Tenant Experience: 4 Customer Best Practices

Here we present four real-life examples from private and municipal Housing companies. All the companies are data driven, have implemented a customer-driven approach and have a structured customer satisfaction system in place. They perform ongoing qualitative and quantitative tenant surveys where the customer feedback is evaluated continuously.

The following examples have both soft and hard elements, but the common denominator for all is that they resulted in direct bottom-line effects. We deliberately selected more rudimentary examples that can easily be applied at a low cost and regardless of situation or market. For anonymity purposes the names of the companies are excluded.

"Improved Tenant Experience lowered vacancy rate"

Ownership

**Municipal**

No. of apartments

8 000+

Housing company V had a residential area which could be defined as 'challenging'. The area had a bad reputation despite its great location and nice surrounding environments. Due to both the area's reputation and a struggling housing market, the vacancy rate was high and company V was bleeding money. The initial response was to lower the rents in order to fill the vacancies. However, an alternative plan was suggested. Instead of discounting, the idea was to increase the customer satisfaction in the area, transforming the current tenants into loyal ambassadors.

A customer satisfaction system was implemented and through tenant surveys they initiated a constructive dialogue by asking the tenants which improvements they felt were needed. Slowly, as improvements were made based upon tenant input, attitudes became more positive. Largely thanks to the strong commitment and engagement from the facility managers and caretakers, the area's attractiveness started to increase.

- The vacancy rate in the area dropped dramatically for Housing company V

- Company V has received multiple awards for its high customer satisfaction

"Contractor competition to increase quality and reduce costs"
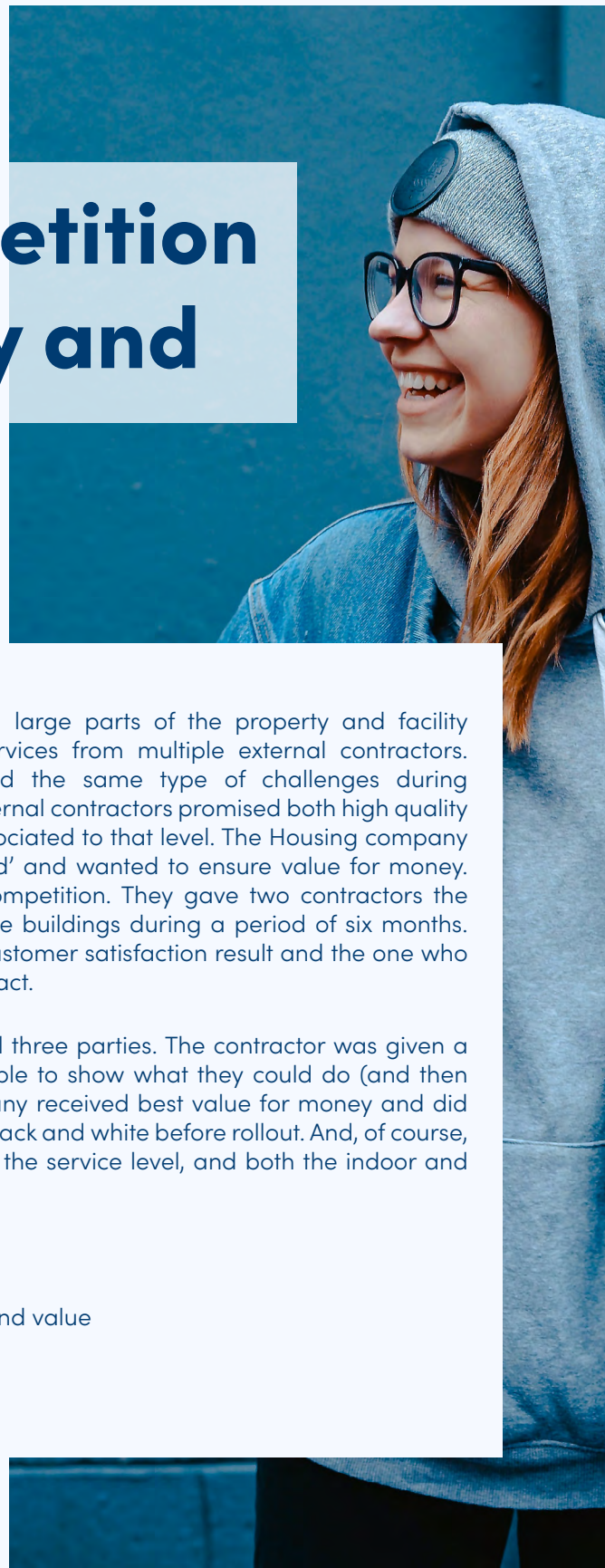
Ownership

Private

No. of apartments

5 000+

Private Housing company X outsourced large parts of the property and facility management and purchased many services from multiple external contractors. However, they continuously experienced the same type of challenges during procurement and negotiations. All the external contractors promised both high quality and satisfied tenants – with the costs associated to that level. The Housing company needed more than the contractor's 'word' and wanted to ensure value for money. The idea? They made it a contractor competition. They gave two contractors the opportunity to each work on a half of the buildings during a period of six months. After that they were evaluated on their customer satisfaction result and the one who had performed best won the whole contract.

This resulted in a win-win situation for all three parties. The contractor was given a clear target to work towards and was able to show what they could do (and then invoice accordingly). The Housing company received best value for money and did not need to take a chance, they had it in black and white before rollout. And, of course, the tenants became more satisfied since the service level, and both the indoor and outdoor areas all improved.

- Housing company received best ROI

- Contractor could prove their quality and value

- Tenant satisfaction was ensured

"Decreased costs through tenant engagement"


Ownership

Municipal

No. of apartments

11 000+

Company Y has more than 20 000 tenants living in their apartments. Most of their houses were built in the 1960s, their areas consist mainly of high-rise buildings and tenants with low socio-economic status. In a tenant engagement program, they employed female (previously unemployed) tenants to clean the outside and indoor environment. The initiative worked on multiple levels; strategic, socially, and financially.

Housing company Y reduced property management costs and increased security, which also led to an improved tenant experience. The women become local ambassadors and created a feeling of security in the area due to the fact of being someone's mother or neighbor. Due to the success of the initiative, the company, which started this in one building, did a larger roll out to include additional buildings. Other Housing companies in the region followed and implemented the same model.

- Decreased facility costs

- Major increase in customer satisfaction scores on "security" and "clean and tidy"

- Social sustainability and integration
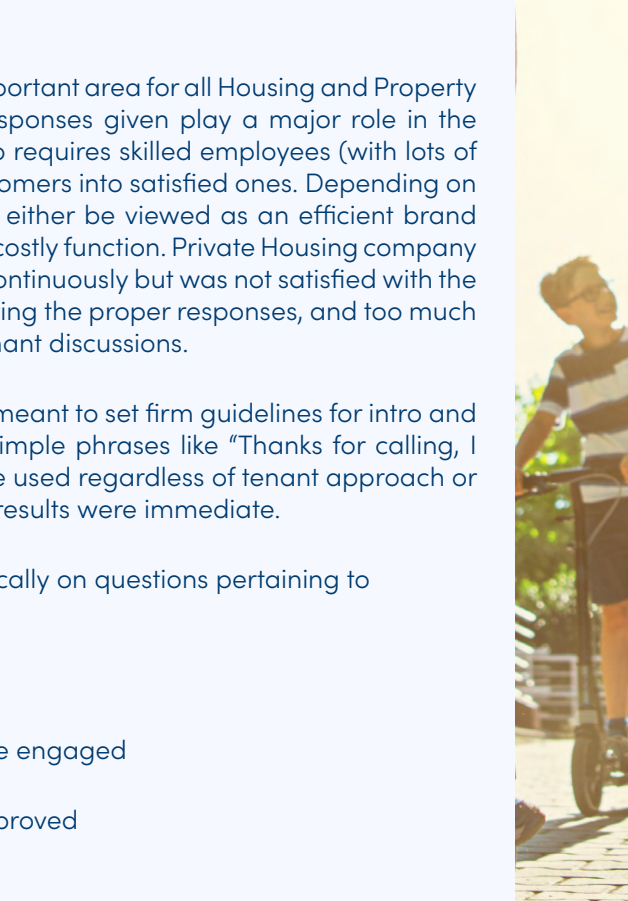
"Streamlined customer service saved time and increased customer satisfaction"

Ownership

Private

No. of apartments

25 000+

Customer service is naturally an extremely important area for all Housing and Property companies. The customer treatment and responses given play a major role in the shaping of the total tenant experience. It also requires skilled employees (with lots of patience) to face and to turn disgruntled customers into satisfied ones. Depending on how the customer service performs, it could either be viewed as an efficient brand building channel, or just a time-intensive and costly function. Private Housing company Z measured customer service performance continuously but was not satisfied with the performance or results. Tenants were not getting the proper responses, and too much time was spent on lengthy (and negative) tenant discussions.

Something had to be done, and the solution meant to set firm guidelines for intro and outro calls and emails. Examples included simple phrases like "Thanks for calling, I really wish you a pleasant day". Phrases were used regardless of tenant approach or if the help could actually be carried out. The results were immediate.

- Customer satisfaction increased dramatically on questions pertaining to 'treatment'

- Time spent on the phone was reduced

- The customer service team became more engaged

- Overall company brand building was improved