SmartCities

an innovation network helping cities
develop better electronic services

Customer Insight Profiling and Service Design Guide

contents

introduction

Do you understand your customers? Your citizens? The communities you're trying to help?

Customer Insight - working to use data and evidence to better understand citizens and communities - is a key tool for municipalities to use if they want to deliver better, more targeted and more effective services to communities and citizens.

This document outlines the customer insight process - it shows how to do customer and community profiling, and how these tools will help you to better understand your clients and communities. This document is just one of a number of outputs from the Smart Cities project, which focuses on using e-government tools and techniques to improve service delivery.

The Smart Cities project is an innovation network made up of thirteen governments and academic partners from six countries that is working to improve the development and take-up of e-services and e-government across Europe's North Sea region. Project partners are improving e-service-delivery by rethinking the basics of service delivery, by changing their innovation methodology, by transferring their best practices to other project partners, and by working with academic and research partners.

The municipalities in the Smart Cities project have used a wide range of geographical, transactional, demographic and survey data to better understand citizen's needs and to reengineer services for communities. This has allowed partners to identify and use the most appropriate service channels for different target groups, and to proactively provide services that will meet their needs.

When combined with co-design approaches, this will allow municipalities to use a strong mix of information and established best practices to better understand their customers and to identify the most appropriate channels for service delivery.

This guide is based on the lessons that have been learned by the Smart Cities partners and their UK colleagues. We would like to thank everyone for their generous help and co-operation.

Tim Anderson

Tim Anderson was until recently the e-Service Officer for Norfolk County Council where he was involved in many EU and UK e-government projects including being a board member in all strands of the UK's national local e-government programme. A former journalist, he is the author of the Smart Cities Customer Insight Guide.

information

www.cabinetoffice.gov.uk/public_service_reform/innovation/resources.aspx

www.westmidlandsiep.gov.uk/download.php?did=1866

A comprehensive study of using customer insight in the context of Total

Place has been carried out by the Department of Communities and Local Government has been published at,

www.communities.gov.uk/publications/localgovernment/spendcountcustomerinsight

*In the UK customer profiling is part of the **Customer Insight** process, and general information about this can be accessed at the website of the Cabinet Office. A comprehensive study of using customer insight in the context of Total Place has been carried out. **Total Place** is a programme supported by the UK's previous Labour Government and continued by the new UK's new coalition government. Total Place looks at what public and voluntary sector partners in a local area spend on a particular group of people or issue, to see if how they can do this more effectively. A number of pilots have been funded by Central Government and the Regional Innovation and Efficiency Partnerships, and the learning*

case study

Customer journey planning for people leaving prison

Lewisham used customer journey planning to identify the range of services that are available for people leaving prison and to find ways to better align them. As well as improving the customer experience, it was able to target resources from Probation Services to those who were felt to be the most likely to re-offend, and to provide rehabilitation courses to meet each individual's needs and skills. Bradford Council has also studied this issue, alongside that of other types of people who were leaving institutions – such as people leaving health care and young people leaving the care system.

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case study

Identification of future unemployment hotspots

Central Bedfordshire and Luton councils combined the information they had on people claiming various benefits to identify hot spots with high levels of claims and also future hotspots where there were areas of potential unemployment. This enabled them to redesign services around their needs - such as neighbourhood plans.

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Improving services for vulnerable families

Croydon developed 10 customer journey maps for vulnerable families. This gave them a richer picture of what life was like for local families, and helped improve customer satisfaction from its low level of 42% to 45%. One element was Croydon Xpress – their participation service for young people which used a range of online and offline tools to tackle issues such as those faced by families with severely disabled children. It found that families needed better coordination of services and more respite care.

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Using a Network of older people for consultation

Bournemouth and Dorset councils and their local partners looked at the needs of older people through their Citizen's Panels and through a series of focus groups, which have been developed into a network of older people for consultation and research.

Smart Cities Customer Insight Process

Smart Cities Customer Insight Process

Policy Objectives: increasing efficiencies and improved customer service

Population Data
- Explicit
- Implicit

What is the business question?

Customer Data
- Service specific
- Comparable services

Customer Profile

Audience List

User needs co-design

Service List

Service Locations and volumes

Personalised Services

Community Profiles

Outcome mapping

Maps Services against needs

Process List

Business Process Re-engineering

e-Government tools

Access/Channel Strategy

Web

Face to face

Phone

Intermediaries

Training

Marketing

Measure and evaluate

Key

- Processes
- Outputs
- Inputs

chapter 2

What's your business question?

All work needs to have a business question or objective. The two key reasons for improvement are:

Improving customer service

- increasing the take up of services among key groups to achieve targets
- making it easier to access services
- giving a better service
- giving a service targeted to individual needs
- giving access to a broader range of services

Improving efficiency

- increasing take up among key groups to increase income
- increasing early take up and reducing more expensive interventions later
- improving processes to streamline services and reduce costs
- switching customers to more cost efficient channels

The definition of a business question should include the specific services involved. Where possible, this list of services should link to relevant service lists, so municipalities can take advantage of relevant information held elsewhere - e.g. within the esd toolkit in the UK - such as existing customer profiling and process mapping work which has been done by other local authorities.
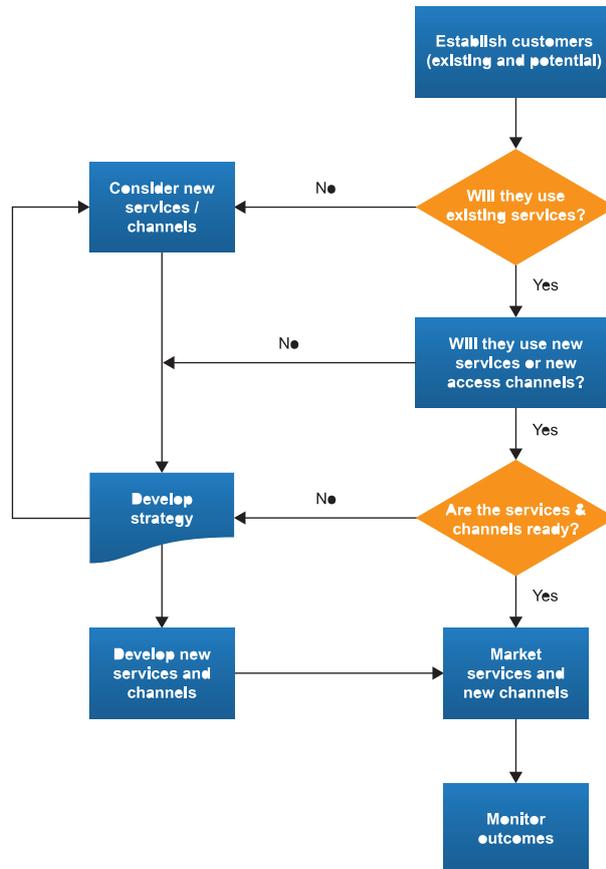

Figure 1

Libraries service –
Decision tree for increased service take-up

In the Kortrijk region in Belgium a website provides information on childcare availability so that parents can find provision that suits them. However, the local councils know that there are some groups of people who are not getting childcare, and who therefore are not able to start work. These tend to be families on low incomes or new ethnic communities.

The business question these councils had was "How do we get more children from low income families into childcare?" This question is quantifiable - you can measure the level of service take up before and after an intervention. Its key aim is to increase the take up of child care by a targeted group.

What Leiedal, the regional body doing the customer profile project, now needed to do was to identify what the research questions were which supported this business question. The first was "who and where are the groups who are not taking up childcare?" This required research to find out where there were families with children who were eligible for childcare but who were not getting it.

The second question is "Why are they not accessing childcare?" This could be for a number of reasons:

- They do not know it is available
- They cannot afford it
- They cannot use the online system
- They cannot find childcare suitable to their needs – age, cost, location
- They are using other childcare facilities that are not on the system

Once you find out the answers to these questions you can decide what sort of intervention is needed – is it a marketing issue, are there problems with the online registration system, are there concerns about the availability or suitability of childcare, or is this not really a problem because there is alternative childcare provision available? The research also needed to tell them how big the under-use problem was, and what the unit cost of any changes may be. To determine if it was cost effective to make any changes, they also needed to know the cost of not intervening - e.g. what is lost to the system through underemployment and welfare benefits of people not getting into work.

The Smart Cities project has developed a series of Project Documents based on PRINCE templates which will be useful in defining the business question and the customer profiling project.

www.smartcities.info/projects

The esd toolkit customer profiling project

A number of authorities participating in the esd toolkit customer profiling project have achieved significant cost savings as a result of customer profiling:

- Coventry improved its collection of council tax arrears by £700,000 in one year
- Tower Hamlets reduced attendance at Accident and Emergency services by 6% saving around £500,000
- Colchester increased take up of direct debits for council tax payments by 2% and Wear Valley had similar success

The project also uncovered "nuggets" of customer information for councils:

- Elderly customers often applied for disabled bus passes rather than elderly bus passes
- There was a high take up of free services from affluent groups who could afford to pay for them
- People were still using face-to-face or postal access to services when they would be happy to use other channels
- People on low incomes are low users of libraries - except where they are a minority in largely affluent areas

Payment channel	Unit payment cost	Cost per 1,000 households (estimated on 10,000 instalments per year)	Annual savings per 1,000 households from direct debit (over alternative methods)	Annual savings per 1,000 households from Bank over alternative methods
Direct Debit	£0.04	£400	n/a	+£500
Bank	£0.09*	£900	-£500	n/a
LA Cashiers	£0.73	£7,300	-£6,900	-£6,400
Post Office Counter	£1.44	£14,400	-£14,000	-£13,500

Figure 2

Calculating the cost of service delivery across different channels

* The cost of bank payments are £0.09 per cheque or £0.09 per £100 if paying by cash. £0.09 is being used for simplicity.

Motivating people to switch to direct debit

Wear Valley Council wanted to get people to switch to using direct debit to pay their council taxes, and profiled their citizens at at ward and neighbourhood levels. This allowed them to identify areas where people who were willing and able to use different service channels still paid their council tax in person. The MOSAIC profiles they used allowed them to see what sorts of media those groups used most so they could design an effective marketing campaign.

information

The findings from this work – together with work by East Herts, Plymouth and Nuneaton and Bedworth were developed in an esd toolkit workshop, when a model of how to tackle this issue was developed, http://esd.org.uk/esdtoolkit/News/NewsDetail.aspx?Item=622 .

Reducing motorcycle accidents

Norfolk County Council profiled the people who were involved in motorcycle accidents in the county. These 1% of road users were 31% of road casualties. Using MOSAIC - a commercial customer profiling tool - they identified the groups which were most at risk - young and middle aged men. Norfolk then commissioned a marketing campaign that was aimed at these at risk groups and which used the information channels they were likely to use, as well as targeting areas where they were most likely to live in the county to reach them with the THINK message.

information

The video is at, www.youtube.com/user/NorfolkCountyCouncil#p/u/35/Q9KxwPM7asU.

Setting outcomes

What are the types of outcomes?

Whatever the business reasons for customer profiling, they need to be definable and quantifiable. If you want to increase take up of a service by different target groups, you need to know how many people are in that group, whether can you define them by age, gender, income, or other criteria, and by what number or percentage do you want to increase their take up of services. Whatever target you set needs to be measurable if you are to be able to show whether you have delivered your outcomes.

You also need to know whether or not you require your customers to change their behaviour - i.e. how they use your services - or whether you are informing them of services that are available. Behavioural change means you want them to do something differently. This may be something as simple as getting them to go online to find information or to access services, or you may be trying to deliver more fundamental changes - such as encouraging healthy exercise or stopping smoking.

Informing customers about services lets them know that services which you feel are relevant to them are available, in the hope that this will drive the adoption and use of services. These efforts can range from advertising the completion of a new country walk in their area, or something as complex as trying to get citizens to talk to professionals if they feel their child needs extra help to help them achieve their potential.

information

In England there are National Indicators (NIs) which set out the outcomes central government expects local agencies and partnerships to deliver, and how these should be measured. Wherever possible, you should try and link the outcomes you want to achieve to these NIs or to other pre-existing local indicators that your authority or partnership uses.
www.communities.gov.uk/localgovernment/performanceframeworkpartnerships/nationalindicators

Once you have decided what the project is, you can set short-term, medium-term and long-term goals. In the Leiedal example a short term goal may be raising awareness of the availability of an online childcare tool, a medium-term goal might be getting more people from lower income groups to access childcare, while a long-term goal might be getting more people from these groups into work and out of the benefits system.

The goals you have may not just be about increasing things – they may also be about reducing inequalities - such as the income gap between low-income families and 'average' families.

One way of quickly establishing what benefits or outcomes are relevant to different key stakeholder groups is to use a balanced scorecard approach, which will show different aspects of what will be delivered and by who.

This example shows a balanced scorecard analysis for efforts to increase the use of the Common Assessment Framework (CAF) in Norfolk to improve early intervention.

Service/Customer	Performance
● Families get the help the need sooner ● Families offered a broader range of relevant services	● Will improve performance against a large number of National Indicators in the medium to long term ● Greater take up of the common assessment framework ● Better scores in OFSTED (Office for Standards in Education) inspections
Staff	**Financial**
● CAF training targeted at staff and partners most likely to benefit	● Supports more effective and efficient commissioning

information

A more rigorous approach is to do a full benefits mapping exercise. An example can be found in the mynorfolk bid at www.my.norfolk.gov.uk/mynorfolk/our-bid.htm from page 48 onwards. A sample benefits map is attached as Appendix 1.

Customer profiling in practice

Customer segmentation

Customer segmentation is the practice of dividing customers into groups of individuals that are similar in specific ways - such as age, gender, interests, spending habits, and so on. Customer segmentation allows service providers to target groups effectively, and to allocate marketing resources appropriately.

Location Profile Information

Household or postcode

Profile Type

Match service to profile

Service Profiles

Service Interaction Channel Time period Profile type Count

Customer Service Information

Service Interaction Channel Hosehold or postcode Date & Time
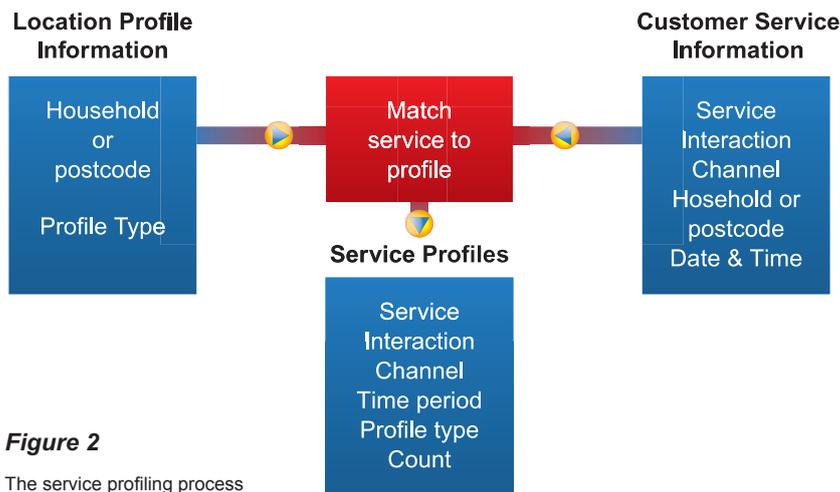
Figure 2

The service profiling process

There is a significant opportunity for local government to improve its performance through the effective use of customer intelligence. Customer information is an underutilised resource, and its value as an 'asset' that can be used to drive improvements to service and performance is not sufficiently recognised by local government. There is increasing pressure for local authorities to demonstrate that they can pro-actively identify customer needs and demonstrate how those needs are being met. Measuring performance in terms of impact on customers and their views will become an increasingly important feature of performance management. It is unlikely that the council of the future will be seen as regarded as performing well unless it is using customer information to drive and measure performance. Furthermore, financial constraints on local authorities, together with the possibility of limited increases in tax revenues over the medium term requires local authorities to think about prioritising services and methods of service delivery. It will be hard to do this effectively and even harder to justify performance levels without reference to hard data about customers' use of services and their channel preferences.

Citizens may be segmented by a range of different profile characteristics, including age, ethnicity, sexual orientation, ability/disability, gender, level of affluence and state of health.

Segmentation is often used in conjunction with customer profiling, but there are some differences between the techniques. For instance, customer profiles are not suitable for identifying certain population segments: people with disabilities for example are usually distributed across a wide range of neighbourhoods. Similarly, it is not advisable to use gender distribution as theme for neighbourhood segmentation. For other factors - such as age and ethnicity - composite profiles can only support broad general analyses.

Who are your customers?

Service providers should have some customer data: information about who your customers are. This knowledge will be either:

- Explicit – you will have records of who has or is currently using a service - for example from a CRM system or other records

- Implicit – using the knowledge of staff or partners who are dealing with customers to delivering the service.

information

A useful audit tool for what data you have is www.westmidlandsiep.gov.uk/download.php?did=1181. Even if this is a new service, you should be able to make an educated guess about the types of customer who may use it, based on who uses existing services which target similar customer groups.

If you have no knowledge about your customers or your knowledge is sketchy, you can always carry out market research – probably using qualitative techniques (such as in-depth interviews or focus groups) rather than quantitative ones (such as surveys) so that your service can be discussed with potential users.

information

A guide to customer profiling produced by Smart Cities is www.smartcities.info/files/Smart_Cities_Research_Brief_Customer_profiling_to_target_service_delivery.pdf
There is also a UK guide to customer segmentation at
www.cabinetoffice.gov.uk/public_service_reform/innovation/segmentation.aspx

Explicit information

If you have explicit information about your customers you can convert it into a customer profile. This can be done either by extracting other data you have about those customers (age, gender, income, etc.) from your customer records or by comparing the addresses of customers with other data you have about those addresses or areas.

information

One way to do this is to use a commercially available customer profile, such as Experian's MOSAIC or CACI's ACORN. These profiles use a wide range of public and private data sources to identify different socioeconomic and lifestyle groups (e.g. 'new homemakers', 'suburban mindsets', 'active retirement' and 'careers and kids') through sophisticated cluster analysis and market research techniques. You could then use a spreadsheet or database to look up the MOSAIC or ACORN profile of your customers' addresses and compile a table showing their distribution across different customer profiles.
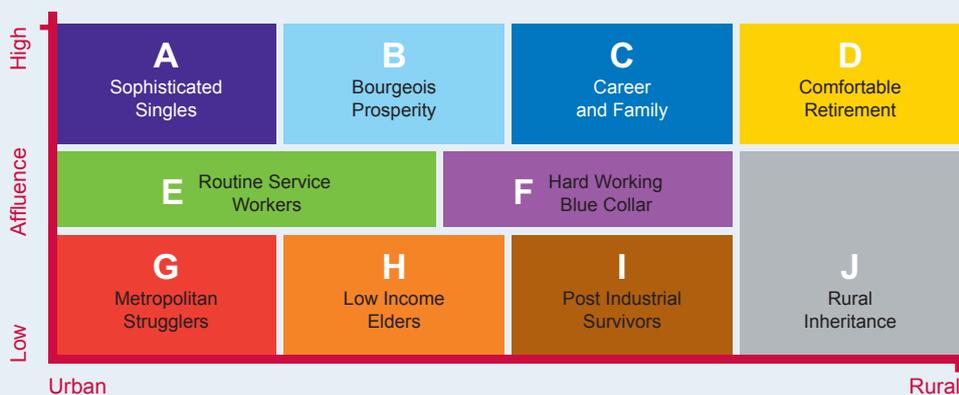

Figure 3

Experian Mosaic global profile groups

This can also be done with population data: you can download census-style socio-economic information about small areas e.g www.statistics.gov.uk/hub/population/index.html If you aggregate your customer records to the geographical areas used in the census data (in England this would be Super Output Areas) you can then calculate the percentages of customers who have the various characteristics you are exploring.

If your *implicit* information suggests a customer group also use other services which you have records for, your can use the data matching approaches described above to create a profile which says "x% of people who use service A also use service B".

In addition to statistics and data which are available locally or nationally, there may be further explicit information available about your customers in academic or commercial analysis based on primary research with citizens. Although this will probably have been done with customers in areas other than your own, the patterns of behaviour of similar citizens are likely to be equally applicable to people in your location.

Implicit information

Implicit information - the knowledge and experience of customers of your staff - can be turned into a more formal profile by using workshops and/or questionnaires to ask staff what they think customers are like against key criteria - e.g. from census style information, customer profiles, or other services they use where you do have more specific address based customer data.

Even if you have explicit customer information, you should ask staff for their views of customer characteristics as this will help round out a picture of

- who your customers are
- why they use the service
- how they use the service
- what their other needs are
- what other services they need
- who could or should use the service but doesn't

This can be done either by a survey – if you have specific questions – or by a workshop or focus group if you want to ask more open ended questions.

You may also want to use the same techniques to ask questions of the customers themselves as part of the customer co-design process.

information

A useful guide is www.demos.co.uk/files/File/CollabWeb.pdf If you can contact existing clients, or have an idea of the sort of people who are potential clients, you can also organise a focus group to find out more about their needs and behaviours.

A guide to understanding demand for services is www.smartcities.info/files/Smart_Cities_Research_Brief_Measuring_levels_of_supply_and_demand_for_eservices_and_egov_0.pdf

What do you *already* know about your customers?

You need to try to identify all the information you already might have about your customers. In addition to the information identified above, you should remember that the customers of your service may also be customers of other parts of your organisation or of partner organisations. For example, you may want to encourage new parents take parenting classes to help them look after their babies. You may only have basic information about them as new parents – perhaps from the health service or from birth registrations. They may however have older children and those children's schools may have more information about them and their families. The parents may also have had other contact with the health sector or with adult social services – for example for disability or receipt of benefits.

It is important that you do not try and cross reference too much information, but stick to information that is relevant to your business question. There are two reasons for this. Firstly, you do not want to make the analysis too complex or to take up too much time or resources. Secondly, you need to consider privacy and data protection issues carefully when collecting and comparing information. Where possible you should make it clear you will be re-using information for this reason when you collect it and gain explicit consent for this re-use.

The key thing with all information you use when customer or community profiling is that your data should have a geospatial reference and that it should be as "clean" as possible. Records that have lots of incomplete or inaccurate data should be avoided. If you are planning on doing a lot of data analysis (and not just customer profiling) your organisation should have good data quality processes and training in place.

There are companies and software that will carry out bulk data matching and identify those records which are incomplete or where possible matches have to be checked - e.g. is 'John Smith' the same person as 'J.S. Smith' and is 'The Laurels, Coronation Street' the same as '12 Coronation Street'.

Not all data will be able to be cleaned and matched precisely, even when using the techniques described above. A technique called "fuzzy mapping" takes customer data and cross references it with other known characteristics. The areas where there are the largest clustering of values show the most likely characteristics of that customer group, and this can then be attributed to them as an expected characteristic.

What more can you find out?

As mentioned above, there may be information available in other parts of your organisation or in external organisations which is relevant.

Other tiers of government will often have data sets which are geospatially referenced and which can be downloaded or requested from them. The EU directive on re-use of public sector information is a good lever to use to persuade partners to share information – especially if you can then reciprocate with your data or analysis. A list of data sets for each country has been developed.

There are also commercially available data sets and companies who carry out research and/or data matching. It may be possible to purchase data or to commission these companies to do research or analysis for you.

information

esd toolkit in the UK has the Local Government Business Model http://doc.esd.org.uk/#/?tab=data-lgbm which links to the Local Government Service List http://doc.esd.org.uk/lgsl/3.07.html to show which groups access which services. Some services have already been profiled by other UK local authorities against MOSAIC customer types, so you can see what the typical pattern of service use by these groups is.

Housing Benefits
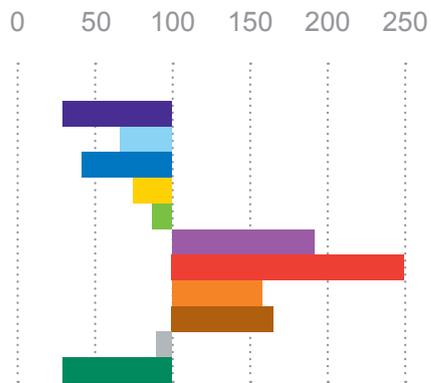
Care at Home
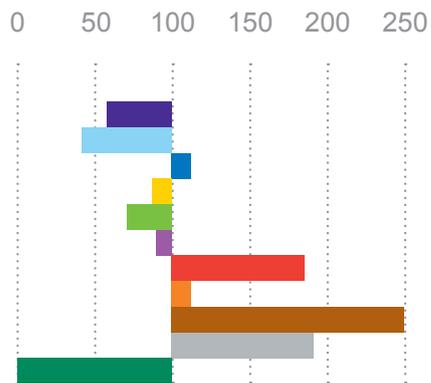
Free School Meals
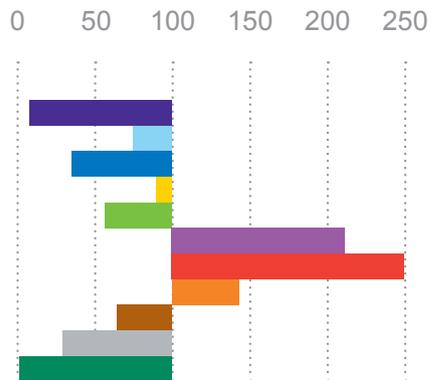
Figure 4
Propensity graphs by UK profile group for social services

Key

A - Symbols of Success	**E** - Urban Intelligence	**I** - Twilight Subsistence
B - Happy Families	**F** - Welfare Borderline	**J** - Grey Perspectives
C - Suburban Comfort	**G** - Municipal Depenency	**K** - Rural Isolation
D - Ties of Community	**H** - Blue Collar Enterprise	

Identifying demand for new library services

Nottinghamshire County Council wanted to open a new library and a one stop shop and used customer profiling to identify current and potential demand. This found that that one ward had twice as much library usage as any other, and that one locality had a higher number of residents than was expected living there, and so needed a one stop shop.

Increasing the use of direct debit for council tax payments

East Northamptonshire Council wanted to look at two issues – increasing the use of direct debits to pay council tax, and reducing the number of rats in the area. In both cases they uploaded and profiled service use onto the esd toolkit to identify areas which had the highest potential for change. They were able to identify which people with council tax arrears were most and least likely to be able to pay via direct debit, and targeted a letter campaign at those who could switch to direct debit payments. This included adding the option for people to set up a direct debit by phone in their call centre. They used the evidence they had to identify areas where rats were likely to breed, based on the locations of fast food outlets and drainage sites, and then baited those areas with traps.

Understanding young people's attitudes to alcohol

The Department of Children, Schools and Families carried out large scale quantitative research about the attitudes of people to their children (and children to them) and how to bring them up to create customer segments covering parents and parenting. These were then used to develop policy action plans, including one on young people and drinking. They carried out further qualitative research with a group of 380 young people and their parents into their attitudes to alcohol. As well as innovative focus group work using artwork to stimulate discussion, they observed how young people behaved when they were outside the home. Cross referencing attitudes to drink to the segmentation helped develop a marketing plan based on which information, messages and media would work with different groups.

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Designing the route of a mobile healthy food store

NHS Great Yarmouth and Waveney used information about their population to identify where the people most at risk of a heart attack or stroke, or those who had diabetes, lived. They mapped this data against MOSAIC customer profiles to see which customer profiles were most likely to eat less than one piece of fruit or vegetables per day, and then used this information to design the route of a mobile food store that offered fruit and vegetables; recipes and cooking lessons; and links to other services like stopping smoking, weight management, and food co-operatives.

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Identifying young people who are likely to be in debt

Colchester Council used MOSAIC profiles to identify young people who were likely to be in debt. Information in the MOSAIC profile showed they would rather support came to them rather than go to Council Offices, so a mobile information service was set up which supported more than 500 residents with on the spot advice. The routes taken by the mobile service were designed using information from the customer profiling work.

www.colchester.gov.uk/survivethecrunch
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Using data effectively

Data Collection

Even if you do not currently have good sources of data, you can take steps to collect it for the future so that you will be able to do better customer profiling work. This will also help with general management information about the way you deliver services.

There are a number of elements you have to think about:

- Data standards and formats – collect the same information in the same way – use a common way of writing the answers to the same questions such as name, address, age, etc.

- Data quality – provide training and instructions and guidance for staff who are collecting data so they understand the importance of your data standards and make sure records are complete and filled in as early in the contact chain as possible.

- Data use – make sure you understand the range of things you may use customer data for in the future and ask people when you collect data if it can be used for those purposes in the future. By asking permission for future re-use of data you can address privacy and data protection concerns. Remember data can be anonymized or aggregated in ways that do not identify individuals, and data access restricted to a small number of authorised people.

Wherever possible you try to tackle these issues with partners and try and use common standards so that it is easier to compare data from different sources to enrich the view you all have of the people you serve.

information

Guidance about these is available at
www.audit-commission.gov.uk/SiteCollectionDocuments/Downloads/
ImprovingInformationToSupportDecisionMaking.pdf,
www.idea.gov.uk/idk/aio/9048091 and
www.everychildmatters.gov.uk/resources-and-practice/IG00340/

The limits of data

It is important to remember that customer profiling links customer data, addresses (etc.) with statistical profiles of areas. This technique will tell you how probable it is that individuals will belong to particular groups and display particular types of behaviours: however there is no guarantee that this will definitely apply to any particular individual. A 60% likelihood that a young person who regularly misses school will leave with poor qualifications (for example) means that 40% of young people who regularly miss school will not leave with poor qualifications.

Collecting data about customers of municipal services

In 2009, Leiedal sent a survey to around 1,600 registered users of the municipal websites in the Kortrijk region. This survey explored Internet use and was then compared with web statistics.

The survey demonstrated that most of the registered visitors used municipal websites for news, contact information and opening hours. This confirmed the original decision to give news and contact information a central place on these websites. As a result, service opening hours were made more prominent in the website menu structure.

When asked to designate priorities for new web/internet service developments, respondents asked for the following:

- to receive e-mails when road works are being carried out
- to be able to report problems to the local authorities
- to receive e-mail notifications of the collection of bulky waste
- to book tickets for performances and events
- to receive an e-mail when the lending period of a library book expires

case study

A survey was also sent to citizens who had accessed Kortrijk's services online. The survey indicated high levels of user satisfaction and that the main motivation for using the online service point was to do transactions at home without having to travel to municipal offices.

In early 2010 the municipalities of Waregem, Harelbeke, Wevelgem, Zwevegem, Kortrijk and the Intercommunale Leiedal commissioned MEMORI (Mechelen University College) to survey more than 3,000 residents of their municipalities. The survey explored the use of different channels for information and service provision and examined satisfaction with municipal services.
It found:

- The digital divide still needs to be addressed

- Local authorities need a channel strategy

- Local authorities need to focus on online transactions

- The need to optimise telephone systems and online contact systems

- A need to market service provision.

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What data is available?

Once you have identified all the potential data sources you should create a table listing:

- data description (what it tells you)
- data source (where it comes from)
- geospatial level (what is the smallest area covered)
- data quality assessment (how accurate is it)
- whether it is personal or anonymous data
- any restrictions on use

This will then enable you to decide which data sets to use, the level at which you can carry out the analysis, and what cross tabulation you want to achieve (for example what percentage of our customers also use another key service).

Strategic use of customer information

Birmingham has embedded customer insight into the way it is transforming the city. A Customer Knowledge Manager has been appointed together with a team of dedicated analysts to support services. A set of tools – including a customer database – are in place to manage customer information strategically. Birmingham sees this as a way to deliver outcome based planning in service plans.

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case study

Understanding the preferences and needs of minority groups

In Herefordshire 11 community volunteers from ethnic and other minority communities have been recruited to carry out survey work within these communities, as there are small numbers of minorities in the county and Herefordshire's Citizen's Panel does not represent their views. Despite difficulties in recruiting researchers from the gay community, they have found useful information on these communities via quantitative surveys and focus groups. This includes the services they found most difficult to access, and the top three things in need of improvement.

In Norfolk, more conventional survey techniques were used to boost the sample of views from minority groups as part of the national place survey. The company who managed the survey in Norfolk carried out face to face interviews with 100 people from EU accession countries, 98 people from Black and Minority Ethnic groups and 103 Portuguese speakers who have a significant community in the county. This showed that people from these groups were generally more satisfied with council services than the "settled" population and their perception that the county is a place where people from different backgrounds get on well together.

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Developing a central customer intelligence hub

Sandwell's partners developed a central customer intelligence hub that covered both the council and the local strategic partnership. This looked at customer feedback, consultations, customer data, the media and opinion polls to get a rounded view of customer needs and views. A key element was identifying the skills the team would need, and making sure any gaps were filled in areas like change management, customer journey aping and data analysis. Improvements coming from the team's work include better feedback from young people and BME communities, improving the way children in care are supported when they move or change care placements, better accessibility for council tax and benefits customers, and a review of the way customer information is used.

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Care teams learn about patients' experiences

Luton and Dunstable Health Trust carried out in depth interviews with patients and staff about their experiences of receiving and delivering care and asked patients to make films to share their stories. These films were then used with the care teams designing services to make 43 different improvements to efficiency, safety and patient experience.

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Working with clients with learning disabilities

Cheshire and Wirral Health Trust did similar work with clients with learning disabilities to gather feedback on how they could improve service.

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Using mystery shoppers and customer inspectors to improve services

Rotherham Council's Neighbourhoods & Adult Services Directorate wanted to see their service through the eyes of their customers. A Customer Inspection Service made up of 25 real customers meet twice a month to carry out a range of mystery shopping, reality checking and customer-2-customer satisfaction testing activities. Mystery Shopping uses people who pretend to be customers wanting to access a service, and who then describe the service they get via different channels in terms of not only whether they got what they needed, but how well they were treated by staff. The Customer Inspectors award ratings of bronze, silver, gold or platinum to each customer-facing team, and actions plans are developed to drive forward improvements. Example outcomes include improved information and signage in buildings, better information packs, website improvements and changes in the out of hours service for noise complaints.

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Local mystery shoppers test services

Walsall did similar work on mystery shopping by recruiting and training 53 out of the 200 volunteers they received as mystery shoppers. They did this as partnership between Walsall Council, the Health Service and a housing group. They then carried out 421 mystery shops at a far lower cost than if they had employed a market research company. In addition to providing high quality management information for council services and partners, the pilot project used local residents (real customers) and staff as mystery shoppers, fostering greater involvement in service provision and standards of service delivery. At the same time, this helped increase the confidence, knowledge and skills of individuals taking part in the research. Whilst the information gathered via the mystery shopping project has been used to monitor how services are performing and to make improvements, the project has also provided valuable insights into how other organisations deliver services.

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Exploring attitudes to school absenteeism

Leeds City Council carried out interviews, questionnaires and focus groups with children, young people, parents and carers to see what their attitudes to school absenteeism were and how the partnership could help tackle them. A key finding was that families whose children don't attend school often have a range of other issues to deal with, and a redesign of services is looking at how those additional issues are supported as well as school absenteeism.

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Creating customer personas

A good technique for creating a customer persona is to start by imagining an individual who 'represents' or is typical of this group of customers. This can done either as a pen portrait, a customer journey or both. Once you have created this persona, you can then enrich it by adding customer information you have from other sources.

examples

For Norfolk's Digital Challenge we created seven user journeys for the key groups we wanted to support, plus the general public and intermediaries working with these groups. The starting point was a workshop where we got together representatives of those groups and people who worked with them and discussed what a "typical" person would look like. We gave them a name and invented a personal history for them that set out how they got to where they are. We could not, of course, cover all circumstances for all the people in that group, but it gave us a story which felt real and on which we could 'hang' what we knew about the client group. The power of a story is very important in both getting under the skin of the needs of a group, and in persuading others of the need for action.

We then did some work on identifying what the journey of John, Brian, Laura or the others would be. What services would they need? How would they get access to them now? What would their experience be in accessing these services? What would we like that experience to be like in future?

We then converted this into seven cartoons which showed what the future would look like. This enabled us to identify what we would need to do to make that future real in the full Digital Challenge bid. To make it even more real, we filmed a video showing what life was like currently, but framing this with a vision of the future. As well as using people's views from the workshop, we also tested the vision with single issue focus groups from our target groups to make sure what they told us was incorporated in the personas.

National Archives use personas to understand their customers

The UK's National Archives used interviews with customers and stakeholders, field research and customer diaries to gain a better understanding of the needs, behaviours and motivations of their existing customers. This was then used to develop customer personas such as "the rambler" "the explorer" and "the tracker" to develop a set of services that were tailored to each group.

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Understanding peoples' attitude to climate change

The Department for Environment and Rural Affairs pulled together a wide range of quantitative and qualitative market research about peoples' attitude to the environment and climate change to develop customer profiles that were segmented along shared values and beliefs. These were then tested and developed with surveys and were matched with marketing information about different groups to design social marketing campaigns.

www.defra.gov.uk/evidence/social/behaviour/index.htm.
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Customer
Journey Mapping

It is also useful to look at customer journeys. Customer journey mapping is the process of tracking and describing all the experiences that customers have as they encounter a service or set of services, taking into account not only what happens to them, but also their responses to their experiences. Used well, it can reveal opportunities for improvement and innovation in that experience, acting as a strategic tool to ensure every interaction with the customer is as positive as it can be.

information

Information on customer journey mapping can be found at, www.westmidlandsiep.gov.uk/download.php?did=2107 and www.cabinetoffice.gov.uk/public_service_reform/innovation/customer_ journey_mapping.aspx   Information on the 'circle of need' approach can be found at www.chorley.gov.uk/circlesofneed

I'm a customer,
get me out of here…

Home Truths is the reality TV method used by Rotherham Council's Neighbourhoods & Adult Services Directorate to test the quality of their services through the eyes of customers, using video and hand written diaries to record their experiences. Home Truths is their most innovative and effective method of seeing services from start to finish, and has allowed some of their most vulnerable customers to tell them how they really feel.

Lessons from a Home Truths video diary created during a customer's journey through the social care annual review process led to improved service accessibility through a single first point of contact 'assessment direct' number, the development of information packs, a process for review questions to be sent to customer prior to the visit, and improved on-line services. A hand written diary was used by an older person to record their experience of the RotherCare community alarm scheme. The customer said that they would have liked a specific appointment time for the installation of equipment: to improve the service for new customers they introduced an appointments diary and a dedicated installations assistant.

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Moving from work to retirement

The Department of Work and Pensions (DWP) used interviews with customers and workshops with staff and stakeholders to do customer journey mapping for people who move from receiving work related benefits to retirement pension related benefits. As one customer said: "this is your change not mine – I'm just a day older". The journey mapping enabled them to change the system so that people got better information on how things would change, and improvements in how different parts of the DWP exchanged information meant customers didn't have to repeatedly provide the same information, which also saved the Department money. As well as getting customer views on their existing system, the DWP tested the proposed changes with customers before implementing them.

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Improving planning and licensing services

Colchester Council did customer journey mapping on its planning and licensing functions to identify the points where customer satisfaction fell. They used this to streamline correspondence and use a visual approach using images to explain their processes more effectively.

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Accessing council services

Winchester Council got frontline staff to do their own customer journey mapping – after some training – exploring how accessing their own council services compared to accessing services from banks, building societies and the Post Office.

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Heartbeat monitors and services

Haringey Council have also used customer journey mapping based on meetings with three groups – people who have just moved into the borough, families with children at different schools and people who use care services. During the process they used heartbeat monitors to find out their positive and negative responses to parts of the process or to engaging with the council. This mapping has been used to join up services so people only have to make one visit, and to improve information provision.

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Using co-design to incorporate user needs

It is important that you test any improvement ideas with both staff and customers. Staff will know how the process really works (rather than the official version) and may be able to suggest problems with your improvements and improvements of their own. Customers are the people who can tell you whether proposed changes would really be an improvement. This does not mean you have to always take what customers they say at face value, but you need to consider their opinions when making your plans – possibly building in training or modifying your message.

Co-design work should happen at all stages of the process: from the start, to find out what customers would want you to improve, through business process re-engineering, to testing suggested improvements, to marketing to make sure that the messages you send are ones which the target group will understand and positively respond to. Co-design should also be used in measurement and evaluation to make sure what you have done has met the needs you identified at the start of your improvement or delivery process.

information

There are some useful pointers to co-design at, www.serviceuser.org/and www.england-legislation.hmso.gov.uk/.../power-of-information-review.pdf

Using focus groups to help with website development

The City of Edinburgh is developing a new website. At the start of the project the city first made a SWOT analysis of their existing website, which was followed by an analysis of web usage statistics. This was the basis for a participation process. Nine focus groups were established with 70 participants and 47 individual interviews were conducted. In addition, there were also interviews with stakeholders, such as the health services, city council members and networks.

The study mapped the expectations people had for the website and probed reactions to a number of test web designs. The participants also had to determine priorities for a new website.

Some conclusions:

- the method of offering task-oriented instead of supply-oriented information on the website was positively received. People wanted a good alternative for the questions they normally had to ask by telephone or e-mail.

- users are also prepared to register on the website provided this serves a useful purpose and security is guaranteed.

- there is previously untapped potential to participate in the decision-making process

- people are interested in contributing to online participation and decision-making processes, but they must be well announced.

- Edinburgh needs to promote its website better as a communication and transaction platform to reach more people. One of the suggestions was the use of an electronic newsletter as well as the use of social media.

The participants' main priorities were:

- my Services: Presentation of relevant services depending on the postal code: local city council members, waste collection dates

- GIS: Presentation of nearby locations on an interactive map, such as nearby schools

- user registration: Users want to register on the website and select preferences for information updates

- eConsultation: Users want to voice comments, register for alerts and follow up decisions

Citizens and businesses contribute to new web portal

The city of Osterholz-Scharmbeck is developing a citizen-oriented internet presence which will re-shape the city's current, very static website. The city's internet portal will contain basic information on relevant e-services for all citizens and visitors, and will provide an interactive tool for the citizens, local enterprises and all important interest and user groups in the city. Osterholz-Scharmbeck has already conducted a survey of citizens and businesses to identify which services are needed and wanted by different target groups.

The survey identified that citizens wanted a wide range of e-services, including applications for passports, federal ID-cards, building permits, marriage applications, and citizen registrations. These will be made available online in a user-friendly way. Where possible, services that usually require a personal visit to the city administration will be automated and e-services will be made available.

Personalised Services

Having established what services the group you are working with need, and started a process to improve those services to meet needs more closely, you can also start to personalise service delivery.

At its most developed, this can mean giving people the tools to customise services, or information about them, to reflect the circumstances of each individual.

Norfolk County Council gives adults with additional needs a budget to meet these needs, so they can buy the services themselves rather than the council buying them on their behalf. This includes choosing the care home or the home support services for older people and people with disabilities, or the aids and adaptations they need to have in their home to help them live independently. Norfolk County Council provides a menu of approved services to help them choose, but they can decide to find alternatives that are not on the list.

For most services personalisation will not go this far but will involve pulling together lists of the range of services groups of people in shared circumstances may want.

An example is Norfolk's Children and Families service directory which groups services against headings like Childcare and Out of School Services, parenting and family support, schools and education or special needs and disabilities.

information

http://search3.openobjects.com/kbroker/ncc/fsd/start.jsp

Another example is a website like Brighter Lives in Norfolk which brings together information for migrant workers and others moving to the county.

information

www.brighterlivesinnorfolk.org.uk

If you start to carry out more customer profiling and use the same set of profile groups consistently you will build up a richer and richer picture of that group and therefore be able to target services more effectively.

Co-designing services with disabled groups

Norfolk County Council has actively tried to involve customers in co-design of services by:

- getting members of the Norfolk Coalition of Disabled Groups to develop the specification for commissioning services for their members

- having older people in care homes monitoring and reporting on standards of service so the council enforce contracts, and getting people with disabilities involved in reviewing their disability equality policy and actions to make sure they met their needs

- getting young people who have left local authority care to work with those still in care to review how the council supports them and how services are delivered

www.youtube.com/user/NorfolkCountyCouncil#p/u/36/iXmAv2buVxc
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Neighbourhood helpers

Southwark Council encouraged more than 200 older people and their families to help them identify the range of issues facing older people – including health issues and their reluctance to ask for help because of their attitude to being "a burden" on family and the state. One key finding was that there were many people who wanted to be "neighbourhood helpers" in local communities and the Southwark Circle organisation was set up to link these people together to support older people in their area.

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Dignity map

The Department of Health carried out similar work in developing its "dignity map" using real stories from older people in care homes to challenge organisations providing care on whether they are doing this in a way that supports older people

Use of social networks

Barnet Council and Norfolk County Council have used social networking media to identify resident's issues before they become major problems. Barnet used Google Alerts to identify when local bloggers complained about services in the borough and then contact those involved to tackle the issues. Norfolk has set up the HomePage service which uses web services to pull together information about local communities from a range of web sites, blogs and social networking tools so that the community can have a conversation about issues. It also subscribes to a web "cuttings" service similar to traditional print and broadcast cutting services to see what is being said about it. It can then take that information into its "you said, we did" process of making sure issues are actioned and people told what has happened.

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chapter 9

Linking services and needs

Where are your customers?

There are a number of reasons for knowing where your customers are:

- to target limited resources to the areas where there are the greatest number of customers or where customers have the greatest need

- to target information to the areas where there are the greatest number of customers or where customers have the greatest need

- to identify areas where there are significant numbers of potential customers but low take up of services

- to identify areas where there is high take up of services and to find out why this is the case

- to build up a clearer understanding of particular communities

This last point – Community Mapping - is important if you want to serve geographic communities effectively as well as communities of interest such as customer groups. Building up a picture of the levels of current and potential services in each of your communities will enable you to allocate resources to match that pattern of need. It will also enable you to think about how you deliver the range of services a community needs across departmental and organisational boundaries, via one stop shops, localisation, using intermediaries as gateways etc..

information

An example of how communities can be mapped using data is at www.norfolkdata.net they can also be mapped in a dynamic way www.diss.norfolkhomepage.org.uk

The size of community depends on the service and your own ways of organising services. If the geographical areas are large, it is useful to show how they are built up from smaller geographical units based on the smallest level at which your customer information is held. This will enable you to (a) standardise across the range of customer profiling work you do and (b) slice and dice information more easily.

As an example, you may initially want to know how childcare is accessed according to your social services areas, but you may later want to know how they are being accessed in a particular town or compare levels of childcare access in an area with the use of bus services in that area which people could use to get to the childcare.

An example of community mapping can be seen on the Norfolk Insight data observatory. A series of different geographies - based on the different ways in which local councils deliver services, and standard geographical building blocks such as council electoral divisions or census Output Areas - are used to display data, including customer profiles. This tool allows users to automatically generate pictures of each area when they are deciding how to provide services there.

You do not have to have a complex GIS system to do this – agreeing what the core geographical areas are and then consistently collecting or analysing information on the basis of those areas will give you a pen portrait of each place.

What Are Your services?

To carry out effective improvements in the way you serve the needs of customers and communities you need to know what you are currently delivering. The customer records you have will provide you with the volume of services you are delivering to current customers and to different areas of your municipality. You should know the total value of the service (remember to add a share of overhead costs such as management, building costs, ICT etc.) so you can work out the unit cost by dividing the total cost by the number of customers.

If you know the numbers of users who access your services via different channels you can do more sophisticated analysis of the costs per channel. The esd toolkit has developed a standard way of assigning unit costs to transactions through different channels. Alternatively, there are general average costs which have been worked out where the ratio is: web = 1; phone = 4; face to face and post = 12.

If you have an area based structure it will be valuable to use the same approach to work out the different costs per customer for each office as it will help you deciding whether you need to switch resources between offices. If possible, try and use the same building blocks you are collecting information about customers on so you can compare the community and the services you deliver.

Mapping services against needs

Now you have details of the volumes of customers in each area and the unit cost, you can map how much you spend in each part of your area. You also have the profile of the type of people who are most likely to need or want the service. You can now look at where people who have that profile are in each area, which will show you the potential demand for the service.

For example you may know that on average, 30% of people over 65 use a particular service such as a free bus pass. Your population data shows you the areas where they live. Your customer data shows you where they are using the service. It is likely there will be some areas where more than 30% are using it and some areas where less than 30% are – what we call hot spots and not spots.

It is valuable to talk to staff to find out why there are the differences – is it marketed better in one area than another? Are there people or organisations like community groups who are promoting it in one area by word of mouth? Are there other differences in the people in one area to another - perhaps they travel into a town which has a service centre more often to shop or do business? This will help you design your marketing campaign.

It will also enable you to identify potential demand/need. The highest level of access of the group could be the level all of the group will need or want if you market effectively in the areas where take up is low. This will help plan the total resources needed for the service and how much you need in each area. It will also tell you where you need to market to increase demand.

information

It is also valuable to understand customer satisfaction and www.cabinetoffice.gov.uk/public_service_reform/innovation/satisfaction.aspx is a useful guide to this.

Identifying related services for older people

Chorley Council used information about services and customers from esd toolkit to set up their Circles of Need which try and serve the full needs older people may have at the first point of contact. Customers making contact for one service will be asked if they also want other services people like them are likely to use in the way Amazon recommends books.

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Care Connect Contact Centre

Council and health organisations in North Somerset used customer segmentation data from the different organisations to identify which groups of services were used by particular customer groups and then used that to design their joint Care Connect Contact Centre to improve customer service and save £250,000 across the partnership.

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Collect once, use numerous times

Stratford on Avon Council is developing six locality profiles based on statistical data and customer feedback. They are basing their work on the COUNT principle – collect once, use numerous times.

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Outcome measures important to customers

Warwick have developed a Customer Insight model to identify customers, clarify why services are important from a customer point of view, understand current volumes, resources and pressures, and develop outcome measures which are important to customers. Testing this on housing repairs and housing benefits systems has helped refine it for wider use.

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A clear view of customers needs

Worcester Council combined two customer data sets – the register of Electors and their Citizen's Panel contacts (after carrying out a data cleansing operation) to create a single customer view. This was then matched against their address database – the local land and property gazetteer – so they could use Mosaic or Acorn profiling to get a clear view of customers and their views and needs. This is now being developed by agreeing a Data Sharing Protocol with services so more customer data sets can be matched and added to enrich the view.

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chapter 10

Business Process Re-engineering

What is your current service delivery process?

It is essential that you understand not only how you are delivering your services, but how people are accessing these services, so that you can compare delivery and service use with what you know about your customers. Understanding delivery, customers and usage provides you with a context you can use to plan how you can revise your services to make customer service improvements or efficiency savings.
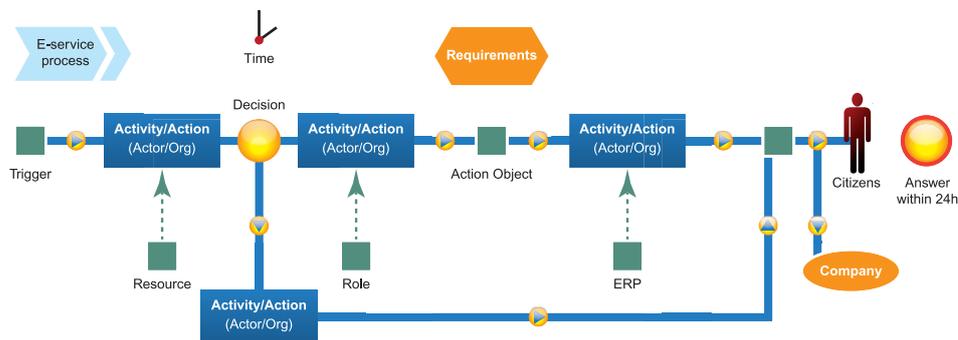
Figure 5
Elements of a business process model

It is essential that your process mapping starts with the customer and their first point of contact with your service – or even earlier if you are looking at the full customer journey from first awareness of the service. At each stage of service delivery you need to map:

● who is involved – the customer, officers, intermediaries such as friends, other professionals or councillors

● what is being communicated – requesting information, providing information

● what is the channel being used – phone, face to face, email or online form, paper document

● what ICT/e-government systems involved for data to be entered or accessed

● are there permissions being granted or eligibility criteria being applied and if so what is the process for this - what questions are being asked, and how you respond to different information/answers

This last point highlights the feedback loops that exist in your systems – for example if you need to go back to the customer and ask for more information – as well as how you process requests for data or verification from/with outside agencies.

It is also important for you to look at what feedback customers get during their use of your service – have you told them if the service has been delivered, given them a status update, or asked if what they got was what they needed?

What can be improved

There are a number of things you can do to improve customer services or service efficiency using customer and community profiling techniques, including:

- encouraging greater take up of services through the use of targeted marketing

- encouraging customers to use cheaper service delivery channels through targeted marketing (and making sure those channels deliver what they want) via a process of channel shift

- improving your delivery processes by reducing complexity or by automating parts of the process

- improving access to services by delivering a more joined up "one stop" service across the local authority or partnerships through all channels (generally based on ensuring information and service requests are online and information is grouped around the needs of specific customer groups)

- encouraging customers to change their behaviour so they need fewer or less costly services (by using social marketing to promote channel shift, or by providing more information and services online)

If you use these techniques to identify and describe your ideal/preferred method for customers to access your services, you can then map that against the actual customer journey/process map to see how it differs. Remember to keep focused on your business question, although you may get ideas for other improvements which you can either add to the project or develop as a further project.

Creation of a Service Center leads to better knowledge management

The Oldenburg ServiceCenter in north-west Germany was set up to handle all the questions their 160,000 citizens had for the local authority. The call centre was established because many citizens complained about the lack of information and services available over the telephone, while staff who were receiving telephone calls complained that they were disruptive. A project plan was drawn up that covered measurements, objectives, building requirements, staff requirements, technology, knowledge building and marketing.

- Two-thirds of the people calling were helped in 2 to 3 minutes. The majority of callers look for general information such as opening hours, contact information and frequently used services. Only in one out of three cases takes longer than 3 minutes.

- The employees get more than 80% of their information from the municipal website. They also point out errors and gaps to the editors of the services that provide information to the website. This feedback means the website is very accurate and up to date. 10% of the information required is retrieved from the municipal guide, and the other 10% from the municipal intranet. The employees have access to frequently used applications such as permit registers and the population database.

- The accessibility is astonishing: 83% of all phone calls are answered within 20 seconds, the call centre is open from Monday to Friday from 7 am to 6 pm and 81% of all phone calls immediately yield results without the need for any further contact.

- Most of the employees are mothers working half-time. They receive six weeks of training before being able to work independently. Three knowledge managers are responsible for keeping all information up to date and for briefing the employees.

A Product catalogue makes an organisation transparent

The municipality of Wevelgem in Flanders wanted to have a better overview of the products offered by the municipality and by the public centre for social welfare. A product catalogue would provide an accurate picture of what services were offered, and could be used to facilitate better cooperation between the different departments. Wevelgem set to work with a website developed by Leiedal which used an online process to describe municipal services.

A municipal quality coordinator supported staff members by visiting every municipal department, explaining the project and assisting with the product descriptions. The coordinator also ensured that service descriptions were consistent. It took a couple of months to describe the first set of services.

The municipality made a conscious decision that employees would describe the products and services that were being offered, based on their own expertise. This approach has also been used by the other municipalities in the Kortrijk region: different departments describe their of services, although some municipalities also quality check submissions.

It was then decided to publish these internal product descriptions on the various municipal websites, as it was felt that the product descriptions contained important information for website users. As a result the descriptions of a large number of products were revised before publication. The municipality of Wevelgem currently has 300 products and services described online.

Building the business case

Once you have decided what it is you want to achieve you should build a business case – even if this is at a very summary level for those projects involving small groups and small amounts of money.

information

Information: A template is attached as **Appendix 2**.

Remember the benefits you identified in the Balanced Scorecard and make sure you refer to these in the Business case. You may not be able to quantify all of those benefits but try and do as many as possible as this will help sell the project to key stakeholders.

Service access and channel strategy

What channels do customers use?

A key question is how customers currently access your services. There was considerable research done in the UK in the e-Citizen project, including an analysis of the "hooks" which would make people use online access. While the percentages of citizens using each channel will now be out of date, the key messages are unlikely to have changed.

www.emeraldinsight.com/journals.htm?articleid=1573067&show=pdf

There are also regular surveys carried out at national, European and world levels on Internet access and e-government take up which are readily accessible on the web. Many commercial customer profiling packages will include Internet access details for each profile type. The availability of this data is however no substitute for actually asking people not only how they access services but how they would *like* to access services - co-design approaches using focus groups are a good way of exploring this.

Internet access and broadband connection in households

	0		
Belgium*		60%	
		56%	
Germany		75%	
		55%	
The Netherlands		86%	
		74%	
Norway		84%	
		73%	
Sweden		84%	
		71%	
United Kingdom		71%	
		62%	
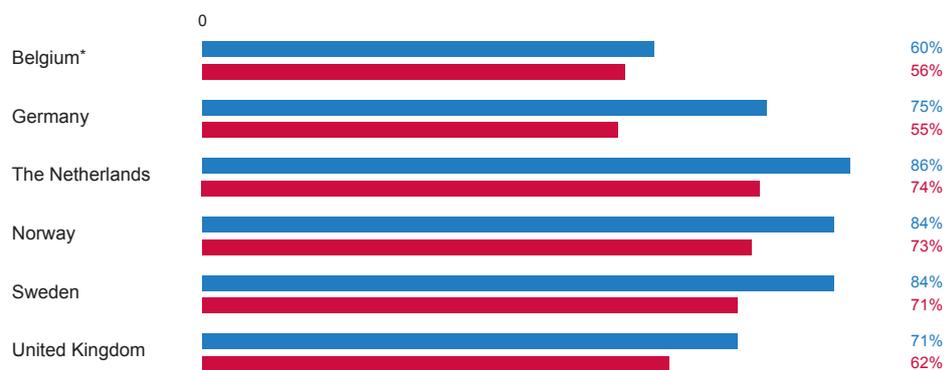
Figure 6

Key: *Percentage of households with internet access*
Percentage of households with broadband internet access

*Internet access and type of connection in households. * 2008 data for Belgium was not available - data is from 2007 (Source: Eurostat)*

information

Guides to help to develop a *channel strategy* from the Smart Cities project include www.smartcities.info/files/Smart_Cities_Research_Brief_Transformation_of_City_Portals.pdf and
www.smartcities.info/files/Smart_Cities_Research_Brief_Measuring_levels_of_supply_and_demand_for_eservices_and_egov_0.pdf
There is also a useful guidance at www.cabinetoffice.gov.uk/public_service_reform/innovation/multi_channel.aspx

Surveying customer attitudes to different service channels

In February 2010 Waregem, Harelbeke, Wevelgem, Zwevegem, Kortrijk and Intermunicipal Association Leiedal commissioned MEMORI (Mechelen University College) to perform a survey of residents in their municipalities.

More than 3,000 citizens answered questions on the delivery channels they used for information and service provision and examined their satisfaction with municipal services.

The survey found that:

● **The digital divide still needs to be addressed**. The survey figures were encouraging: 4 out of 5 people are online. This 80% is higher than the Belgian average of 70%, and shows that Internet usage continues to rise. However, work remains to be done. Six percent of the respondents do not have any digital device, and 1 out of 5 people in the Kortrijk region do not make use of the Internet.

● **Local authorities need a channel strategy**. Different channels are used for different tasks: general information is communicated on websites and in information magazines, but the reach of newsletters can be broadened through the active provision of information. People like to be informed about leisure activities through websites. The situation is completely different when people wanted information on benefits/ subsidies and service applications: in these cases people wanted face to face service at a counter. Citizens preferred to use the telephone to report defects to the local authority - it is simple and the response is immediate. This survey supports the view that local authorities should communicate and interact with citizens in a more demand-oriented and especially more differentiated manner. Local authorities need to actively cater for the needs and requirements of citizens, and to provide a suitable range of services at the right time and place. This demand-oriented approach is already the basis for reviews of service provision with the participating local authorities. 'One size fits all' does not work for local authorities.

- **Local authorities need to focus on online transactions**. The survey shows that people use the internet for communication, for news and for finding information. Over half used the Internet for buying and selling, and 20% to submit online requests to the local authorities. The fact that more than 75% percent of the respondents already used the Internet for "serious" transactions such as online banking is a good precedent, and more than 20% had an eID card reader. The top 3 priorities for each municipality after the survey include a further expansion of digital service provision and online forms, as well as online monitoring of reported items.

- **Optimisation of telephone system and online contact**. Citizens in Kortrijk said they were satisfied with their contacts with local authorities by phone and through the local service point. However citizens did complain about the experience of using online channels - including no immediate response, an unclear website, a lack of personal contact, and doubts whether their question or request had been processed correctly. Although much attention was paid to user-friendliness in the latest versions of the municipal websites, there clearly remains room to improve the user experience. This also applies to the telephone services: effective and strategic use of the telephone system is sometimes overlooked.

- **Marketing of service provision**. Another lesson the municipalities learnt from this survey is that the range of (digital) services offered by local authorities is often poorly understood by citizens. While the authorities have developed many online service points and reporting forms, this work is often not recognised by citizens. Almost half of the respondents did not know which digital services were offered by their local authorities, despite the fact that their local authorities have been actively developing online service provision for a number of years. Better marketing of the range of municipal services and delivery channels is therefore required.

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Who are your priority customer groups?

You need to decide which customers are your priority. Your priority groups will be one or more of:

- existing service users whose behaviour you want to change (including adopting new services, shifting channels or using social marketing to change the way they do things)

- potential service users who you are not currently reaching

- sub groups within current or potential users who you are particularly keen to reach – such as socially excluded groups or those in a specific area or community where a new service is available

As part of deciding who your priority group are, you may want to segment your target audience according the ease with which you can get them to take up services or change behaviour – identifying what marketing experts call "low hanging fruit" who are receptive to the message you want to deliver. The work you have done on profiling your current and potential customers will enable you to do this.

Once you have identified these customers and their characteristics, you should then try and identify the numbers of customers in that group. You may wish to broaden the group you are targeting if its numbers are too low and would not be cost effective to target (in terms of the benefits – financial or otherwise – you anticipate from the change if you are successful).

Developing a municipal customer service strategy

The Municipality of Groningen in the Netherlands has developed new strategy for public service provision in 2014.

The key principles of the 28-page document can be summarised on one sheet of A4. This vision is based on three principles:

- Service provision from a citizen's perspective: following a demand-driven approach, looking for a balance between the wishes of the citizens and those of the organisation.

- Simplification and digitisation provides room for tailored services. By extending the digital possibilities the municipality of Groningen will create room for investments for specific target groups: citizens who the local authority wants to contact in person, who are not or not fully capable of living independently or who do not use the Internet.

- Groningen provides quality: defining a Groningen standard. In order to know what citizens think of the provision of services, Groningen to develop ongoing quality measures. Contacts with citizens are analysed, and there is a quality charter that sets out requirements which services must meet and the criteria by which the local authority can be judged by citizens. The municipality subsequently translated these basic principles into a number of service standards. For example: "Telephone. The caller immediately gets a municipal employee on the phone. There is no menu or answering machine, unless it is outside normal opening hours. The employee answering the phone is often capable of answering the question himself. If the caller nevertheless needs to be put through to someone else, the expert will be available or will contact the caller within 24 hours."

There are standards for the Internet, phone calls, letters, e-mails and information desks. It covers general principles in a way that is clear for citizens and employees. This process is important, because they felt that if the standards were too detailed the process would become too bureaucratic and lose sight of the strategy's objectives. Groningen spread this strategic message to citizens and businesses through a range of services and channels.

Measuring outcomes

Measuring impact - making outcomes measurable

Now you have:

- A definition and size for the group you are targeting with your service

- A business question defined as clear outcomes (increased take up, channel shift etc.)

- Quantifiable outcomes - i.e. they are expressed in figures (numbers or percentages accessing services, savings from channel shift per person, savings if citizens take up preventative services and don't end up using more costly reactive services, extra revenue from take up etc.)

You can now express the desired or target outcomes in terms of numbers which can be measured.

Marketing

What are the Messages and Media?

Your research or the commercial customer profile should have clues about the "hooks" your customers will respond to in order to define the messages for a marketing campaign. Your findings should also help you decide which media format you should use (newspapers, radio, emails, leaflets, posters, mail, websites, personal contact via call centres/intermediaries) to get your message to these particular groups.

Both the e-Voice and the e-Citizen projects did work on "multi channel marketing" approaches which will provide ideas on how you can design your marketing campaign.

You may have to compromise the design of a marketing campaign based on what is worthwhile, given the numbers you are reaching and the unit cost of different media, compared to the benefits you will accrue if you achieve your target outcomes.

Strictly speaking, the whole of the process outlined in this guide is "Marketing". Many people however think of marketing as just the marketing communications or "marcomms" element of the process – advertising, publicity, branding etc..

Designing your communications campaign

The easiest way to develop your campaign is to put it together in a table which has the following columns:

●   Market – who do you want to communicate with

●   Message – what do you want to tell them

●   Media – what channel you will use to communicate that message

●   Mode – when will you communicate these messages

Remember that your 'market' includes both internal and partner stakeholders as well as the customer group. Your plan should cover all the elements of your project, and not just focus on the end when you begin any the external publicity work. A good approach is to take all of the individual elements of your project plan, and to put each of them in the first column of a spreadsheet and to then think about the four Ms for each stage of your project.

If you follow this approach your table will look something like this:

Project element	Market	Message	Media	Mode
Project Initiation Document	Councillors Staff Partners Public	We are starting this exciting project and we want you to support it	Committee reports Media release one to one meetings	At month one

Testing your campaign – using Co-Design

Before you launch a marketing campaign it is always valuable to do some testing of the proposals with your customers via a focus group. This will enable you to revise your plans changes before you incur any significant expenses.

It is also worth either carrying out pilot campaigns or using a "control" area (where the campaign is not carried) out to see if there are measurable differences in service use/uptake that can be attributed to your campaign (as opposed to other things that are happening at the same time, such as more general media coverage).

Channel shift marketing campaigns

Norfolk County Council has been carrying out a range of pilots to test their customer profiling work in order to develop a large scale channel-shift marketing campaign that will publicise high volume services that can now be done online.

Their pilots have included:

- Seeing which customer groups use the free Internet terminals in libraries to make sure they are reaching the target groups of those on low incomes and older people.

- Plymouth's broader work in looking at users of library services is at http://esd.org.uk/esdtoolkit/News/NewsDetail.aspx?Item=622

- Seeing who wanted a brochure for the Trusted Trader scheme – there was significant use by better off groups

- Seeing who used the childcare information service – the largest group was "young singles" who are the target market – which identified gaps in service in some areas and backed up customer feedback

- Surveying online customers to see if they were satisfied with e-government services – men aged 40-64 and more deprived or older groups were less satisfied than average and the work identified that highways and social carer pages were the ones where improvements needed to be made

- Information was fed into other work on reducing avoidable contact, so that service areas where people could do more online if they had the information were prioritised. The council works with districts to reduce the numbers of calls it gets for them – almost 10,000 a year. Every 10% reduction in this saves around £3,000.

- Work is now underway to profile customers of Adult Education classes so the online enrolment and information service can be marketed appropriately to make channel shift savings, with similar work going on for applications for school transport.

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Marketing of free school meals

Tameside Council wanted to increase the take up of free school meals and to change the way customers applied for them. They used information on existing customers and then profiled them using MOSAIC to see which customers types were more likely to apply for free school meals and then used that to target marketing information.

In Norfolk, mapping free school meals was carried out to identify where people were eligible for the free Home Access computers from the government. The county council had info on numbers eligible per school from the annual School Census and this was matched against take up information provided by the national organisation running the Home Access initiative to see where there was high potential but low actual take up of the grants. This was the used to concentrate marketing at those schools where it would have the most impact.

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Measuring and evaluating the impact of your activities

Having defined the outcomes you expect to achieve - be they changes in take up, channel shift etc., you must ensure that you monitor changes in service use to see if you are delivering your outcomes. If you have a range of outcomes they will probably be achieved over different timescales, so it is useful to identify some which will happen quickly as well as others which will take place over a longer period.

Evaluating the impact of your work

As well as evaluating success in quantitative terms – such as take up or savings – you should talk to your customers again as part of a **co-design** approach to assess the qualitative changes you have delivered. Did you deliver a better service? Did customers get what they needed?

You should also ask them why it worked and how services can be improved in the future.

Rolling out a pilot to a wider audience

Having carried out this work, you can now (if appropriate) plan a wider service roll out of your service. This should include:

● A business case based on the financial or other benefits you have achieved, scaled up to your new area target or customer base

● Defining the **process changes** you need to implement

● Fine tuning of your marketing/delivery campaign based on customer feedback and **co-design**

● Your new target audience and any further profiling work that is necessary

Process Change

There are a number of elements you need to address when implementing process change.

These include

● Changing how systems work – including ICT/**e-government** (you may develop an internal or customer e-form or create new information for your Internet/ intranet, CRM or knowledge management system, or develop the integration between front office and back office systems)

● Changing the behaviour of staff and intermediaries (including **training** in new systems and processes)

● Change the behaviour of customers – perhaps by changing the channels they use ot access services.

appendices

Appendix 1   Benefits Mapping Exercise

Enabler	Business Change			Interim Benefit		End Benefit	Key Objective

Enabler
- Website
- Digitv
- Ordinary Phone
- Virtual Learning Environment
- Mobile Phone
- Voluntary / Community Sector Intermediary
- Public Sector Intermediary
- Access Points / Kiosks

Business Change
- Map services to customer profiles
- e-forms
- Online shopping service
- Phone forums
- Develop online training materials
- Text alert system
- Marketing mynorfolk
- Train intermediaries
- Provide computers (access points)
- Run / improve websites
- Online community forums
- Links to support networks
- Develop Virtual Learning Environments
- Provide mobile phones
- Provide computers (voluntary sector/ parishes)
- Translation
- Provide set top boxes

Interim Benefit
- More public use of online services
- More services available online
- More ICT skills
- Living more independently
- More participation in learning
- One stop service delivery
- Quicker access to information
- Greater awareness of mynorfolk
- Early intervention and problem prevention
- Reduced isolation
- Reduce travel to learning
- Develop new communities of interest
- Alert people to changes & new services
- Greater take up of services e.g. benefits
- More participation in employment
- Work from home or local centres

End Benefit
- Bigger market for local online services
- More private sector services developed
- Reduce travel distance & cost
- Services delivered
- More satisfaction with services
- More self help
- More services delivered via intermediaries
- Less problems become critical
- More effective use of ICT by intermediaries

Key Objective
- Better Service Delivery
- Reduction in Environmental Impact
- Services Delivered at Lower Overall Cost
- Services Delivered at Lower Unit Cost (Channel shift)

Appendix 2   Business Case Template

Business Case Template	Title: *Project Name*

Department: *Sponsoring department* Executive: *Chief Officer*	Project Manager:

Project Scope: *Summary of what the project will cover/include*

High Level Objectives/Outcomes: *List of the main objectives or outcomes the project seeks to deliver*

Financial Benefits:
Estimate of the savings which the project intends to deliver and approximately when they will be realised

	2006/07	2007/08	2008/09
Cashable (£)			
Non-Cashable (£)			

Other Benefits: *List any other benefits which the project will generate*

Estimated Costs: *Broad estimate of overall costs to complete project*

Key Resources: *Brief summary of resources needed for the project including fulltime project team*

Timescales: *High-level estimate of the time the project is expected to take from start to finish and any key milestones.*

Risks: *List of the key risks which could impact the delivery of the project e.g. its level of complexity*

Appendix 3

Glossary of Terms

ACORN –
a commercial product which splits people and families into different groups who share common characteristics based on where they live. Each of these groups has a profile which describes what they are like in terms of a wide range of behaviours and circumstances. Produced by CACI with a European wide version and one for each country in the North Sea region based on local data.

Business Process re-engineering –
basically changing the way you do things and deliver services. This generally involves looking in detail at the internal processes you use – who collects information, where is it sent, who makes decisions, how are they actioned – to see if some of them can be speeded up or removed. It often involves comparing how similar processes are delivered and looking at e-government tools to see if they can deliver improvements such as electronic forms.

Channel Shift –
persuading customers to use cheaper – generally online – ways of getting services or information instead of more expensive ones. This is particularly the case where services can be accessed on a self service basis via things like electronic forms or directories.

Channel Strategy –
Describing what is the best way for customers to contact the local authority in terms of customer satisfaction and cost effectiveness and then producing an action plan to deliver that. The action plan can include making sure the services are available in a way people can easily use and marketing the new ways we want them to access them.

Co-design –
Working together with customers to decide how services will be delivered. This generally means more than simply carrying out a consultation process asking for views and involves talking to them face to face. In the best cases it will include in depth customer testing and even asking them to say how services work before starting to design them.

Community profile –
a pen picture of what we know about a particular area. This should include statistical information about the people and businesses based there and issues like crime, health, education etc, but can also look at the physical environment – open space, roads etc – hard and soft resources such as schools, health services, clubs and societies, and the range and level of services being delivered in that area

Control –
in testing new resources or approaches a control is an area which has similar characteristics to the place where the test is taking place but where you do nothing new. This means you can be reasonably sure any changes in the test area are the result of what you are doing rather than general outside changes.

CRM –
Customer Relationship Management: the computer database on which you record information about what services people have requested and been given

Customer Journey –
the process people go through to access a service from their point of view rather than that of the organisation. Who do they have to talk to (and how many), how long do they have to wait, what information do they have to give, and how are they treated and feel at each stage. The output looks like a standard process map, but includes an assessment of their level of satisfaction at each stage.

Customer Profile –
a pen portrait of a group of people or families who share similar circumstances. These circumstances include the sort of homes they live in, income and employment, skills, the size and age of the family, and their habits in things such as health, entertainment, shopping etc. It will also include which services they regularly use. These are produced by matching statistical information (80% of people in this sort of job live in this sort of house) and building on this by attaching survey and other information where you look at the views or behaviour of each profile.

Data matching –
taking two or more data sets with a common element such as address and adding them together so you can see where there are statistical matches – 60% of people who borrow library books also go to museums.

Data Protection –
making sure personal information gathered by public or private organisations in the delivery of a service is not used for other purposes or shared without the permission of the individual involved.

e-Government –
using information and communications technologies – especially the internet – to deliver services that in the past have been delivered by talking to a person face to face or on the phone or on paper. These services can be internal processes as well as customer services and will include using internet or computer based information to support person to person service delivery.

Focus groups –
a representative group of customers who are brought together to talk through issues based on their knowledge and experience. They can be representative either because their characteristics match those of the general public or because they have particular needs or interests or belong to a particular group. Generally focus groups will have specific questions you want them to give answers to, but the discussion is more open ended than you would get with a questionnaire.

Geospatial data –
any data which has an address attached to it. This can be a postal address, an area such as local government electoral division, or a map reference.

GIS –
Geographic Information Systems. Computer systems that present information in map form rather than words, figures or other sorts of pictures.

ICT –
Information and Communications Technologies. Not just computers but also telephones, and any technology that stores, manipulates, communicates or displays information electronically.

Indicators –
Data which helps us understand what is happening in the real world. These can relate to

- process (what we do such as the number of forms we process)
- outputs (what we produce such as the value of welfare benefits we pay) or
- outcomes (what difference we make such as a cut in the number of people below the poverty line).

They can be indicators of

- actual change (numbers of qualifications children get) or a
- proxy indicator (the number of potholes we fill in as indication of how good the roads are).

In some countries such as England, central government sets out National Indicators which other public sector organisations have to report on regularly and which are used to assess how well they are serving their local citizens and businesses.

Intermediaries –
people who help customers get access to our services who we do not directly employ. They can be friends and family of the customer, voluntary organisations helping particular groups, or other public sector organisations who offer one stop services or can signpost what is available from other agencies.

Knowledge Management –
a structured approach to making sure what people know in the organisation about how services are delivered and customers being served is available to everyone in the organisation who needs it, when they need it. This is commonly done using networked computers including intranets or the internet.

Marketing –
the process of making sure your products or services achieve their full potential in terms of sales or take up. The full marketing process includes understanding customers and rivals in the marketplace, product design. And pricing as well as Marketing Communications (Marcomms) such as advertising, branding and publicity.

MOSAIC –
a commercial product which splits people and families into different groups who share common characteristics based on where they live. Each of these groups has a profile which describes what they are like in terms of a wide range of behaviours and circumstances. Produced by Experian with a European wide version and one for each country in the North Sea region based on local data

National Indicators –
in England central government sets out National Indicators which other public sector organisations have to report on regularly and which are used to assess how well they are serving their local citizens and businesses.

OAC –

an open source product which splits people and families into different groups who share common characteristics based on where they live. Each of these groups has a profile which describes what they are like in terms of a range of behaviours and circumstances. Produced by the Office of National Statistics in the UK.

Outcomes –

what difference we make, such as a cut in the number of people below the poverty line or reduction in CO2 gases.

Outputs –

what we produce such as the value of welfare benefits we pay or the number of people we train.

Personnas –

the description of a typical member of a group such as a customer profile or priority group as if they were a real, named, individual.

PRINCE –

a UK based very structured project management methodology which is widely used by the public sector. The full PRINCE methodology is thorough and can be over complex for small projects so many councils in England use "cut down" versions which are more appropriate.

Process mapping –

a visual way of representing the process of delivering services to internal and external customers. This will typically look at each stage to understand which agencies and officers are involved, what the information flows are, where decisions are made and any points where eligibility criteria are used. It is particularly useful where there are several ways in which the process can be started. Having mapped out the process it is then easier to compare with similar processes to se if there is room for improvement. For example is the process for applying for a concessionary bus pass the same for a student as a pensioner or someone on state benefits?

Qualitative Analysis –

looking at information which has been gathered as a result of open ended questions. There is often a quantitative element to this through either comparing the number of people who gave similar answers or raised similar issues or through taking the answers from a small representative group and multiplying them up by the number of people in that group across your area. Although the questions are open ended it is still important to use the same set of questions with everyone so comparing answers is easier.

Quantitative Analysis –

looking at information which has been gathered as a result of questions which have predetermined answers which people choose from. Sample sizes are generally bigger than for qualitative work although they are generally still representatives of the population as a whole rather than the whole population and answers are them multiplied up to estimate the view of the whole population. There is still a subjective element to rake account of as the answers given depend on the way the question is asked. Note that it is generally advisable to use both qualitative and quantitative techniques – you can use qualitative work to test the questions and answers with a bigger sample group or you can take the answers to quantitative work to get more detail with an in depth discussion with a smaller group

Social marketing –

using marketing techniques to change people's behaviour rather than simply increasing take up of a product or service. Examples would be encouraging people to take more exercise or eat more healthily, or to recycle more of their rubbish. Encouraging channel shift is a social marketing exercise.

Super Output Area –

the geographical area at which information from the national census is published in Britain. Generally speaking this is the smallest area at which statistics are published and SOA's are used to build up to larger areas like local government electoral boundaries or areas such as post codes.

Systems Integration –

using software and data standards to link together or share information held on different computer systems. It is more and more common to do this using internet based standards such as XML schemas.

Unit costs –

the average cost of delivering a particular transaction or service. For example customers may have to fill in a form to request a service. The unit cost of this will vary between face to face, telephone or online methods because the cost of staff supporting that transaction and the building costs of face to face services will differ for each channel. Which costs are included, and then divided by the volume of transactions, can vary, but direct customer access staff and buildings and ICT costs should always be included.

User needs –

understanding what customers need, not just in terms of the services they get, but the way they get access to those services. This should always be assessed by actually asking customers, although there are a range of ways in which you can do that.

www.smartcities.info

www.epractice.eu/community/smartcities

www.northsearegion.eu
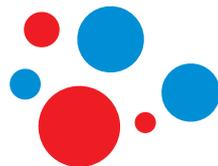
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