Chapter IX

SUGGESTIONS
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1. It was found from the study that, in the case of User friendly website, the mean score is high for Commercial Banks than that for Housing Finance Companies. Hence it is desirable that, HFCs should take measures to make their website more User friendly. For this, they can make the design of website attractive, simple and improve the easiness with which the users can navigate through the website. Providing online access to customers will enhance the user friendliness, including provisions for providing Provisional statement, Certificate of interest and status of application can be more helpful to customers. In addition to this, provision for including EMI calculators will be useful for the customers to easily calculate EMI. Another feature is Eligibility calculator, which will clearly specify the amount of loan a user is eligible to get, based on the information provided by the user. Measures can also be taken to improve the security of transactions by providing Log in options with higher level of security such as One Time Password (OTP) for each transaction.

There is need for improving the IT enabled communication services of Commercial Banks. The measures for improving IT enabled communication services can be categorized into three groups. In the first group, measures for updating the customers about the changes such as change in interest rates and change in the type of service provided can be taken. As a pro-active measure, the Housing Finance Institution can use System generated service calls and Instant messaging system to effectively communicate with customers. E-mails and SMSs can also be used for communicating with the customers. In addition to this, effective use of Social Media can also be considered, to be in touch with customers. Introducing mobile application is another way of keeping in touch with the customers with the IT support. The third group of measures include, awareness programmes with the purpose of enhancing the level of knowledge of customers, regarding how to use websites, mobile applications etc. Measures can also be taken to motivate the customers to use effectively the IT enabled communication services provided by HFIs. By improving the User friendliness
Suggestions

of website and IT enabled communication services, Housing Finance Institutions can enhance the use of Customer Focused Information Technology in building and maintaining customer relationship.

2. It was found from the study that, the employees of Housing Finance Companies are relatively more customer friendly than that of Commercial Banks. Hence Commercial Banks can focus on measures to improve the customer friendly attitude of employees. This can be achieved by providing training to employees. Suggestive areas are Communication with empathy, body language, emotional intelligence, generating and using customer related information and behaving in a very cordial way. This will help to enhance the readiness of employees to provide prompt services, provide relevant, reliable and accurate information in response to customer requirements and willingness to help customers in a responsive manner.

Regarding customized products and services, Housing Finance Companies scored better than Commercial Banks. Hence Commercial Banks should take measures to introduce more customised services. They can focus on certain specific group of customers for eg: Special loan schemes can be introduced to women professionals and government employees. Special loan schemes can be designed and introduced for groups such as differently abled persons, Below poverty line people and other marginalized groups. As part of Corporate social responsibility, while providing loans for these group of people, measures such as single window mechanism, providing loan at lesser interest rates and having more repayment period can be adopted.

Customer orientation is better in the case of Commercial Banks than that of Housing Finance Companies. The underlying principle of Customer orientation is that, customer needs are to be given a higher level of consideration while making decisions. Hence the relevance of need based approach is very high to achieve Customer orientation. Efforts can be taken to understand customer needs which can be further translated into customer friendly policies and programmes. Formation of Customer relationship committee can help a lot in interacting with customers, getting customer feedback and understanding their interest and
preferences. Customer orientation can also be improved by making customers comfortable at customer touch points, providing quick response to customer queries and making available special privileges to valued customers.

Housing Finance Companies can take certain measures to simplify the way of doing business. Online application and approval can simplify the procedures to provide housing loan. It is desirable that they can provide details about the procedure to be followed in availing loan, documents to be submitted by the customer and approximate time required for completing the whole procedure. This will enhance the easiness with which customers can obtain housing loan. Since IT enabled communication services are to be used, it is desirable that, awareness programmes can be designed about using websites and mobile applications. In the case of special situations, providing support and assistance to the customer directly at the customers’ doorstep can help to create an image of doing business in a hassle free way. For eg: Executives can collect the documents at its doorstep which will be helpful for the customer. Simplicity of doing business can also be achieved by reducing complexity in documentation procedures, reducing the processing time, providing adequate physical facilities to enhance customer convenience and making the business process more customer centric.

Thus measures such as making employees more customer friendly, introducing customised products and services, having a customer orientation approach and simplifying the way of doing business can help to maintain Customer Focused Organisational Climate.

3. Housing Finance Companies can take measures to enhance the Trust of customers. Efforts to bring transparency in doing business is an important measure to create Trust among customers. Providing accurate, relevant, complete and timely information can help to create an impression of reliability in the minds of customers. This will have considerable effect on building trust. Apart from this, steps can also be taken to fulfill the promises given to customers, to maintain consistency in the services provided to the customers, to meet all the obligations to the customers, to deal with customers in a friendly and
respectful way, to avoid hidden cost, and to enhance security for transactions. Updating customers about their transactions can be really helpful in enhancing Trust.

Housing Finance Companies can take measures to enrich competence in providing services to customers. The suggestive measures are increasing security for transactions, charging competitive interest rate, utilising sufficient measures to provide services, maintaining consistency in delivering desirable customer experiences, enhancing skills and knowledge of employees in providing services to meet the expectations of customers.

In the case of commitment to customers, the score is comparatively less for Housing Finance Companies. Hence commitment to customers can be improved by adopting a need based approach in providing services. Emphasis can be given to fairness, transparency and honesty in transactions, providing services at door step of customers, giving promises that can be fulfilled, and taking proactive measures in ensuring Customer Satisfaction.

For improving the quality of customer interaction, Housing Finance Companies can take a number of measures. Some of them are providing two way communication at all customer touch points, making available telephone help lines, and introducing mobile applications. Formation of Customer relationship committee and convening meeting of these committees based on pre-determined schedules at regular intervals can help to increase the quality of customer interaction. Wishing the customers on special occasions such as Birthdays, Wedding anniversaries and other festivals can be helpful in creating and maintaining emotional bonds with customers.

Conflict handling is one important component in maintaining customer relationship. Following are the measures to handle Complaints/Conflicts in a better way. There should be provisions for registering the complaints online. Awareness can be created among customers for registration of complaints. Details about conflict handling procedure can be included in the website, which can be helpful to prompt the customers to register complaints if any. There should be provision for knowing the status of the processing of complaints.
online. An open minded approach has to be used by the organisation, while dealing with customer complaints. Potential areas of conflict with customers can be identified and proactive measures can be taken to prevent the emergence of conflicts.

It is suggested that Housing Finance Institutions can provide Customer Relationship Officers at all its branches to effectively deal with customer conflicts, to ensure cordial customer interaction online & offline and commitment to customers. All these efforts will result in trust building as well as maintaining long lasting relationship with customers.

4. As part of Customer acquisition/expansion strategy, Housing Finance Companies can take measures to obtain new customers. This can be done by resorting to aggressive marketing campaigns, introducing diversified products to attract customers and can use referral marketing to expand their customer base.

To retain customers, Housing Finance Companies can form Customer retention cells. The responsibility of the cell should be to identify those customers who are not repaying loans timely, and take specific steps to establish customer centric performance standards, to take customer recovery measures, to conduct exit interviews and lost customer surveys and retain customers who are likely to migrate.

As part of the Value creation strategy, Housing Finance Companies can encourage cross selling of Housing finance products. In addition to this, in the case of loyal customers with consistent repayment track record, housing loan can be provided at reduced rates.

5. Commercial Banks needs to improve their Customer information management system. Customer information management can be improved by installing mechanisms to share the customer information among various departments and branches, continuously updating customer information and using customer information as the basis for developing or improving Housing Finance products.

Housing Finance Companies scored less in Dissemination of customer information. Hence measures should be taken by Housing Finance Companies to
share customer information across various branches and updating the customer related knowledge for making available to the customers.

It is suggested that measures for improving Customer focused information technology, maintaining Customer focused organisational climate, practicing Relationship marketing and Knowledge management and implementation of CRM strategy can help Housing Finance Institutions to attain higher level of Customer satisfaction and which in turn would result in Customer loyalty.