

## **Strategies adopted by Kenya Commercial Bank Limited to improve customer service**

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### **Abstract**

The purpose of this study was to investigate the customer service improvement strategies employed by KCB bank to respond to the current competitive banking environment. The true implementation of Customer Service Strategy principles offers the solution to customer service problems in banking sector. This fashionable approach focuses on customer satisfaction, accurate measurement of all significant factors of business and continuous improvement. The objectives of this study were: to find out customer service strategies that are employed by KCB Bank in the its desire to improve customer satisfaction; to establish whether KCB's customer service strategies have contributed to the bank's good results in recent years and; to determine the challenges encountered by KCB in implementing customer service strategies. The research design adopted was a case study design. The case study design was considered appropriate since it excels at bringing us to an understanding of a complex issue or object and can extend experience or add strength to what is already known through previous research. The target population in this study was the top employees in three selected branches who deal in strategy and customer service. The study applied convenience sampling where the heads of strategy and customer service in each of the three largest KCB branches in Nairobi were the subjects of the interview. The study used both primary and secondary data. Primary data was collected using a structured interview with the heads of strategy and customer service in the three selected branches. Secondary data was In form of literature review and other secondary information contained in books, journals and other relevant articles and secondary sources on customer service available from the bank or other sources. The quantitative data and information obtained through the interviews was analyzed through descriptive statistics such as means, percentages and standard deviations. Qualitative Information from the open questions was analyzed through narrative summary analyses. Findings indicate that KCB has been in the frontline of reforming how it deals with its customers which started in earnest in 2003. These reforms have been linked to customer confidence which have improved numbers and profitability of the bank. Customer service strategies employed by KCB included making the banking experience pleasant and welcoming, having staff always available to courteously help the customers, handling and attending to complaints discreetly, adopting new technologically adept channels and involving all the department. The bank has leaped major benefits from its customer improvement initiatives which include high customer attraction and retention, reduced marketing expenditures, lessened number of complaints and lower attrition rates. Challenges faced by KCB in its customer service strategies included changing consumer tastes and preferences, volatility of the technological environment, lack of lower management involvement and high standards and stiff competition in the industry, staff motivation, complexity and poor teamwork. From the study findings, the researcher makes the following recommendations. First, the bank should ensure involvement of all staff, more so the middle management, to ensure that the strategies are implemented effectively and they have a better chance of bringing the desired results. The study also recommends that the bank management should make it a commitment to include boosting staff morale as apriority. The bank top management should employ a diverse range of motivation

techniques to ensure that all cadres of employees have been bought into the bandwagon of customer service strategy.