

PERSONALISATION – NEW MODELS IN PUBLIC SERVICES

'The genie in the bottle'



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‘The genie in the bottle’

Personalisation - in which services are tailored to the individual needs of users - offers some beguiling promises that cut to the very heart of the delivery of citizen-centric services. The question as to how far to extend choice to citizens is as old as democracy itself. Personalisation promises to extend citizen choice, empower citizens, bring the marginalised back into society and involve taxpayers in demonstrating value for money.

Vertex, as a company that interacts with 1 in 5 of the UK population every week, believes that the personalisation agenda holds a radical promise to citizens but with potentially significant costs. These costs will grow exponentially once citizens really understand what personalisation means for them and demand for such services increases. The genie, promising wishes and choice for all, will have been released from its bottle.

Engaging citizens in public service delivery

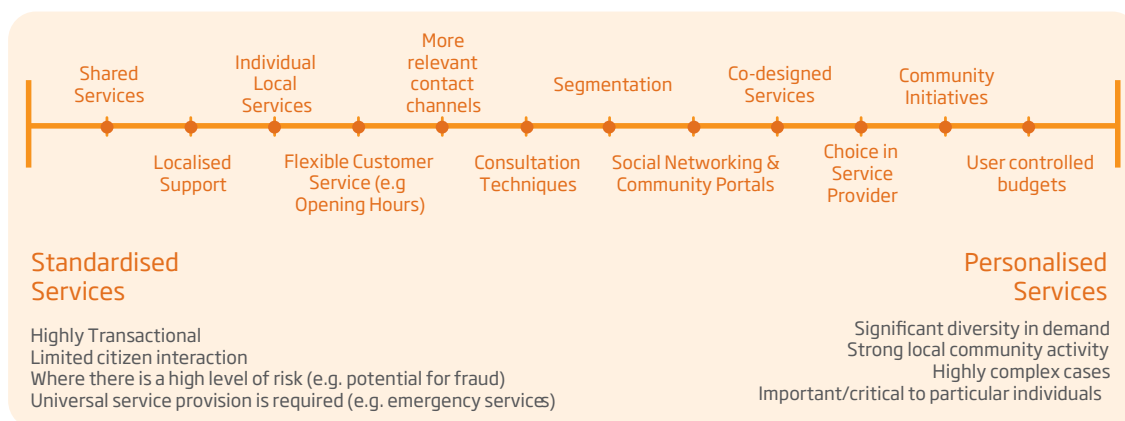
The quality and choice of engagement delivered by private sector exemplars of customer service, for example Amazon, IKEA, First Direct and Easy Jet, highlights to consumers just what can be achieved when they participate in the shaping of the services they require. In this context, it is not surprising that many feel sceptical about “big” government and are therefore more likely to welcome the effective development of personalisation in the public sector.

But this is not just a one-way street. Government recognises that a proportion of the population plays little or no part in the democratic process, and is potentially excluded from society. Personalisation could therefore be an effective mechanism to engage with this audience.

It is this fusion of demand and desire that has put the concept of personalisation at centre stage. But if the concept is to become a highly effective approach that underpins the future delivery of many public services, government decision makers will need to assess the areas of delivery most suited to personalisation, and recognise the steps that need to be taken to deliver sustainable success.

Which services? What strategy?

It is Vertex's view that many public services do not lend themselves easily to personalisation. The desire for achieving real step changes in efficiency and cost, in which a more standardised approach to service delivery through for example, shared services, means that different government agendas could be seen to be in conflict. The personalisation concept will not apply to every circumstance if other competing and more compelling objectives exist.



Standardised/personalised services spectrum

Instead, services should be viewed across a spectrum – from the standardised to the personalised. Those services that feature both a significant diversity in demand and that are critical to individuals will be the ones that are most suitable for personalisation. These services tend to be those found for example in the education and health arenas. Services that are less diverse in need and less critical to customers will be more suitable to a standardised or shared service approach in which cost containment is a more significant objective.

The issue of containing cost will only be accentuated by the success of personalisation in the public sector. Once citizens really understand the concept of personalisation and, more especially, when they start to enjoy the benefits, the demand for such services could well be immense. Such demand could place a significant burden on budgets, raising citizens' expectations to a level that cannot be sustained and potentially placing in jeopardy the delivery of essential services.

So where should government start when resources are finite and criticism comes from some commentators that personalisation is "too big, too difficult, and too expensive" to be effective?

Taking the first steps towards personalisation

In Vertex's experience, tailored services can be delivered in a cost effective manner by focused investment in three areas

First, instead of offering a fully tailored service to each individual, services should be aimed at customer segments to focus service delivery to cohorts of people with common characteristics. Under such an approach, different segments will receive their own targeted services, interaction channels and targeted communications.

Secondly, self-service trials can be undertaken. Self-service holds the potential to combine the personalised and standardised approaches – delivering tailored services upon a shared platform across multiple organisations. Moreover, using technologies such as digital television and community portals, self service could reach and engage excluded citizens.

Thirdly, public services should look to follow the lead taken by many private sector organisations in shaping their personalisation journey around effective people-based performance management. By focusing upon their recruitment and induction, retention, absence and attrition, training and development as well as customer focus skills, private sector organisations such as First Direct have delivered seemingly highly personalised services.

Once the public sector can point to clear evidence of success and proven business cases from trials that have been shaped around segmentation, self-service and an innovative culture, then personalisation will be ready to become a reality.

Are you ready to make personalisation a reality?

- Have you asked your customers which services they would like to receive on a personalised basis?
- Have you built the business case for personalisation of services?
- Have you assembled the implementation team? Including customer services, policy, ICT, transformation and service delivery members.
- What quality controls will you have in place for passing control to citizens?
- Do you understand how personalisation will impact your engagement with other parties – the LSP, other Departments, the Voluntary Sector and the private sector?
- Do you have service strategies and a channel strategy for each of your customer segments?
- Have you impact tested your ICT Strategy? Do you know how suitable your customer database is?
- What strategies do you have for customers to update their own content and information?
- Do you understand the citizen interaction skills that are required for personalisation? How will you address any gaps?
- Does your organisation understand the marketing techniques required for personalisation and segmentation?

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