Chapter 6
Recommendations, Limitation and Scope for Further Research
6.1) Recommendations

On basis of the research study, following recommendation are proposed

6.1.1) General Recommendations

1) The proposed Employee Branding model can be used by decision makers for imbibing brand consistent behavior in their employees. The model provides a comprehensive understanding of how the employee branding practices impact the consumer buying behavior. The managers should imbibe a brand consistent behavior in the employees. This will lead to a better rapport building between the employee and the customer. This will lead to more satisfied customers leading to more loyalty, referrals or spending. All the three will either lead to cost reduction by streamlining the process of acquiring new customer and generating more business from them or by increasing new business through old customers. The model should be utilized in the step wise manner to lead from employee branding to positive impact on the bottom line of the business.

2) There is a positive impact of brand consistent employee behavior on the consumer buying behavior. If an employee behaves in a manner suited to the brand promises, customers tend to perceive it positively and have a huge impact on building a good rapport between the customer and the employee. This rapport, leading to enjoyable interaction, builds the trust and hence favorably impacts the consumer buying behavior. Bank and Hotel managers should encourage employee branding practices in their organizations. In banks, the impact of rapport was found to be stronger compared to hotel customers. Hence hotel and other service industries can take a lesson from banks in employee branding practices and push their employees to build better rapport with their customers.

6.1.2) Recommendation for Banks

1) Employees do appreciate the importance of employee branding. The employees are willing to go beyond the described job profile and understand the brand and its
promises to the external customers. Employees do appreciate the fact that they should be aware of the brand consistent behavior and they do realize that they should display those behaviors. In case of banks, employees did feel that in addition to pricing, promotion and other external marketing mix tools, their brand consistent behavior also played a major role in the success of the business. They understand that customer is the king and since the customer has maximum interaction with employees, the employees play a crucial role in ensuring that the customer is satisfied. The high ratings in top box analysis for bank employees suggest towards the same. Managers should hence focus on helping the employees in understanding the brand and equipping them with proper support to bring about a behavioral change so as to fulfill the expectations of the customers.

2) Purpose for using services plays a crucial role in service evaluation. Banks can be used for different purposes, namely personal or official. Both are important purposes and contribute to sizable business banks. The test results suggest that there is no significant difference in the perception and evaluation of customers when they use the services for different purpose. This implies that if a customer is visiting bank for his personal financial needs or for business purpose, his evaluation remains the same. His expectations from the bank in terms of service quality tend to remain the same. Hence the bank management need not make any special efforts to segment the two categories with regards to employee branding practices.

3) Employees were classified in two categories depending on whether or not they were formally trained to work in the banking industry. The focus was on formal education (before working in the industry) which is specifically targeted towards the industry. There are specialized institutes which offer training to graduates in banking industry. The findings suggest that contrary to the general belief that a formally trained employee will do good, formal training does not impact the process of employee branding. The formal training may lead to better performance at the routine job profile, but when it comes to understanding the impact of employee branding and impact of brand consistent behavior on customer, formal training was not a deciding factor. Formally
trained and not trained employee’s responses were not found to be significantly different.

Even in case of factors which are useful in making the employee aware of what the brand values are and helping him to behave in a brand consistent manner, the findings suggest that there is no significant difference in the responses. Whether or not a bank employee is formally trained, their responses and perceptions were found to be similar in regards to factors that they believe are useful to imbibe brand consistent behavior in them. Hence, efforts of the decision maker to absorb formally trained candidates may not prove to be very useful in terms of employee branding. This can be attributed to the fact that formal training can help in terms of standard job profile related work, but it cannot help a candidate understand the nuances of different company’s brands operating in the market. Brand promises are different for different companies and these could be understood only once the employee is associated with the company or industry.

4) Extremely high positive correlation was found between Brand performance, behavioral branding and enjoyable customer interaction. This suggests that customer perceived that brands which do well are ones which lead to an enjoyable interaction whenever the customer visits the bank and where behavior of employees is in sync with the brand promises. Managers should focus on this and try to study the behavioral aspects of employees of leading banks and try to imbibe the same practices in their banks.

Enjoyable interaction was found to be also strongly and positively correlated to customer satisfaction which in turn was positively correlated with consumer spending. Hence managers should ensure to maximize more spending from the satisfied customer, instead of focusing on getting referrals or loyalty from the customers. Schemes should be devised which could lead to cross selling or towards more consumption for the same products.
5) Bank employees felt that informal management control factors are more significant for them to understand and imbibe the brand in their behavior. Top management should focus on being role models and display a behavior which is expected out of the front line employees. Senior Management should also invest a lot of time in training the middle management to do the same. In certain companies like Unilever Limited, it is mandatory for all middle management to spend few weeks in the field like regular front line sales representatives. This practice should be used in all service sector to imbibe employee branding. Senior management should also spend more time informally interacting with the front line employees. They should encourage their middle management to do the same.

6) The internal process restructuring should also be done by senior management. Many employees felt that they are asked to behave in a brand consistent manner, but when it comes to facing a unique situation, the process and non-decentralization in decision making stifles the employees to behave in brand consistent manner. Employees are not allowed to take initiatives which could lead to better customer experience. Such processes should be done away with or modified to provide sufficient freedom to the front line employees to enable a brand consistent behavior.

7) Banks promote their products heavily, due to high competition in the market place. The employees should always be updated about the communication that is going to the external customers. If they are not aware then, they will never be able to understand what expectation the customer comes with. The senior management should also ensure that the internal priorities set or communications done are in sync with what is promised through external communication to the customers. If both these are not in sync then again the employees will fail to behave in a brand consistent manner.

8) There was a difference found in the perception of employees on basis of gender towards usefulness of various factors in understating the brand and imbibing a brand consistent behavior. This area demands more probing and management should devise two different brand communication strategies for male and female employees. Even the reflection of the communicated brand promises in their behavior would vary for male
and female employees. The management needs to understand this and devise appropriate strategies for the same.

9) Recruiting employee whose behavior is already in sync with the brand promises is the sure shot way to apply employee branding. But given the limitations of recruitment like quantity and inability to understand psychological aspects of behavior, it becomes imperative to look for other options. The area where management can devote time is honoring psychological contracts of the employees. This will increase the rapport between the employee and the management and it will make the employees more receptive towards understanding the brand.

6.1.3) Recommendation for Hotels

1) High ratings responses provided by the hotel employees suggest that they do appreciate the importance of behaving in sync with customer expectations of the brand. Since hotel industry is fragmented (unlike banks which operate as network or multiple branches), management may not be very well equipped to deal with HR related issues. Hotels would be more driven by the leadership style of the existing manager. At times this could lead to assumptions of the managers that employees are not equipped to understand the significance of employee branding or are not interested to imbibe a brand consistent behavior. Since the data suggests otherwise, managers should start supporting employees to develop a better understanding of the brand and how to imbibe and reflect brand promises through their behavior. Senior management should also push the middle management to behave in this fashion.

2) In hotel industry, purpose is a big criteria for segmentation. There are many hotels which or focused only on business class customers. Their services, facilities, ambience, marketing etc. are all driven by the needs of business class customers. There are certain hotels which are only focused on leisure and recreational travel. Hotel management can continue with such segmentations because these are two big segments, but when it comes to employee branding, there was not much difference in the manner in which the customers perceive the services. Customer’s assessment of whether or not the
employee is behaving in a brand consistent manner and how it impacts the consumer buying behavior was found to be similar. Hence hotels which cater to both segments need not prepare two different strategies or approaches to employee branding. Any investments done in this will not be justified.

3) Hotel industry is one industry which heavily depends on recruits who are formally educated in hospitality related courses. This is an appropriate practice as hotel industry is a very unique industry and each task involved needs professional training. However, professional training was not found to impact the brand related understanding of the employees. Hence the management has to come up with specific training programs or initiatives to ensure that the employees are sufficiently trained on what the brand promises and how their behavior should reflect it. Top management should train and equip the middle level managers to be able to deliver on this.

4) Hiring experienced candidates can be a very useful strategy for hotel industry in terms of employee branding. The employees who have spent more time in the industry would be more aware about the different hotel operating in the market and what they promise to the customers. Having interacted directly with the customers, they would also have the pulse of their expectations and to what level they were fulfilled by other brands. This will enable them to understand how different brands differ in their promises and will allow them to adjust to a behavior which is befitting their respective hotel brands. Hence management should focus more on hiring apt and experienced candidates.

5) Compared to hotel industry, banking industry was found to have good rapport with the customers. Hotel management can look at the practices and processes of bank employees and try to utilize a few practices to increase the rapport. Behavioral branding and the connection between customer and employee were positively correlated but not very strongly. This suggest that although the rapport is not bad, but there is a sure scope for improvement. The Hotel management should focus on training employees so that they are able to strike a good rapport with their customers.

6) There was a high positive correlation between hotel’s customer’s satisfaction and loyalty intentions. Hotel managements should capitalize on this and try to make a stronger bond with the customer. Ensuring that they record the data of the customer
and be in constant touch through reminder emails/sms could be very useful in making the customer stick with the hotel. Currently satisfaction and referral were not highly positively correlated. This is an area where hotel managements can work upon and try to get more referrals from loyal customers. Certain loyalty benefits linked to providing referrals can be useful strategy.

7) Employees felt that formal mediums of communication are not suited for helping them understand the brand properly. Most of the employees in hotel industry come with a formal training/education in the hotel industry. Hence most of them are well equipped when it comes to their job profiles and related work. Hence, instead of spending time on these during induction (at the time of joining) and other formal trainings, hotel management should focus more time on helping the employees understand the nuances of the brand. Making the employee understand the expectations of the customer and what their hotel brand promises to deliver and how the employee’s behavior is central to all this, will reap far better dividends for the hotel management.

6.2) Limitations

The study also had a few limitations. The major limitations of the study are listed below

- The study was only related to service sector. Only Hotel and banking industry were considered. This may not give a holistic understanding of the whole service industry.

- The study was only limited to private sector banks.

- The study was only limited to the state of Gujarat. Only three major cities Ahmedabad, Surat and Vadodara were considered for the purpose of the study.

- The data collected was perception based data. There was no historic data to back it up. Neither was the study substantiated with any concrete financial data available on the performance of the various banks and hotels under study.
The concept of employee branding is a nascent concept. Although companies might be able to appreciate the significance of it post an explanation of how the concept works, but it is not amongst the conscious top agendas that managers have at any given point of time. This led to difficulties in getting proper responses from the employees.

The customer survey was based on responses of the customer based on his or her relationship with a specific employee. In certain cases, the customer could be sharing an excellent rapport with more than one employee. This aspect of the concept was not captured in the study. The customers were forced to give responses by keeping only one employee in consideration set.

6.3) Scope for further research

More sectors from the service industry can be considered for the study of employee branding.

The study can be conducted on the public sector banks.

The difference between services and products is getting blurred in the recent times. Now services have become an integral (and in some cases differentiating factor) part for many traditional product based industries. The impact of employee branding in such industries can also be explored.

The study can be extended geographically by consider other cities, large and small, within Gujarat. The study can also be extended to other states outside Gujarat.

The study could also include data on the financial performance of the companies. The financial performance in the market place can be correlated with the presence of employee branding practices in the organization.
Companies, who have a strong employee branding process, are they doing well financially or not can be measured to have a better understanding of the impact of employee branding.

- A larger sample size with more diversity of employee and customer demographic can be considered. This data can be subjected to cluster analysis and demographic profiling of customer and employees can be done to have a better understanding of the impact of employee branding and on the process of imbibing brand consistent behavior in the employees.