

# Forecasting the Customer of the Future



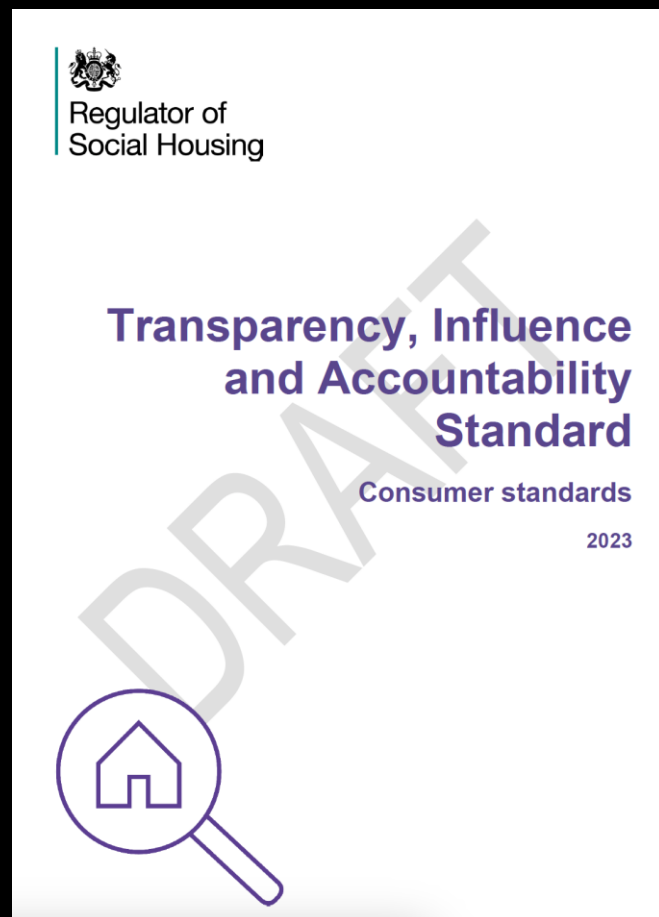
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# What I'll cover:

- **PART 1 - Background to the research**
- **PART 2 - Research design**
- **PART 3 - Research findings**
- **Summary of key arguments**
- **Q&A**

# PART 1 - Background to the research

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## Service Research Priorities: Managing and Delivering Service in Turbulent Times

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### Abstract

Transformative changes in the societal and service context call out for the service discipline to develop a coherent set of priorities for research and practice. To this end, we utilized multiple data sources: surveys of service scholars and practitioners, web scraping of online documents, a review of published service scholarship, and roundtable discussions conducted at the world's foremost service research centers. We incorporated innovative methodologies, including machine learning, natural language processing, and qualitative analyses, to identify key service research priorities that are critical to address during these turbulent times. The first two priorities—*technology and the changing nature of work* and *technology and the customer experience*—focus on leveraging technology for service provision and consumption. The next two priorities—*resource and capability constraints* and *customer proactivity for well-being*—focus on responding to the changing needs of multiple stakeholders. Further, we identified a set of stakeholder-wants from the literature and include research questions that tie key stakeholder-wants to each of the four priorities. We believe the set of research priorities in the present article offer actionable ideas for service research directions in this challenging environment.

# PART 2 - Research Design

# Research Design – Delphi Research

- Originally developed during the cold war in the 1950's, it applies a research technique using an expert panel provided with multiple rounds of questioning to identify answers for a specific area of interest.
- Our research considered opinions for a future timeframe of 3 to 5 years, therefore supporting social housing operational and strategic planning cycles and providing a strong emphasis upon 'practice', ensuring the work was grounded in contemporary challenges faced by social housing providers.

# Research Design – Delphi Research

- A panel of 35 experts were identified
- Four groups: Policy, Technology, Operations management (including senior leaders / CEOs and front line operational roles, e.g. housing officers and customer service advisors, lettings and allocations staff), and tenants.
- Roles representing equality, diversity and inclusion were also covered.



# Research Aims

To explore what the customer of the future in social housing may look like in the next 3 to 5 years, and;

How social housing providers may need to evolve in order meet their customers' future needs.

# PART 2 - Research Findings

# Research Findings – Round 1

**“Round 1 asked the expert panel for their perceptions of the future”**

# Research Findings – Round 1

- Needs and Priorities
- Challenges
- Opportunities
- Barriers
- Evolving Technology

# Research Findings – Round 1

## Needs and Priorities

- An increased demand for social housing properties
- Improvements in the quality of properties
- A focus on energy consumption (reflective of the cost of living crisis as a means to reduce day to day energy costs)

# Research Findings – Round 1

## Challenges

- Cost of living crisis / affordability / concerns about energy costs
- Meeting the increased housing demand and supply
- Provision of a broad spectrum of housing to meet different needs
- Focussing upon property quality

# Research Findings – Round 1

## Opportunities

- Service - Role of technology as a solution to improve service delivery
- Properties - The provision of sustainable homes to address environmental agendas, and a greater use of volumetric modular construction of properties

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- Customer Culture –
  - Move away from ‘contractual’ relationships to more ‘co-operative’ approaches
  - Consumer expectations - Move away from the traditional 9 to 5 service offer
  - Return to core social purpose (“back to customers and communities”)



# Research Findings – Round 1

## Barriers

- Policy and Economic Perspective:
  - Government Policy Changes - Leading to uncertainty
  - Economic Volatility - Rising costs, economic impact
- Property Perspective:
  - Cost of retrofit
- Service Perspective:
  - Lack of skills for new technology adoption / and adoption for automated services
- Technology:
  - Data security; the longevity of technology (“*it’s always evolving*”); and a lack of awareness of customers’ needs

# Research Findings – Round 1

Evolving Technology ('How technology will evolve in social housing to benefit customers')

- Service perspective:
  - Artificial intelligence
  - Simpler forms of technology such as apps
- Property Perspective:
  - Smart home devices
  - Renewable energy
  - Off-site construction

# Research Findings – Round 2

**“Identifying aspects which would make the  
*greatest impact in practice*”**

# Research Findings – Round 2

- The non-technology service offer:
  - Top 3:
    - Tenants relationship with the housing association / housing officer
    - Greater emphasis upon community engagement
    - Undertaking co-design of services between tenants and the housing provider
- The technology based service offer:
  - Top 3:
    - Ability for online services
    - Addressing digital inequality
    - Smartphone apps

# Research Findings – Round 2

- Sources helping to achieve improvements:
  - Top 3:
    - Culture change (operational and governance)
    - Increased innovation
    - Sharing best practice
    - Challenging stigma in social housing

# Research Findings – Round 3

“Ways To Achieve Improvements In Practice”

# Research Findings – Round 3

- Theme 1 – The Property Offer
- Theme 2 – The Non-Technology Service Offer
- Theme 3 – The Technology Service Offer
- Theme 4 – Tenant Empowerment

# Research Findings – Round 3

- Theme 1 - Property Offer (improving property standards)
  - Understand the quality of existing stock
  - Review the decent homes standard
  - Develop better quality assurance measures
  - Use technology as an enabler
  - Enable co-creative practices with customers
  - Ensure staff can challenge standards
  - Focus planned maintenance on insulation
  - Deliver the basics really well



# Research Findings – Round 3

- Theme 2 - Non-Technology Service Offer
  - Provide human-centred services (*“Reinstate a single point of contact model with plenty of in-person contact...”*)
  - Put customers at the heart of organisational culture
  - Be willing to try new approaches

# Research Findings – Round 3

- Theme 3 - Technology Service Offer
  - Develop the use of online forms and live chat functionality
  - Provide fair access to digital services
  - Enable the same functionality through apps
  - ‘Digital’ should not replace ‘human’

*“Whilst digital can yield massive improvements to service delivery, it should not be a replacement for real conversations with tenants, including face to face engagement”.*

# Research Findings – Round 3

- Theme 4 – Ways to Improve Tenant Empowerment
  - Provide ongoing engagement, and understand evolving needs
  - Demonstrate links between tenant voice and positive change
  - Use feedback as a formal stage in policy development
  - Ensure providing feedback is simple

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- 6) Greater need for accountability
- 7) Technology expected as standard
- 8) 'Tenant Voice' will increasingly influence service design



Questions?