



UNIVERSITY OF GOTHENBURG  
SCHOOL OF BUSINESS, ECONOMICS AND LAW

The Department of Business and Administration  
Section of Management and Organization

*“The question is how to use it?”*

- a qualitative study of Swedish banks and social media

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**Authors:**  
Ingrid Oscarsson 19890620-2927  
Lovisa Wernsten 19880608-6008

**Tutor:**  
Ass. professor Gill Widell

# Abstract

**Title**            *"The question is how to use it?"* – a qualitative study of Swedish banks and social media

**Authors**        Ingrid Oscarsson and Lovisa Wernsten

**Tutor**            Gill Widell

Social media have made it possible for companies and customers to have an open dialogue with each other, where people have the opportunity to participate in discussion in the public debate. This multi-way communication lets customers contribute with ideas and opinions and in return companies receive feedback and can develop real-time demand products and services (Grafström et.al. 2010, Kaplan et.al. 2010).

With this thesis we aim to understand how the interaction between the Swedish major banks and their customers in social media is organized, and what the banks' purpose is of using social media. We also aim to know the banks' view of the multi-way communication. To be able to fulfil our aim of this thesis we have done qualitative interviews with one informant from each major bank: Swedbank, SEB, Handelsbanken and Nordea.

Almost three years ago the first Swedish major bank, SEB, entered Facebook and it did not take long before Swedbank, Handelsbanken and Nordea did the same (Informant 2). Primary the banks' purpose of using Facebook is to provide customer service and to have an open dialogue with the customers. The banks manage their Facebook pages by internally hire employees, have frequently internally training and by designing their own language used on Facebook.

**Key words**     Social media, Facebook, Swedbank, SEB, Handelsbanken, Nordea, interaction, organization, transparency, confidence

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# 1. Introduction

## 1.1 Background

Social media such as Facebook, Twitter, YouTube, and Instagram have been growing at a tremendous rate and have reached astronomical numbers of people in less than ten years. Some industry gurus claim that if you do not participate in Facebook, YouTube or Second Life, you are not part of cyberspace and scientists state that without Facebook, people would forget your birthday and to invite you to events.

Companies have integrated on the platforms and have invited people to an open dialogue. Elavsky (2012) says “*you can’t go back now*” (ibid:74) and with that he means that once you have entered the social media you cannot step back because that would harm the confidence. Social media contribute with powerful factors that companies have to implement and affect educational settings, strategic communication, politics, as well as legal and ethical issues (Al-Deen et.al. 2012). Social media give the companies an opportunity to get in touch with their customers at relatively low costs and higher levels of efficiency than traditional communication tools can offer. This makes social media relevant for all types of industries.

A traditional and controlled industry is the bank industry. The four major banks in Sweden, Swedbank, SEB, Handelsbanken and Nordea, have all chosen to be present on Facebook. That gives customers and other people the opportunity to participate in discussions in the public debate. In return it gives the bank the opportunity to have an open dialogue in the Internet with their customers, support and inform them in a news flow where the people consume news faster than ever.

## 1.2 Introduction

“*What did people do before Facebook?*” gives you 1,700,000,000 hits on Google. Of course not all hits are relevant, but the search on Google reveals the impact and gives a perspective of this astounding phenomenon. Social media have become an integral part of the contemporary classroom, of advertising, public relations, political campaigning, and of numerous other aspects of our daily existence. The average user uses Facebook 25 minutes a day and together with all the Facebook users they spend over 5,700 years a day on Facebook

and in total they upload almost 14 millions pictures a day<sup>1</sup>. Social media have democratized the news flow and revolutionized the world. Traditional media compete with digital news channels, which have faster speed in the news flow.

The incorporation of this massive media upsurge brings challenges and opportunities for companies and organizations. Still many companies do not have the knowledge of how to properly deal with social media, highlighting the need for research in this area because the impact and spread are revolutionary and the consequences can be significant. One example is the company Ryanair, which evokes strong emotions among people although the company has a developed strategy of how to deal with social media. In August 2012 a woman criticized the company on Ryanair's Facebook page that she had to pay 300 UK pounds because she had not printed out the boarding passes. Furthermore she asks people to "like" her post if they think it is unfair. Today (19 May 2013) the post got 603,929 likes and 31,484 comments<sup>2</sup>. How a company chooses to answer and communicate with customers in social media can have devastating consequences for the company's reputation but at the same time market shares can significantly increase (Topper 2009). In recent decades the bank industry has undergone major changes in competitive positions and how banks differentiate themselves from each other. This change has also meant that the banks need to find new ways how to communicate with their stakeholders. Since companies in other industries have shown interest in using social media, the bank industry has also taken this opportunity to communicate with customers. So how to deal with social media and the multi-way communication? And how do the banks organize and develop strategies to handle this media?

### 1.3 Aim

With this thesis we aim to know the Swedish major banks' purpose of using social media and to understand how the interaction in social media is organized within the organization. We also aim to know the banks' view of social media and the multi-way communication social media have contributed with.

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<sup>1</sup> <http://www.alex.com/siteinfo/facebook.com>

<sup>2</sup> [https://www.facebook.com/permalink.php?story\\_fbid=10151052215984961&id=24694184960](https://www.facebook.com/permalink.php?story_fbid=10151052215984961&id=24694184960)

## 1.4 Limitations

We focus on the four Swedish major banks; Swedbank's, SEB's, Handelsbanken's and Nordea's interaction with their customers on Facebook and what the purpose is of using it. We mention and explain other social media the banks use but the focus is on Facebook.

## 2. Theoretical framework

In this part we will present theoretical findings that have helped us to understand social media. We also aim to provide the reader with necessary knowledge regarding the phenomenon and the interaction between the banks and their customers in social media. Later on we will use the theoretical framework in order to analyse the empirical data.

### 2.1 What is social media?

According to many, the phenomenon social media is quite young and often associated with communities such as Facebook, YouTube, Twitter, and blog portals, but the era of social media is older than many think. According to research done by Kaplan et.al. (2010) the first web based diary “Open Diary” was created during the fifties by Bruce and Susan Abelson and brought together online diary writers into one community. As the Internet speed increased, more social media and online communities were created; Facebook year 2004 and Twitter year 2006 are two examples that have made social media an increasingly common word.

Kaplan et.al. (2010) define social media as *”a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content”* (ibid:61). Web 2.0 is the platform where the development of social media occurs. User Generated Content (UGC) is the “sum” of all ways of using social media and according to OECD (2007) UGC has to fulfil three conditions to be considered being one. First, the content has to be public and published and available all over the Internet. Secondly, the content has to show some kind of creative sacrifice, and thirdly, it has to be created by the end customer, not by any professional routines or practices.

To be able to understand social media Kaplan et.al. (2010) use a classification system. Two key terms differentiate social media; social presence/media richness and self-presentation/self-disclosure. The first concept explains that media differ in the degree of social presence between two communicating individuals, where the intimacy between these two affect the degree. The higher social presence that is needed, the more the individuals influence each other’s social behaviour. Further, different media have different amount of information that can be transmitted within a certain time interval; some media have the possibility to effectively solve ambiguities and uncertainties, which has to be considered as the aim of communication. The second classification explains that in any kind of interaction



between individuals, the individuals aim to control the impression one gives the other one. For example, many choose to be on the Internet in order to convey to be perceived in a certain way (Kaplan et.al. 2010).

In the table below Kaplan et.al. (2010) combine these dimensions and based on these different types of social media are exemplified.

		Social presence/Media richness		
		Low	Medium	High
Self-presentation/Self-disclosure	High	Blogs	Social networking sites (e.g., Facebook)	Virtual social worlds (e.g., Second Life)
	Low	Collaborative projects (e.g., Wikipedia)	Content communities (e.g., YouTube)	Virtual game worlds (e.g., World of Warcraft)

Table collected from Kaplan et. al. (2010) p. 62.

2.1.1 Facebook – the world’s largest social network

Nowadays many associate the phenomenon social media with the social network Facebook. Facebook was founded in 2004 by Mark Zuckerberg, Eduardo Saverin, Dustin Moskovitz and Chris Hughes, all students of Harvard University. From the beginning the network was only created for Harvard students but because of Facebook’s growing popularity it became available for students at Yale and Stanford University. In 2006 all people around the world could join Facebook, all that was required was an e-mail address and an age above 13 years, which still are the only requirements (Hall 2013). By becoming a member you create a profile where you can specify your birthday, gender, and occupation. Furthermore you can add your friends, upload photos, status update, write private messages, and write on peoples’ walls, which is the most common way people communicate on Facebook. A news feed, as a newspaper, keep the users updated about what their friends are doing and further on you can “like” or comment on photos, posts and status updates in order to express yourself. In year 2012 Facebook had over one billion users over the world and around a half of them use Facebook every day (Hall 2013).

***Companies on Facebook***

From the beginning it was just private users who where available to have a Facebook account but today companies can use Facebook as well. The companies create a page in the company’s name and by “liking” the company, Facebook users can become members of the group. Every page has its own wall where the company can publish news and where people

can write visible message. The company can answer the posts and also do status updates and inform people about the company, their products and/or other relevant things.

### 2.1.2 Twitter and Instagram

Twitter is a real-time network of information, connecting you to the latest news, ideas, and opinions. The heart of twitter is small posts called tweets. Every tweet is maximum 140 characters and can include photos, videos, and conversations. Twitter connects companies and customers and gives companies the opportunity to quickly share information about their products and services, to collect information about their markets, and to build relationships with customers, suppliers and decision-makers<sup>3</sup>.

Instagram is a portal where you can share your life with friends through series of pictures. You snap a photo with your mobile phone and then you choose a filter to transform the image into a memory<sup>4</sup>.

### 2.3 The purpose of using social media

There are many reasons why banks should be present in social media. Accenture (2011) states that social media can play an important role in branding and making the company more relevant to its customers, social media can reduce costs since social media offer low-cost channels to for example provide customer service or identify dissatisfied customers. A further impact social media can have is to create and improve innovations; by communicating directly with the customers, banks can create better and more innovative products and services that reflect customers' real-time demands (Accenture 2011).

### 2.4 Strategy and organization

If a company chooses to be present in social media it is important to know the strategy. Kaplan et.al. (2010) list five points about using social media and to begin with, the right channel to communicate in has to be chosen. The world's largest social media is Facebook but it is not necessarily the number of users that decide; a company should choose to be present where its customers are.

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<sup>3</sup> <https://twitter.com/about>

<sup>4</sup> <http://instagram.com/about/us/#>

Another important point Kaplan et.al. (2010) mention is to either create a new social medium application or to use an existing one. There is no reason to create a new application if there already exist popular ones with the company's target group. The third point Kaplan et.al. (2010) argue for is to be consistent; if a company chooses to be present in more than one channel at the same time, it is important that the communication is consistent in order to not create obscurity for the customers.

Everything the company chooses to communicate influences how the customer perceives the image of the company and therefore it is important to integrate social media with other forms of media. An example is Coca-Cola; the company took advantage of a popular video on YouTube where people put Mentos in a bottle of coke creating an explosive reaction. Coca-Cola realized the value of this popular video and decided to broadcast it on television (Kaplan et.al. 2010).

The last point Kaplan et.al. (2010) list, is to let all employees have access to the social media application the company has chosen to be present in. Some companies choose to block social media at the working place since the employers are afraid the employees should spend too much time with social media. A solution could be to have a group primarily responsible for managing the company's social media applications.

#### 2.4.1 How to successfully use social media

According to research done by Kaplan et.al. (2012) there are five key requirements of success when using social media:

##### *1. Be active*

Social media are about interaction and sharing. If a company aims to communicate with its customers in social media, the company has to be active in order to generate fresh content and to engage to discussion and communication between these two parts.

##### *2. Be interesting*

To be able to engage and to communicate with customers in social media, a company needs to give a reason to its customers doing so. The first step is to listen to the customers; find out what they like, to hear and to talk about and what they find interesting and valuable. Then the company should develop and post content in line with those preferences.

### *3. Be humble*

Before starting to use social media a company should examine and find the basic rules about using it. When the company has an understanding for how the social media works, the company can be present in it.

### *4. Be unprofessional*

Companies should avoid overly professional content when using social media. Customers are people, exactly like the employees in the company and therefore the communication between these two parts should not be too formal. Instead the company should try to have the same level as its customers.

### *5. Be honest*

A company using social media should always be honest and respect the rules about using it.

## 2.5 Multi-way communication

The fundamental of social media is the communication and dialogue with other users through one single channel. Another important function is that the users are available to collaborate to create contents and information on a web page. Users create network in different ways; through adding friends of friends or users with the same profession or interests. The heart of social media is wide but it is an instrument to share information and opinions. The communication in social media reflects what is happening right now in the society<sup>5</sup>.

New technology has democratized the news flow and revolutionized the media world. Traditional media compete with digital channels, which have a faster speed in the news flow. One big difference is that the transmitter invites all people to contribute posts in the public debate by publishing posts. This means that the borders disappear between the news producer and the media consumer. Social media make it possible for people to publish and exchange thoughts and ideas and jointly create content. The newspaper Week defines this new media channel as “*web sites where the value comes from the actions of visitors*” (Grafström et.al. 2010:58), that all people can publish posts. Nowadays we often see business news of scandal character, which has contributed to that the monitoring and the auditing of the companies’ social responsibility have increased. As mentioned before, the readers do not only

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<sup>5</sup> [http://www.skolverket.se/skolutveckling/itiskolan/kollakallan/sociala\\_medier/fakta/fakta-1.151882](http://www.skolverket.se/skolutveckling/itiskolan/kollakallan/sociala_medier/fakta/fakta-1.151882)

consume the news, they produce them as well; consumers will in their turn read each others' comments. Traditional communication models that illustrate how the news flow goes from one source through one channel to an audience become insufficient to explain how news are produced today (Grafström et.al. 2010).

The emergence of social media offers new opportunities for companies to communicate. In the long run it means that organizations have greater opportunities to influence how the customers perceive them, the companies have the opportunity to affect the perception in media of themselves. Obviously companies could affect their image in media before the breakthrough of social media but now they can communicate with their customers directly and disseminate information about themselves. Media are actors that convey knowledge, create or deny legitimacy, and construct imaginations of how the company is perceived (Grafström et.al. 2010).

### 2.5.1 Transparency

Today there is an expectation of transparency. In a society where the confidence declines the transparency enables an increased control and insight of the company's activities. The transparency is a prerequisite for various stakeholders to review and alert if a company misbehaves its own moral. Transparency is all about insight, translucence, clearness, openness and patency. In addition to outward transparency, the inward transparency gives the company the opportunity to observe how the external world reacts and why. The company needs to handle the news flow, where the veracity sometimes is questioned, and react with the correct information. The transparency requirement does not necessarily needs legitimacy, one reason can be to not expose important information to the competitors. Legitimacy is about a moral justification based on a certain system of norms. The transparency must be understood in a relation to moral obligations (Frostenson 2010).

Transparency does not necessarily mean that the company is perceived as confident. Frostenson (2010) believes that the opposite may occur; the open examination may results in finding less advantageous properties and this in turn can lead to increased confidence. Therefore companies have increasingly developed strategies to manage the transparency requirements and the focus is the information department where they run a conscious professionalism, coordination, and packaging of information. Nowadays, there is an ideal that companies should be transparent, considered to examine companies, and to keep stakeholders

informed. The transparency is unidirectional, from the companies to the public and that means that the companies must live up to the transparency requirements. This means that companies both need to be active to be visible in the increasing flow of information, and be aware that internal information appears in media. Concepts such as consistency, integrity and liability control organizations' communication outwards. Frostenson (2010) means that companies are searching for a practical solution to deliver relevant, agile equivalent information to employees and external stakeholders. He does not think this is a desire of a censorship, rather the requirements of speed, protecting employees' privacy and the need to reduce rumours. The transparency is created by increased communication and openness and it drives increased activity forward.

### 2.5.2 Confidence

Oxford dictionary defines confidence as "*the feeling or belief that one can have faith in/ or rely on someone or something*"<sup>6</sup>. In the bank industry customers face high levels of risk because of intangibility and product complexity. This result in that the customers have difficulty with understanding product performance and end up in a situation where the customers have to trust the bank and its employees. Analyses have shown that familiarity, the employees and the brand name influence the confidence for the bank. Further the image and the reputation affect the extent to which a bank is perceived as confident and can be managed by internal policy and external communication (Ennew et.al. 2007).

According to SKI (Svenskt Kvalitetsindex) the major banks' confidences descended during year 2012 because the banks are perceived as less responsible and their products and services are considered less affordable. Another reason is that banks are more focused on network services rather than on the bank offices<sup>7</sup>.

## 2.6 Summary

After this chapter the concepts social media, multi-way communication, transparency, and confidence have to be familiar to the reader, which will facilitate to understand the following chapters. The theories about why banks should use social media, organization and strategy, and how to successfully use social media will be used to analyse the empirical data in the analysis. In the end we will make conclusions out from the empirical data and the analysis in

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<sup>6</sup> <http://oxforddictionaries.com/definition/english/confidence>

<sup>7</sup> [http://www.kvalitetsindex.se/index.php?option=com\\_content&view=article&id=286&Itemid=145&lang=en](http://www.kvalitetsindex.se/index.php?option=com_content&view=article&id=286&Itemid=145&lang=en)

order to fulfil our purpose with this thesis. The table below summarizes the theoretical framework to facilitate for further reading.

<b>Social media</b>	<i>"A group of internet-based applications that build on the ideological and technological foundations of Web 2.0(...)"</i>
<b>Facebook</b>	The world's largest social network, both private users and companies can use the platform.
<b>Twitter and Instagram</b>	<ul style="list-style-type: none"> <li>• Twitter: small posts called tweets.</li> <li>• Instagram: portal where you can share your moments through pictures.</li> </ul>
<b>The purpose of using social media</b>	<ul style="list-style-type: none"> <li>• Branding;</li> <li>• Reduce costs to provide customer service;</li> <li>• Identify dissatisfied customers;</li> <li>• Create and improve products that reflect customers' real-time demands.</li> </ul>
<b>Strategy and organization</b>	<ol style="list-style-type: none"> <li>1. Choose right channel;</li> <li>2. Create a new one or use an existing one;</li> <li>3. Be consistent;</li> <li>4. Integrate social media with other types of media;</li> <li>5. Let employees have access to social media.</li> </ol>
<b>How to successfully use social media</b>	<ol style="list-style-type: none"> <li>1. Be active;</li> <li>2. Be interesting;</li> <li>3. Be humble;</li> <li>4. Be unprofessional;</li> <li>5. Be honest.</li> </ol>
<b>Multi-way communication</b>	<ul style="list-style-type: none"> <li>• Invites all people to share information and opinions;</li> <li>• Creates an open dialogue;</li> <li>• Possibility to publish and exchange thoughts and ideas;</li> <li>• Jointly create content.</li> </ul>
<b>Transparency</b>	<ul style="list-style-type: none"> <li>• Insight, translucence, clearness, openness, patency affect;</li> <li>• Possibility for the company to observe the external world;</li> <li>• Companies have to develop strategies to manage the transparency requirements.</li> </ul>
<b>Confidence</b>	<ul style="list-style-type: none"> <li>• High level of risk in the bank industry;</li> <li>• Familiarity, employees, brand name, image and reputation influence the bank's confidence;</li> <li>• According to SKI the confidence for the Swedish major banks has decreased.</li> </ul>

### 3. Method

In the following part we aim to describe and evaluate the methodological approach used in this study. We describe the applied method, the choice of using qualitative interviews with informants, the process, and we also evaluate and discuss the trustworthiness of this thesis.

#### 3.1 Basic idea and procedure

In this thesis we have chosen to study the interaction on Facebook between the four major banks in Sweden and their customers. Our basic idea was to study only one bank, but since we also wanted to include a comparison between the banks in our thesis, we decided to contact all the major banks. Since we have an interest for social media and the multi-way communication social media offer we came up with the purpose for this thesis. Furthermore, the bank industry has in recent decades undergone major changes in how to differentiate themselves from each other. This change has meant that new ways of communicating with the customers have to be found and during the last three years the four major banks in Sweden have chosen to be present on Facebook. Therefore we decided to contact Swedbank, SEB, Handelsbanken, and Nordea.

We chose to begin our study by contacting the four major banks in Sweden by both phone and e-mail to examine their interest to be part of this thesis. All the four banks wanted to participate. We have also chosen to observe the banks' Facebook pages to get an idea of how the banks work with social media and how much activity they have on their pages (Appendix 1). During two weeks we manually registered number of "likes", number of posts, and how many of these that were complaints. Since we only followed the banks on Facebook during two weeks it might provide a distorted picture of the banks and worth to keep in mind is that what a complaint is and what it is not, will always be a subjective interpretation. However, this provided us with more relevant information to be able to make a comparison between the four banks. The empirical data constitutes of the observation and the interviews.

Relevant theories for our thesis have partly been studied before the interviews but also after the interviews were done. This since we then had a better idea of what kind of theory that was needed to later analyse our empirical data. It has been hard to find relevant theories for our study and therefore one of our main references is the consulting firm Accenture. We still think the source is relevant and in appropriate to use for this study since the firm handles with



many different industries and therefore we believe Accenture would not intend to give distorted or wrong information. The rest of our theoretical framework is based on articles and Internet sources that we think are trustworthy. The empirical material have been analysed based on the theoretical framework and then presented in the analysis. To be able to fulfil our purpose of this thesis we have chosen to study social media from the banks' perspective.

### 3.2 Social constructionism

The social constructionism implicates that reality is seen depending on our perceptions of it. We cannot describe the truth as something objective since the approach states that individuals perceive reality differently. In social constructionism the descriptions of reality are considered being social constructions and the environment influences the individual's reality description of it. There are thus no absolute truths, the knowledge about the world does not derive from any kind of true nature; it is something we construct in a social interaction (Burr 2003). When studying the interaction between the banks and their customers it is important to have in mind that the informants act depending on their own thoughts and ideas at the same time as the banks' values and what they stand for influence the informants' answers as well.

### 3.3 Qualitative interviews

In literature, interviews are classified in different ways and one common distinct is quantitative and qualitative interviews. According to Svensson et.al. (1996) the qualitative interview aims to discover and identify non-famous or unsatisfactory known phenomena, qualities or meanings. A qualitative interview allows a deeper understanding and a broader view of the subject. Since the ambition of this thesis is to understand how Swedish banks interact with their customers and what the purpose is of being in social media, a qualitative approach and semi structured interviews have been used. The qualitative approach will provide a deeper understanding for the subject, allowing us to fulfil the purpose of this thesis.

#### 3.3.1 Informants

Further we have to examine if using respondents or informants in the interviews; respondents give their own thoughts and reflections on how they perceive things while informants comment on the world surrounding them and are also seen as a source of how something "really" works (Esaiasson et.al. 2007). In this thesis we interview people who represent the bank and their social media, therefore it is hard to imagine the people to give their own

thoughts, they rather reflect and provide “facts” depending on the bank. As mentioned earlier the approach we use is social constructionism, that is that the description of reality is constructed in interaction with the environment, this further implicates that informants are used in this thesis. Informants are the best possible approach for researchers in order to get information about how it actually works within an organization but it is important to be aware of that informants choose what to say or not to say and consciously or unconsciously have a certain perspective on their responses. Therefore what the informants say have to be critically evaluated (Esaiasson et.al. 2007).

### 3.3.2 Selection of informants

Generally speaking, the more limited research area, the fewer interviews are needed. When writing a bachelor thesis Thomsson (2009) argues that five to ten interviews are enough. The most common way of selecting the informants is to use “centrally placed sources” since these people are expected to have necessary knowledge to identify the phenomenon (Esaiasson et.al. 2007). In this thesis we have only interviewed four people but since these could provide us with relevant and satisfying information we decided in approval with our tutor that it is enough for this thesis.

To be able to find the centrally located informants, we contacted the people responsible for Facebook for the banks by phone and e-mail. As mentioned earlier, we chose to contact the four major banks in Sweden and the people we have interviewed are:

- Åsa Ahlin, Head of Communication Sales and Service, Swedbank;
- Fredrik Kristenson, Team Support and Communicator, SEB;
- Sverker Hemring, Copywriter and Web Editor, Handelsbanken;
- Ann-Louise Amneus, Head of Communication and Marketing Coordinator, Nordea.

### 3.4 The collection and presentation of data

The interviews with Hemring (Handelsbanken) and Amneus (Nordea) took place at their offices in Stockholm while the interview with Ahlin (Swedbank) took place at her office in Gothenburg. The interview with Kristenson (SEB) took place in a central café in Gothenburg, since the meeting was during the afternoon and since the café was quite empty on people, the surrounding did not disturb the interview at all. We let the informants decide where to meet in order to let them feel as comfortable as possible during the interviews. According to

Thomsson (2012) the best interview situation lets both the informant and the interviewer to look noted on each other but at the same time allows both to relax and look away without being perceived as strange, something we think these places allowed. Kristenson (SEB) also invited us to SEB's telephone banking where they work with social media. This provided us with further understanding for SEB's interaction with their customers in social media.

The interview guide (Appendix 2) is based on the theoretical framework used in this thesis and is divided into major themes with specific questions for each theme. The intention has not been to ask the informants the same questions in the same way. It was more important to get comprehensive answers on every topic. The informants were encouraged to respond openly, and follow-up questions were frequently asked during the interviews so the informants would develop their answers even more. In that way the interview guide has been a support in order not to miss any relevant information for our study. According to Svensson et.al. (1996), the qualitative interview assumes the questions to be as open as possible in the beginning. The reason is to be able to get spontaneous information. However, the openness does not mean the questions should not have any direction. Even if the questions intend to be open the interviewer shall not forget to focus on the subject. In the beginning we asked questions about the informant's education and role in the bank and since when they have been using social media, primary Facebook. Thereafter questions based on the theoretical framework were asked in order to get relevant information about how the interaction is between the bank and their customers on social media and why the banks are on Facebook.

One of us was leader interviewer while the other one took notes and complimented with questions during the interviews. Immediately after the interviews were done these were supplemented by notes with more detailed answers, own thoughts and how it went. The interviews were also recorded in order to be able to supplement questions with parts we initially had missed. This also helps when doing the transcription part that aims to convey what has been said in the interviews.

### 3.5 Analytical method

How thorough the analysis is, is dependent on the aim of the thesis and on the time frame and margin of expenditure the study allows. Generally speaking, the time spent analysing increases the possibility for better and more interesting results out of the study (Thomsson, 2012).

In order to get a well-founded and interesting analysis we first identified the purpose with this thesis (Kvale et.al. 2009). Themes were decided based on the theoretical findings we had done so far and these also corresponded our themes in the interview guide. After the interviews were done, the recordings constituted the raw data and were later on transcribed. Based on the transcribing we summarized what had been said during the interviews and sent to concerned informant in order to established we had understood each other. After approval from the informants we studied and read the interview data to choose relevant information for our empirical material. Relevant information for the purpose with this thesis was then related to earlier theories and research. Based on the empirical data and the theoretical framework the analysis was formed and we started to compose the findings in this thesis.

### 3.6 Trustworthiness

To be able to evaluate a study, the terms validity and reliability are often used. According to the social constructionist approach there is no independent reality and since we will not search for absolute truths about the banks' interaction in social media, the choice of using validity and reliability cannot be justified. Therefore we will discuss the trustworthiness concerning the qualitative interviews.

How to collect and handle the data is what determine the trustworthiness the most. By contacting the people responsible for the banks' social media presences and choosing to do qualitative interviews with informants, we have tried to achieve high trustworthiness in this study. The empirical part is based on interview data that has been sent to concerned informants for approval and direct quotes from the interviewees can be found in the empirical part, which further improves the trustworthiness of this thesis.

To be able to evaluate the trustworthiness of this study we have to observe if the informants have an interest in giving consciously distorted information (Esaiasson et.al. 2007). Since the bank industry is highly competitive, the informants have incitement to leave out certain information. During the interviews we have not perceived the informants to consciously giving out misleading information. However, we cannot be sure if the informants have chosen to retain sensitive information. Worth keeping in mind is that the outcome of interviews never can be said to be objective, true, and once for all determined. Interviews rather intend to provide a better basis for the subject being studied (Thomsson 2010). Further to take into consideration when evaluation the trustworthiness is how the interviewer and the interviewee

influence each other. Kvale et.al. (2009) state it is a fact that researchers and interviewees influence each other during the interview; information is created in the interaction between these two. As interviewers we have by our presence and interaction influenced what has been said during the interview and hence the result. In the interviews there was some discrepancies in the length of the answers even though the same questions were asked. The discrepancies could be answered by the influence of the lead interviewer in that particular interview as well as the informants' capacities and willingness to answer questions. However, this study is probably too small to determine whether statements that is true or not.

A further aspect of trustworthiness to take into consideration is of course the human error. There is always a risk that something is missed out or misinterpreted; how we perceive theories or what has been said in an interview are always questions of interpretation. If something is relevant or not and how someone perceives something, will always be a subjective interpretation. Since we interviewed the informants in Swedish and in our turn translated the data into English, which is not our mother tongue, there are also risks for dangling modifiers or translation errors.

## 4. Empirical data

In the following part we will present the observations of the banks' Facebook pages and the interviews we have conducted. Each bank is presented in turn and initially we give a short presentation of each bank. Everything that is presented in the interviews comes directly from the informants and follows the same structure as the theoretical framework.

### 4.1 Observations on Facebook

By following the banks' Facebook pages we have summarized the banks' activities in the table below. As the table shows, Swedbank is the bank that gets the most posts per day, both during weekdays and weekends while Handelsbanken gets the least posts. Swedbank also has the highest growth rate of "likes" per day while SEB has the lowest one. The most common question asked on the banks' Facebook pages is about Internet banking, except from Swedbank where the most common question is about bankcards and ATMs.

	Posts/day (weekdays)	Posts/day (weekends)	Per cent complaints	Number of likes (2013- 04-28)	Growth rate likes/day*	Most common question, subject
Swedbank	27.9	10.75	10.5%	22,279	0.61 %	Bankcards/ATM
SEB	16	3.75	22.2%	16,659	0.04 %	Internet banking
Handelsbanken	4	2.25	22.4%	8,207	0.10 %	Internet banking
Nordea	12.3	4.5	12.5%	68,032	0.11 %	Internet banking

The statistic is based on Appendix 2.

### 4.2 Swedbank

Swedbank's history begins in 1820 when the Swedish savings bank tradition started. The bank was founded in 1997 as Förenings Sparbanken but changed name to Swedbank in 2006. Today the bank is the biggest bank in Sweden when it comes to number of customers; 7.8 million private customers and 600,000 corporate customers. Their values are "open, simple and caring" and Mickael Wolf is the CEO<sup>8</sup>.

#### 4.2.1 Interview

Åsa Ahlin, educated in business and journalism, works as Head of Communication for Sales and Service. In November 2011 Swedbank chose to introduce their Facebook page, which

<sup>8</sup> <http://www.swedbank.se/om-swedbank/index.htm>

\* Mean growth of likes/day during the two weeks we observed the banks' Facebook pages.

means that the bank was the last one of the four major banks on Facebook. Before Swedbank introduced their Facebook page, some projects were done in order to examine how the social media landscape looked like and what is expected by a bank's customer service on the platform. In some cases, Swedbank used a consultant in order to get relevant information for the bank and they also chose to have some contact with other companies to be able to get an idea about how they perceived the communication online. Swedbank also scanned other companies' customer services on Facebook in order to find good examples and to determine the tone.

The choice to start with Facebook came naturally; today many chose to communicate with friends and companies on Facebook and therefore Swedbank should be there as well. Swedbank aims to be where their customers are and by having a customer service on Facebook they try to reach the customers Swedbank has not reached before. Important to emphasize is that Facebook has not replaced any other channel; instead Facebook is a complement to these. Swedbank also uses Twitter to for example inform about disruption.

### ***The purpose of using social media***

Swedbank's presence on Facebook is a part of their branding and the bank aims to be simple to get in touch with; if the customer chooses to have his or her contact with the bank on Facebook then Swedbank should make it possible and not decide where someone should have its contact with the bank. Through their presence on Facebook they want to impregnate their brand in the communication and to have an open dialogue resulting in that the bank is perceived as open and easy to get in touch with.

The choice of being on Facebook has nothing to do with marketing. It was an active choice by Swedbank to focus on having a customer service on Facebook and sometimes they tell about products, offers or promotions on the platform but it has no function as a launch channel.

### ***Organization and strategy***

Responsible for the customer service on Facebook is Sales and Service, part of the organization where Ahlin works, and a management team actively develops how to use Facebook. They follow up what is happening on Swedbank's Facebook page and examine if the employees answering need any help with communicating with the customers on the platform and what the posts look like.

In the autumn 2011, Swedbank had an internal recruitment of the employees working at the telephone banking. Initially these people worked with answering the phone and sometimes answering on Facebook. Since the employees were based in three different cities with three different managers the communication and the group dynamics were fragmented. Therefore the directorate took the decision to concentrate Facebook to one city: Östersund. The directorate recruited ten persons from Östersund's telephone banking to only answer posts on Facebook and e-mails and rarely answering the phone, only when there is a long queue. When recruiting the employees, those had to do writing tests in both Swedish in English in order to estimate their language skills. If the employees passed the writing tests they got an interview. The ten employees chosen to answer posts on Facebook and e-mails get two days of fulltime internal training in order to learn how to communicate on Facebook. They also got educated in Swedbank's "tonality platform" since the answers should be illuminated by Swedbank's brand and they should indicate on that it is Swedbank that is responding.

### ***The flow on Facebook***

By observing the four major banks' Facebook pages, we can conclude that Swedbank gets almost 30 posts per weekday and therefor Swedbank receives the most posts. Ahlin thinks this is because Swedbank affects many since Swedbank is the bank in Sweden that has the most customers. During the weekends the activity drastically decreases and consequently Swedbank has chosen to not have any customer service these days, but they still control what is being posted. Ahlin says *"even if you chose to have open every hour or not I think the most important is to be open and clear with when you can expect an answer"* [own translation]. The number of likes is not the most relevant for Swedbank, the most relevant is the posts and how to respond and treat the customer. The customers who post on Facebook have not usually contacted Swedbank in any other way before and therefore Facebook has not negated any other channel and Facebook is therefore a complement. Rarely Swedbank has to delete or block any post written on Facebook; since Swedbank aims to be transparent they choose to keep complaints. Posts considering being personal attack or racial are deleted in line with Swedbank's policy. Facebook is depending on the surrounding and Swedbank notices when for example the Internet banking does not work the activity on the platform increases.

Even if Swedbank observes its Facebook page does not Swedbank keep statistics about the posts. Initially the employees registered the posts manually to know commonly occurring questions and how many complaints they received. Since the process of registering the posts



was considering being time wasting, the process was soon ended. Customers are welcome to have opinions about products and services and in some cases Swedbank forward the information to product developers or inform concerned part of the bank.

### ***How to successfully use social media***

It is important that the employees feel the customer's level (when is it okay to use a smiley or not) and treat him or her in a accommodating way. In order to evaluate and to interpret the tone in the posts, the employees have to try to "read between the lines". Even though the answers should go in line with Swedbank's brand and values, space is given to be personal and free, unlike the e-mails. Initially employees answered in the same way and since Facebook is an open area and the posts are lined after each other, it became clear and the bank received comments "do you work with default answers?". Therefore it is important how the employees express themselves on Facebook and much is concerned about to read the customer. Swedbank has an elaborated "How to write on Facebook" based on the bank's tonality platform supplemented with guidelines how to respond positive and negative posts and how to treat the customers. Recurrently the employees working with Facebook have coaching where they get feedback on what they are doing well and what they should improve.

### ***Multi-way communication***

Being on Facebook includes communicating and interacting with people. Ahlin explains that Facebook is special in that way since you cannot use a pilot to examine how it works, if a company chooses to go online then they have to stay online; they cannot after some months decide to step back from the platform. When a company chooses to use Facebook they have to be prepared for losing control. Many other things Swedbank can control and navigate; they can control what is being said in an office or a TV commercial, but Facebook opens up a meeting point open for everyone to share thoughts and ideas in line with Swedbank's policy.

At the same time as Facebook opens up an opportunity to communicate openly and easily with customers, there is another side of the transparency. The multi-way communication Facebook generates could harm Swedbank's brand and it is important that the communication within the company stick together increasing the requirements internally. Facebook is a quick and easy way to communicate and inform customers, but at the same time the employees have high requirements in order to respond professionally and correctly. Therefore Swedbank has back up to use when the employees feel lack of knowledge in any subject.

### *Transparency and confidence*

Swedbank aims to be more available for their customers and the bank aims to be perceived as open, which is also one of Swedbank's values – open, simple and caring. By openly show and receive criticism the transparency between the customers and the bank increases which also results in an increased trust for Swedbank, explains Ahlin. There are many reasons why persons want to communicate with companies on Facebook; some like the company others want to show their discontent. Not everyone is interested in building trust for the company on Facebook and since many already have their perceptions of an organization, Facebook is the wrong channel to change this point of view. By showing and by being simple in how Swedbank acts, Ahlin thinks this will increase the trust for the bank in the long term.

When asking if Ahlin thinks Swedbank could stand outside Facebook, the answer is no. For certain the platform does not offer an effective way to manage customer service but it is a natural part of the society to be on Facebook. Ahlin thinks that we will see a decline on Facebook but Swedbank still has an action plan and thinks about what next step is for the customer service on Facebook, for example “today the advisors answer about you mortgage” or posting information for declaration. In other words, sharing proactive customer information and once again not for marketing purposes.

## 4.3 SEB

SEB was founded 1938 and the bank is a north European finance group and conducts its business mainly in Sweden but also in Estonia, Latvia, Lithuania, Denmark, Finland, Norway, and Germany. SEB has four million private customers and over 400,000 corporate customers<sup>9</sup>. SEB aims to be a relationship builder and the CEO is Annika Falkengren<sup>10</sup>.

### 4.3.1 Interview

Fredrik Kristenson works as team-supporter for the employees and as a communicator on the telephone banking in Gothenburg. His mission is to support and help the employees who work with the customers.

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<sup>9</sup> [http://www.sebgroup.com/Documents/Investor\\_Relations\\_sv/Arsredovisningar/Arsredovisning\\_2012.pdf](http://www.sebgroup.com/Documents/Investor_Relations_sv/Arsredovisningar/Arsredovisning_2012.pdf) (p.3)

<sup>10</sup> [http://www.sebgroup.com/Documents/Investor\\_Relations\\_sv/Arsoversikter/Arsoversikt\\_2012.pdf?epslanguage=sv](http://www.sebgroup.com/Documents/Investor_Relations_sv/Arsoversikter/Arsoversikt_2012.pdf?epslanguage=sv)

SEB was first out of the four major banks in Sweden to enter Facebook. It was a challenge to shape how the platform would look like. Kristenson means that it was an advantage to be first since they had the possibility to create the page as they wanted. To find inspiration they observed how other banks abroad and how large Swedish companies like SAS and SJ worked with their page and customer service on Facebook. Through their observations, they could learn from companies who communicated well and external agencies in communication helped them as well. SEB's Facebook page is a result of all the analysis they did. On the 10<sup>th</sup> of October 2010 it became reality and SEB was now available on Facebook. The time was right and there was a demand from the customers. Even if SEB could stand outside Facebook, there was an expectation from the customers that they should be present there. One year later they started with Twitter.

### ***The purpose of using social media***

By being present on Facebook, SEB primary aims to assist the clients' everyday. The platform is not for marketing; it is a service for the customer. SEB's strategy is to meet its customers and to build long-term relationships. Kristenson means that Facebook will not compete with other channels, it is rather a complement and should be an option to use. SEB's expectations were from the beginning to relive other channels, but instead all channels have increased. SEB means that the customers of today expect an answer immediately; they can call, write on Facebook or on the Internet banking just to get as quick answer as possible. Kristenson also thinks that many people who write on their Facebook page want to create a public opinion since Facebook is an open forum where everyone can see everything.

### ***Organization and strategy***

The employees working with Facebook consist of a group of fourteen people, out of these two of them work daily with SEB's page. The skills of the communicators are different since they are hired from different departments of the bank and the balance of skills makes it possible to meet all different types of customers. All employees have their respective manager and then there is one manager that has the overall responsibility. All of the employees are internally hired; the employees who had high social skills were required. The employees of SEB are assessed in various studies like customers' satisfaction surveys and they get a lot of internal training and education.

### ***The flow on Facebook***

SEB's Facebook page gets approximately 16 posts a day. That data fluctuates, depending what is going on in the world of the bank. One example is if the Internet banking does not work, which increases the inflow of posts. SEB uses an external program where they collect statistics and observe curves and trends. The information of the statistics is really important but it is also a resource issue and it is up to SEB what they want to do with the information, means Kristenson. They use it to observe trends but Kristenson believes SEB can use it more effectively.

SEB publishes all the posts on Facebook and rarely they delete posts. They have the possibility to delete but they only do it when it is against SEB's policy. It is not open at the weekends but they observe the page if there is anyone who write anything against their policy.

### ***How to successfully use social media***

The catchphrase of SEB is to be personal to the customer. They always put their own signature on all replies and use photos of their employees on the Facebook page. Kristenson is one of the front figures at the header of the page. He does not feel exposed, he is proud that SEB has chosen to show their employees on Facebook instead of the logotype of SEB. The bank aims to create a personal touch and present that it is ordinary people responding the questions, not just a photo on a completely different person. The ambition has always been to provide great answers and Kristenson means that you cannot deliver that if you do not practice constantly. The Facebook team try to reflect the feelings of the customer and it is important to not use prestige in the responses without listening what the person wants, explains Kristenson. The answers are adapted to each client, for example a person who uses bank terms gets an answer adapted to his or her level. The Facebook team uses smileys to give a personal touch.

SEB has analysed other Facebook pages' answers that they felt was not that good and remade the answers in the way they wanted to get replied. Kristenson mentions that it is really important to think about how the Facebook team express themselves to the customer, for example avoid negotiations. The Facebook team represents the bank and Kristenson means that the stakeholders always examine them. At SEB they have a policy of how to express themselves but the most important thing is to provide correct information. Kristenson explains

that an incorrect answer could end up in tomorrow's newspaper. They also have a policy about how to deal with complaints and comments.

### ***Multi-way communication***

One of SEB's main purposes with Facebook is to meet the customer on a new arena where they can have an open dialogue and they aim to show that the bank is transparent. The multi-way communication is the heart of SEB's activity to deliver an added value to the client. Kristenson believes that the Facebook page does not only work like a service for the customers; in return the customers support SEB. They contribute with ideas and tips and many of them have been realized, for example new functions in the mobile banking or technical solutions in the Internet banking. SEB receives both positive and negative feedback but Kristenson explains that the bank should thank the customer for taking the time for letting SEB know about their opinions and SEB passes the information forward to relevant department of the organisation. Facebook serves also as an instrument to see what happens in the world in general. If the central bank lowers or raises the interest rate people would react immediately, says Kristenson. The posts reflect what is happening in the society. When the Internet banking does not work they post it on the wall and the bank can quickly respond to the customers what is wrong and when it is supposed to work again.

### ***Transparency and confidence***

SEB aims to be associated with being a caring bank with personal involvement. SEB's Facebook team always take care of the customer. Kristenson thinks it is important to answer all the question they receive, although the question is uncomfortable, otherwise it could harm the bank's confidence. When people like their Facebook page, SEB aims to bring something for them. They will support and inform their customers and the customer will help them. Another thing they want to communicate with their presence on Facebook is to reach the customers fast. For example if something does not work, hopefully it may relive other channels. Another reason to be on Facebook is to always be available for a dialogue with the customer, learn and listen and take it back into the organisation. SEB always reconnect and sometimes they tell the customer that they will return with an answer when they have contacted appropriate department so they can give the customer the best answer.

Because of the transparency Kristenson thinks that the Facebook page has increased the trust of the bank. The Facebook team has got a lot of positive feedback and there are many

companies who have contacted them and had SEB's as a model when they made their own page. He is convinced that Facebook is not a trend, it is going to be more integrated into peoples day to day life.

#### 4.4 Handelsbanken

Handelsbanken was founded in 1871 and is one of the largest banks in the Nordic region based in Sweden, Norway, Finland, Denmark, the Netherlands, and the United Kingdom. The bank has two million private customers and 200,000 corporate customers<sup>11</sup>. Handelsbanken's CEO is Pär Boman<sup>12</sup>.

##### 4.4.1 Interview

Sverker Hemring is educated as copywriter and scriptwriter. Nowadays he works as a web editor and copywriter and he is responsible of Handelsbanken's presence on social media. Handelsbanken released their Facebook page on the 27<sup>th</sup> of October 2010, just two days after SEB. It was Hemring himself together with a colleague who started the idea with a Facebook page. Both of them had their own Facebook account and at that time they worked a lot with the environment in the world and realized that there were many companies who started to establish themselves on Facebook. Hemring and his colleague started a process to provide data and examined; What is Facebook? If Handelsbanken could serve anything there? If they would lose anything not being there? Opportunities and risks.

A web agency that worked a lot with Facebook helped Handelsbanken with the material they could use. It took nine months of internal work before Handelsbanken could present the page. Hemring explains that a big difference between Handelsbanken and the other major banks is that Handelsbanken focuses a lot on their bank offices. That means that the bank almost never does central campaigns, it is at the bank offices the decision is made of how they want to work with their customers. Today the bank offices have a common Internet banking, telephone banking and mobile banking but they always had to argue for these central services. Facebook was supposed to be a central service and people were asking if the offices should not have their own Facebook pages, but 461 Facebook pages for Handelsbanken would make it too complicated. Another reason is that even if Handelsbanken offers their customers

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<sup>11</sup> <http://on.fb.me/11h1gMq>

<sup>12</sup> <http://bit.ly/118ttVn>

service every day on Facebook, they have to monitor the page all the time and that would not be possible if each office had their own page.

When Handelsbanken wanted to release their Facebook page, it did not exist a lot of banks on Facebook. Instead they observed companies such as H&M and Coca-Cola to find inspiration. Nowadays they look how their competitors work, but Hemring does not see them as competitors, more like colleagues. He means that we live in a small country and it would be unprofitable to develop products and services on your own and if all the banks can do it together it is better; everything is about to make the customer satisfied and the banks can do it much better if they help each other.

Handelsbanken uses Facebook, Twitter, and YouTube. They have an account on LinkedIn where the human resource department works with recruitment. Handelsbanken has also created accounts on Instagram and Google+. The bank does not use them, they just want to protect themselves so no one else can use Handelsbanken's name. Handelsbanken is primarily active on Facebook and Twitter and they work with them in different ways.

### ***The purpose of using social media***

The ambition of Handelsbanken is to be where their customers are so there is no option to not be present on Facebook. *"The question is how to use it?"* [own translation], says Hemring. Both Facebook and Twitter provide support for the customer. At Twitter Handelsbanken does not send that many news but they respond on posts they receive. They also have an outreach at Twitter who scans the world and monitors when people hash tags them, which is an opportunity to help the customers and solve eventual problems.

Handelsbanken informs the customers on Facebook and does not use the platform for marketing, but they aim to inform the customers about updates, products, and services. The bank also uses Facebook when they want to reach the customer quickly, like if the Internet banking does not work at the moment. In the beginning Handelsbanken thought that Facebook would relieve incoming calls to the bank but it did not. It became a complement and the bank could reach their customers on another channel.

### ***Organization and strategy***

Hemring has the responsibility for Handelsbanken's presence in social media and then there is a person who has the central responsibility who works at the department of communication. Hemring has the responsibility for all outgoing information. The employees answering in social media are located in Malmö and the team answers the questions both on Facebook and Twitter. The team consists of twelve persons and they answer the question between 8am-10pm every day. Handelsbanken has chosen to be open on weekends because the customers are there and their telephone banking and Internet banking are open 24 hours a day so it seemed obvious to be on Facebook at the weekends. Even if they do not answer the questions when it is close it is monitored the whole time in case someone writes something against their policy.

Handelsbanken recruited people internally and there were people who worked with the customers and used to work round the clock. The people whom work with social media rotate and they also work with the Internet banking and card fraud. They had internally training in how to express themselves and how to respond.

### ***The flow on Facebook***

Handelsbanken receives approximately four posts a day and that is the least compared with the other banks. At the same time it is the only bank that has chosen to also receive private message that are not published for the public. Handelsbanken also has the least "likes" which is something they discuss internally. One reason is that the bank has not done any marketing for the Facebook page, the customer have to find them. The other reason is that Handelsbanken's customers have a really good relationship with their bank office, they know people there and they are friends. Hemring explains that Handelsbanken would get more "likes" if they had for example a campaign but he means that they is not a bank that makes noises.

Handelsbanken collects statistic over the posts they receive. The Facebook team uses a program that treats both Facebook and Twitter and they use it to go back and observe the collected data. It is important information and they sort the questions after the subject; if it is a short question, complainants or feedback. The data is only used for internally work.



### ***How to successfully use social media***

Handelsbanken does not want to become too personal but all the employees can answer in their own way. The answer has to be correct and correctly spelled but all the employees can leave their own fingerprints. It is also important to communicate with the customer in the same way as they express themselves, it should be on the terms of the customer; “*the communication is on the condition of the receiver*” [own translation], says Hemring. Handelsbanken had a workshop where they jointly decided what language they should use; for example they never use smileys since it is not associated with Handelsbanken. Hemring says that the employees can be personal and correct in the answers without being too much buddies. The Facebook team have guidelines how to express themselves and how to handle feedback and complaints. It is not always nice but a dissatisfied customer who turns into a satisfied customer is the best assessment of how well the customer has been taken care of. Between the Facebook team and Hemring it is a close dialogue and Hemring supports the team if they have any questions and gives feedback.

### ***Multi-way communication***

Handelsbanken aims to create a dialogue with their customers and social media give the bank opportunity to be closer to their customers. The bank office is the central places to meet the customer but in social media Handelsbanken can listen and help the customer. This is something they can do much better with social media rather than TV advertising. Hemring believes that an open discussion where people can fill in is good and sometimes customers answer other customers and help each other, something Handelsbanken likes. Social media can also be really hard because there are always people who complain and try to find errors. Hemring means that there are many companies who have got into trouble on Facebook but it is all about to behave and live up to the ideals. A bank is a community builder and without good banks the system would not work. People may think that the banks earn a lot of money, and they do, means Hemring, but it is necessary because banks stabilize the society and give people and companies the opportunity to develop.

### ***Transparency and confidence***

Hemring cannot find any reason for not being on Facebook. Handelsbanken aims to be where the customers are and the customers are on Facebook. The only reason not to be on Facebook would be if all the Swedish people would stop using it. Handelsbanken has the most satisfied customers in Sweden since the studies with SKI (Svenskt Kvalitetsindex) started and they aim

to continue being so. Hemring believes that Facebook and Twitter are contributing reasons of that grade; that you also can find Handelsbanken there. The aim is to get more satisfied customers, Handelsbanken aims to mediate that the bank is available on Facebook and can help their clients there. Handelsbanken aims to be associated as a bank of trust and confidence, where the confidence is the most central. Hemring does not think Facebook has reduced their confidence, people are positive to their presence on Facebook and they think it is necessary to be there even if customers not always agree in the answers they receive. You create trust by being honest and stand up for what you believe in, says Hemring. Handelsbanken aims to be as transparent as possible. People expect them to give them an answer but it is important to tell that the bank cannot be too personal when it impinges on PUL (personuppgiftslagen) or the banking secrecy. Even if they can receive private message they treat the incoming messages as posts on the wall. Hemring explains that the bank is taking a risk of being at a platform they cannot control as they are used to, this since Handelsbanken does not know what Facebook uses the information for and Facebook can also kick out Handelsbanken if they misbehave. Handelsbanken does not take any risks and the bank is one of the most stable banks in the world. Their shares may be boring in a boom but good in a recession; they have never needed any bank support or state aid. Handelsbanken saves money and that is also a thing that builds trust. *“People may say that Handelsbanken is the safely, booring bank, then we can be that”*, [own translation], says Hemring and believes that Handelsbanken is a big boat that moves on still water.

There are discussions for how long Facebook will survive. Maybe the number of users is not going to grow but Facebook has a future and Handelsbanken will continue having a page there, means Hemring. The question is if the bank will entrance others stadiums and who knows, in a couple of years you can maybe follow Handelsbanken’s employees on Instagram.

#### 4.5 Nordea

Nordea was established in 2000 through a merger of Merita-Nordbanken, Unibank and Kreditkassen, which made Nordea to the largest bank in Europe. The bank has nine million private customers and 624,000 corporate customers. Nordea is established in sixteen countries and Christian Clausen is the CEO<sup>13</sup>.

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<sup>13</sup>[http://www.nordea.com/sitemod/upload/root/www.nordea.com%20%20se/Investorrelations/nordea\\_annual\\_report\\_2012\\_se.pdf](http://www.nordea.com/sitemod/upload/root/www.nordea.com%20%20se/Investorrelations/nordea_annual_report_2012_se.pdf) p. 36

#### 4.5.1 Interview

Ann-Louise Amneus is educated communicator and marketing coordinator and works at Nordea since two years. Nordea uses both Facebook and Twitter since the customers expected the bank to be present here. Nordea also saw the possibility to create engagement and to have a dialogue with the customers in a way that is not possible in many other media. Before the launch of their Facebook page Nordea studied the rivals, something they still do today. They also had contact with a digital bureau for exchanging ideas and today advertising and a media bureau help Nordea to design advertising campaigns for Facebook.

##### *The purpose of using social media*

Since there was a demand from the customers and since Nordea felt they could not stand outside Facebook, they chose to be present on the platform. It was also an opportunity to have an open dialogue with the customers. Facebook offers a direct contact and Nordea aims to increase availability among the customers and create engagement and dialogue. Firstly, their Facebook page is used for customer service but the page is also used to send information and to promote Nordea.

Their presence on Facebook is also about branding and to increase the availability even more for their customers. They brand themselves as “making it possible” and Nordea aims to be associated with being trustworthy and to be there for their customers. Nordea is one of Sweden’s largest banks with a senior customer basis in contrast to the other major banks, by being present on Facebook Nordea wishes to reach younger customers who are important for the bank. Contests and campaigns are specially designed by an advertising bureau and used on Facebook. Furthermore Nordea pays Facebook to advertise these contests and campaigns to a specific audience.

Twitter is used for press releases and to send out information about everything Nordea does. Amneus means that Twitter is like a megaphone where many journalists and opinion leaders are. Nordea also uses the platform as customer service but since the customers are few it is not that big on Twitter. Nordea does not actively follow what people write about them on Twitter, something they need to get better at, says Amneus.

### ***Organization and strategy***

Responsible for Nordea's presence on Facebook is the bank's department for communication. Amneus explains that Nordea's presence on Facebook is standing on three pillars: communication, marketing and customer service. These three departments work closely together and the communication department has the primary responsibility. The customer service is located in Uppsala and answers all the posts on Facebook while the communication department makes the status updates. Before launching Nordea's Facebook page, employees were recruited from their customer service in Uppsala. These worked already with answering e-mails. Nordea's communication department educated the employees and frequently Amneus and her colleagues visit the customer service in Uppsala to further educate and sometimes they also invite inspirational speakers.

The Facebook team is a group of approximately 50 persons and they are based on the telephone banking in Uppsala. Primarily the group answers on Facebook and received e-mails, but sometimes they also have to answer the phone. Nordea tries to reduce number of answerer and according to Amneus a dozen people would be the ultimate. Since Nordea has chosen to have their Facebook page open every hour every day there might be hard task to reduce the group of employees answering on Facebook. Nordea actively choses to have their Facebook page open all the time in order to distinguish themselves from the other major banks in Sweden and also to *"be the best"*, as Amneus expresses. Since Nordea's customer service already is open at all hours they considered they could have Facebook open all hours as well. *"The customer does not expect the bank to be open all the time"* [own translation], says Amneus. Furthermore Amneus explains they have customers that travel all over the world and because of time zones they aim to let their customers contact Nordea at any time when it suits them.

### ***The flow on Facebook***

Out of the four major banks Nordea has the most "likes", something they have worked actively to get. Although Nordea has far many more likes than Swedbank, Swedbank still have more posts, something we have noticed by observing the major banks' Facebook pages. Amneus believes this is because they actively work to get people into their Facebook page through various campaigns and events. Also in the beginning the customer had to like Nordea's page in order to be able to post a question. Nordea also has recurring events, which

Amneus thinks is one reason to all the members on Facebook and because of all the likes she thinks the awareness of Nordea has increased.

Quite frequently Nordea has to delete posts not in line with Nordea's policy. They always contact the concerned person and refer to the policy. Complaints are still left on Facebook, Amneus explains that this is the point of having a Facebook page; customers are supposed to have the possibility to express their opinion and Nordea can handle the criticism. In some cases Nordea has received posts that could escalate. Since the bank has an "escalating guide" meaning if a post has more than 30 likes the communication department has to be contacted, potential disasters for the bank have been prevented.

Monthly reports with statistics about Nordea's presence on Facebook are made. The reports are about Nordea's status updates and promotions and how well these reach the customers, but also what kind of questions that are asked on Facebook. Facebook has not impeded traffic in any of Nordea's channels, instead the activity has increased in all the channels and Facebook is seen as a compliment.

### ***How to successfully use social media***

Nordea has guidelines how the employees should express themselves; much is about tonality and whether to write "I" or "we". This since the employees shall answer in Nordea's way of answering. There is no fully developed "Nordea's language" but they still have a sense of how they wish to be perceived. Nordea aims to be personal, informal and pleasant but still in a proper way, it is considered okay to use smileys but to write "hey" or "hello there" to be incorrect.

### ***Multi-way communication***

It is because of the two-way communication Facebook is special and opens up to a dialogue between the bank and the customers. Amneus argues it is a fast tool to quickly get a sense of what the customers say and a quick indicator. At the same time there are some negative aspects and Nordea constantly watches Facebook to counteract negative messages that could escalate. Misunderstandings can easily arise since you have to express yourself shortly, which is another negative aspect with social media.

Facebook, mobile and Internet banking have made the bank a natural part of the customer's everyday and therefore customers have almost daily contact with the bank in contrast to some years ago.

### ***Transparency and confidence***

Amneus believes Facebook has increased the confidence for the bank since on Facebook someone still listens even if the customer is upset and since Facebook has increased the accessibility and increased the transparent. Does not a customer get in contact with the telephone banking, instead someone may answer on Facebook, explains Amneus.

By being transparent, quickly response on the posts (ideally within one hour) and by adding value in the answers, Amneus thinks the trust further increases. Nordea shall not only answer the question, they shall also try to add value in order to satisfy the customer. Actually they have statistics on how many of the customers that write "thank you" to get an idea how many that are satisfied.

In the future Amneus thinks social media will not reduce, but if Facebook is the future she leaves unsaid and argues that today Facebook is an important channel.

## 4.6 Summary

Out from the observation and interviews with the informants, we have made a table that shows an overview on every bank on each topic. We aim to provide the reader with an overview of the empirical data to facilitate to understand the analysis.

	The purpose of using social media	Organization and strategy	The flow on Facebook	Multi-way communication	Transparency and confidence	How to successfully use social media
<b>Swedbank</b>	Customer service	10 employees, two places (Gothenburg and Östersund), recruit internally, internal training	Most posts/day, no statistics	Loose control, create direct dialogue, availability and easy, negative: could harm brand	Increased confidence because of increased transparency	Brand and values should elucidate but still personal, smileys okay
<b>SEB</b>	Customer service	14 employees, one place (Gothenburg), recruit internally, internal training	External hardware tool for statistics	Open dialogue, transparent, fast information	Increased confidence because of increased transparency, positive feedback	Be personal and informal, smileys okay
<b>Handelsbanken</b>	Customer service	12 employees, two places (Stockholm and Malmö), recruit internally, internal training	Least posts/day, external hardware tool for statistics	Close to the customers, transparent, open discussion	No influence on confidence, positive feedback, trust and confidence	Correct, formal and not too personal, smileys not okay
<b>Nordea</b>	Customer service and marketing	50 employees, two places (Stockholm and Uppsala), recruit internally, internal training	Most likes, monthly reports with statistics	Open dialogue, quick indicator, negative: could escalate and be misunderstanding	Increased confidence because of increased transparency and availability	Personal, informal and pleasant, smileys okay

## 5. Analysis

In following part we analyse the empirical data based on our theoretical framework. Out from the analysis we will later on make our conclusions and reflect over the findings in a discussion.

### 5.1 The purpose of using social media

*“Facebook is not made for marketing, it is a place where we shake hands with our customers and ask if we can help them with something”* [own translation] – Hemring (Handelsbanken)

Accenture (2011) states reasons why banks should be on social media. The four major banks in Sweden have understood the impact social media can have and also use social media. Kristenson (SEB), Hemring (Handelsbanken), and Amneus (Nordea) commented in the interviews that their customers expected the bank to be on Facebook, something we can imagine Swedbank also realized when they were the last bank out of the four on Facebook. Social media can play an important role in branding and making the company more relevant to the customers (Accenture 2011). Swedbank explains that Facebook is part of their branding; by being present on the platform the company aims to be perceived as more open and simple to get in touch with, which is part of Swedbank’s values and branding. All four banks have their own guidelines how to communicate on Facebook, and all four banks state that their values and key words should permeate the customer service responses from their employees on Facebook. *“We do not use ‘smileys’, we are not a ‘smiley’ bank”* [own translation] says Hemring (Handelsbanken), something the other banks sometimes choose to use when communicating on Facebook.

Social media offer a low-cost channel to provide customer service (Accenture 2011). All four banks state that their presence on Facebook is primarily for customers and to provide customer service. *“The main aim of our organization [on Facebook] is to provide benefits for customers”* [own translation], says Kristenson (SEB). Ahlin (Swedbank) also explains the bank should not decide for the customer where he or she should have his or her contact with the bank. Amneus declares that Nordea also uses Facebook for marketing through campaigns and events and therefore the bank has the most likes on Facebook, but primarily the platform is the customer’s channel. This is in contrast to Handelsbanken, who has the least likes on



Facebook. Of course a campaign or an event would increase the number of likes but instead they want their customers to find Handelsbanken themselves.

The banks claim Facebook is a great channel to listen to the customers and to communicate with them. Complaints are always left on the page, which Amneus (Nordea) means is the point of having Facebook; customers are supposed to have the possibility to express their opinion and the bank can take the critic. Something we have observed by following the banks' Facebook pages is that many customers choose to complain on the platform; up to 22 per cent of the posts are complains. Swedbank, Handelsbanken, SEB and Nordea state that Facebook is a platform that offers communicating directly with their customers. Opinions and ideas about products and services are always taken into consideration and sent to the concerned department or to product developers. Accenture (2011) explains that this is a further impact social media offer; by communicating directly with the customers the bank can create better and more innovative products and services that reflect the customer's demand in real-time.

## 5.2 Strategy and organization

Swedbank, SEB, Handelsbanken and Nordea have all chosen to be present in Facebook since their customers use the platform. According to Kaplan et. al. (2010) a company should not create their own social media if there are already existing social media applications where the company's customers are present. Since the banks do not own Facebook, there are always risks. Hemring (Handelsbanken) explains that the bank is taking a risk of being at a platform they cannot control as they are used to, this since Handelsbanken does not know what Facebook uses the information for and Facebook can also kick out Handelsbanken if they misbehave. Handelsbanken is the only bank that offers their customers' the possibility to send private messages on Facebook, but since Handelsbanken cannot control what Facebook does with the information they treat the incoming messages as posts on the wall.

Primary, Facebook is the banks' first choice of social media but all four banks have also chosen to be present on Twitter. Handelsbanken explain that Twitter is a great opportunity to actively search for what customers say about the company; the platform offers companies to collect information about their market, something Facebook cannot offer. The other banks do also have the possibility to do the same procedure, but they have chosen to not be as active as Handelsbanken, something Amneus (Nordea) claims and says Nordea should be better on.

Further Kaplan et. al. (2010) argue that if a company chooses to be present in more than one channel, the company has to stay consistent in the communication. The banks state the importance of giving the right information in order to be consistent and not create obscurity for the customers. The four banks have further outlined a guide how to communicate on Facebook with the aim to be perceived as uniform and to be perceived having one common “language”. At the same time they all emphasize the importance of being personal in the answers since all the posts on Facebook are lined after each other. In the beginning Swedbank for example received posts from the customers with “*do you work with default answers?*”. This shows the importance of trying to vary the language in social media in contrast to mails, which are not exposed for the public.

Kaplan et. al. (2010) highlight that everything a company chooses to communicate influences how the customers perceive the image of the company. This gives further reasons why a company should try to act uniform and to communicate their brand. Ahlin (Swedbank), Kristenson (SEB), Hemring (Handelsbanken) and Amneus (Nordea) emphasize they want their customers to recognize it is their bank that is writing, even though there are different persons answering on Facebook. The banks are actively working to have their “bank’s language” and convey the bank’s values and what it stands for. Ahlin (Swedbank) emphasizes that the employees should answer in line with Swedbank’s brand and values in order to strengthen their brand. This could implicate on that the banks aim to give a uniform image of the company in accordance with what they stand for, in order to avoid confusion for their customers.

The last point Kaplan et. al. (2010) mention is about companies blocking social media for private using at the working place. Kaplan et. al. (2010) suggest a company to choose a group responsible for the company’s presence in social media and have access to the platform at the working place. All the four banks have groups working with primarily Facebook. Swedbank, SEB and Handelsbanken have a group consisting of ten to fourteen persons. Nordea has a bigger group consisting of 50 persons since their Facebook page is open all hours every day. According to Amneus (Nordea) they wish to reduce the number of employees working with Facebook to centralize the communication. Initially Swedbank’s employees working with Facebook were based in three different cities, something Swedbank found shattered the communication and belongingness of the employees, and reorganized the group who worked with Facebook to one place.

### 5.2.1 How to successfully use social media

*“The question is how to use it?”* [own translation] – Hemring (Handelsbanken)

Kaplan et.al. (2010) have further developed five key requirements of success when using social media. According to the authors a company present in social media should be active in order to generate fresh content and to engage to a discussion between the bank and the customers. All banks aim to answer quickly and this have to be seen as trying to be active. Today’s technics allow people to quickly search and to receive information and Kristenson says that the customers can contact SEB in all the channels at the same time in order to receive an answer as soon as possible. Further aspect that is a key requirement of success is to be interesting; the company should listen to its customers and try to find out what they like to hear and to talk about. Thereafter the company should develop and post content that fit those preferences (Kaplan et.al. 2010). Hemring means that communication is on the customer’s condition and all the banks agree that they have to adapt their answers on Facebook to the customer’s level and sometimes you have to *“read between the lines”*, says Ahlin (Swedbank). Further aspects the banks take into consideration are their customers’ opinions and ideas about a product or service. Relevant information is then sent to concerned department of the organization or product developers.

According to Kaplan et.al (2010) the third success factor is to be humble and to examine the social media the company aims to be present in. Ahlin (Swedbank) says when you chose to go online on Facebook you have to be prepared to lose control and Amneus (Nordea) emphasizes the importance of having a well functioned internally communication in order to minimize escalating risks and misunderstandings. Before all the banks launched their Facebook pages they examined how to work successfully with the platform. Hemring (Handelsbanken) explains that the bank examined the opportunities and risks of being on Facebook and what Facebook really is. The four banks observed other companies with customer service on Facebook to find good examples how to communicate well in social media. All of the banks had also help from external bureaus to get further understanding for Facebook.

Being unprofessional is perhaps something the four banks do not apply in their strategies. Swedbank, SEB, Handelsbanken and Nordea aim to have the same level as their customers and to be personal and not too formal, but still they want to be perceived as professional. Most of all Handelsbanken emphasizes that they aim to be quite formal and Hemring

(Handelsbanken) says *“people may say that Handelsbanken is the safely, boring bank, then we can be that”* [own translation]. The last point Kaplan et.al. (2010) argue for is to be honest. The four banks have stated they aim to give right and truthful information; the consequences of not doing so could be devastating. Kristenson (SEB) accents the importance of giving correct information and if an employee is not sure about an answer he or she should contact concerned department to get the fact.

### 5.3 Multi-way communication

*“When you take the step out on Facebook or any other social media, you have to be prepared for loosing control”* [own translation] – Ahlin (Swedbank)

The emergence of social media offers new opportunities for companies to communicate and Ahlin (Swedbank) thinks that it is an opportunity to communicate openly and easily with their customers. Handelsbanken aims to be as close as possible to their customers and they can listen and help the customer on Facebook, something they can do much better with social media than TV advertising. A difference from traditional media is that by publishing posts in social media, the transmitter invites all people to contribute posts in the public debate (Grafström et.al. 2010). All banks agree that an open dialogue with their customers is positive and it is a good instrument to reach the customer quickly and Amneus (Nordea) emphasizes it is because of the multi-way communication Facebook is unique. Ahlin at Swedbank means that being on Facebook includes communicating and interacting with people but at the same time the demand on how they communicate increases. It has contributed to that companies have developed strategies in how they express themselves (Frostenson 2010). As already mentioned, the four banks have outlined a guide how to communicate with the customers on Facebook in order to go in line with the bank’s values. Another aspect that separates social media from traditional media is that the customers’ comments will in turn be read by other people and they have the possibility in there turn to comment others’ posts. This is something that Hemring (Handelsbanken) and Kristenson (SEB) think is really positive because sometimes customers help each other when they fill in with information.

Ahlin at Swedbank means that when an organization chooses to use Facebook they have to be prepared for loosing control and the four banks think this can be a negative aspect, another side of the transparency social media offer. There can be a lot of complaints, risk for rumours and escalation and Amneus (Nordea) means that misunderstanding can easily arise since you

have to express yourself shortly. Both Hemring (Handelsbanken) and Ahlin (Swedbank) think that it is all about to behave and live up to your ideals. Kristenson at SEB thinks it is important to answer all the question they receive, although the question is uncomfortable, otherwise it could harm the bank's confidence. Even if they receive positive or negative feedback, Kristenson (SEB) thinks the bank should thank the customer for taking the time letting SEB knows about their opinions and SEB passes the information forward to relevant department of the organization.

#### 5.4 Transparency and confidence

Frostenson (2010) means that the transparency requirement does not necessarily need legitimacy, it is about a moral justification based on a certain system of norms. The transparency must be understood in a relation to moral obligations. Banks are controlled by the bank secrecy and therefore they cannot be totally transparent. All banks delete posts contrary to banking secrecy and their policy. When deleting a post the banks contact concerned person and refer to the policy.

There is an expectation from the customers that companies should be transparent but internally transparency gives the company an opportunity to observe how the externally world react and why (Frostenson 2010). The posts reflect what is happening in the society and all the banks say that Facebook is depending on the surrounding world and if for example the Internet banking does not work, the customers are there and inform the bank immediately. Kristenson (SEB) thinks that they get many things in return from the customers. The customers contribute with many tips and ideas and many of them have been realized. He also means that Facebook serves as an instrument to see what is happening in the world, something Amneus (Nordea) also underline and explains that Facebook is a quick indicator.

Social media has contributed to that companies' social responsibility has increased and what morally correct business behaviour is considering being (Frostenson 2010). Ahlin (Swedbank), Kristenson (SEB) and Amneus (Nordea) believe that Facebook has increased the trust for the banks because Facebook has increased the accessibility and the transparency. Hemring (Handelsbanken) does not think Facebook has increased their confidence, but still the customers are positive to Handelsbanken's presence on Facebook.

SEB has got a lot of positive feedback both from their customers and other companies about their presence on Facebook. Handelsbanken thinks it is necessary to be on that platform even if customers not always agree in the answers they receive. He means that you create trust by being honest and to stand up for what you believe in. On the other hand social media have contributed the opportunity for companies to affect their image in media of themselves. The image of the bank affects the extend to which a bank is perceived as confident (Ennew et.al. 2007) The banks could affect their image of themselves earlier, but social media make it possible to easier communicate directly with their customers and disseminates information about themselves (Frostenson 2010). Ahlin (Swedbank) explains that it is an opportunity for Swedbank to easy share information to their customers, and also to strengthen their brand. Amneus (Nordea) states that because they have promoted the company through campaigns and events, the awareness of Nordea has increased. Kristenson (SEB) aims to be available for a dialogue with the customers and they also see it as an opportunity to listen and learn and take it back into the organization.

None of the banks see a reason why they should not be on Facebook and Hemring (Handelsbanken) says that they aim to be where the customers are and the customers they use Facebook. Ahlin (Swedbank) means that it is a natural part of the society to be on Facebook.

## 6. Conclusions

Our aim when writing this thesis was to understand how the interaction between the Swedish banks and their customers in social media is organized, and what the purpose is of using social media. We also aim to know the banks' view of social media and the multi-way communication social media have contributed. Out from the empirical data we can conclude that the four major Swedish banks are quite equal about how they have organized the interaction in social media and what the purpose is of using it.

### 6.1 The purpose of using social media

The banks' primary reason of using social media is to provide customer service. All the banks aim to have an open dialogue with the customers and the banks also see this as an opportunity to reach the customers quickly. Nordea also explains the company uses Facebook for marketing through campaigns and events.

### 6.2 Organization and strategy

When interviewing Ahlin (Swedbank), Kristenson (SEB), Hemring (Handelsbanken) and Amneus (Nordea) we can conclude that they think the ideal is to have a group between 10-15 people responsible for answering on Facebook. The four banks recruit internally, have recurring internally training and design their own language that is used on Facebook. This indicates on that the banks aim to give their customers a uniform image of the bank and not to confuse them; the answers are suppose to permeate which bank that is writing.

### 6.3 Multi-way communication

The banks aim to have an open dialogue with the customers and they also see this as an opportunity to reach the customers quickly. When entering social media companies need to be prepared for loosing control, which the banks think is a negative aspect about the multi-way communication.

## 7. Discussion

Social media have made it possible for companies to have an open dialogue with their customers and to provide customer service at relatively low costs (Kaplan et.al. 2010). According to SKI (Svenskt Kvalitetsindex) the confidence for the banks has descend during year 2012 since the banks have become more networked<sup>14</sup> and according to research done by two students at Gothenburg School of Economics and Commercial Law, the banks rather intend to loose than to build confidence by using Facebook (Barkman et.al. 2011). This because of the banking confidentially that makes it impossible to receive fast and effective answers; Facebook cannot offer qualitative, individual, personal, and professional answers in the same way as bank offices or telephone banking can do, something we think is more confidence-inspiring than a fast answer on Facebook. In accordance with SKI's index we do not think Facebook is a contributing factor for the banks confidence, but we think Facebook has become the "Waling Wall" where people leave complaints and opinions. When we observed the Swedish major banks' Facebook pages we could conclude that the banks receive a lot of complaints; up to 22.4 per cent (Appendix 1). The customers complain about the cashless society and the opening hours at the banks, but do the customers really change their bank because of this? The example of Ryanair in the beginning reveals the effect social media can have; today (19 May 2013) her post on Facebook has 603,929 likes and 31,484 comments<sup>15</sup>. But we do not think the complaint has resulted in that people fly less with Ryanair; only an opportunity for the newspapers' headlines.

Even though the banks state they use Facebook primary for customer service, we cannot pretermit that Facebook offers the banks marketing opportunities and to impregnate their brand. Amneus (Nordea) explains the company uses Facebook for marketing while Ahlin (Swedbank), Kristenson (SEB) and Hemring (Handelsbanken) say they do not do marketing at all on Facebook, they inform. Then we wonder what the difference is between informing and marketing? For us marketing is to inform and convince customers to use their products and services. One example is when Swedbank "informs" about their mobile banking for corporate customers. This "information" recurrently showed up in our news feed on Facebook and we noticed that this post is sponsored, which means that Swedbank has paid Facebook to send out this "information" on the news feed.

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<sup>14</sup> [http://www.kvalitetsindex.se/index.php?option=com\\_content&view=article&id=286&Itemid=145&lang=en](http://www.kvalitetsindex.se/index.php?option=com_content&view=article&id=286&Itemid=145&lang=en)

<sup>15</sup> [https://www.facebook.com/permalink.php?story\\_fbid=10151052215984961&id=24694184960](https://www.facebook.com/permalink.php?story_fbid=10151052215984961&id=24694184960)



Ahlin (Swedbank), Kristenson (SEB), Hemring (Handelsbanken), and Amneus (Nordea) state they cannot stand outside Facebook since the banks cannot find any reasons why not to use Facebook. At the same time Ahlin at Swedbank says the platform does not offer an effective way to manage customer service. If social media cannot offer an effective way to provide customer service, why cannot then the banks stand outside Facebook? We do not think the consequences of not using Facebook would be devastating; as Ahlin, Kristenson, Hemring and Amneus say the channel has not taken over any other of the banks' channels; Facebook is rather a complement. When asking ourselves why we would post a customer service question on our bank's Facebook page, we could not find many reasons. Therefore we decided to ask people that had written on the banks' Facebook pages why they did so. Thoroughgoing in the answers was *"since it's easier to receive a faster answer"* [own translation]. Another answer we received was *"since I live in Norway and had an obscure question I don't have the energy to waste time and money to call the bank. If it had been more private one I wouldn't have written it on Facebook"* [own translation]. As a conclusion the banks may provide customer service on Facebook but only for common and easier questions, not for private ones. The banks presented Facebook as an easy way to get in touch with the bank but our conclusion is that the channel is not an equivalent alternative to the banks' other channels. As Ahlin (Swedbank), Kristenson (SEB), Hemring (Handelsbanken) and Amneus (Nordea) have mentioned, it is a natural part of the society to be on Facebook and that is also what we think is the main purpose of using social media; the customers expect their bank to be present on the platform. Kristenson says it is beneficial for the customers using Facebook, but the question is if it is beneficial for the banks?

We have noticed that the transparency that Facebook causes, force companies to act and answer honestly. For example, we could not found the information about how many customers Handelsbanken has, therefore we wrote them a regular e-mail. The answer from Handelsbanken was that they could not give us the information. When we posted the same question on Handelsbanken's wall on Facebook, they answered that they would return with an answer tomorrow and the morning after they gave us the number of customers. This shows the effect and the impact social media have and also that it is not only important to have a good dialogue within the Facebook team in the bank; the communication needs to be good within the whole organization and the question is, do the banks really know how to use it?

## 8. Further research

We may not have contributed with revolutionary findings with this thesis, but we believe that our thesis provides with relevant information that earlier has not been able to find. Something we noticed during the interviews was that the banks were curious about the other banks' strategies and how they worked with social media. We think our thesis can be a base for further research.

Further research could be to examine the banks' presents on Facebook from a customer's perspective. By study why people write to banks on Facebook, we think the banks could develop even better strategies. Further suggestion of further research could be to examine if the confidence of the banks has change since they entered Facebook. None of the banks have done any trust index about their presence on Facebook and this could be interesting to study.

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## Interviews

Informant 1: Åsa Ahlin, Head of Communication, Swedbank. Interview: 3 May 2013.

Informant 2: Fredrik Kristenson, Team Support and Communicator, SEB. Interview: 3 May 2013.

Informant 3: Sverker Hemring, Copywriter and Web Editor, Handelsbanken. Interview: 7 May 2013.

Informant 4: Ann-Louise Amneus, Head of Communication, Nordea. Interview: 7 May 2013.

Informant 5: Anonymous 1. Facebook message: 3 June 2013.

Informant 6: Anonymous 2. Facebook message: 3 June 2013.

Informant 7: Anonymous 3. Facebook message: 3 June 2013.

Informant 8: Anonymous 4. Facebook message: 3 June 2013.

# Appendices

## Appendix 1 – Statistics

Number of likes	2013-04-15	2013-04-16	2013-04-17	2013-04-18	2013-04-19	2013-04-20	2013-04-21	2013-04-22	2013-04-23	2013-04-24	2013-04-25	2013-04-26	2013-04-27	2013-04-28
Swedbank	20 576	20 763	20 945	21 194	21 246	21 352	21 458	21 524	21 623	21 721	21 973	22 068	22 173	22 279
SEB	16 583	16 585	16 592	16 604	16 609	16 610	16 611	16 619	16 628	16 634	16 652	16 653	16 655	16 659
Handelsbanken	8 096	8 101	8 111	8 126	8 131	8 139	8 147	8 158	8 158	8 168	8 186	8 191	8 199	8 207
Nordea	67 036	67 077	67 115	67 201	67 239	67 323	67 408	67 447	67 510	67 581	67 796	67 857	67 942	68 032

Number of posts	2013-04-15	2013-04-16	2013-04-17	2013-04-18	2013-04-19	2013-04-20	2013-04-21	2013-04-22	2013-04-23	2013-04-24	2013-04-25	2013-04-26	2013-04-27	2013-04-28
Swedbank	31	28	19	34	36	11	11	27	26	29	24	25	7	14
SEB	19	15	18	12	15	3	4	12	31	17	8	13	1	7
Handelsbanken	6	5	2	1	5	2	2	3	4	8	3	3	4	1
Nordea	15	16	8	8	26	5	3	10	5	10	15	10	1	9

Number of complaints	2013-04-15	2013-04-16	2013-04-17	2013-04-18	2013-04-19	2013-04-20	2013-04-21	2013-04-22	2013-04-23	2013-04-24	2013-04-25	2013-04-26	2013-04-27	2013-04-28
Swedbank	4	5	2	2	2	0	0	6	1	2	3	2	0	2
SEB	0	0	4	0	2	0	0	1	3	0	0	1	0	1
Handelsbanken	0	0	4	0	2	0	0	1	3	0	0	1	0	0
Nordea	3	2	1	2	12	0	0	1	0	2	2	0	0	0

	Posts/day weekdays	Posts/day weekends	Per cent complaints	Growth rate likes/day
Swedbank	27,9	10,75	10,5%	0,61
SEB	16	3,75	22,2%	0,04
Handelsbanken	4	2,25	22,4%	0,10
Nordea	12,3	4,5	12,5%	0,11

## Appendix 2 – Interview guide

### ***Theme: Background***

- Which social media are you present in and why these?
- How did you take the decision to be present in social media?
- Did you take a look on the rivals how they used Facebook?
- Did you co-operate with an advertising or PR bureau?

### ***Theme: The purpose of using social media***

- Why are you using Facebook?
  - What do you aim for by being present?
- How important is Facebook in the marketing mix?

### ***Theme: Organization and strategy***

- Who are responsible for the bank's presence in social media?
- Who are answering on the posts on Facebook?
  - How did you choose these employees?
  - Do they get any internal education?
  - How many are they?

### ***Theme: How to successfully use social media***

- Do you have any guide how to communicate on Facebook, how?
  - Smileys okay?

### ***Theme: Multi-way communication***

- What do you think about the multi-way communication social media contributes?
- Do you take into consideration what the customers write?
  - Send it to concerned department or product developers?

### ***Theme: Transparency and confidence***

- Do you think the confidence for the bank has increased because of Facebook, why?
- Has Facebook increased the transparency for the bank and if yes, what are the consequences?