



## ***Research report***

# **Improving the Customer Experience score**

Qualitative research with individual taxpayers to explore the key drivers of satisfaction and dissatisfaction with their experience of contacting HMRC through a range of channels

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**Improving the Customer experience**

## *About Personal Tax Customer & Strategy (PT C&S)*

PT C&S is part of HM Revenue & Customs (HMRC) and works with colleagues in the Personal Tax business area and across HMRC to help develop our approach to implementing the customer centric business strategy. We use customer insight to help design, deliver and operate services for individual customers which

- improve customer experience
- maximise tax yield
- serve willing and able customers at the lowest possible cost to them and us
- ensure that those who need help get the support they need, when they need it.

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## Improving the Customer experience

### *Research requirement (background to the project)*

HMRC have committed to increase the proportion of call attempts handled to 90% and to respond to 80% of post within 15 working days and 95% within 40 working days by the end of SR10. Against this background of improving performance, HMRC wanted to better understand what else they could do to improve personal tax customers' perceptions of their experience of dealing with HMRC: in particular, the 3 dimensions that make up the Customer Experience headline measure, 'customers find us straightforward to deal with'. These dimensions are:

- 'ease of getting in touch'
- 'ease of understanding what to do'
- 'ease of completing the process'

The specific objectives were to:

- Understand better the drivers of satisfaction and dissatisfaction with the customer experience
- Provide examples of positive and negative experiences in dealing with HMRC
- Understand how different factors influence consumers' perceptions, and how these factors are interrelated
- Provide actionable recommendations for ways in which HMRC can improve customer experience

### *Method, Data and Tools used, Sample*

Eight focus groups, each lasting 1½ hours, were conducted in London, Birmingham, Glasgow and Manchester. The sample included PAYE only customers, Self Assessment (SA) customers and pensioners across a range of ages and social grades. All customers included in the discussions had had some form of contact with HMRC in the previous six months, including by telephone, post, online or in person. The sample included a mix of those who were positive and negative about 2 or more aspects of their experience of dealing with HMRC regarding this issue.

The research was one of two pieces of qualitative research commissioned to explore this issue and generate actionable insights, the other being re-contact interviews with customers who had previously taken part in the HMRC Customer Survey and had rated their experience as neutral or negative on at least one of the three dimensions in the Survey. The findings from this research are published in parallel with those from this study. <sup>1</sup>

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<sup>1</sup> Report on improving Personal Tax Customers' experience of dealing with HMRC

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## Improving the Customer experience

### *Main Findings*

#### *Consumers' expectations and perceptions*

- Prior to contact many had positive expectations that HMRC would be efficient and that their enquiry would be resolved quickly
- Many customers feel that their query or interaction is something very straightforward and very routine for HMRC. There is also an expectation that HMRC will be joined-up in terms of technology and service – so whoever they speak to will have all the information needed to deal with their particular query
- Particularly for PAYE customers, interactions with HMRC are often characterised by a degree of anxiety and lack of control
  - There is an imbalance of knowledge – consumers aren't tax experts
  - There is an imbalance of consequences – HMRC has the ability to take money and punish; the customer feels they are powerless and has no power of redress
  - There is an imbalance in interactions with staff – staff have access to people's histories, and there is a concern that upsetting them may exacerbate any problems
- This feeling of anxiety is compounded by unclear communications, difficulties in contacting HMRC, inconsistency of service, feeling time-pressured, and often facing an accusing/adversarial tone
- It is worth noting that although HMRC thinks about the journey as having distinct stages, customers see it in a much more rounded way – for example, the experience they have getting in touch can colour their whole perception of the interaction
- If customers have a difficult experience they tend to remember (and evaluate) the elements that caused them most frustration, even if in some cases they have subsequently had a much better and more satisfactory interaction.

#### *Customer experiences of 'getting in touch'*

- Telephone is the most common form of contact, as people feel it will offer a quick and convenient way to resolve a query or seek clarification. It is the most top of mind type of experience and therefore plays a big part in driving overall attitudes towards HMRC
- Waiting time is the key factor influencing satisfaction with getting in touch, and customers report a wide range of experiences – some making swift contact, others taking hours and sometimes days to get through
- The key to satisfaction is getting swift access to someone who can help, and there is common agreement that waiting times are too long – 5 minutes is seen as the longest acceptable time, although many people are currently waiting much longer than this
- Any frustration is made worse by not having any sense of how long the wait will be, and information on likely wait times, or the option for HMRC to provide a call-back, would be very welcome
- Some people express concern that the 0845 number is inappropriate for HMRC as they are aware of the time being spent on hold and feel under time pressure

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- One suggested improvement to aid ease of getting through is to have specific numbers for different departments to help with navigation and ensuring customers speak to the right person more swiftly
- Providing some basic information on the IVR system might help resolve some very basic queries, but in the main people are calling because they want the reassurance of speaking to someone about their query or issue
- There are mixed views on the HMRC website – some people find it very clear and informative, while others feel it is difficult to navigate and search, proving a time-consuming experience
- People who have difficulties with the website are often driven to phone HMRC in the hope that this will provide the reassurance and resolution they haven't found online
- A number of SA website users spoke of the difficulty of obtaining a password to access their online account. They assume it will be something that can be instantly generated by email and are frustrated when they have to wait up to 10 days to receive it by post
- Few people are choosing to contact HMRC by post. It is felt to be too slow, and as a channel has low accountability – there is a concern that there will be no response or not a clear resolution
- There is an anticipation that an ideal postal response time would be between five and seven days
- Where people are experiencing a slow response to postal communications, this is causing them to call up to find out what's happening, adding to the pressure on the contact centres
- Customers would be open to communication with HMRC via email – it is felt to be a quick and convenient option commonly provided by other organisations, although people would expect an automatic confirmation of receipt providing guidance on expected response times (expect 5 working days)
- A few people choose to visit their tax office in person because it is an easier option offering the potential for reassurance; for others a face to face interaction is a final, exasperated measure to reach resolution. As with telephone, there is variability in the experience driven by the individual they encounter on their visit.

### *Customer experiences of 'understanding what to do next'*

- One of the key factors affecting satisfaction with 'understanding what to do next' is the helpfulness of HMRC staff – however customers deem it to be "hit and miss" whether the person you speak to is pleasant, helpful and knowledgeable
- Satisfaction comes from speaking to friendly and polite staff who are knowledgeable, empathetic and able to explain things clearly – and ideally only having to deal with one person to resolve the issue. There is an expectation that HMRC will have the technology to ensure there is at least continuity in understanding their contact history and what has previously been discussed.
- An excellent call handler can go some way to mitigate frustration from call waiting times if they demonstrate empathy, provide a clear response, and are felt to solve the issue
- Customers are dissatisfied when the staff they speak to are bored or condescending, speak in an accusatory manner, don't listen, or are unable to deal with the issue or

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provide a clear explanation. Some customers do acknowledge that if they spend a long time on hold they are probably quite frustrated and/or anxious themselves, which could adversely affect the interaction

- Customers report inconsistency in the knowledge levels of the members of staff they speak to, experiencing completely different answers from different people, leaving them uncertain as to what action, if any, they need to take
- The key to driving satisfaction with the HMRC website in relation to ‘understanding what to do next’ is presenting information in a way that is easy for people to understand. Some people find this with the current website, but others are struggling with it, and this isn’t helped by the layout being quite text-heavy

### *Customer experiences of ‘completing the process’*

- As with ‘understanding what to do next’, this element of the customer experience is impacted by the quality of the interaction with HMRC staff and satisfaction is higher where customers feel they have spoken to someone helpful and understanding who has provided reassurance that the issue has been resolved/will be resolved
- Receiving a written communication – either by letter, email, or even text message – could be a helpful way to signal resolution from HMRC’s perspective
- Many customers don’t feel they actually reach a conclusion to their interaction or process. This can be for a variety of reasons:
  - The outcome or situation is too complicated and hasn’t been explained clearly enough
  - They simply give up because it’s not worth the hassle to pursue the matter further
  - They are happy with a result that seems to be good, or at least better than they had feared, so they don’t bother to pursue an explanation
- Customers are also wary that some things never get fully resolved - people spoke about getting letters relating to tax issues from several years previously, so there is a perception that things can reappear at a future date
- Ultimately it is the actual outcome that matters most to customers, rather than their experience of the process – particularly when the issue is urgent or causing anxiety

### *Key recommendations*

- The top priority for customers is to improve waiting times – and at the very least to provide information on how long they may be on hold, or offering the opportunity for call-back
- For people to make greater use of the website, there should be clearer pointers in any communications to specific content through direct links rather than the homepage
- There needs to be much greater consistency in having helpful staff who demonstrate empathy towards customers – a little bit of humanity can go a long way

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- Clearer written communications and information can allay a lot of queries and concerns, using simple language that people can understand
- HMRC should provide a follow-up confirmation by email, letter or text so it's clear to the customer whether or not the situation has been resolved

### *When the research took place*

The fieldwork took place between 22<sup>nd</sup> and 28<sup>th</sup> March 2012.

### *Who did the work*

The project was conducted by Opinion Leader.