understanding the service encounter needs and preferences of the rural market from financial service companies can improve rural consumers' perceived value.

2.3.2 Customer experience

Banks and insurance companies that offer and adopt innovative solutions to understand the perceptions and behaviours of their rural markets find themselves in a position to create positive

experiences for their customers (Singh & Malik, 2019). Additionally, effective use of emerging technological solutions can assist in improving customer experience management that benefits from the customer and the business (Tom Dieck & Han, 2022) The various touchpoints facilitating how customers encounter financial services have increased the need to assess, influence and manage customer experience (Lemon & Verhoef, 2016). The challenges of rural markets related to touchpoints, communication channels, and service encounters affect the potential assessment of service outcomes of this market following their service experiences. Service outcomes include service quality, loyalty, and behavioural intentions.

Bradford and Boyd (2020) established that service encounter contributes to the customer's service experience. Rural dwellers often must sacrifice money and time to travel to their rural towns to interact with FSPs through branch and ATM services. FSPs, through service encounters, develop innovative solutions to listen to customers and use the insights they receive from customers to improve customer experience and co-create services that meet customer needs (Koning & Valenzuela, 2015). This is significant to retain and increase market share when young persons depart South African rural areas for urban areas in search of employment.

Yu and Sangiorgi (2018) affirm that services should be introduced within a service design framework that ensures that customer experience remains the centre of the service design. Customers should be reasonably satisfied with the available service encounters when they reach the urban areas and move between urban and rural areas. Yu and Sangiorgi (2018) further indicate that the service design process requires a comprehensive understanding of customers, systems, and all actors involved in the new service design to deliver value and favourable outcomes. These companies use service marketing to influence the process element of the marketing mix to build loyalty and improve customer satisfaction; therefore, the service encounter-related challenges experienced by rural markets harm the process component of the service marketing mix for rural customers and the marketing managers of financial service companies. This is because adverse service experiences lead to customer dissatisfaction.

The service marketing mix of service companies comprises the four Ps, which are product, price, place and promotion, and the additional 3Ps of people, physical evidence and process. Touchpoints and service encounters form part of the "process" element of the service marketing mix since the "process" approaches the development, systems, touchpoints and activities through which the financial service is delivered to customers (Mahajan & Golahit, 2020). The process should also be accessible, available and responsive to customers; therefore, building capacity and opportunities for service interaction and service marketing between customers and companies; therefore, the subsequent proposition is proposed:

Proposition 2: Improving the rural market's customer experiences can assist with developing and delivering convenient service solutions that enhance the outcomes of customer-company interaction.

2.4 Factors that influence financial service encounters

The insurance and banking environments are influenced by external and internal factors (Arina, 2015), such as competitors, strategies, and technological changes. The technological changes require banks to invest in innovative service distribution channels, such as phone applications, online channels and electronic mail (Arina, 2015), to engage with customers, and deliver the service, customer service and value-added service. Recent studies emphasise the importance of understanding service innovation management for effective delivery and use (Santos-Vijande, López-Sánchez, Pascual-Fernández, & Rudd, 2021). Others warn that the future of service innovation lies in interlinking the physical, digital and social realms of customers to achieve innovation success (Bolton et al., 2018).

In understanding the realms affecting customer behaviour, understand customers' preferences in rural markets from available touchpoints and reasons for those when developing growth strategies. Shankar and Narang (2020) contend that the growth strategies of emerging market companies should focus on developing their innovations driven by the unique characteristics of the emerging market where they operate; therefore, financial service companies in South Africa should not merely copy global innovations and trends but also develop innovative products and services

inspired by the diverse South African markets. This is important because several investigations agree that service encounters form part of the services provided by the company (Bitner et al., 2000; Bradford & Boyd, 2020).

Little research uncovers the problems and difficulties related to service marketing experienced by rural markets because of limited-service encounters. Studies mainly focus on evaluating the service experience, and service encounters experienced by customers living in well-developed areas, reasons for limited-service encounters in rural markets, and the challenges arising from the lack of digital service encounters (Melro et al., 2020; Sheth, 2011; Singh & Malik, 2019). Factors which harm the quality of service encountered by rural markets make the delivery of financial, customer and value-added services complex.

The researched types of service barriers experienced by rural customers include limited or lack of; knowledge, understanding of products and technology, education, access to fast information, information collection, and access to communication channels (Wang & Tian, 2014). This affects how and whether rural markets develop favourable associations with financial services companies, which should be investigated. The study by Singh and Malik (2019) emphasises the significance of pursuing customers' perspectives on available or lack of touchpoints and service encounters if the intention is to advance services for rural markets. This leads to the subsequent proposition:

Proposition 3: Increasing service encounter opportunities for the rural market can positively affect the factors influencing their service encounters and the potential reach of service marketing by the FSPs.

2.4.1 Customer relationship management

Palmatier and Sridhar (2020) affirm that customer relationship management (CRM) combines relationship marketing with information technology systems to integrate processes, people, operations, and marketing within the company. For the study, CRM included information technology and information systems, knowledge management, and data mining (Meena & Sahu, 2021). These all contribute to the company’s knowledge and understanding of customers and their

attitudes, effective customer communication, and understanding of influences of customer behaviour. Other studies focus on CRM as a customer-company dialogue that allows companies to induce favourable customer behaviour through marketing communication and operation strategies after understanding customer preferences (Sofi & Hakim, 2018). From this perspective, Mbizana rural markets have limited access to available online and offline channels to experience effective CRM with the banks and insurance providers.

Koning and Valenzuela (2015) advocate that FSPs and rural customers would benefit from an interactive relationship that would build knowledge, trust, and confidence for customers. Limited research has been conducted on factors influencing financial service encounters in South African rural markets. Existing research related to CRM explains the function of frontline employees during service encounters and the influence of self-service technology in the interaction. Additional literature is available about the broader challenges of emerging markets, which include the characteristics affecting technological developments (Sheth, 2011), service delivery to rural customers (Shankar & Narang, 2020), and the digital divide (Sure & Usha, 2019); therefore, the subsequent proposition is advanced:

Proposition 4: Financial service companies can build long-term relationships with rural customers retained beyond rural-urban migration by optimising the co-creation of value and touchpoints.

2.4.2 Service marketing triangle

Limited CRM and technology influence the flow of the service marketing triangle for value creation and delivery to rural markets. The service marketing triangle emphasises the function of internal and external marketing communication in the interaction between the company, the customer and the employees or technology (Anderson & Smith, 2017). This means that whether the customer interacts with the company through its employees or technologies, the influence on the quality of customer experience should be similar. The interaction between financial service companies, their employees and customers, influence the customer's future behaviour towards or against the companies (Bitner et al., 2000). At this point of the triangular interaction, opportunities

and emerging issues are identified while connections are formed, improved, and maintained. This is possible in environments where the triangular interaction functions effectively.

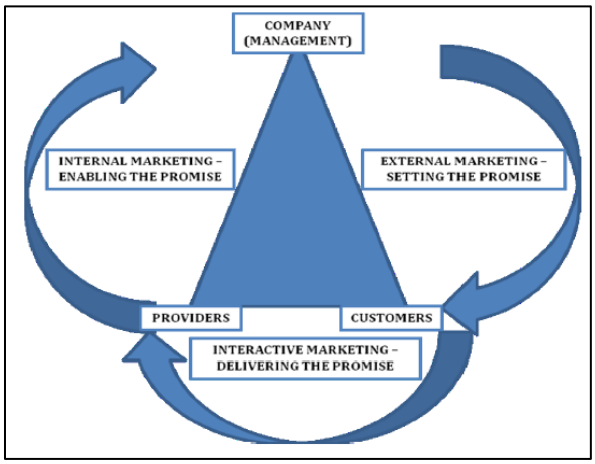


Figure 2.1: Company engagement

Source: Yadav and Dabhade (2013)

According to Yadav and Dabhade (2013), interactive marketing is a real-time connection between financial service companies and customers, which presents a critical moment for companies to deliver their promises to customers. FSPs and the government should collaborate to build an environment enabling rural customers to move from branches or offices to the ease of digital channels. The limited-service encounter opportunities for the Mbizana rural market signal a lack of interactive marketing between FSPs and rural customers in Mbizana.

Proposition 5: An interactive relationship with rural customers can advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels.

2.5 Actions by the Mbizana rural market to encounter services

Available literature focuses on emerging markets, with limited specific studies on the relationship between financial services and rural markets. Fewer studies have, therefore, been conducted to explore the measures rural customers take to narrow the digital service encounter divergence. This

research aimed to uncover the actions of and efforts by the Mbizana rural market to enhance their service encounter experiences with financial service companies.

2.5.1 The communication divergence in rural markets

Gap four of the GAP model of service quality theory by Zeithaml, Parasuraman and Berry identify the difference between service delivery and the service provider's external communication with customers (Sharma, 2017). In addition to "provider gaps" relating to not knowing what customers expect, not selecting the suitable service designs and standards, and not delivering service designs and standards, "provider gap four" recognises that a lack of integrated marketing communication widens the alleged gap. This means that rural customers of financial service companies may know about the service touchpoints from broadcast advertisements but have limited or no encounter with the promoted services.

It becomes the function of financial service companies to educate rural customers about their digital offerings and distribute customer solutions evenly to rural and urban markets (Sure & Usha, 2019). Access to smart phones, broadcast advertisements and conversations with family members and friends who live in urban areas provide information about various digital services and channels offered by the FSPs (Melro et al., 2020). Reducing this divergence would positively influence the outcomes of service evaluation, profitability, and market share of financial service companies (Yadav & Dabhade, 2013).

Numerous studies revealed that customers may not always be aware of their needs (Melro et al., 2020; Yu & Sangiorgi, 2018), whereas some emphasise that services should accommodate a customer's unique needs (Bitner et al., 2000; Shankar & Narang, 2020); however, advances in technology enable rural and urban markets the same access to information through television, online and radio marketing communication. Though rural markets may lack the infrastructure and experience delayed adoption of Internet-based technologies (Richmond, Rader, & Lanier, 2017), they hold improved awareness of service innovations by financial service companies.

Proposition 6: Rural markets actively seek service encounters to experience the benefits of and receive information about financial services.

2.6 Theoretical and conceptual framework

The subsequent conceptual framework supports the study (Figure 2.2).

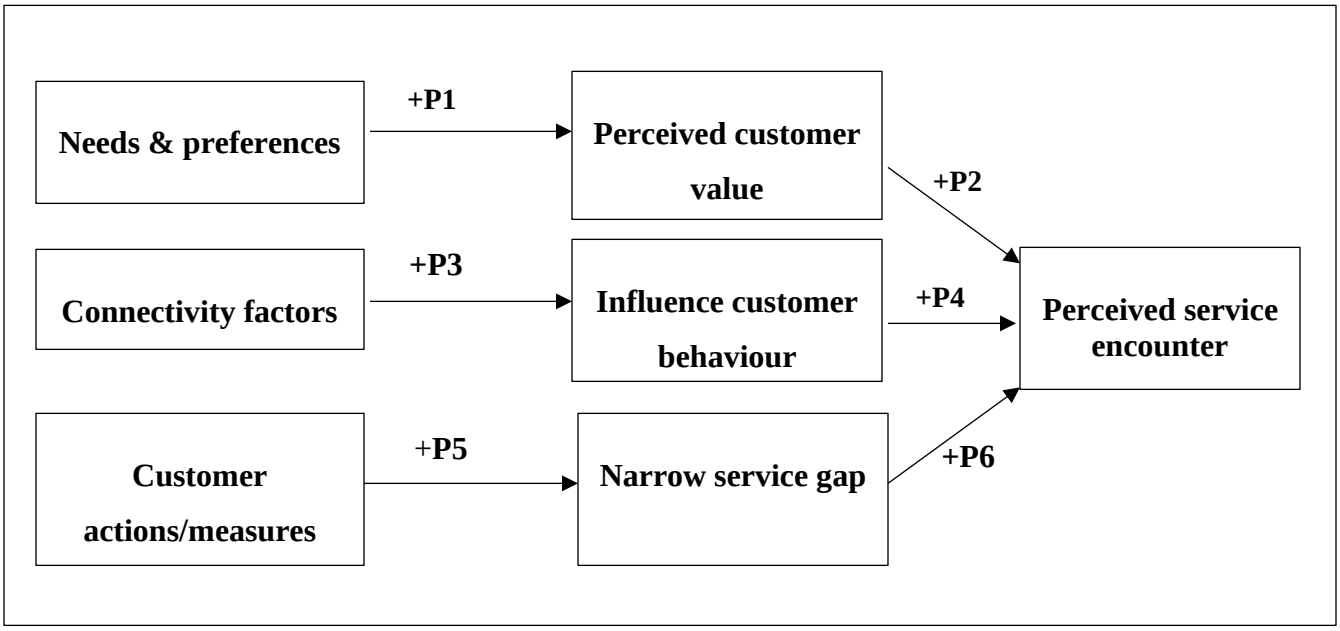


Figure 2.2: Theoretical and conceptual framework

2.7 Conclusion of the literature review

The literature review strongly links service encounters, touchpoints, and service outcomes. Encounters occur at the branches face-to-face, telephonically, through electronic or post office mail, and over the Internet. Touchpoints are specific channels, such as mobile applications, websites, offices, email, employees, and ATMs.

Proposition 1 was hauled from the theory around customer value, needs, and preferences. The second proposition was advanced following a discussion using literature and theory relating to customer experience. Literature about factors influencing service encounters and their subsequent

influence on service outcomes was used to build the third proposition. The literature on customer relationship management (CRM) formed the foundation for Proposition 4
. Theory and literature about the service marketing triangle were used to put proposition five in context. The theory of the GAP model of service quality supported Proposition 6
These propositions were advanced (Table 2.1).

Table 2.1: Propositions

Proposition	Primary sources
Proposition 1 Knowing and understanding the service encounter needs and preferences of the rural market from financial service companies can improve rural consumers' perceived value	Sure and Usha (2019) Bradford and Boyd (2020)
Proposition 2 Improving the rural market's customer experiences can assist with developing and delivering convenient service solutions that enhance the outcomes of the customer-company interaction	Yu and Sangiorgi (2018) Lemon and Verhoef (2016) Mahajan and Golahit (2020)
Proposition 3 Increasing service encounter opportunities for rural markets can have a positive effect on the factors influencing their service encounters and the potential reach of service marketing by the financial service providers	Singh and Malik (2019) Shankar and Narang (2020) Arina (2015)
Proposition 4 Financial service companies can build long-term relationships with rural customers retained beyond rural-urban migration by optimising value co-creation and touchpoints	Meena and Sahu (2021) Koning and Valenzuela (2015) Sofi and Hakim (2018)
Proposition 5 An interactive relationship with rural customers can advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels	Anderson and Smith (2017) Yadav and Dabhade (2013) Bitner et al. (2000)
Proposition 6 Rural markets actively seek service encounters to experience the benefits of and receive information about financial services	Wilson et al. (2016) Richmond et al. (2017)

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

The research methodology Section 3.2 details how the study was conducted, how information was analysed and ensuring credible conclusions. The chapter contains information about the research methodology, research design, population, sampling method, the procedure for data collection, data analysis and interpretation, limitations of the study, validity and reliability, and ethical considerations.

3.2 Research methodology or paradigm

The qualitative research methodology was used for the study to gain detailed descriptions, understanding, and insight into the financial service encounters from the Mbizana rural market (Gear, Eppel, & Koziol-Mclain, 2018). The methodology benefited this study because it is appropriate where there is little literature on the subject under study (McGivern, 2013) and attempts to make meaning of the research population's experiences. Insufficient literature exists about the factors influencing the experiences of the South African rural market with financial service encounters.

The study provides recent information and an update to available literature to track changes and progress made to close the digital divide. The methodology allowed discovering of topic-related concerns, such as customer value, understood differently by the rural market, which can add value to marketing strategies and academic literature. A qualitative study is also suitable for a geographically limited case study similar to the one conducted with the Mbizana rural market (Schindler, 2019). The study sought to identify and gain insights into the factors affecting the financial service encounters of the Mbizana rural market. The methodology was relevant for the study because of the identified service marketing divergence and lack of literature on the subject, although a qualitative study cannot be generalised to a larger target population (Schindler, 2019).

3.3 Research design

Individual interviews were conducted for the study. Blake, Janssens, Ewing, and Barlow (2021) established that individual interviews provide a confidential setting and present an opportunity for the researcher to build mutual trust with the participants. A similar setting was necessary for this study as participants initially felt uncomfortable with the topic, but with a detailed explanation, they understood that they did not have to share confidential information about their financial products. Information about bank accounts and insurance policies is of a confidential and private nature, with some not wishing for others to know the names of their FSPs. Participants from rural villages, though communal, felt more comfortable with being interviewed individually about their financial products to avoid any gossip-related harm. Participants also shared personal experiences and talked freely about their technological capabilities and individual observations. Additional benefits of using individual interviews to collect insights from the participants were:

- The study sought to develop an understanding of the rural market's service encounter experience and identify factors influencing the participants' service encounter experience. The interviews described experiences and observations from the Mbizana rural market (Schindler, 2019).
- Interviews allowed the researcher to hear the stories and experiences directly from them and, verbatim, to understand their perspective.
- The study achieved the intended goal of discovering the needs and preferences of the Mbizana rural market. Where the participants did not understand a question, the researcher explained it to them and waited for each one to think about their individual experiences, perspectives, and circumstances.
- The individual interviews were semi-structured to ensure that all participants answered similar questions, which assisted with the theme coding analysis of the findings and testing the propositions. The semi-structured nature of the questions assisted in cases with participants who needed further probing upon answering questions while gaining more information about new concepts arising from the participants' answers.

3.4 Population and sample

3.4.1 Population

Mbizana has a population size of about 319 948 over an area of 2 806 square km ("Draft integrated development plan review for 2016/2017 financial year," 2017); however, the study focused on the Mbizana rural market from eLudeke and KwaJali and was guided by saturation, while using non-probability sampling, requiring active participant selection (Saunders & Townsend, 2018).

3.4.2 Sample and sampling method

Non-probability sampling as purposive sampling was used for the study as there was no need to generalise the findings to the entire rural market population of South Africa (Schindler, 2019). Judgement sampling of non-probability sampling was conducted to select sample members who own insurance policies and bank accounts, willing and able to share their experiences, needs, and attitudes.

Potential participants were identified from community groups of schoolteachers, stokvels, and working professionals in the villages. Appointments were then scheduled telephonically and face-to-face with individuals about the study and becoming participants. At the meetings, more information about the study was provided while attempting to gain the participants' trust. The meetings were also used as a screening mechanism to determine if the potential participants could express themselves and were comfortable discussing their experience(s). Once the potential participants agreed, they had to sign written consent. Table 3.1 below demonstrates the profiles pursued.

A sample size of 15 was interviewed for the study, determined by data saturation. The participants' answers sounded like the ninth participant, even with the varying preference for technological or standard digital channels, while the challenges encountered by the rural market remained similar. New concepts, which included cybersecurity risk issues, suggestions of new services by the FSPs for rural markets, and the link between their challenges and needs, also came to the point of falling within similar themes; therefore, the final sample size was also determined by the emerging themes

and broader information that transpired during the interviews and as information was being analysed (Sim, Saunders, Waterfield, & Kingstone, 2018). The sample size was capped once new themes and information ended surfacing. For preparation, the participants were requested to keep diaries of their service encounter interactions for one or two months. This ensured better recollection of their service encounters with the FSPs.

Table 3.1: Participants' profiles

Description of participant type	Number sampled
Participants: • Any community member of the eLudeke or KwaJali rural villages with an insurance policy and a bank account. Language: • IsiXhosa and English Selection Criteria: • Have financial products – bank account and insurance policy • Adult • Willing and for the study • Has a personal phone	15 (guided by data saturation and new themes)

3.5 The research instruments

The research questions were outlined as a questionnaire directed to the participants. The questions were grouped starting with generic questions to gain background information about the financial products, followed by questions related to research objectives one, two and three—the draft research instrument (Appendix A). An interview schedule was formulated for the organised and smooth execution of the interviews with the participants. Collecting data directly from or face-to-face with the participants supports content validity for qualitative studies (Ricci et al., 2019). This instrument is also included in the actual research report.

3.5.1 Pilot study

A pilot study was conducted with two participants who fit the profile of the target participant concerning age, owning financial products, living in KwaJali or eLudeke in Mbizana and being a working professional. The pilot assisted with testing comprehension, clarity, understanding of the subject and terms, relevance, and reaction to the questions. The pilot tested the transcription and use of ATLAS.ti to acquire knowledge and understanding of the processes before commencing with data collection. This process resulted in an understanding of ATLAS.ti functions, the revision of the questions in the interview guide, and a discussion with the professional transcriber to ensure that the firm has the services of someone who understands the isiMpondo language, a Xhosa dialect with a mix of isiZulu, spoken in Mbizana.

3.6 Procedure for data collection

Interview questions were used during the data collection process owing to individual interviews being conducted. Where necessary, follow-up questions were conducted depending on the responses received from the participants and emerging themes following the initial analysis of the data. The draft interview questionnaire or guide is demonstrated in Appendix A.

3.7 Data analysis and interpretation

The interviews delivered responses to open-ended questions coded before data analysis (Schindler, 2019). The coding was also reassessed during the Computer Assisted Qualitative Data Analysis Software (CAQDAS) coding process on ATLAS.ti. The codes were initially generated from the themes arising from the interviews and then grouped using topics from the literature review influenced by the research topic and objectives.

ATLAS.ti, a CAQDAS, was used to improve the integrity and the analysis process of the study. Data for the study were analysed using content analysis, a non-quantitative, human judgement mixed with facts from the data where the emphasis was on variable themes and construct patterns (Njwambe, Cocks, & Vetter, 2019). Njwambe et al. (2019) remark that this process entails

identifying, examining, and interpreting contextual data patterns and themes according to the research questions.

Framework Analysis was used for this study because it is suitable for a study that attempts to understand the experiences; it also assisted with organising and managing the collected data (Parkinson et al., 2016). The authors add that framework analysis is appropriate for questions that seek context, diagnose, evaluate and are strategic, which are principles aligned with the aim of this research. The analysis process of the study comprised the five stages of framework analysis, which are familiarisation, identifying a framework, indexing, charting, and mapping and interpreting. Stage 1 was mainly about understanding the research data by listening to interview recordings, perusing transcripts over three times and constantly going back to perusing the scripts line-by-line preparation for coding and during the pre-coding of the first two transcripts (Catherine Pope, 2000).

Stage 2 involved identifying a thematic framework by classifying themes and generating codes arising inductively from the data. Two transcripts were used for initial coding. In Stage 3, the codes were identified on ATLAS.ti, coding relevant words, sentences, and paragraphs according to the codes identified manually. Later, the inductively identified codes were divided into the research theme and concepts aligned to the research questions and propositions. In Stage 4, the research outlined the data in a chart according to the thematic framework to present a summarised picture of participants' opinions, understanding and perceptions. In the mapping and interpretation stage, the chart identified and mapped customers' positive and negative associations, and relationships, and connect research concepts that present meaningful findings to the study.

The analysis required converting the interview notes and transcribed interviews into meaningful unbiased findings, as a qualitative study is aimed at theory building or induction rather than theory testing (McGivern, 2013). The research report cites the sources used to guide the analysis of the data collected from the study (Peterson, 2019).

3.8 Limitations of the study

Professional transcription services were used to transcribe the interviews to avoid potential distortion of information and subsequent interpretation flaws.

3.9 Trustworthiness of the research

The trustworthiness of the study sections entails more information about the actions to ensure the Transferability, Credibilityy, Dependability, and Confirmability of the study.

3.9.1 Transferability

Participants were provided with their transcripts to check if they were a true reflection of what they discussed with the researcher. The participants were requested to comment on the transcripts where necessary or contact the researcher, who would set up another date and time for a follow-up discussion to correct the identified error. The theory of the qualitative interpretation of data guided the data interpretation. The researcher ensured that the report on the study provided an adequate and non-biased assessment of the descriptions provided by the participants to deliver a quality report and to benefit from using information for future strategies (Pyett, 2003).

Using the framework analysis, detailed under the headline “data analysis and interpretation” above, also assisted. The researcher reported on the research process, which includes the research method, the number of participants who were interviewed and provided reasons for the number, the analysis, and the decisions throughout the data collection process (Sim et al., 2018). The researcher gained the perspective of an experienced supervisor with a solid understanding of qualitative research methodology, who examined the entire research process and provided guidance (Lub, 2015).

If the same study were to be repeated, the results would likely change over time because of technological developments, innovations, the progressive nature of marketing communication, and government developments; however, changing the geographic delimitation may produce the same results. The factors identified during the study are inclined to change over time as the lives of those

in rural communities change, infrastructure is advanced, FSPs share information, and rural customers move to developed towns or urban areas. A repeat of the same study within a short space of time could lead to participants evoking previous responses (Schindler, 2019); however, if various participants within the same or similar rural villages are interviewed within the year of the study, the study would produce the same results; therefore, the findings would be transferable to other groups of rural customers in a similar rural market context and settings.

3.9.2 Credibility

To achieve credibility, the researcher sought guidance from senior researchers, the supervisor and literature on reporting qualitative findings. The report includes all the information that emerged during the interviews, directly linked to the study and additional information (Koro-Ljungberg, 2010). All research-related activities, materials and processes were kept safe for audit purposes. These include records of data codes, audio recordings, the researcher's diary, interview transcripts and interview notes.

Theory triangulation was primarily used in discussing the data findings and comparing various theories and perspectives of previous related studies. These are theories and perspectives concerning the factors affecting rural markets and the concepts being tested in the study. A transparent analysis of a negative case is outlined where one participant expressed no interest in media and technology to the point of declaring that digital evolution is causing unemployment.

The interview guide was formulated to ensure that the questions adequately cover the purpose of the study, answer the research questions and test the propositions (Schindler, 2019). The pilot study mentioned above ensured adequate construction of the questions in the interview guide and comprehension of the questions by the participants. Before commencing with the data collection, the researcher casually conversed with various people from the Mbizana rural communities before identifying the participants to determine adequate construction of the questions (Ricci et al., 2019).

Direct quotations from the participant interviews supported the findings. The transcripts from professional transcribers were double-checked against the recordings to ensure an accurate

interpretation of the interviews. This process also allowed deeper engagement with the data and facilitated data analysis.

3.9.3 Dependability

Literature reviews were carefully used to build probing questions,creating trust and consistency regarding the findings,. The participants were interviewed in their own settings, which included their homes and workplaces in rural villages or the town of Mbizana. Only participants with financial products were interviewed, and the data analysis was initially cautiously structured according to the themes that emerged from the interviews (Schindler, 2019) and then grouped into research themes. Follow-up questions ensured clarity of meaning and interpretation responses throughout the data collection process. This was needed where participants mostly spoke for the communities rather than for themselves and where responses were generic.

The quantitative elements of the data were recorded on MS excel, ATLAS.ti was used to identify data frequencies and relationships for analysis, and the charting of the data was conducted for framework analysis for the researcher to report comprehensively on the findings (Norwell, Norris, White, & Moules, 2017). The data findings report all similarities and differences compared with academic literature outlined in the literature review chapter of this study. A detailed description of the data is communicated in Chapter 5, where all similar and various observations are specified.

Meanwhile, tables with recorded data are also included in the report. Deviating themes are equally analysed and reported on; this includes cases that mainly reflect a diverse emerging theme for youth participants. The report comprises direct quotations from the participants to support the interpretation of data. The methodology, data collection process and data analysis process are reported, while the interview recordings, transcripts and data are stored digitally to ensure that they are retrievable if needed.

3.9.4 Confirmability

The research findings reflect the experiences and suggestions. The analysis, interpretation and conclusion of the research findings were derived from the collected data. The researcher ensured that researcher bias was avoided by only interpreting the findings based on the literature and supporting data presented by the participants. The research methodology chapter details the methodology, data collection and analysis process in a manner describing the researcher's actions and reasons for the actions. The study's raw data, such as interview transcripts, analysis charts, coded data, and recorded interviews, are all labelled and archived to ensure traceability and retrievability of the data. Figure 4.4 demonstrates the research process and how findings and the interpretation of the findings are derived from the research data (Norwell et al., 2017). Figure 4.5 demonstrates the data analysis approach for the study.

3.10 Ethical considerations

These ethical considerations were applied throughout the study:

- The participants' privacy was guarded and respected by keeping their information confidential and excluding their names from the report.
- Participants were informed about the purpose of the study through written documents— a letter and the consent form, which were handed to them, and they signed written consent forms.
- The confidentiality of the participants was protected when they shared some personal information—protecting their identities, collecting descriptive data, and adhering to the Protection of Personal Information Act regulations.
- Participants were encouraged to respond truthfully to the screening questions to ensure that they own bank accounts and insurance policies.
- The estimated time needed for interviews was initially determined, and truthfully communicated telephonically and through written communications.
- The safety of the participants was not compromised by conducting the interviews in locations where they felt safe from physical and emotional harm—mainly in their homes and workplaces.
- Research quality was ensured by following the research protocol and drawing conclusions supported by the collected data.

CHAPTER 4: DATA ANALYSIS AND RESULTS PRESENTATION

4.1 Introduction

This chapter outlines the study findings, which aimed to uncover factors influencing the service encounters of the South African rural market in Ludeke and KwaJali, Mbizana.



Figure 4.1: Ludeke, Mbizana



Figure 4.2: Kwajali, Mbizana

The data and analysis in this chapter respond to the subsequent three research questions:

1. What are the financial service encounter needs and preferences of the Mbizana rural market?
   3.3. Can knowing and understanding the service encounter needs and preferences of the rural market from financial service companies improve rural consumers' perceived value?
   3.4. Can improving the rural market's customer experiences assist with developing and delivering convenient service solutions that enhance the outcomes of customer-company interaction?
2. What are the factors influencing financial service encounters by the Mbizana rural market?
   3.5. Can increasing service encounter opportunities for the rural market positively affect the factors influencing their service encounters and the potential reach of service marketing by the FSPs?
   3.6. Can financial service companies build long-term relationships with rural customers retained beyond rural-urban migration by optimising the co-creation of value and touchpoints?
3. What measures are adopted by the Mbizana rural market to encounter services of financial companies?

4. Can an interactive relationship with rural customers advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels?
    3.7. Do rural markets actively seek service encounters to experience the benefits of and receive information about financial services?

The data present experiences and opinions of the Mbizana rural market regarding service encounter needs and preferences, customer value, customer experience, challenges affecting the service encounter of the rural market, CRM, service marketing triangle, actions taken by the Mbizana rural market to encounter financial services, suggestions from the rural market, and cybersecurity risk. The data collection approach for the study was as follows (Figure 4.3).

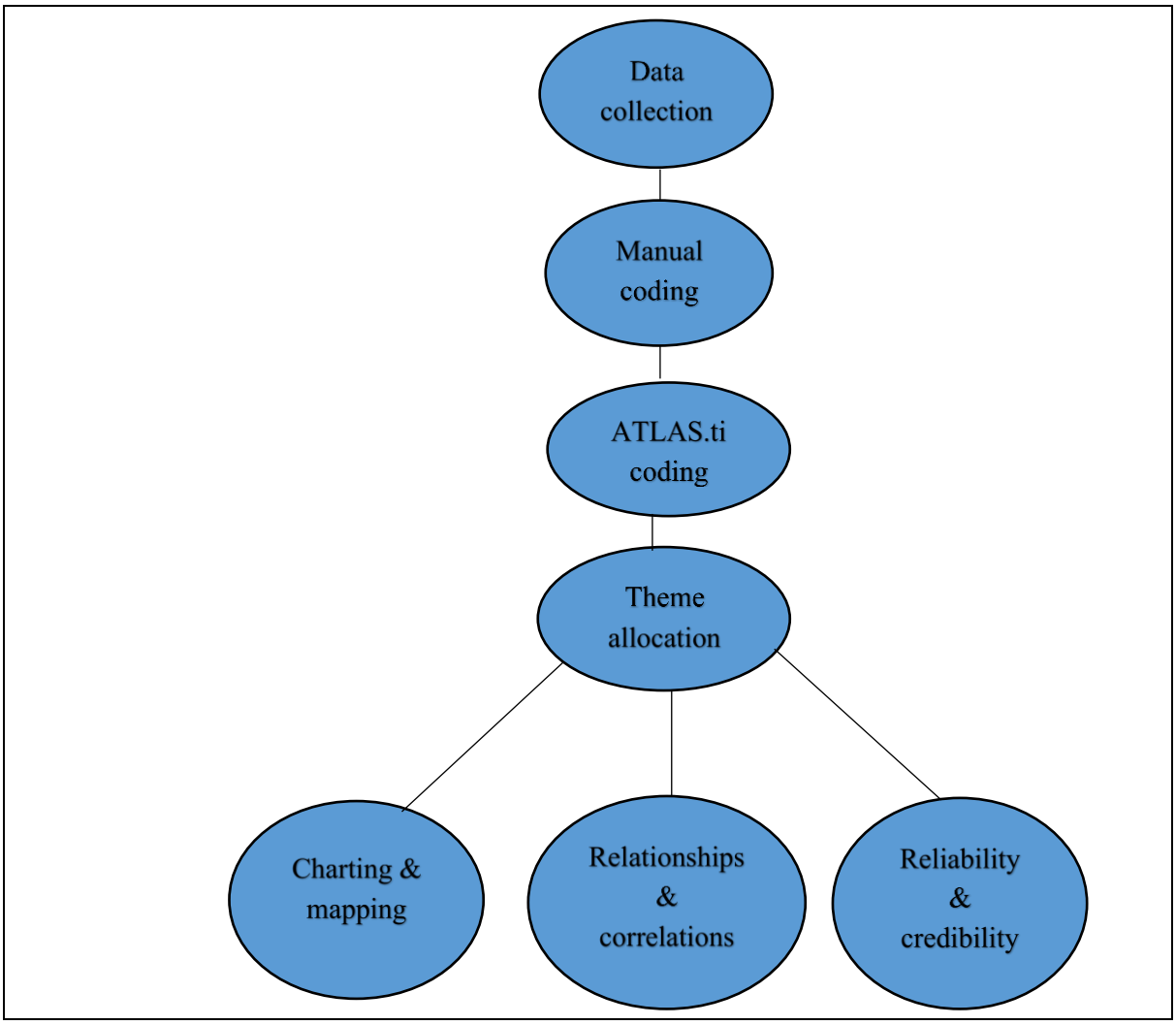


Figure 4.3: Data analysis approach

4.2 Themes and codes

Table 4.1: Themes and codes

Themes	Codes
Actions taken by rural markets (RM) to encounter financial services	Response to messages with links
	Keenness and journey to trying new touchpoints
Customer experience	Satisfying service experience
	Reasons for satisfying service experience
	Dissatisfying service experience
	Reasons for dissatisfying service experience
	Opening authentic links
Customer relationship management	Access to all touchpoints
	Touchpoints by FSPs
	Touchpoints by participants
	Reasons for not using all touchpoints
	FSPs understand the rural market (RM)
	Reasons FSPs understand the rural market
	Reasons FSPs don't understand the rural market
Customer value	Frequency of communication
	Valued customer perception
	Reasons for increasing communication

Themes	Codes
	Reasons for valued customer perception
Factors influencing financial service encounter (SE)	Awareness of other touchpoints
	Abandoned touchpoints
	Challenges affecting SE of RM
	Service encounter opportunities
	Reasons to improve SE opportunities
SE needs and preferences	Meeting needs and preferences
	Reasons for unmet needs and preferences
	Preferred method of interaction
	Reasons for preferred method of interaction
Service marketing triangle	Who should solve RM challenges
	Reasons for selecting responsible party
	Insurance company-specific challenges
	Sources of FSP information
The communication divergence in RM	Missing out
	Reasons for perceived missing out

4.3 Context: Research participants

- **Participant 1** is a 49-year-old female who lives in KwaJali, Mbizana. Her husband is also from KwaJali. Previously, she lived in Ludeke. She is an administrator at the hospital, and her husband is a municipal councillor. She has three children who help her with understanding the smart phone occasionally. Both have no tertiary education, with matric as their highest level of education. They own two cars.
- **Participant 2** is a 42-year-old wife and mother of three. She is a human resources manager married to a teacher. Together, they own two cars. They live in Ludeke, Mbizana. She completed her tertiary education part-time while employed as an administrator. She owns three phones, an analogue phone to ensure better reception of calls, a smart phone with an MTN sim card for areas where the MTN network is more robust, and another smart phone with a Vodacom sim card for areas where Vodacom is strong. She also owns a Telkom sim card for areas with better network reception.
- **Participant 3** was born and lived in KwaJali and works as a high school teacher in Ludeke. She studied teaching in Durban and returned to work in her rural community. She is a 29-year-old mother to a toddler. She drives a single cab bakkie to manage her time and drive between the two rural villages. A bakkie is good for manoeuvring in and around rural villages because of the meagre road infrastructure, but not trendy to be owned by the youth.
- **Participant 4** is a 50-year-old deputy principal, widow, and mother of three. Two of her children are now employed in Cape Town and Johannesburg, while one is completing her studies in Durban. Her children do not live with her and, therefore, cannot assist her with technological services. She has two smart phones with various networks for adequate network reception. She works and lives eLudeke and has a car to get to wherever she needs to go.
- **Participant 5** acquired his teaching qualifications in Durban and found a teaching job in Mbizana. He is a 36-year-old who also sells perfumes for additional income. He often complained about the long distance he must drive from home in Ludeke to his school, about 50km away. He is single and a father to two children.

- **Participant 6** is a 35-year-old bookkeeper at the Mbizana Municipality. She lives in Ludeke and commutes to work daily. She studies in Durban and found a job in Mbizana, her hometown. She is not considering leaving Mbizana.
- **Participant 7** is a 43-year-old prison warder who lives in Ludeke and works in Mbizana. She commutes between her rural village and town daily, using her own transport. She is a wife and a mother to three children.
- **Participant 8** is a 55-year-old school principal who lives in KwaJali with his wife. He is studying towards a PhD degree. He has no interest in technological advancement. Together, they own two cars, and their children stay in boarding schools in Durban and Kokstad. He owns two phones, an analogue phone and a smartphone.
- **Participant 9** is a 33-year-old male teacher who lives with his wife and two children. He owns one digital phone and one smartphone. He uses public transport to commute from home in Ludeke to the school 10km away from where he teaches.
- **Participant 10** is a teacher, husband, and father of seven children. He lives in KwaJali and owns a car that eases his movements between work and his village. He studied in Durban, Westville, before settling in the rural village for teaching.
- **Participant 11** is a self-employed female who lives in Ludeke. She is an insurance broker and sells Tupperware and clothes she buys from Durban. She built rooms in her back yard she lets out for rental income. She has built a house and bought a car with the money she makes from her businesses. She has no tertiary education or matric qualification.
- **Participant 12** is a 34-year-old male teacher who lives in his family home in Ludeke. He wants to become a farmer to earn additional income as he feels his salary does not meet his needs, but he spends it all on fuel for his car. He owns two phones, a smartphone and an analogue phone.
- **Participant 13** is a 31-year-old male teacher who lives at home with his parents in Ludeke. He is the only family member with a professional job and uses a neighbour's post box to receive mail. Though he does not use technological touchpoints, he appeared interested in seeing progress and shared the most detailed narration of the plights of rural communities

through his own experiences out of all the youth participants. He owns one phone, an analogue phone, and admitted to having last used the App and Internet when he was in university.

- **Participant 14** is a 27-year-old female nurse who works and lives KwaJali on weekdays and some weekends a month and visits her family in Ludeke at weekends. She studied in Durban and is enjoying working in rural communities. She is single and has no children.
- **Participant 15** is a single 32-year-old teacher with one child. He lives at home with his parents in Ludeke and owns a car. His friends call him the "tech guy" because he does not fear using technology but is the one who assists his friends and acquaintances when they need help.

4.4 Age Groups of participants

Figure 4.4 demonstrates the three age groups that comprise the total research population and the number of participants interviewed in each group. The age group 16 to 35 formed the majority group interviewed for the study, with seven participants, followed by the age group 46 to 55, which comprised five research participants. The age group 36 to 45, with three participants, was the smallest group interviewed for the study. The number of participants in each group was not predetermined; the final number of research participants was determined by data saturation of a judgement sampling approach.

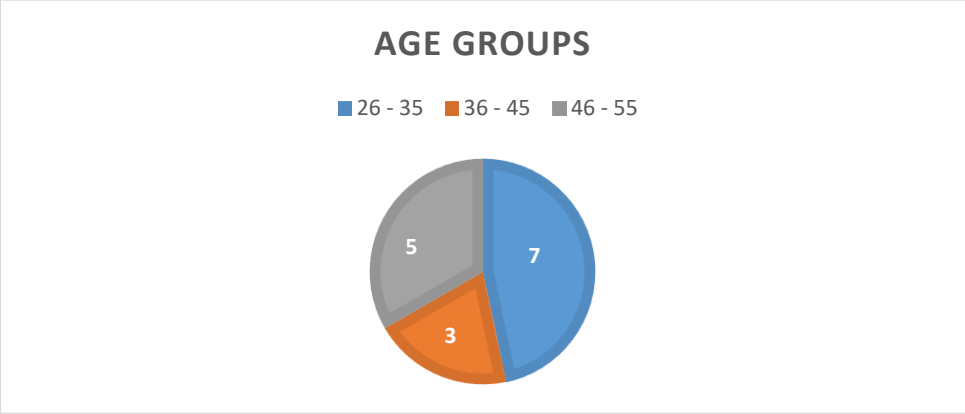


Figure 4.4: Age groups

4.5 Service encounter needs and preferences

Questions about the participants' needs and preferences were directed to identify their needs and preferences and whether the FSPs were meeting them. The majority indicated that FSPs meet their needs and services, while four out of 15 participants indicated that their needs are not being met; two out of 15 expressed that FSPs must improve their efforts to meet their needs concerning their preferences. The reasons for their perceived unmet needs were mainly founded on network problems which disrupt the participants' digital connection to touchpoints, such as the phone App, telephone calls, email, and Internet banking. Inadequate network connectivity also harms FSP services at their offices and branches; therefore, network challenges affect FSPs and the participants. This was evident in the quotation presented by the participant.

> "For instance, Standard Bank services can be a bit of a challenge for us people living in the rural areas. For example, you want to do your things, but Standard Bank doesn't have network for the whole day so even if you've got cell phone banking it still won't work properly… Even if you do go to town there are fewer ATMs, the system is down. So, these are our main challenges with Standard Bank because you leave home with the sole intention of going to Standard Bank to attend to some of your financial matters and when you get there you encounter some problems, the bank is experiencing its own technical problems" **Participant 13** , male, teacher, and age:31.

Participants who prefer interacting with FSPs through phone calls believe that telephone calls are expensive and sometimes restricted by network challenges experienced by the RM. Participants interpreted these challenges as unmet needs, while participants with regular contact with FSPs and did not mind making calls to the FSP perceived their needs as met; therefore, though phone calls are convenient and often preferred by some participants, as demonstrated in Figure 4.6, they are also costly and ultimately affect SE, as demonstrated by the quotation.

> "As a person who is using SMSs and calls frequently there are queues, there are call queues, you wait for a long time for your call to be attended to and that needs money and time and there could be a delay and sometimes I could end up being cut off completely because there isn't enough airtime or maybe there are network issues and if

> I am moving around I could be cut off before I get what I want" **Participant 1** , female, administrator, and age:49.

Participants who expressed that their needs and preferences for SEs were not met by the FSPs stated that it was because of limited interaction or lack of clear information from the FSPs. This was where participants received little to no communication from the FSPs and where they had purchased financial products but had received insufficient information after purchasing the services. Nine out of 15 participants require more interaction and transparent information from FSPs. They expressed this observation across five areas of the study; when indicating that their needs were not being met by the FSP, one who indicated that FSPs must improve meeting their needs, reasons for dissatisfying SE, reasons to improve SE opportunities, and as a challenge experienced by the RM; therefore, the research results indicated that rural customers require more and clearer information about their financial products, how to claim for car insurance products and regular communication after financially committing to a financial service. This is evident in the quotation.

> "With my car insurance man, I really do need more communication interactions from them because I have never received any communication from them telling me how do I claim or do whatnot and whatever, you see? So, the moment I have a problem with my car that will be the only time I will find out what steps I need to take. So, I really feel that they must increase their communication with their clients and not with me only" **Participant 14** , female, nurse, and age: 27.

The participants' preferred method of interaction was slanted towards traditional channels, with 11 out of 15 participants preferring non-technological touchpoints, such as face-to-face, phone calls, and SMS, for interaction with FSPs. Some participants preferred more than one touchpoint across the three touchpoints as mentioned earlier, whereas participants who preferred the app only mentioned it without listing other touchpoints as a preference. The preference for telephone calls was the highest, with six out of 15 participants, followed by the preference for face-to-face interaction, which comprised five participants. In the third position was the app, with four out of 15 participants, and in the last position was the text messages, with three out of 15 participants.

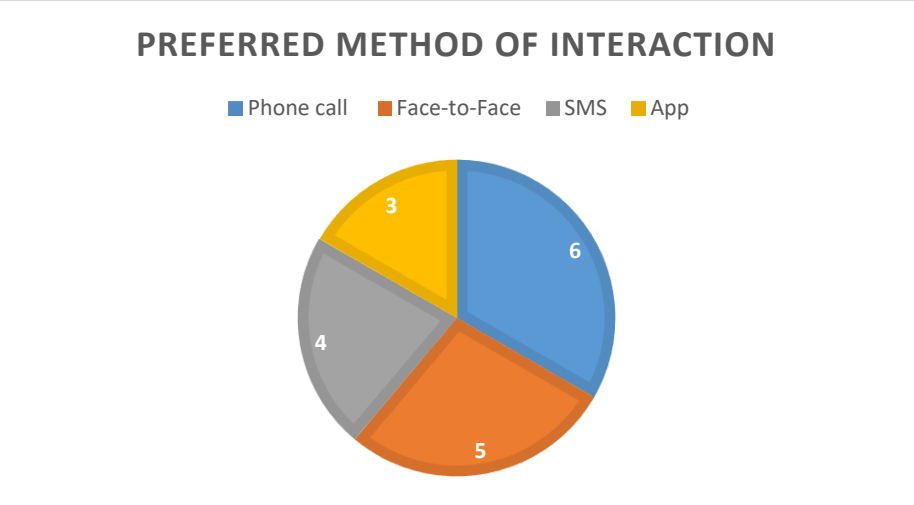


Figure 4.5: Preferred method of interaction

Participants who prefer phone calls as their primary touchpoint cited network challenges, technological illiteracy, and expensive technological interactions as reasons for preferring phone calls. The participants expressed the cost of technological touchpoints as costly smart phones, laptops, data, and Internet. Phone calls are also preferred by participants who use standard phones instead of smart phones, as digital mobile phones have better connectivity than smart phones in the two rural villages. Face-to-face interaction was preferred because participants trust this form of interaction; it is familiar to them and a cheaper mode of interaction when the participants are in town running errands. These are illustrated in the below quotation.

> "I just feel it's (face-to-face) the safest and the quickest because you're right there and they attend to you timeously" **Participant 4** , female, deputy principal, and age:50.

Text messages are convenient because they are a familiar touchpoint. Participants receive them promptly compared to emails they may not access immediately because they do not have data or a network. Text messages also allow recipients to retrieve the message when it is convenient for them to do so. The data suggests that phone calls and text messages receive fewer network disruptions than Internet-based touchpoints, such as emails, apps, and website.

Four out of 15 participants who prefer phone apps understand the convenience of using the app, and they expressed challenges with not having access to the app when they need to use it because of network challenges. They like and enjoy the app's convenient access to financial services and information.

4.6 Customer value

The participants were asked whether they wanted the FSPs to increase, decrease or keep the frequency of communication. The question was directed to determine if they are satisfied with the frequency levels of communication by the FSPs and obtain reasons for their assessment of the service. Nine of the 15 participants were content with the frequency of communication, while six of the 15 participants expressed the need for increased contact. The six participants indicated that they want to be updated and need clear information about their financial products. Further assessment of the need for precise information and communication revealed that participants want to know more about their financial products in simple language. Participants with limited or no access to technological touchpoints demonstrated more dependence on the FSPs for updates and information about their financial products than those technologically literate participants.

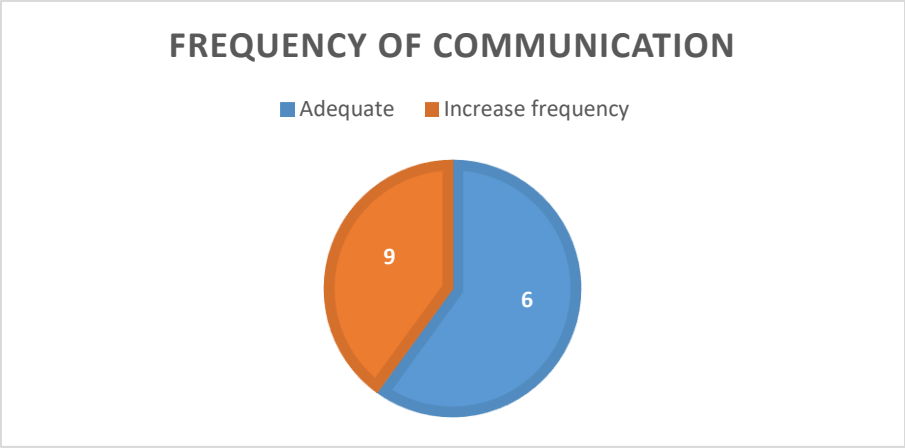


Figure 4.6: Frequency of communication

The below quotation is evident to the data findings discussed above:

> "At times you notice very late that a certain policy has lapsed, and nobody told you that there was this sort of risk coming. So I think if they can tell and be able to update us more especially on new developments; maybe it's about to lapse or you've missed a payment or whatever because sometimes you find out too late that the policy has lapsed or the bank tells you that you owe them, that you have used more than you actually have" **Participant 10** , male, teacher and age: 51.

Some statements by the participants indicate that they take financial products without understanding the products, processes, and implications of acquiring the products until it is too late, or they find themselves in difficult situations, as demonstrated by the below quotation. This speaks to the lack of clear information expressed by the participants.

> "…So, I can know where I stand because sometimes you're just sitting there and you don't really know what is going on…They are not always clear with some of the stuff and then you find yourself in a fix. And only then do you get informed that no, this is how this thing works basically" **Participant 5** , male, teacher, and age:36.

When participants were asked if they would agree with their FSPs saying they have valued customers, nine of the 15 participants believed that they are valued customers of the FSPs, three participants were not convinced that they are valued, and another three participants believed that their FSPs do not value them.

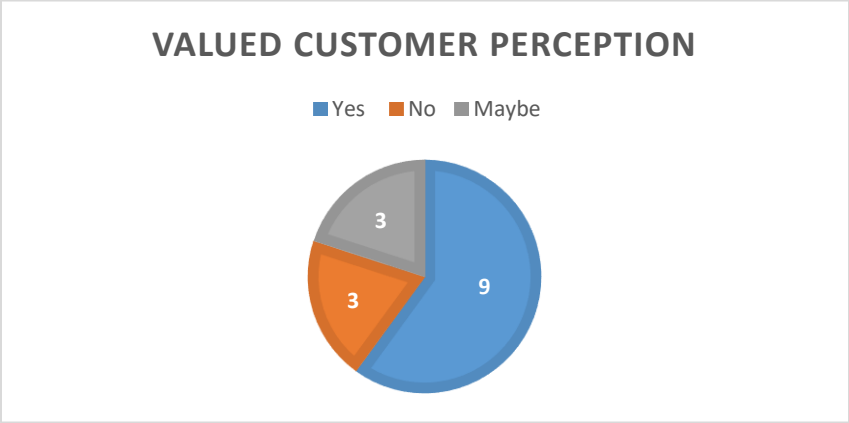


Figure 4.7: Valued customer perception

The measure of value by those who perceived value in the service provided by the FSPs included the communication of new developments despite network challenges as expressed by participants who use technological touchpoints, prompt solutions to problems by contacting employees, information or updates about innovations, trustworthy brands, which deliver on their marketing promise to their customers, that as a client they provide the FSPs business which helps FSPs to grow, good customer service, and other services rendered by the FSPs; however, some reasons provided by the participants who believe that they are valued by their FSPs suggests a limited understanding of customer value by the RM. This value was primarily derived from standard product benefits to the individual and family, the financial capability to join an FSP as a client, and simply being a customer who adds value to the development of the FSP business.

Mentions of added value services were few. The participants' assessment of value disregarded added value and co-creation of value. Meanwhile, participants who stated that FSPs do not understand the RM or FSPs do not meet their needs based on their descriptions of FSPs not delivering on their marketing communication promises, not bringing services to rural communities, and making a profit, still indicated that they felt valued by the FSPs. These observations were also expressed by those who were uncertain about FSPs, hypothetically calling them "valued customers". Insurance policy companies mainly were singled out as not communicating enough or sharing any post-sales information with their clients.

4.7 Customer experience

Customer experience assessment was expressed through satisfactory and dissatisfactory individual experiences shared by the participants as examples.

4.7.1 Satisfying customer experience

Participants were requested to narrate scenarios of their most satisfying customer experiences to collect the responses, connect the responses to their needs and understand their experiences. Satisfactory customer experience was influenced mainly by good customer service, an educational or informative interaction between FSPs employees and the participants, and to a lesser extent, by

immediate assistance or prompt solutions to participants' problems. Most satisfying experiences were conducted face-to-face with FSP employees. Telephone calls and a combination of touchpoint interactions at the same number of mentions followed this touchpoint. The data regarding touchpoints for satisfying experiences tell a correlating narrative to the participants' preferred methods of communication. Participants positively assessed services conducted face-to-face, with a touchpoint as the second most preferred method of communication. Where more than one touchpoint was used, face-to-face was also represented in that combination of touchpoints.

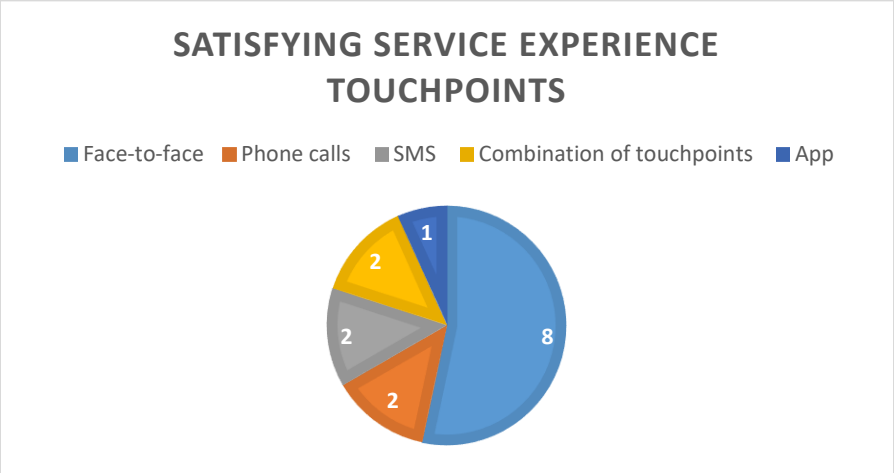


Figure 4.8: Satisfying service experience touchpoints

4.7.2 Dissatisfying customer experience

Participants also narrated personal stories about SEs, which they rated as unfavourable and dissatisfactory. Of all the stories of dissatisfaction, stories, where a combination of touchpoints was used, were at the top of the list, followed by face-to-face SEs. All experiences related to a combination of touchpoints included face-to-face interaction.

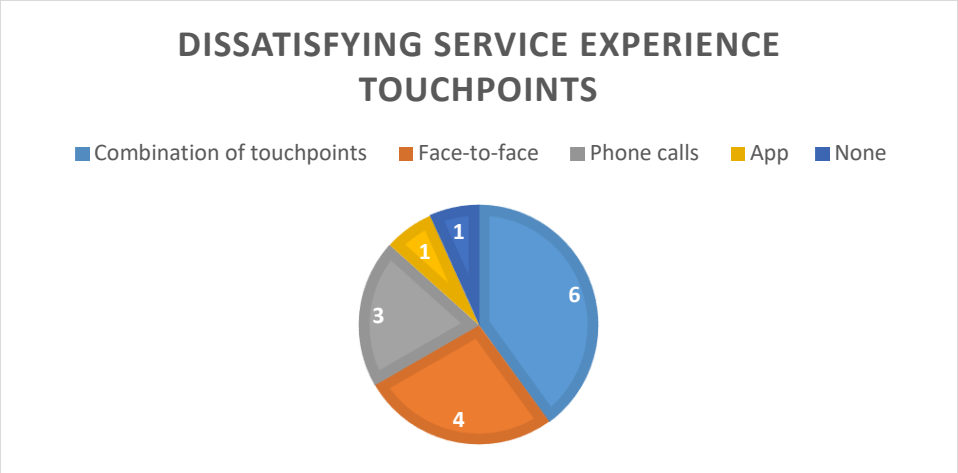


Figure 4.9: Dissatisfying service experience touchpoints

The reasons provided by nine of the 15 participants for a negative service experience were mainly owing to mediocre quality service levels by FSP employees and technology and mediocre communication by FSPs. One participant's experience contained the aforementioned reasons. Three of the 15 participants detailed three technology failure-related reasons. The reasons provided by the participants for their dissatisfaction were categorised into themes and presented in Table 4.2. A typical example of a dissatisfying experience by a participant is presented.

> "The problem is when you make enquiries about something, or maybe you are claiming using the touchpoint, and you won't get any response and then when you call they tell you that they never received your information and then maybe you resend or you end up spending whatever few cents you have to travel to reach them in order for your things to be processed" **Participant 2** , female, human resources manager and age:42.

Table 4.2: Reasons for dissatisfying service experience

Reasons for dissatisfying service experience	Number of reasons
Poor service quality by employees and technology	5
Poor communication or lack of information	5
Travel costs to offices or branches	1
Cyber security risk	1
Delayed technological services	1
Email not received, forced to travel	1
Misinformation by a frontline employee	1
Too much SMS marketing communication	1

4.7.3 Websites links from banks

A question about opening website links was directed to determine the participants' appetite for technological services. Question responses revealed that rural customers are highly aware of cybersecurity risks. Those who stated that they prefer apps and those who prefer non-technological touchpoints would instead not click anything that reaches their phones by SMS; however, the majority, nine of 15 participants, indicated that they open links from their FSPs sent through SMS, while some also mentioned that they sometimes move to a location with better network coverage to access the link. The remaining six participants acknowledged receiving text messages but opted to go to the office or call the FSP to obtain further information and assistance.

4.8 Challenges affecting service encounters in the rural market

This section concerns the factors identified and described by the participants as having a negative influence on how they encounter services provided by their FSPs. The lack of or limited network was the only challenge identified by all participants. Limited to no network connectivity impedes

the participants' SE with the FSPs because it disrupts calls and limits or blocks access to Apps, emails, and the Internet. This is evident in statements like the one below and the frequently mentioned concepts on ATLAS.ti.

> "It's just that the network challenges prevent us from enjoying the same benefits as those people (in urban areas). Like when you're in town, it's different to when you're in rural areas. So that's what I think they need to improve on" **Participant 15** , male, teacher, and age 32.

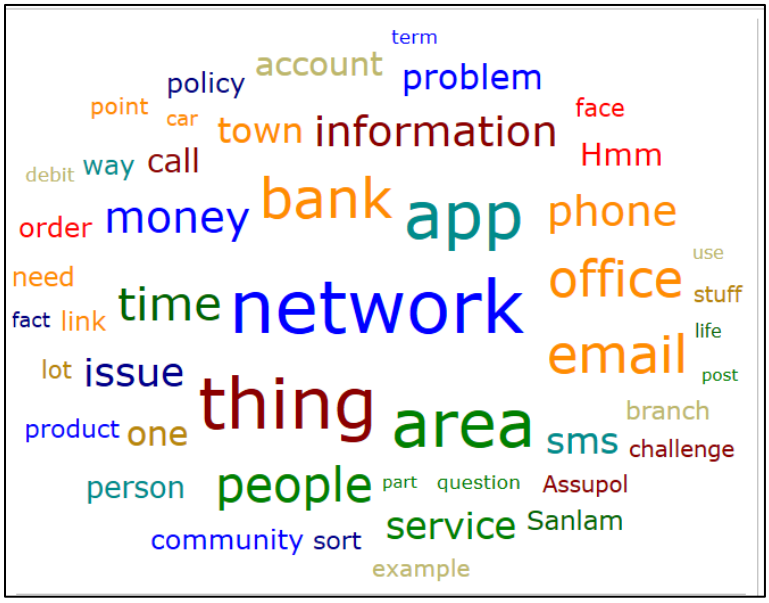


Figure 4.10: Network time protocol

The number of mentions in Table 4.3 refers to the number of times the participants mentioned each challenge. The second most significant challenge of FSPs is distant office locations, and the costs of travelling to those offices were derived from statements where participants talked about FSP offices and branches being in Mbizana town or distant towns. Participants travel between 16km and 25km to the town of Mbizana. Unfamiliar technology as a challenge was derived from statements suggesting that the RM is not using technology because it is not familiar or that they want to be taught how to use technology to appreciate its benefits. Participants also remarked that technology costs which include the cost of data, smart phones and laptops, are a challenge.

The challenge of lack of knowledge and clarity about financial services results from limited touchpoints, which aid detailed communication and creates channels for clear ongoing communication. Service delays refer to factors that put the participants' lives and assets at risk while waiting for an FSP to deliver services more than 24 hours and more later. Examples include the delay of insurance company services, such as tow trucks that only reach a rural customer a day later and being unable to transfer funds until a participant reaches town or is in a different location. Infrastructure is a challenging factor related to roads and other structural support for FSP services. Language, primarily written, was mentioned as a challenge which limits the understanding of financial services, an element which correlates with the illiteracy factor. The language was identified as a challenge by one participant but also mentioned across other themes and discussions about factors affecting financial SEs.

Table 4.3: Challenges affecting service encounter of rural markets

Challenges affecting service encounter in rural markets	No. of mentions
Network	15
Far offices and travel costs	8
Unfamiliar technology	6
Costly technology	3
Lack of knowledge and clarity	3
Service delays	2
Infrastructure	2
Language	1
Illiteracy	1

4.9 Customer relationship management

Customer relationship management (CRM) involves data mining, knowledge management, information systems, and information technology (Meena & Sahu, 2021). FSPs may mine data and knowledge through their touchpoints with the RM to improve the knowledge and understanding of the RM, communicate with the market effectively and build meaningful interactions. The study established that the RM mainly prefers telephonic and face-to-face interaction when they initiate communication with the FSPs. Interestingly, banks are maximising face-to-face contact by having their frontline employees download the App for customers and demonstrate to them how to use it. Table 4.4 reveals touchpoint preferences by the participants versus those being used by the FSPs. In this question, participants could list more than one touchpoint. The FSPs have an opportunity to collect data and deliver meaningful services that meet the needs through each of the below touchpoints.

Table 4.4: Touchpoints by participants vs touchpoints by FSPs

Touchpoints by participants		Touchpoints by FSPs	
Call	10	SMS	13
Visit the office	9	Call	11
Email	7	Email	11
App	6	Visit at work	2
Post office	2	Post office	2
Website	1		

When participants were asked if they would use all communication channels if the challenges they raised were resolved, four of the 15 participants still alleged they would not use all FSP touchpoints. The reasons for their decision were cybercrime risk and the preference for familiar touchpoints. Technological touchpoints were not top of mind for participants who did not remark

they preferred an App and email. These participants only mentioned email, App, and website as touchpoints later in the interview when recalling their experiences with FSPs.

When participants were asked if they believe that FSPs understand the RM based on their experiences and observations, seven of the 15 alleged that FSPs do not understand the RM, and another seven out of 15 believed that FSPs understand the RM. One participant had no observation to present about the subject. The reasons for not believing that FSPs understand the RM included the introduction of innovative technological services that the RM cannot access owing to network issues, the cost of smart phones and data, that standard phones receive better network coverage in rural communities compared to smartphones, and the perception that FSPs do not deliver on their marketing communication promises. Some of these reasons are evident in the quotations:

> "… because if they did (if banks understood the rural market), they should have pushed to a point where they have sufficient clientele in the rural market where they are having those automated umm, those ATMs and also ensured that there are reception poles adequately in the rural areas" participant 8, male, principal, PhD student, and age:55.

> "Because they are for everyone you see, so whatever they introduce, I don't think they consider us as the rural community because the truth is they introduce their innovative ways but as someone who lives in the rural areas, you still struggle owing to network issues and stuff like that. So yeah, we are really struggling," **Participant 6** , female, municipality bookkeeper, age 35.

The main reasons for believing that FSPs understand the RM was based on marketing and service communication efforts by the FSPs. That the FSPs advertise new services on TV and call or send text messages to participants about new developments is enough for some participants to perceive that FSPs understand them.

4.10 Service marketing triangle

Service Marketing Triangle relates to the interaction between the company, employees and technology and its customers. During the interviews, some participants—four from 15—raised insurance company-specific challenges. These challenges were not related to the banks. In these

instances, the banks received positive service quality reviews while insurance companies were singled out as “the worst” concerning not affording the participants regular communication and not having offices in the town of Mbizana. Participants recounted stories about last communicating with their insurance companies the day they acquired the insurance products and forfeiting further communication from the service providers after that, to the extent of not knowing what to do in the event of having to claim.

The participants were asked for their observations on whom they think should solve the challenges experienced by the RM. Seven out of 15 majorities recommended that it is the responsibility of the FSPs to resolve the SE challenges experienced by the RMs compared to five out of 15 participants who stated that government must resolve their challenges, and two participants advocating for all parties involved - community, government and FSPs – to play a part in bringing solutions to the challenges.

The reasons for FSPs being identified as the responsible party for attending to factors that negatively influence the SEs of the RM included that; the FSPs should already know and understand the challenges of rural communities and that they stand to benefit from resolved network concerns. Participants also expressed that they have written complaints to the FSPs, that it is in the FSP's business interest to resolve the problems of the RM, and that the participants understand that FSPs have research resources to determine and understand their challenges. A related statement provides evidence.

> “Service providers definitely, they should make means to ensure that as their clients we’re able to access the network without any glitches” participant 7. “So now that they know they are working with a range of people and some lack the technology know-how then it should be their responsibility to make sure that their customers become literate in using technology” **Participant 10** , male, teacher, and age:51.

Those who selected the government as the responsible party based the decision on their understanding that infrastructure development is the government’s responsibility. Participants who

included rural communities in bestowing solutions expressed the need for the community to voice their needs as a unit.

4.11 Actions by the Mbizana rural market to encounter financial services

Participants cited various steps they take to ensure that they have access to the services of FSPs through technological touchpoints for those who use them. Participants who work in town stated that they primarily access their Apps and emails when at work because their network connectivity improves when they are in town. Participants who stated that they do not open Internet links provided by FSPs, alleged they respond to text messages by going to the office or branch for assistance or clarity. Meanwhile, participants limited by network challenges yet are willing and able to use technological touchpoints alleged they wait for their network connectivity to improve or move to a location with a better network connection.

The following question was also directed:

You hear or see an advertisement about a new digital touchpoint. Do you try it, get more information about it, or ask someone else to help you use it or other?

Most participants alleged they sought help to experience the new touchpoint from someone they trusted. It is important to note that ultimately all participants indicated that they would try the new digital touchpoint; however, how they each went about trailing new digital touchpoints was different. Those who respond to broadcast advertisements about new digital touchpoints by going to the FSP offices cited security risk as their main reason for going to the offices. Participants who consulted a trusted and knowledgeable person mentioned that they first determine the possibility of exposing themselves to fraudulent activities before pursuing assistance.

Participants who tried the new touchpoint without pursuing assistance still explained that they would seek help when they were stuck or if they needed additional information. Most participants expressed that they seek assistance from trusted individuals before trying a new touchpoint of interest after being introduced to it by marketing communication. Four out of 15 participants alleged they tried the new touchpoint independently, whereas those who went to the office to be

assisted by the FSP made up five out of 15 of the research population. A combined total of 11 out of the 15 participants put in some work towards experiencing innovative services by FSPs. The participant numbers are outlined below.

Table 4.5: Keenness to try new digital touchpoints

Keenness to try new digital touchpoint	No. of participants
Ask someone with more information to assist	6
I try it	4
Go to the office	5

Ultimately, all participants demonstrated knowledge of the various touchpoints; however, they experienced each touchpoint differently or not. The research data suggests that some touchpoints were abandoned after learning about them, installing them, or because of mediocre Internet connectivity. These touchpoints include the app, email, and website. Some participants blame themselves for limited-SE because of being technologically illiterate or not possessing sufficient information about their financial products. The one participant who indicated that he does not watch TV and, therefore, forfeits any information through advertising also mentioned that he "hates this industrial revolution" and that he sometimes does not participate in technological services because they result in the unemployment of the youth.

The participants were asked if they believed that they were missing out on anything based on the responses they had given. Eleven out of the 15 participants expressed that they were missing out, three of the 15 alleged they were not missing out, and one participant expressed that they could miss out. His explanation for not choosing a 'yes' or 'no' was that even if he had access to all touchpoints, he might still not use them all. The reasons for missing out were mainly based on network challenges which caused limited access to information and touchpoints.

4.12 Suggestions by the rural market

Participants were requested to share ideas about how FSPs can improve the SE opportunities of the RM. The number of research participants who would like FSPs to occupy offices in their rural communities rather than in rural towns was the largest, mentioned by eight out of 15 participants, followed by the participants who wish to see workshops, seminars, consultants, or mobile office visits to rural communities. Of the total 15 participants, three expressed their frustration with understanding information about the financial products written in English and want their documents to be written in their home language. Though all 15 participants identified network connectivity as having a negative influence on their SE experience, and seven stated that FSPs must resolve the existing challenges, only one participant emphasised that FSPs should resolve the network problems to improve the SE opportunities of the RMs.

The data suggest that FSPs in rural villages can take several forms, including ATMs, mobile offices, and FSP consultant desks inside retail stores. The participants believe that the benefits of having FSPs in proximity would improve the participants' understanding of FSP products and provide access to speedy services. The below quotation describes one participant's struggle.

> "If possible, they should open offices in the rural areas too so that we can get there by foot and we're able to interact with their staff face-to-face. The problem is that currently everything has to be done in town" **Participant 4** , female, deputy principal, and age:50.

Table 4.6: Suggestions to improve service encounter opportunities

Suggestions for improving SE opportunities	No. of mentions
Offices/branches in rural communities	8
Visits or workshops for rural communities	5
Use local language in written communication	3
Teach us how to use technology	2

Suggestions for improving SE opportunities	No. of mentions
Use traditional service marketing tactics	1
Use all touchpoints equally	1
Toll-free call centre number	1
Resolve network issues	1
Fund efforts to improve service encounter opportunities	1
Extend banking hours	1

As revealed by the data in Table 4.6 and additional comments by three other participants—2, 8 and 13— participants want FSPs to teach them how to use technology to encounter the same experience as other FSP markets. Still, participants who stated that they do not use technological touchpoints understand the benefits of these touchpoints, although they are not familiar with them, as revealed in the subsequent quotation.

> "Umm, I think everything would be more convenient for everybody, including the FSPs and the market. Everything would be processed swiftly and on time. There would be no waiting periods, no delays" **Participant 1** , female, administrator, and age:49.

The study also emphasised the added service benefits offered by insurance service providers who dispatch FSP representatives to large organisations. Banks do not visit government departments and schools for service consultations and sharing of information about their financial services.

4.13 Cyber security risk

The study established that the RM is aware of cybercrime risks and influences. There was no mention of the general financial security risk by the participants, but the cybersecurity risk was often linked to the utilisation of technological touchpoints. The term “scam” was primarily used to refer to fraudulent activities. These nine emphasised cybersecurity risks restricting their interaction with various technological touchpoints.

CHAPTER 5: DISCUSSION OF RESULTS

5.1 Introduction

Chapter 5 interprets and discusses the data findings and aligns them with relevant literature. This section also reveals whether the propositions are accepted or rejected by the study findings. The study's categorial data are presented in Table 5.1 below.

Table 5.1: Categorial data

Person	Customer experience	CRM	Customer value	Factors affecting SE	SE needs	Service marketing Triangle	Comms gap	Totals
1	1	1	1	1	1	1	1	7
2	1	1	1	1	1	1	1	7
3	1	1	1	1	1	1	1	7
4	1	1	1	1	1	1	1	7
5	1	1	1	1	1	1	1	7
6	1	1	1	1	0	1	1	6
7	1	1	1	1	1	1	1	7
8	1	1	1	1	1	0	1	6
9	1	0	1	1	1	1	1	6
10	1	1	1	1	1	1	1	7
11	1	0	0	1	1	1	1	5
12	1	1	1	1	1	1	1	7
13	1	1	1	1	1	1	1	7
14	1	1	1	1	1	1	1	7
15	1	0	1	1	1	1	1	6
Total	15	12	14	15	14	14	15	

Table 5.1 indicates that although the research themes were studied separately concerning ATLAS.ti and the analysis, the themes correlate because they are all critical to the participants; however, when assessing the relationship among the themes statistically, there was no quantitative ability to differentiate among the themes. Instead, each of them is essential to the participants, and

together, the themes form part of the general theme about rural financial access; therefore, although the research themes are apparent in the minds and they discuss them as separate issues, there were no significant differences in the way the themes interrelate when running correlation matrix.

5.2 Service encounter needs and preferences of rural markets

Customers have needs identified and met by FSP, and needs they identify and satisfy with FSPs through interaction and value co-creation (Neghina et al., 2015). The research data revealed that FSPs meet the needs of the RM by a small margin of eight out of 15 participants and with no direct link to the participants' preferred service touchpoints. Participants are primarily satisfied with the services provided by the FSPs when they have effectively used their preferred touchpoints, and their needs are met. Their satisfaction levels are also aligned with the accessibility of financial services. This is because service innovations and new service developments must enhance the customer's value-in-use (Yu & Sangiorgi, 2018); however, negative sentiments about FSPs not meeting the needs arise when FSPs do not provide transparent information about their products and services when there are network connectivity restrictions when the customer incurs costs for calling an FSP, and when there is insufficient contact from the FSPs.

In the literature review, perceived value is recognised chiefly when the service innovation is designed from the customer's perspective, less so from the service provider's perspective, to yield a positive consumer attitude (Echeverri & Salomonson, 2017). Data collected from the participants revealed that RMs need more than SE touchpoints and infrastructure. They also need more information about the products they have purchased. Adequate and precise information would also improve their understanding and interpretation of the value established lacking in the data.

This study defines customer value as the customer's perception about whether they benefit from a product or service based on service or product price, customer effort and the product itself against other possible alternatives (Mahajan, 2020). According to the participants, their perceived value is based on the essential or expected product benefits and the customer's contribution to the profits of the FSP. The lack of understanding of customer value is significantly emphasised as participants

stated that the FSPs did not meet their needs and alleged that they feel valued by the FSPs. Table 5.2 summarises the comparison between customer needs and value as described above.

Table 5.2: Customer needs vs customer value

Variable	Outcome	Participants
Whether needs are met?	Yes	P2, P3, P4, P7, P7, P9
	No	P1, P5, P10
	Improve	P13, P14
Whether valued?	Yes	P2, P3, P7, P9, P10, P12, P13, P15
	No	P4, P5, P8
	Improve	P1, P6, P14

The data collection revealed that the RM primarily prefers face-to-face and telephonic interactions in addition to the participants' top two suggestions of wanting FSPs to locate their offices and consultants in their rural communities also face-to-face. Knowing what rural customers want and delivering that to them would mean that FSPs deliver value to rural customers. This should also improve the customer value service outcomes and the service experience of the RM; therefore, proposition one is accepted based on the above discussion.

Proposition 1

(accepted): Knowing and understanding the service encounter needs and preferences of the rural market from financial service companies can improve rural consumers' perceived value

5.3 Customer experience

The participants were asked about their satisfying and dissatisfying customer experiences with the solid understanding that a customer journey is complex and influenced by several external factors (Keyser et al., 2020) and, therefore, each participant shared their personal experiences. Data

collected from satisfying and dissatisfying scenarios described by the participants demonstrate that FSPs need to improve the quality of services they provide to the RM to improve the service outcomes. The suggestions by the participants for how FSPs can improve their SE opportunities demonstrate that touchpoints are not playing a vital role in improving the service experiences of this market. These touchpoint-related ideas by the RM are:

- **Establish FSP offices or branches in rural communities** – this is extremely rural, therefore, customers do not spend time and money travelling more than 16km to town for FSP offices and branches.
- **FSP consultations with rural communities** – these were in the form of workshops, community fora, mobile FSP offices or any other regular face-to-face interactions that bring services to rural customers in their own language and provide clear communication about FSP services.
- **Use local language in written communication** – customers want clear and familiar language to aid their understanding of what they buy to benefit literate and illiterate community members.
- **Teach rural markets how to use technological touchpoints** – this is so customers are not intimidated by new technological touchpoints and get to a point where they are familiar with the touchpoints.
- **Use traditional service marketing tactics to communicate with rural customers** – rural customers want to interact with FSPs through brochures, leaflets, and similar marketing materials.
- **Explore digital and non-digital touchpoints equally to accommodate all touchpoint accessibility factors -** this would ultimately accommodate all rural customers; therefore, they do not feel isolated from service innovations.
- **Establish toll-free call centre numbers** – this is to ensure that rural customers do not incur the costs of calling FSPs or travelling to the offices of FSPs. Calls often have better network reception than apps, emails, and the Internet.

- **Resolve network issues experienced by rural market** – to ensure that access to service touchpoints is immediate and possible to all customers who wish to use them.
- **Fund efforts to improve service encounter opportunities and extend weekend banking hours** – participants acknowledge that network challenges may not be the responsibility of FSPs, but FSPs know and understand their needs and must fund efforts to bring network connectivity to the RM. They also want banks to acknowledge their infrastructure challenges and extend the weekend operating hours to accommodate the distance these participants travel from home to town.

The above suggestions are aligned with the familiarity perspective and also linked to the factors affecting their SE experiences, confirming the theory by Singh and Malik (2019) that FSPs should create, deliver and manage innovations from the perspective of customers and teach customers about them (Sure & Usha, 2019). The RM wants FSPs to empower and elevate their experiences by providing options. Further use of CRM by FSPs can result in the creation and introduction of other innovative solutions which fulfil the needs of the RM and close the divergence between their needs and interaction.

It was proven that the effective use of technology could improve SE (Bitner et al., 2000). That most satisfying customer experiences were based on face-to-face services does not necessarily mean that FSPs should only focus on this traditional channel. This is because participants have also indicated that they want to be taught how to use technology with other suggestions. Combining creative and innovative hybrid solutions is necessary to offer the RM positive service experiences. Contact employees have played a significant role in educating the RM about bank Apps and downloading the Apps for them. The subsequent positive outcomes, as detailed in the satisfying stories, affirm that a contact employee's ability to recognise a situation and deliver according to the requirements yields success (Bitner et al., 2000); however, this effort seems to have created a dependence on the bank employees for downloading the Apps by some rural community members who believe downloading an App can be conducted only by FSP employees.

Dissatisfying experiences expressed by the participants included negative experiences with technological touchpoints where there was a network disconnect or emails were not received. According to the research data, mediocre and unclear communication about financial services also resulted in negative sentiments; therefore, technological SE opportunities are not adding value to customers by delivering positive outcomes. This confirms the theory of Singh and Malik (2019) that insufficient knowledge and lack of information about a service yields negative results for a company or innovation; therefore, improving the FSPs services by eliminating factors which cause dissatisfaction and attending to the needs of the RM which arose out of the study as suggestions, can assist in developing and delivering convenient service solutions enhancing the service outcomes of the FSP's customer services; therefore, proposition two is accepted.

Proposition 2

(accepted): Improving the rural market's customer experiences can assist with developing and delivering convenient service solutions that enhance the outcomes of the customer-company interaction

5.4 Factors influencing financial service encounters in the rural market

The collected data mostly corresponds to and confirms the continued existence of RM challenges (Nyahodza & Higgs, 2017; Sheth, 2011; Wang & Tian, 2014), which include limited networks, alien technology, lack of knowledge and clarity, infrastructure, language, illiteracy. The research data introduces additional challenges of far FSP offices, travel costs, service delays and technology costs. Though network issues were mentioned by all participants as a challenge that limits their SE opportunities, the rest of the challenges are based on the participant's preferences, capabilities, and home and work location. For example, some participants have become acquainted with travelling to town for FSP services or work and, therefore, neither consider FSP offices distant nor resulting in travelling costs.

To some participants, technology is unfamiliar and costly, while others are affected by lower levels of education. That all participants are affected by the lack of, or limited network also means that the network negatively influences the effectiveness and efficiency of technological services despite

the participants' decision to use or not use the technological touchpoints. The challenges emphasised by the collected data tell plausible stories of limited exposure to service marketing, customer service, added value services and financial services for the RM. The stated RM challenges suggest that FSPs are not efficiently engaging and delivering their services to rural customers; therefore, technological innovations by FSPs are not aligned with the physical, digital and social realm of these customers, resulting in not achieving the intended innovation success as stated by Bolton et al. (2018).

The research established that the RM understands the function of technology or how innovative touchpoints could improve their lives, reduce costs and ease the responsibilities of the RM; however, this factor is outweighed by technological illiteracy, network challenges and cybersecurity risks experienced by the majority. FSPs need to create touchpoint opportunities tailored for the RM to take advantage of the service marketing and SE experiences of the RM. This ensures that FSPs introduce the right touchpoints at the right place and point of need to the RM; therefore, proposition three is accepted.

Proposition 3

(accepted): Increasing service encounter opportunities for rural markets can have a positive effect on the factors influencing their service encounters and the potential reach of service marketing by the financial service providers

5.5 Customer relationship management (CRM)

Data collected through the study indicates insufficient interaction between the FSP and the RM. This reality is presented by participants who prefer and use technological touchpoints, such as email and Apps, versus those who prefer face-to-face and phone contact. This is because those who prefer face-to-face and telephonic interaction do not use other touchpoints. Meanwhile, participants who use emails and Apps emphasised that they are content with the frequency of communication from the FSPs. Most users of email and the App are in the youth age group of 25 to 35. This confirms previous research studies that rural youth are more inclined to technology than rural adults (Singh & Malik, 2019). The network affects all participants, though

technologically connected participants receive convenient service when in locations with better or sufficient network connections than those who do not have access to technological channels. This is revealed by the data preferences in Table 5.3.

Table 5.3: (repeat) Touchpoints by participants vs touchpoints by FSPs

Touchpoints by participants		Touchpoints by FSPs	
Call	10	SMS	13
Visit the office	9	Call	11
Email	7	Email	11
App	6	Visit at work	2
Post office	2	Post office	2
Website	1		

CRM has a strong and meaningful link to the factors affecting SEs. Responses to all questions display an absence of CRM, the reason rural customers are not co-creating value and experiencing maximum SE opportunities with the FSP. There is a presence of CRM systems unable to detect the inefficiencies of the technological touchpoints. This means that FSPs are, in the case of the RM, one company that fails or cannot implement CRM successfully (Meena & Sahu, 2021) owing to socioeconomic differences. CRM would ensure that it administers SE touchpoints that do not dictate what RMs should experience but provides them options according to their circumstances. This means that FSPs are not building sufficient knowledge and understanding that encourages meaningful interaction with their RMs. For this reason, seven of the 15 participants have conceded that FSPs do not understand the RMs before creating or developing an innovative service. They do not observe or experience innovative touchpoint solutions that are diverse and inclusive to accommodate the RM.

Effective customer relations management creates opportunities for FSPs to understand and interact with the RM for meaningful co-creation of services and capabilities that serve rural communities. Research data demonstrate little to no interaction between the FSPs and the participants, and if FSPs have CRM systems in place, the data mined present a challenge and not a solution at this stage. Stories narrated by the participants indicate that communication between the FSPs and the participants primarily occurs when necessary, and the relationship between FSPs and the participants is transactional in most cases. Rural customers are aware that customers in urban areas experience FSP services differently and much more effectively and efficiently.

Examples were told about participants pursuing assistance from their school-going children and requesting friends or family in urban areas to purchase electricity online when there's no network; however, the intensity of the relationship between FSPs and rural customers is unclear because of the transactional nature of responses, examples, and discussions provided by the participants; therefore, there was no revelation of value-oriented relations aimed at changing the mindsets of RMs; therefore, they do not question technology but teach themselves how to use and benefit from it. This is because effective relationship marketing and co-creation of value between businesses and customers were proven effective in building long-term customer relationships (Echeverri & Salomonson, 2017; Shankar & Narang, 2020). (Tuan, 2022)Infers that customers who are ready for technology because of being empowered about the technology are more likely to participate in the co-creation of value.

Correspondingly, it was proven that customer experiences influence their expected SE expectations, which influence the service delivery journey and future preferences and standards (Vassiliki & Simone, 2011); however, collected data did not reveal adequate evidence to support the reciprocity nature of the interaction between FSPs and the Mbizana RM that leads to a long-term relationship that continues beyond emigration to urban areas; therefore, there was insufficient evidence to support proposition four. The insufficient evidence to make a finding on proposition four resulted in the subsequent altering of the conceptual framework supporting the study, as demonstrated in Figure 5.1 below.

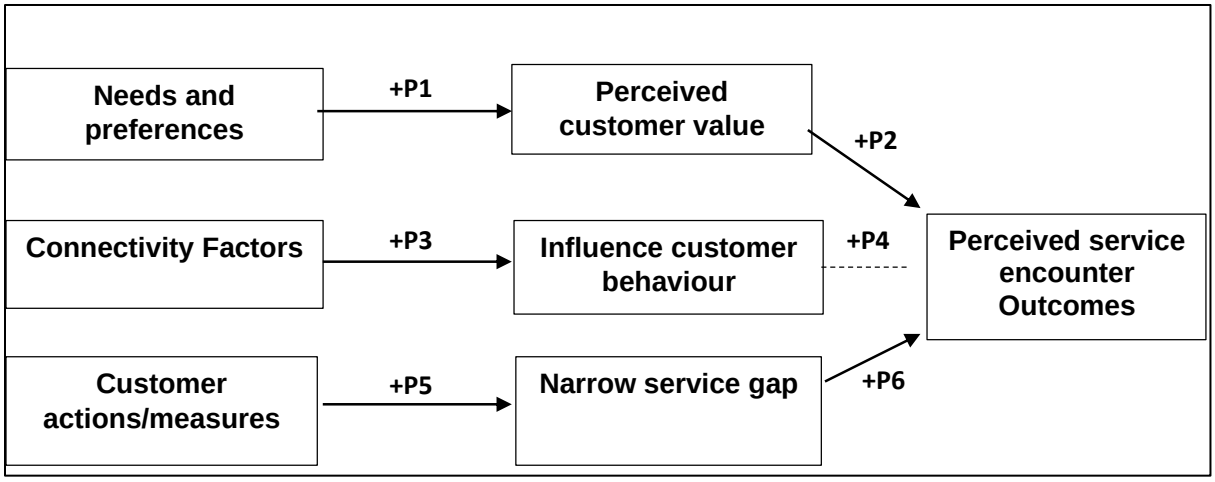


Figure 5.1: An adjusted conceptual framework

Proposition 4

(insufficient evidence to make a finding): Financial service companies can build long-term relationships with rural customers retained beyond rural-urban migration by optimising value co-creation and touchpoints

5.6 Service marketing triangle

Data collected through the study revealed not only insufficient interaction between the FSP and the RM, but that insurance FSPs are the biggest culprits of limited communication. Interview participants, four of the 15, were aggrieved to the point of voluntarily emphasising their insurance company-specific challenges. This RM demonstrated high tolerance levels for companies that do not communicate or interact with them. They trust they are receiving the services they are paying for when the time comes for them to claim despite the silence between the two parties.

The majority believe that FSPs are responsible for creating solutions to the problems experienced by the RMs. The reasons provided by the participants about why FSPs are responsible for resolving their challenges are all-encompassing yet directly aligned with the theory about the service marketing triangle concerning the interaction factor. These reasons include that:

- **FSPs should already know and understand the challenges of rural communities** – meaning that rural customers have a pre-conceived understanding that FSPs know their markets.
- **FSPs stand to benefit from resolved network issues** - this concerns business development and profit.
- **FSPs do not act on their complaints** – these are complaints made during various touchpoint interactions.
- **It is in the FSPs' business interest to resolve the problems of the rural market** - again, another business and profit-related perspective by the participants.
- The understanding that FSPs have the resources to determine and understand the challenges of RMs with digital and non-digital interactions – with the reasons above, there are marketing communication-related expectations from FSPs regardless of the level of education and location of customers.

The majority who believe the above last point have perceived expectations of the FSPs based on marketing communication or socially acquired knowledge; however, the interaction between FSPs and customers is restricted by the challenges experienced by the RM. This contrasts with studies of RMs in India, China and Kenya, which discovered that infrastructure challenges and limited resources have led to successful innovations in banking and financial services because of communication technology (Shankar & Narang, 2020). Communication challenges and related circumstances are heightened for insurance companies who received explicit mentions for failure to communicate with the participants after signing them up for their services. To this effect, research data denote that banks are performing better than insurance policy companies concerning providing access to financial services through FSP offices, frequent communication, and creating awareness.

The data infer that the service marketing triangle relationship is limited in this market, with nine out of 15 participants content with the frequency of communication, the needs of eight out of 15 participants being met, eight out of 15 participants feeling valued, nine out of 15 participants opening links from FSPs and four trying innovations on their own. The margins of the majority numbers are small throughout the tested concepts. This, compared to the theory by Yadav and

Dabhade (2013), suggests that FSPs are presented with insufficient opportunities to deliver on their promises because of a lack of real-time connection between the FSPs and the Mbizana RM.

The lack of service interaction and knowledge resulted in issues, such as abandoning technological channels, customers preferring to go to FSP offices instead of trusting the information they receive from FSP and being confident in their capabilities, and participants blaming themselves for knowing their products when the reasons point to touchpoint challenges. The self-blame results from participants being uncertain about the decisions to experience satisfactory SEs, not having sufficient information to make a decision and uncertainty about how their actions would affect the services they have purchased (Fliess & Volkers, 2020). This process causes a psychological strain for rural customers as they take responsibility for their situation rather than deciding.

Most receive information about FSP services through television and word-of-mouth from friends and family and then the Internet; therefore, the RM TV remains the most powerful marketing device as a source of information while word-of-mouth continues to dominate because of its credibility. This confirms previous study findings that word-of-mouth services as an external touchpoint influence the RMs' customer experience (Lemon & Verhoef, 2016). Mass marketing communication has more influence than direct communication through email, Apps, SMS and calls. This further marks a limit in the flow of information and interaction between FSPs and the RM because rural customers do not learn about new services through direct communication from FSPs, but through mass communication channels. Table 5.4 outlines the sources of information for the 15 participants in the hierarchical order of the frequency of mentions.

Table 5.4: Information sources

Information sources	No. of mentions
Television (TV)	8
Family, friends, and colleagues	8
Internet	5

Information sources	No. of mentions
Social Media	3
FSP notice boards	3
Radio	3
SMS	2
Email	2
App	2
Frontline employees	1
Brochures / Leaflets	1
I don't get information	1

The participant who indicated that he forfeits information when probed about receiving information from television advertisements, for example, mentioned that he does not have the time to sit and watch TV. Data findings revealed that dissatisfying service experiences resulted from inferior service quality by employees and technology, mediocre communication or lack of clear information, and technological failure of related touchpoints. All these issues can be resolved through interactive relationships and effective CRM; therefore, Proposition 5

is accepted.

Proposition 5

(accepted): An interactive relationship with rural customers can advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels

5.7 Actions by the Mbizana rural market to encounter services

The participants were asked if they believed that they were missing out on anything based on the detailed observations they had given. Eleven out of the 15 participants expressed that they were missing out, three of the 15 alleged they were not missing out, and one participant expressed that they could miss out. His explanation for not choosing a 'yes' or 'no' was that even if he had access to all touchpoints, he might still not use them all. The reasons for missing out were mainly based on network challenges which resulted in limited access to information and touchpoints. Though participants perceive missing out on specific products and services, they limit this divergence. The study discovered that customers in rural communities embark on various actions to encounter the services of FSPs. These actions include:

- **Activities in response to network challenges**, such as changing locations or asking trusted individuals who live in town or urban areas to provide temporary assistance.
- **Activities in response to messages sent by FSPs**, such as going to the offices or branches and pursuing assistance from family, friends, and colleagues.
- **Activities in response to marketing communication**, such as asking trusted individuals to assist with trying out new or innovative services instead of immediately trying it on their own.

Some rural customers seek information about claiming from insurance companies, while others travel to the banks to seek assistance with loading the App to attain more and more explicit information and encounter convenient FSP services. There is a communication divergence owing to RMs hearing about FSP services mainly from TV, acquaintances, Internet, social media, and radio, and experiencing these innovative services at small percentage margins, as demonstrated by various research results above. This divergence is also confirmed by data emphasising that all participants are aware of the various touchpoints but are not all using them or rarely use them significantly.

Participants concerned about putting their profiles at security risk choose office consultations. Decisions about actions to avoid cybersecurity risks were made to a greater extent because of little or lack of information, as participants know about the security risk but are not equipped with knowledge or tips on what to look out for. The cyber risk factor also dominated the market's word-

of-mouth communication and made the security risk factor top of mind for most participants. Participants lack trust in technological services. FSPs can build trust through artificial intelligence, firm policies, and marketing communication. Participants may also abandon or repeat service interaction through technological touchpoints because of limited or insufficient comfort and trust in technology. This makes first-time experiences with innovative services critical for the RM. A factor that FSPs can enhance. Proposition 6

is also accepted.

Proposition 6

(accepted): Rural markets actively seek service encounters to experience the benefits of and receive information about financial services

5.8 Summary of propositions and literature

Table 5.5: Summary of propositions and literature

Proposition	Rejected/Accepted
1. Knowing and understanding the service encounter needs and preferences of the rural market from financial service companies can improve rural consumers' perceived value.	Accepted
2. Improving the rural market's customer experiences can assist with developing and delivering convenient service solutions that enhance the outcomes of the customer-company interaction.	Accepted
3. Increasing service encounter opportunities for rural markets can have a positive effect on the factors influencing their service encounters and the potential reach of service marketing by the financial service providers.	Accepted
4. Financial service companies can build long-term relationships with rural customers retained beyond rural-urban migration by optimising value co-creation and touchpoints.	Insufficient evidence to make a finding
5. An interactive relationship with rural customers can advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels	Accepted

Proposition	Rejected/Accepted
6. Rural markets actively seek service encounters to experience the benefits of and receive information about financial services	Accepted

5.9 Zooming in on the youth age group

Most youth age group uses apps and emails; therefore, they have an enhanced level of FSP service experiences because of being more technologically literate than the older groups of participants. This group felt they are missing from the FSP's service opportunities mainly because of network connectivity issues or not owning a smart phone rather than factors, such as not being familiar with the technology. They also expressed that the FSPs meet their needs and are valued despite how they concluded that; therefore, they are more satisfied customers.

The youth participants also interestingly felt that FSPs were not providing adequate SE opportunities for the RMs because of the restrained network connectivity challenges, FSPs not providing clear information, FSPs not bringing service to rural communities and in their own language, and FSPs not collaborating for solutions. Further research should be conducted to understand the full extent of this youth market's knowledge about customer values versus customer needs compared to the urban youth market. Still, this data suggests that the potential future of RMs is shaping differently concerning customer experience than how older groups between 36 and 56 are experiencing technological advancements. The quality and increased pace of this change are possible if government and FSPs invest in improving the infrastructure and SE requirements of the RMs.

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

This study was in an RM context of SE from the perspective of service and marketing communication. The study aimed to find insights that uncover the factors influencing the SEs of the Mbizana RM with FSPs, understand the RM's experiences with FSPs, and determine actions taken by the RM to encounter the services of the FSPs. As discussed in Chapter 1, RMs are one of the fastest-growing markets in large emerging markets, such as South Africa, and FSPs are increasingly using technologically advanced innovations and touchpoints to service their customers. The SE channels most popular in South Africa and the study focused on are face-to-face, email, mobile phone, social media, and company website or website. Access to and awareness of these touchpoints differs from one emerging economy to the next and within the dynamics of each emerging market. There must be insightful data, knowledge, and understanding of the progress made in the technological development of the RMs as technology is advanced, marketing communication is improved, and service marketing is enhanced for effective and sustainable market growth.

The study title "**Factors influencing financial service encounters in rural South African markets**

" was formed. Subsequently, three research questions were developed; what are the financial SE needs and preferences of the Mbizana RM, what influences financial SEs by the Mbizana RM, and what are the measures adopted by the Mbizana RM to encounter services of financial service companies? The qualitative research methodology was used to answer these questions. Participants from eLudeke and KwaJali rural villages in Mbizana between the ages of 26 and 55 were interviewed for the study. Framework analysis was used to organise, analyse, and interpret the data. This chapter synthesises the study findings and discusses the theoretical contribution, implications, and limitations of the study. The chapter concludes with recommendations for future research.

6.2 Study overview

Chapter 1 presents the background of the study, provides the context of the study within an RM, and reflects on the significance of the study in the South African context. The research purpose, questions, and limitations are also outlined.

Chapter 2 presents the literature review. The chapter presents an overview of customer value, customer experience, CRM, the service marketing triangle, and communication divergence.

Chapter 3 specifies and outlines the research methodology of the study. This chapter details and describes the research design, population and sample, research instrument, procedure for data collection, data analysis and interpretation, study limitations, validity and reliability of the study, credibility, and ethical considerations.

Chapter 4 presents the inductively identified research findings, with coding and formulating themese leading to identifying factors influencing financial SEs in rural South African markets.

Chapter 5 presents a discussion of the findings based on insights revealed by the collected data.

Chapter 6 concludes the research report. The chapter emphasises key contributions and recommendations of the study.

6.3 Synthesis of the findings

This section synthesises the findings by answering each research question and responding to the primary research title.

6.3.1 Research Question 1: What are the financial service encounter needs and preferences of the Mbizana rural market?

3.8. Can knowing and understanding the service encounter needs and preferences of the rural market from financial service companies improve rural consumers' perceived value?

3.9. Can improving the rural market's customer experiences assist with developing and delivering convenient service solutions that enhance the outcomes of customer-company interaction?

The participants were asked about their SE needs and preferences through various questions. The research data revealed that the Mbizana RM needs effective and smooth access to services provided by FSPs, mainly through providing stable network connectivity or interim innovations that can function without the network. This will ensure that the RM is not only aware of the diverse touchpoints available to them but also encourages the RM to use them. The participants' perceptions of the FSPs' understanding and meeting the RM's needs received average scores, with seven out of 15 participants stating that FSPs understand the market and eight of 15 participants stating that the FSPs meet their needs; therefore, RMs still require FSPs who understands their needs.

Though nine out of 15 participants expressed that they receive adequate communication from their FSPs, six of the 15 participants who require more communication make up a significant number that needs to be reduced by the FSPs. In addition, the RM needs more transparent communication from FSPs; therefore, they are well-informed and understand the financial products and post-sales services. A combined provision of stable network connectivity, adequate contact, and clear communication would ensure that the RM does not significantly feel like they are missing out on services provided by FSPs. The top two preferred touchpoints are face-to-face interaction and phone calls because of the network connectivity challenges. The two touchpoints are most familiar to and are trusted by the RM.

6.3.2 Research Question 2: What are the factors influencing financial service encounters by the Mbizana rural market?

3.10. Can increasing service encounter opportunities for the rural market positively affect the factors influencing their service encounters and the potential reach of service marketing by the FSPs?

3.11. Can financial service companies build long-term relationships with rural customers retained beyond rural-urban migration by optimising the co-creation of value and touchpoints?

The participants identified nine factors influencing their SEs with FSPs when discussing the challenges that influence the RM and suggesting how FSPs can improve their SE opportunities. Each participant's suggestion and identification of challenges were based on their individual experiences and observations. No evidence suggests that the identified challenges and suggestions are isolated to each participant but that they affect the whole RM collectively. Participants emphasised challenges with deficient network coverage, far FSP offices that result in costly transportation, unfamiliarity with technology, costly technology because of data and intelligent product expenses, lack of knowledge and clarity about FSP services, service delays resulting from the limited network and mediocre infrastructure, underdeveloped infrastructure, not using the RM's home language, and illiteracy of some customers.

The participants also presented suggestions for FSPs aligned with the challenges they experience in their rural villages and towns. The suggestions include developing FSP offices in rural communities, FSP consultations or workshops for rural communities, using local language in written communication, teaching the RM how to use technology, using traditional service marketing tactics to communicate with rural customers, using all touchpoints equally to accommodate all rural customers, providing toll-free call centre numbers to accommodate rural customers with limited access to technological touchpoints, resolving network issues, funding efforts to improve SE opportunities, and extending banking hours to accommodate rural customers who cannot get to town before 12h00 on weekends owing to dismal road structures and limited transport.

The two primary sources of information about financial services to the RM are television and people (friends, family, and colleagues). This means that the RM needs significant access to more channels of communication. FSPs have the capacity, through their research and development projects, to offer innovative, relevant, and sustainable solutions for the RM.

6.3.3 Research Question 3: What measures are adopted by the Mbizana rural market to encounter services of financial companies?

6.3.4 Can an interactive relationship with rural customers advance service knowledge for rural customers and lead to a more effective evaluation of customer satisfaction levels?

3.12. Do rural markets actively seek service encounters to experience the benefits of and receive information about financial services?

The Mbizana RM, in Ludeke and KwaJali, takes various actions to experience and encounter the services of FSP. First, upon seeing and hearing about a new service touchpoint through marketing communication, the majority ask someone more knowledgeable about it to assist them with trying it out or connecting them with the touchpoint experience. Most RM does not just try the new touchpoint independently and without consulting someone they trust. Second, they studied the network connection patterns and changed their locations to find areas with better network connectivity. They also ask friends and family members who live in areas with good network connectivity to help them purchase financial products when they cannot access such services through phone Apps, for example.

Third, the RM prefers going to the FSP offices or asking family, friends and colleagues for more information about a technical service that could expose them to cybersecurity risks. Fourth, unaware of what it takes to download the bank phone application, the RM goes to the bank branches for assistance—downloading and learning about the bank App. This costs them time in the long bank queues and money to travel to town to receive a service they could have received at home through self-service technology.

6.4 Contribution of the study

6.4.1 The theoretical contribution of the study

In finding the factors influencing financial SEs of the Mbizana RM, below Figure 6.1 presents the theoretical and conceptual framework created and tested through the collected data.

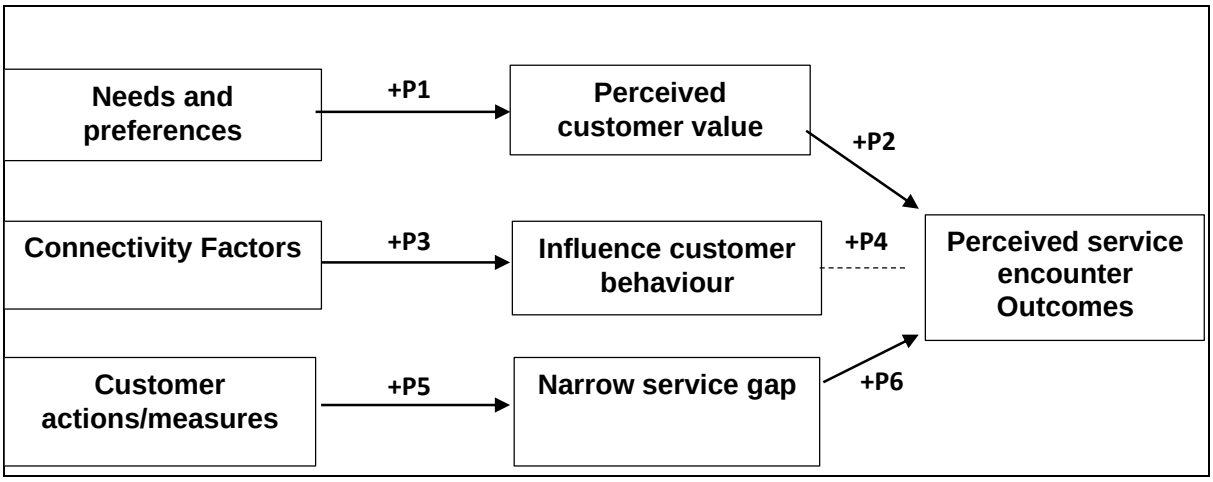


Figure 6.1: The theoretical and conceptual framework

The conceptual framework demonstrates that RMs have specific needs and various drivers of their needs unique to the market (Shankar & Narang, 2020). This factor was also evident in the data presented by this research that emphasised that though there was digital advancement in the RM, much more development is still required, and network-related challenges remain the critical and common challenge that limits the RM's SE. When the needs and preferences of the RM are identified and catered for, the influence positively influences the market's perceived customer value (Mahajan, 2020). The majority already feel valued by the FSPs for being allowed to participate, receiving all the information and contributing to the FSPs' profits.

This ultimately caused positive service outcomes, also revealed by the excellent service stories shared by the participants. The participants provided positive service evaluations for service experiences where they gained more knowledge about the financial service or touchpoint, received good customer service and resolved their challenges promptly. This corresponds with Ugwuanyi and Idoko (2022) that customer trust and satisfaction can positively influence the service collaboration process between FSPs and their customers.

The study proves that network connectivity is a common challenge influencing the behaviour of the RM. More than a decade later, since the study by Sheth (2011), the network remains a challenge with a negative influence on customer experience, relationship quality between FSPs and the RM, and SEs of the RM. The collected data also illustrated that South African FSPs had not invented innovative solutions created to discourse the challenges of the RM. The RM is also unaware of innovations by FSPs in other countries.

The RM's suggestions of how FSPs can improve their SE opportunities were mainly based on what they know from observation and past experiences. What was not clear from the qualitative data is how the study influences the future behaviour of rural customers when they move to urban areas. The participants acknowledged the difference between the service experiences of rural customers and urban customers; however, there was no evidence that rural customers would think or feel differently about their FSPs if they moved to urban areas. The study proves that resolving the network connectivity problem would improve the perceived SE outcomes of FSPs as more rural customers would use the technological touchpoints, favour smartphones or smart devices, and gain more information about the FSP services.

Challenges identified by the RM, such as mediocre network connectivity, far FSP offices and travel costs, and alien technology, affect the SE and behaviour of rural customers. There is a tendency for rural customers to prefer face-to-face and phone calls as touchpoints. The Mbizana rural customers travel long distances to experience SEs at the FSP offices or to connect their technological touchpoints in town where there is network connectivity. Some rural customers avoid technological touchpoints because of mediocre networks, while others seek more information or help from family, friends, and colleagues. The dependence on the community for support is excellent, as detailed by Heinonen et al. (2019), who connected the link between a customer's perceived value and their communal experiences.

This creates room for FSPs to implement CRM effectively as rural customers actively seek SE points to experience the benefits of and receive information about their financial services. They do this by conducting their own investigations post-hearing and seeing an advertisement about a new

touchpoint on television or from friends, family, and colleagues. They see and hear advertisements about technological touchpoints that the majority do not create an opportunity to use or favour. In insurance companies, the advertisements they see or hear are far from this RM's experiences and the only communication they receive from insurance companies. Improving the SE of the RM by increasing the service touchpoint opportunities and narrowing the communication divergence between what rural customers see and hear in advertisements versus what they experience would improve the SE outcomes of the FSPs. The study reveals and offers experiences by a South African RM with the FSPs in the South African context.

6.5 Implications

The below implications were drawn from the findings.

- South Africa is an emerging country that comprises urban and rural areas whose infrastructure and technological advancement vary from one province to another. Over the years, FSPs developed various innovative technologies and touchpoints to enhance the SE opportunities of their customers and offer advanced financial services. FSP and government have played a role in establishing and developing SEs for RMs, with the help of other private companies, such as telecommunications companies; however, achieving full network connectivity for RMs was unsuccessful and remained a priority mainly in the strategies and reports of telecommunications companies. Research data revealed that network connectivity affects preferred touchpoints, access to touchpoints, meeting customer needs, and challenges affecting the SE of RMs and causing the feeling of missing out. This implies that FSPs should ensure that RMs have equal access to financial services and communication. To achieve this, FSPs should create cost-effective innovations specifically designed to deliver financial services that satisfy the needs of the RM.
- FSPs use CRM to understand their customers' needs and behaviours. The Mbizana rural participants perceive that FSPs do not understand the RM, and as a result, they are missing out on technical services. Though the number of participants who indicated that FSPs do not meet their needs was seven out of 15, this was a significant number. This means that the influence

of FSP touchpoints is limited to some rural customers. The available service touchpoints are not inclusive and diverse enough to accommodate the circumstances of the RM.

This implies that FSP should focus on research and development and CRM initiatives, constantly delivering data and insights that improve the relationship quality between FSPs and this RM. Data insights enable FSPs to learn, correct, and iterate until the level of perceived understanding and perceived needs meeting by the RM is improved. To achieve this, FSPs should intensify artificial intelligence, policies, and marketing communications for the RM.

- Word-of-mouth is influential and powerful. Rural customers trust their colleagues, friends, and families to teach them about new touchpoints and for more information about financial services, even when they have seen or heard an advertisement about a service or touchpoint. This means that customers in rural communities have their own influencers who aid their experiences and understanding of financial services and touchpoints. Participants trust frontline employees more than other FSP touchpoints.

  This implies there is a lack of trust in financial touchpoints. FSPs can once again use artificial intelligence, policies, and marketing communications to grow this trust and change the mindsets of rural customers; therefore, they do not question technology but are led towards discovering technology and finding safety in using it. For frontline employees, FSPs should design technology that enhances the effectiveness of the consultants in rural towns or communities.

- There is migration from traditional touchpoints to self-service technologies; however, there is also a tendency to abandon self-service technologies owing to technological illiteracy or network concerns. This implies that government and FSPs should introduce sustainable solutions that create SE opportunities and encourage rural customers to use self-service technologies. This can be achieved by the government putting policies in place that fast-track, providing network infrastructure to RMs and FSPs, and creating strategies that bridge the technological advancement divergence; therefore, participants in their youth and are

technologically illiterate do not remain technologically illiterate in the next five to ten years as technology evolves.

- FSP offices and branches have been in the towns of rural villages for decades. FSPs have used English and Afrikaans in their official documents for several years. Now participants want to see and experience financial services in the communities. They want offices, resources, and FSPs to communicate in their home language. This implies that the needs of rural customers are evolving with time, and they are aware of their struggles; therefore, FSPs should deliver this value to the RM, advance their point of difference and grow market share through positive word-of-mouth.
- As stated in the study's contribution, limited literature exists about the measures and actions undertaken by RMs to cope with the SE divergence. Customers from rural villages are spending time and money performing their own investigations about products, travelling to FSP offices, searching for areas with improved networks, and navigating infrastructure challenges to experience financial services. This implies that rural customers make an extra effort to experience financial service. Marketing Managers should offer various communication messages for RMs. Marketing communication that emphasises product and service innovations that meet the RM’s needs is easy to use and cost-effective.

6.6 Limitations of the study

The study indicated the following limitations:

- The small sample size of this qualitative research means that the data are transferable, but the research results cannot be projected to the entire RM population of South Africa.
- The study’s participants live in rural villages with network connectivity problems; therefore, the findings reflect their experiences in the villages they live in; therefore, data from participants who live in rural villages with good network connectivity may arrive at diverse findings.

6.7 Recommendations for future research

These recommendations were crafted based on the experience with and findings of this study.

- The study was undertaken with a small group of participants from two rural villages in the same rural town. Future research should increase the number of participants in rural villages and towns.
- Future studies should be conducted by government or civil organisations influencing policymaking to determine the pace of efforts and solutions by government and FSPs towards establishing technological advancement for RMs.
- Participatory research should be conducted to determine why rural customers do not try new touchpoints first-hand.
- Participatory research should be conducted to determine a cyclical link between all concepts which form part of the conceptual framework to determine if and how they all influence rural customers because the study illustrated some interconnection of the concepts.
- FSPs should commission future studies that attempt to build quality relationships with rural customers and develop marketing communication strategies that deliver clear and sufficient information to their customers. The need for clear and sufficient information was mentioned under several discussions with the participants, including customer value, provision of SE opportunities, meeting of needs of the RM, challenges affecting the SE of RMs and dissatisfaction stories.

6.8 Conclusion

Chapter 6 adequately summarises the study, synthesis of the findings about the three research questions, theoretical contribution of the study, and implications of the findings, while offering recommendations for future studies based on the lessons learnt from the entire research project

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APPENDICES

APPENDIX A: RESEARCH INSTRUMENT

My name is Boniswa Matshoba. I am a Wits Business School Student. As previously indicated, I am doing a research module that requires me to conduct marketing-related research. The aim of the research is to obtain your understanding and experience regarding your interaction with financial service providers (FSPs). The interview will take about an hour of your time and all the information you share with me will be treated with the utmost confidentiality. I may use some of your statements in the research report; however, your name will not be mentioned in the report. Please remember that you are free to take a break or end the interview at any time.

Topic	Main Questions
Generic questions	Open-ended questions: 1. What is your gender identity? 2. How old are you? 3. Which financial products do you have? Please list them and the names of the financial service companies.
Objective 1	1. How do your Financial Service Providers (FSPs) communicate with you? 2. Are you aware of other digital and non-digital channels that you can use to interact with your FSPs? Please list the ones you know of. 3. Which of these channels do you use to contact your FSPs when you need to interact with them? 4. Why are you not using some of the touchpoints or channels you mentioned earlier?

	5. How often do you receive communication from your FSPs? Do you need the companies to increase or reduce the number of times they contact you? 6. What are your touchpoint needs and preferences for a satisfying service encounter? 7. Are your FSPs meeting your service encounter needs as a customer in a rural market? 8. Do you believe that FSPs understand your needs before coming up with a new or innovative service touchpoint? 9. Do you believe that you are missing out on other digital services offered by your FSPs? Please explain. Where necessary: You mentioned…tell me more about it?
Objective 2	1. Tell me about a satisfying interaction you experienced with your FSPs. 2. Tell me about a dissatisfying interaction you experienced with an FSPs. 3. Are the FSPs doing enough to provide service encounter opportunities for the rural market? 4. If not, what else can they do to improve your service encounter experience? 5. If you had access to all your FSPs' touchpoints, would you use them all? Please Elaborate. 6. What are the challenges of being part of a rural market? How do they influence how you encounter service from FSPs? 7. Who should provide solutions to the challenges or factors affecting your interaction with the FSPs? 8. If your FSP told you that you are a valuable customer, would you believe them? Why or why not?
Objective 3	1. Where do you learn or get new information about new digital services? (Apps, ATM services, website etc.)

	2. You hear or see an advertisement about a new digital touchpoint; do you try it, get more information about it, ask someone else to help you use it or other? 3. You receive a text message from your FSP asking you to click on a link to update your personal information. What do you do? Where necessary: You mentioned…tell me more about it?

APPENDIX B: COVER LETTER

Dear Prospective Participant

My name is Boniswa Matshoba. I am a Wits Business School Student. As previously indicated during our initial telephonic or face-to-face conversation, as part of the master's degree, I am required to conduct marketing-related research. It is for this reason that I am inviting you to participate in a study entitled "**Factors influencing financial service encounters in rural South African markets**

". The purpose of the research is to obtain your understanding and experience regarding your interaction with financial service companies. The interview will take about an hour of your time and all the information that you share with the researcher, and your identity will be kept confidential. The results of the interview will be included in the research report in a confidential manner that does not disclose your name, surname or any other personal details. Your answers will be heard and seen by other people part of the research. These people include members of the Wits Business School and professional transcribers.

Kindly note that participants received no remuneration or any incentives. The participation was, therefore, voluntary.

Thank you for taking the time to read this letter. Please let me know should you have any further questions.

Regards

Boniswa Matshoba

APPENDIX C: CONSENT FORM

I,……(participant's name), confirm that the person asking my consent to take part in this research has told me about the nature, procedure, potential benefits and anticipated inconvenience of participating in the study.

The person explained the nature of the study to me, and I understood the study as explained in the letter. I had sufficient opportunity to ask questions, and I was provided contact details for any further questions.

I am prepared to participate in the study. I understand that my participation is voluntary, and I am free to withdraw at any time.

I am aware that the study findings will be processed into a research report, and that my participation will be kept confidential unless otherwise specified.

I agree to the recording of the interview.

I have received a signed copy of the consent form.

Participant name & surname: …… (*Please print*)

Participant signature: ……. Date: ……..

Researcher's name & surname: …… (*Please print*)

Researcher's signature: ……. Date: …….

APPENDIX D: FRAMEWORK ANALYSIS CHART

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P1 - F	49	Meeting needs - no	Frequency of comms – satisfied	Link – I open it	Access to all – N/A	SE opportunities – no	N/A	Missing out - yes	Sources of communication – TV, friends, colleagues, my children
		Reason – abandoning old systems for new ones, call waiting for queues, network issues	Valued customer – depends/maybe	Satisfying & dissatisfying experience	FSPs understand the rural market – no	Reasons – Rural markets don't have enough information and service channels	New product – I go to the office	Reasons – unable to access these other things (tech	Who's responsible – n/a

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
								channels) being used	
		Preferred method of interaction - SMS	Reason – unclear communication and limited information		Participant touchpoints – Post office, offices	Awareness of other touchpoints – emails, calls, SMS, social media, Internet			Reason – n/a
		Reason – prefers familiar old ways of communication				Rural market challenges – network, technologically illiterate, expensive data, lack of resources			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P2 – F	43	Meeting needs - yes	Frequency of communication – satisfied	Link – open, but not act / Don't open link	Access to all – N/A	Service encounter opportunities - improve	Link – I don't add my details	Missing out - yes	Sources of communication – SMS, TV, notice boards, contact employees
		Reason – N/A	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural markets - no	Reasons – Rural markets don't get enough information	New product – I try it	Reasons – network and phone	Who's responsible – government
		Preferred method of interaction – phone call	Reason – keep me		Participant touchpoints – telephone, offices	Awareness of other touchpoints – website, email			Reason – they receive complaints from communities,

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
			informed/updat ed						know how to contact the network providers and should have a communication strategy
		Reasons – deficient network				Rural market challenges – network, lack of knowledge and clarity			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P3 – F	29	Meeting needs – yes	Frequency of communication – satisfied	Link – I open it	Access to all - yes	Service encounter opportunities - yes	N/A	Missing out - maybe	Sources of communication – Emails, SMS, App, notice boards
		Reasons – workplace consultations	Valued customer - yes	Satisfying & dissatisfying experience	Understand rural market - yes	Reasons – nothing to say	New product – ask someone	Reasons – afraid of being scammed	Who's responsible – government
		Preferred method of interaction - App	Reason – solutions to my problems		Touchpoints – App, email, telephone, offices	Awareness of other touchpoints – Internet, App			Reason - infrastructure

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Reasons – N/A				Rural market challenges – network, FSPs close early, infrastructure,			
P4 - F	50	Meeting needs - yes	Frequency of comms – satisfied	Link – don't open it	Access to all - yes	Service encounter opportunities - improve		Missing out - yes	Sources of communication – TV, radio, leaflets, offices
		Reason – N/A	Valued customer - no	Satisfying & dissatisfying experience	FSPs understand rural markets - no	Reasons – FSPs focus on urban markets	New product – I go to the office	Reasons – urban areas are well	Who's responsible – FSPs

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
								catered for vs rural	
		Preferred method of interaction – face-to-face	Reason – they are in the business of making money. Don't keep promises		Participant touchpoints – App, offices, telephone	Awareness of other touchpoints – Internet, email			Reason – should understand our needs
		Reasons – safe and quick				Rural market challenges – network, lack of resource			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Participant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P5 – M	36	Meeting needs - no	Frequency of communication – increase	Link – I open it	Access to all - yes	Service encounter opportunities - no	N/A	Missing out - yes	Sources of communication – social media
		Reason – not providing clear communication and not preventing fraud	Valued customer - no	Satisfying & dissatisfying experience	FSPs understand the rural market – no	Reasons – travel far for access	New product – try it or ask someone who knows more	Reasons – network	Who's responsible – all three
		Preferred method of interaction – phone call	Reason – they are in the business of making money		Participant touchpoints – Email, telephone	Awareness of other touchpoints – App, Internet, email			Reason – all have a role to play

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Reasons – touchpoints are familiar				Rural market challenges – lack of information (never taught about the App), network, delayed insurance services & lack of clarity, far offices, language used			
P6 – F	35	Meeting needs – N/A	Frequency of communication – satisfied	Link – I open it	Access to all - yes	Service encounter opportunities - no	N/A	Missing out – yes	Sources of communication - acquaintances, Internet, social media

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Participant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Reason – N/A	Valued customer – depends/maybe	Satisfying & dissatisfying experience	FSPs understand the rural market - no	Reasons – not collaborating for solutions	New product – try it or ask someone who knows more	Reasons – network	Who's responsible – all three
		Preferred method of interaction - App	Reason – they are about making money		Participant touchpoints – App, telephone	Awareness of other touchpoints – App			Reason – all have a role to play
		Reasons – familiar touchpoint				Rural market challenges – network, going to offices cost time and money			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Participant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P7 – F	43	Meeting needs - yes	Frequency of communication – increase	Link – I open it	Access to all - yes	Service encounter opportunities - improve	N/A	Missing out - no	Sources of communication – TV, radio
		Reason – N/A	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural market - yes	Reasons – consider communicating with elderly in their language	New product – I go to the office	Reasons – currently satisfied with touchpoint services in use	Who's responsible – FSPs
		Preferred method of interaction - email	Reason – informed and updated		Participant touchpoints – App, email,	Awareness of other touchpoints – App, email,			Reason – make means for clients to access services

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
					website, social media	Internet, post office, phone call			
		Reasons – I prefer it				Rural market challenges - network			
P8 – M	55	Meeting needs - yes	Frequency of communication – satisfied	Link – I open it	Access to all - yes	Service encounter opportunities - improve	N/A	Missing out - yes	Sources of communication – I don't get info
		Reason – N/A	Valued customer - no	Satisfying & dissatisfying experience	FSPs understand the rural market - no	Reasons – FSPs are not learning about the rural market and not	New product – I don't try them because industrial revolution	Reasons – network	Who's responsible – FSPs

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
						using the language of rural customer l	reduces employment opportunities		
		Preferred method of interaction – phone call	Reason – FSPs don't bring services to me		Participant touchpoints – telephone, offices	Awareness of other touchpoints – not aware			Reason – N/A
		Reasons – costly data, smart phone, Internet café, laptop				Rural market challenges – network issues, offices not in rural areas – cost time and money			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P9 – M	35	Meeting needs - yes	Frequency of comms – satisfied	Link – I don't open it	Access to all - App	SE opportunities - improve	Link – I go to the office	Missing out - no	Sources of communication - Google
		Reason – N/A	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand the rural market - yes	Reasons – participant says service encounters must improve because of network concerns. But has not reason to state because participant has no problem with FSPs	New product – ask someone then try it	Reasons – network	Who's responsible – N/A

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Preferred method of interaction – phone call, App	Reason – deliver on promise		Participant touchpoints – offices, telephone, emails	Awareness of other touchpoints – App, Internet			Reason – N/A
		Reasons – deficient network				Rural market challenges – network, travel costs time and money			
P10 – M	51	Meeting needs - no	Frequency of communication – increase	Link – I don't open it	Access to all- yes	Service encounter opportunities - no	Link – I go to the office	Missing out - yes	Sources of communication – TV, colleagues

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Participant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Reason – not keeping me informed about my products	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural market - no	Reasons – not resolving network issues	New product – ask someone	Reasons – network	Who is responsible – FSPs
		Preferred method of interaction – face-to-face	Reason – I give them good business		Participant touchpoints – phone calls, offices	Awareness of other touchpoints – App, email			Reason – should understand our needs and know our challenges
		Reasons – network, errors by FSP employees and data costs				Rural market challenges – not familiar with technology, data are expensive			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Participant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
P11 – F	49	Meeting needs - yes	Frequency of communication – increase	Link – I open link	Access to all - no	Service encounter opportunities - yes	N/A	Missing out - yes	Sources of communication – radio, TV, bank, friends
		Reason – n/a	Valued customer - yes	Satisfying & dissatisfying experience	FPS understand rural market – without network technological touchpoints are superfluous	Reasons – gets the assistance needed every time	New product – ask someone	Reasons – not familiar with technology	Who is responsible – N/A
		Preferred method of interaction – calls, face-to-face, email	Reason – FSP call a lot		Participant touchpoints –	Awareness of other touchpoints – offices, calls			Reason – n/a

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
					telephone, offices, email, App				
		Reasons – not familiar with technology				Rural market challenges – network			
P12 – M	34	Meeting needs - no	Frequency of communication – satisfied	Link – I don't open it	Access to all – yes	Service encounter opportunities - yes	Link – I'd rather go to the office	Missing out - yes	Sources of communication – TV, email
		Reason – network issues limit contact	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural market - yes	Reasons – no reason. Participant uses technological touchpoints	New product – go to the office	Reasons – no smart phone, network	Who is responsible – government

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Preferred method of interaction – email and face-to-face	Reason – updates and good service		Participant touchpoints – telephone, emails, offices	Awareness of other touchpoints – App, email			Reason – government failing us
		Reasons – email because I'm not always available. Face-to-face if complex issue				Rural market challenges - network			
P13 – M	31	Meeting needs - improve	Frequency of communication – increase	Link – I don't open it	Access to all - no	Service encounter opportunities - no	Link – I call the FSP	Missing out - yes	Sources of communication – TV, Internet, friends

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Reason – network and technical problems	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural market - yes	Reasons – not providing rural market with sufficient information	New product – ask someone	Reasons – not familiar with technology	Who is responsible – FSPs
		Preferred method of interaction – SMS, face-to-face, phone call	Reason – provide needed services		Participant touchpoints – post office, email	Awareness of other touchpoints – post office, email			Reason – they need to improve (the service)
		Reasons – I'm receiving enough information without technological touchpoints. Network				Rural market challenges – unfamiliar with technology, network, offices			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		issues delay emails. SMS is prompt				are far – cost time and money			
P14 – F	27	Meeting needs - improve	Frequency of communication – satisfied	Link – I open it	Access to all – N/A	Service encounter opportunities - improve	N/A	Missing out - no	Sources of communication – Internet, App
		Reason – network	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural market – not really, some	Reasons – not bringing services to rural communities	New product – I try it	Reasons – App, emails and Internet make life easier	Who is responsible – FSPs

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Participant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Preferred method of interaction - App	Reason – customer service		Participant touchpoints – App, telephone, offices	Awareness of other touchpoints – App, telephone, offices			Reason – FSPs are the ones to benefit
		Reasons – easiest way ever to do things				Rural market challenges – delayed insurance services, network			
P15 – M	32	Meeting needs - yes	Frequency of communication – satisfied	Link – I don't open it	Access to all – N/A	Service encounter opportunities - yes	No action given; participant fears cybercrime	Missing out - maybe	Sources of communication – internet, Facebook

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
		Reason – N/A	Valued customer - yes	Satisfying & dissatisfying experience	FSPs understand rural market - yes	Reasons – they explain things clearly and properly during interactions	New product – I try it	Reasons – network	Who is responsible – government
		Preferred method of interaction – App	Reason – compliment my credit score		Participant touchpoints – telephone, SMS	Awareness of other touchpoints – telephone and SMS, App, Internet,			Reason – they are liable for that side of things
		Reasons – I have a good grasp of the App now				Rural market challenges –			

CHART: Data analysis – (Not all answers have been included. most reasons and detailed descriptions are excluded)									
Particip ant	Age	Needs & preferences	Customer value	Customer Experience	CRM	Factors	Actions	Comm Gap	Service marketing triangle
						network, offices are far			

APPENDIX E: LANGUAGE EDITING CERTIFICATE

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LANGUAGE EDITING CERTIFICATE

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