



IFF Research

HMRC Customer Survey Qualitative Development

HM Revenue and Customs Research Report 395



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1 Executive Summary

- 1.1 To inform future questionnaire design and content for the Customer Survey, HM Revenue & Customs (HMRC) commissioned IFF Research to conduct development work for the Customer Survey 2015 – 2018. This document reports the findings from qualitative research undertaken on behalf of HMRC by IFF Research. 20 telephone depth interviews were conducted with HMRC customers across the three key audiences; individuals, businesses and agents representing individuals and businesses, to explore how HMRC customers form opinions on their customer experience.
- 1.2 In terms of their relationship with HMRC, Agents were typically in frequent contact with HMRC, using a variety of contact channels in their communication, including online, telephone and post. This was usually initiated by the agent rather than by HMRC. The majority of businesses communicated with HMRC over the telephone and online, the frequency of which varied from business to business. Individuals mostly said they had contact with HMRC over the telephone; this tended to be around two to three times a year.
- 1.3 The majority of agents felt that they were able to recall their experience of HMRC at least over the last year - typically reporting that contact over the telephone and negative experiences were more likely to be remembered most clearly. Findings with businesses and individuals were in line with this – they feel comfortable to recall experiences over the last year, with telephone the most memorable form of contact, largely given its more personal nature than online interactions.
- 1.4 The majority (across all three audiences) felt that they would be able to form an overall opinion of HMRC – although they had difficulty articulating how they would do so, and there was not a consensus as to whether more weight would be given to positive or negative experiences.
- 1.5 Although customers felt that they would be able to give a view on ‘light touch’ dealings, such as making payments via cheque for PAYE or NI, they indicated that these ‘light touch’ dealings were not likely to be given a great deal of weight in forming their overall perception of HMRC, if any.
- 1.6 Good customer service for agents centred on achieving a satisfactory outcome. However, where businesses were concerned, although this was important, other service factors such as staff being polite and friendly were also seen to be of high importance. Individuals cited a range of factors as integral to good customer service, including a polite, approachable and friendly service, being able to get an accurate answer and being able to contact somebody easily. It was also clear that being able to speak to a person, rather than going through an online service, was important to individuals. Customers felt that this reduced the risk of not receiving accurate or relevant information.
- 1.7 All three audiences felt that the quality of information provided was central to receiving a satisfactory service. In addition, agents saw finding answers as particularly important, businesses felt the outcome of their experience was key, and individuals highlighted finding information as particularly important to them.
- 1.8 Agents were the most likely to use HMRC digital services and had a primary expectation that these services should function effectively. Businesses and individuals had typically used HMRC’s digital services, although to a lesser extent, but their expectations centred more on easy navigation.
- 1.9 General perceptions of HMRC were felt to come from customers’ own experience, rather than a broader view; as such, a view that HMRC administers taxes effectively was highlighted as one of the most influential factors on overall perceptions.



2 Introduction

Background

- 2.1 Her Majesty's Revenue and Customs (HMRC) is the non-ministerial government department responsible for administering taxes and some benefits and tax credits in the UK. As part of its role, HMRC is in frequent contact with businesses and individuals through a range of channels. HMRC's Customer Satisfaction Survey is used to evaluate overall customer experience to understand which services, products and processes are working well, and which require improvement. The survey is carried out with three HMRC customer groups; individuals, businesses, and agents working on behalf of businesses and individuals.
- 2.2 To inform future questionnaire design and content for the Customer Survey, HMRC commissioned IFF Research to conduct development work for the 2015 – 2018 stage of the Customer Survey. This development work comprised of two main areas; survey design and questionnaire design and content.
- 2.3 This document reports the findings from qualitative research undertaken on behalf of HM Revenue & Customs (HMRC) by IFF Research to explore how HMRC customers form opinions on their customer experience.

Overall objectives

- 2.1 The main focus of the qualitative research was to explore key concepts that appear in the Customer Survey from a customer perspective, in order for the Customer Survey to produce meaningful and actionable data. The qualitative phase also aimed to identify any other issues that have not been captured previously, and to highlight issues and content that may be unsuitable for inclusion on the Customer Survey.
- 2.2 Interviews focused on the following key areas for each customer type:
 - Customers' relationships with HMRC;
 - Ability to recall information and how this is used to form their overall experience;
 - Customer experience expectations;
 - Digital experience; and
 - How customers capture their perceptions of HMRC.

Methodology

- 2.3 20 telephone depth interviews were conducted with HMRC customers across the three key audiences; individuals, businesses and agents representing individuals and businesses. Interviews lasted approximately 30 minutes.
- 2.4 Interviews were audio-recorded with respondent permission and a detailed summary written by each interviewer. The interviews were analysed by entering the key information from each interview into an analysis matrix; the matrix allowed the responses given to be compared across many interviews in order to identify recurrent themes and sorted by customer type; business or agent size and by age of individual customers.



- 2.5 It should be noted that whilst 20 interviews can provide a useful insight into the customer perspective, a sample of this number means that the ability to extrapolate findings to the wider population is limited. Findings should therefore be treated as indicative only.

Sample

- 2.6 TNS-BMRB, the agency commissioned to work on the previous HMRC Customer Satisfaction Survey, provided IFF with a random selection of sample for each quota group. These respondents had taken part in the previous survey and agreed to be re-contacted by HMRC or agencies working on its behalf in future research.
- 2.7 IFF requested enough sample to achieve a one in ten participation rate, which would provide a cross-section of customer types, particularly across different business/agent sizes and ages amongst individuals. The following table shows a breakdown of the sample received for each quota group and the number of interviews achieved within each of these groups.

Quota	Sample received	Interviews achieved
Individuals – Tax payers	40	4
Individuals – Those in receipt of Benefits or Tax Credits	45	4
Small Businesses	49	8
Agents	87	4
Total	221	20

3 Relationship with HMRC

Type and frequency of contact with HMRC

Agents

- 3.1 Agents typically used a variety of contact channels in their communication with HMRC, including online, telephone and post. This contact was usually initiated by the agent rather than by HMRC.
- 3.2 In terms of frequency of contact with HMRC, agents used the HMRC website and online services very frequently, in most cases daily. Other types of contact via the telephone and post were less frequent, but still fairly regular.

'We do online filing so 99.9% of the tax returns are lodged online through our 3rd Party software, IRIS. We'll check the VAT payments [online], using the HMRC manuals is handy as well. This is all daily.'

Agent, 10-49 employees

- 3.3 The main HMRC products and services that agents said they used included online filling for Value Added Tax (VAT), Pay as you earn (PAYE), Self-Assessment, Corporation tax and the Construction Industry Scheme. In terms of telephone contact, agents mentioned that they used the Agents Line for income tax, the employer helpline and the contractor helpline.



Businesses

- 3.4 The majority of businesses communicated with HMRC over the telephone and online – only one business said they had had no contact with HMRC either through the website or over the telephone but had sent in cheques for PAYE and National Insurance (NI).
- 3.5 The frequency of contact with HMRC varied from business to business but online contact tended to be a couple of times a month, whereas telephone contact was less frequent, around a few times a year.
- 3.6 Businesses experience with HMRC centred around tax returns, VAT payments and PAYE.

'Mainly do PAYE and VAT online and talk on the phone if there is a problem.'

Small business, 1-9 employees

Individuals

- 3.7 Individuals mostly said they had contact with HMRC over the telephone, although a minority did say that as well as communicating with HMRC by telephone they also used online channels. On the whole, individuals communicated with HMRC over the telephone two to three times a year – for individuals who we knew to be in receipt of tax credits or child benefit, this was what the contact concerned. For the other individuals, contact was largely about income tax.

'I've phoned the Tax Credits helpline a couple of times and [phoned about] Child Benefit to inform them of my baby. Just prefer to speak to someone because you get that confirmation over the phone that the information is correct, sometimes it can be confusing online whereas on the phone you get that personal feedback.'

Individual, benefits and credits, 35-49 years old

- 3.8 For individuals responding in relation to PAYE, contact centred on queries about their income tax or documents received by HMRC in the post.

'I got a letter in the last six months asking me to fill in my tax return, which freaked me out a little bit because I'm not self-employed anymore so I got on the phone to them about that.'

Individual, taxes, 25-34 years old

The perception of HMRC among individuals who have a limited experience

- 3.9 Although individuals typically assessed themselves as possessing a minimal amount of knowledge about HMRC, when prompted all individuals did have a general grasp of who HMRC was and what it did. Among this limited, sample, the majority acknowledged that HMRC's role was to collect tax, rather than to set tax rates.

'I'd probably say I probably don't know enough. I just sort of know that they're the tax people who sort out benefits and sort out tax. They're responsible for our taxes and benefits. I don't think they set tax rates.'

Individual, taxes, 35-49 years old

'Just to keep a check on the records of everybody to make sure they're up to date with their taxes and receiving the right amount of Child Tax Benefit etc. I don't think they set the taxes – they just follow the rules.'

Individual, benefits and credits, 35-49 years old



- 3.10 This level of knowledge, even among those who say they do not know a great deal about HMRC, implies that customers, even those with a limited experience, would be able to comment on HMRC as an organisation in more detail. One caveat to note, however, is that all respondents in this phase of the research were sampled from a previous wave of the Customer Survey and so by their nature had had some previous contact with HMRC (given that some contact was a necessary criteria to participate in the standard waves). In addition, when asked in the qualitative research they all verified that they had some experience with HMRC, suggesting that responses in this research will not necessarily be directly comparable to those who have had no direct experience.

4 Recalling customer service experience

Customers' ability to recall contact with HMRC

Agents

- 4.1 Three of the four agents felt that they were able to recall their experience of HMRC at least over the last year, with two of these feeling that they could recall their experience as far back as two years. One agent, however, did not fall into this category and stated that overall they would find it difficult to recall their experiences over the last year – although no reasons were given for this. Despite this, there is an indication that the majority of agents would be able to recall their experience at least over the past 12 months, and it would therefore seem reasonable to ask agents about this time period in the Customer Survey.
- 4.2 In terms of the type of experience that would be most memorable over the course of a year, almost all agents felt that it was negative experiences that they would remember most clearly. These were the experiences that were most likely to invoke strong reactions and therefore be more top of mind when being asked to recall experience.

'That's easy – it's all the bad experiences. It comes in your way.'

Agent, sole trader

- 4.3 Focusing on the contact channels, contact over the telephone was most mentioned as being memorable. Firstly, the element of personal interaction was seen to make it more memorable and secondly, telephone contact was more likely to relate to a specific issue which agents felt tended to stand out more than day-to-day tasks and therefore be better remembered.

'People on the end of the phone are representing the Revenue, and it's your impression of their ability to help you which gives you a good or bad impression of the Revenue as a whole.'

Agent, 1-9 employers

- 4.4 However, one agent did not feel that online interactions constituted a form of contact at all implying clarity of what is meant by contact or experience is important when asking customers about contact in general in the Customer Survey.

'Online is all computers so the only contact is phone. On the computer it's all automatised [sic] so there is no interaction.'

Agent, sole trader



- 4.5 On the whole agents did seem to find it easiest to think about contact in terms of type of product, with two agents feeling that it would be easiest to answer about contact if type of product was discussed separately. Although the others did not express this opinion as explicitly, they discussed their own experiences in terms of specific tasks that they had undertaken, implying that they categorise their own experiences in this way.

'In my opinion [HMRC] should all be one [channel]. If you were talking about how PAYE deals with things separately to Self-Assessment, I'll answer differently and give you different experiences for each.'

Agent, sole trader

- 4.6 Given the fact that type of product is linked with channel of communication however, for example agents may always do one task over the telephone and another online, it is hard to say whether it is type of product or channel of communication that is easiest for agents to think about. However, on balance, it was type of product that seemed to be more top of mind for agents when thinking about different interactions.

'I can differentiate quite easily between the Income Tax and Payroll, but they're the main two I have. We have people in the office that deal with different taxes so they all tend to deal with the specific helplines.'

Agent, 10-49 employees

Businesses

- 4.7 Almost all businesses felt they could comfortably recall all experiences with HMRC over the last year, again suggesting that customers are able to comfortably recall experiences over a 12 month period.

'I think probably over the past year. I'd remember a year ago because it was then that I changed to VAT registered.'

Small business, 1-9 employees

- 4.8 Again, small businesses felt that they were most likely to recall negative experiences, across all channels. Although two small businesses did point out that they particularly remembered dealings where the HMRC advisers were found to be helpful and friendly.

'We got 3 letters with 3 different financial amounts but all in relation to the same payment date. What makes it memorable is the aggravation trying to sort it out.'

Small business, sole trader

'Tend to remember the incidents when you contact them, as opposed to the website. In particular the dealings in which the adviser is helpful and friendly.'

Small business, 10-49 employees

- 4.9 Contact over the telephone was generally cited as the most memorable form of contact, with the exception being where face-to-face contact had taken place. Again, contact over the telephone was seen as more personal, and in addition was more likely to be a memorable experience compared to online because online interactions were more frequent and therefore more likely to merge with one another when recalling them.



'I think telephone because the online stuff works so well you tend not to even notice it.'

Small business, 10-49 employees

Individuals

- 4.10 In line with agents and businesses, individuals also felt they could recall their experience with HMRC over the last year comfortably.

'I think a year is about right. A bit more, I might be a bit vague'

Individual, benefits and credits, 35-49 years old

- 4.11 Individuals were slightly more divided about what they felt would constitute a more memorable experience. Although some did say they would be more likely to remember a negative experience, others said that they were more likely to remember a positive experience over the telephone when somebody was particularly helpful or friendly, and others said they were more likely to remember when something changed, such as the guidelines or policy changes that affected them.

'I suppose what I'd be more likely to remember would be a difficulty that I would have had with them, but I haven't had any difficulties with them, it's something about how well you can deal with a complaint.'

Individual, taxes, 55-59 years old

'You remember changes, so when your situation changed or the policy changes...I also definitely think the person you're speaking to makes a difference, if they're helpful, positive, if they're listening to what you're saying.'

Individual, benefits and credits, 25-34 years old

- 4.12 Contact over the telephone was predominantly seen as the most memorable form of contact among individuals, with the personal, human aspect being the most mentioned reason for this, along with the feeling that more information is likely to be absorbed over the telephone compared to online channels.

'I think definitely over the telephone. I find online is impersonal.'

Individual, taxes, 60-64 years old

- 4.13 The finding across all three audience types that customer's ability to recall varies between channels, and in the case of agents their ability to recall also varies between product type – although this could be interlinked with channel given that different products are typically administered through a particular channel. If respondents have had contact with HMRC through multiple channels (and telephone is one of these channels) and the idea of 'experience' is grouped together across all communication channels, it is telephone contact that is likely to have most impact on their view of overall experience.

Ability to form an overall view

- 4.14 The majority of respondents across all three audiences said that they would be able to form an overall opinion of HMRC. When it came to explaining how they would go about this process of forming an overall opinion respondents found it difficult to articulate, and tended to describe their own personal view of HMRC, rather than how they arrived at this opinion.
- 4.15 When prompted however, some respondents said that when coming to form an overall view they would give equal weight to contacts throughout the year, but more typically they believed they would give more weight to recent dealings compared to older interactions.



'I suppose more recent is what you think of and also the times when it is particularly frustrating.'

Small business, 1-9 employees

- 4.16 Similarly, when prompted further, respondents were able to indicate whether they would give more weight to positive or negative experiences when coming to an overall opinion. Feelings were mixed with some saying that they would give more weight to positive experiences, and others to negative experiences. One reason for giving more weight to positive experiences included a perception that HMRC have a difficult job to do with limited resources and therefore felt that HMRC do the best with the resources available. Another reason included a perception that it is unusual to get a response from a large organisation such as HMRC, and therefore when you do, it is likely to stand out. Reasons for giving more weight to negative experiences included the fact they had personally had more negative experiences and the fact that negative experiences stick more in the mind whereas positive experiences are more likely to be taken for granted.

'I would give more weight to positive experiences because in my profession I know that it's not that easy for the Revenue to do everything in the time with limited resources.'

Agent, 1-9 employees

'The positive ones just happen and you take them for granted.'

Small business, 10-49 employees

- 4.17 When answering about ability to recall, however, respondents were clear about negative experiences being more memorable than positive experiences. This indicates that, although some feel they would give more weight to positive experiences, this may not actually be the case. For example, despite consciously thinking positive experiences are more important, if the positive experiences are the ones that are more easily forgotten then they may not be top of mind when answering about overall experience.
- 4.18 Although respondents, when prompted, said they would be able to give a view on 'light touch' dealings – such as making payments via cheque for PAYE and NI, answers throughout the interviews indicate that these 'light touch' dealings were not likely to be included in their overall perception of their experience with HMRC, or certainly not given as much weight. Experience was taken to mean contact with an individual at HMRC rather than using their website for example. This suggests that HMRC should consider the question wording in the Customer Survey and may want to think about drawing attention to the types of contact that should be considered, rather than leaving it open to individual interpretation.

5 Customer experience expectations

Views on customer satisfaction

Agents

- 5.1 When asked in general about what constituted good customer service, Agents' views centred very much on getting a satisfactory outcome. They valued an efficient service that provided the information or answer that they were looking for.



'That they provide me with the information I'm looking for, if they aren't able to personally assist me, they put me through to somebody who can.'

Agent, 1-9 employees

- 5.2 Agents were unable to recall which customer experience aspect informed the answers they gave when participating in the Customer Survey. This may suggest that direct awareness of what is driving personal satisfaction is low.
- 5.3 Other factors cited spontaneously as being most important to the customer experience included accuracy of information provided and having a reliable contact where you know you will get an effective reply quickly. Accuracy of information was seen to be more important for online channels because there was not the option to speak to anyone to get clarification, unlike over the telephone. Conversely, having a reliable contact to deal with was deemed more important for telephone communication given the automated nature of online dealings meant this was not perceived as such an issue for that channel.

Businesses

- 5.4 Although getting a satisfactory outcome to their dealings was very important to businesses when thinking about a good customer experience, service factors such as being polite and friendly were also deemed very important. Businesses felt a good customer experience to be defined by ease of contact, for example being able to get hold of somebody quickly or having a single contact to use for every dealing rather than having to go through a switchboard.
- 5.5 Similarly to agents, businesses were also unable to recall the customer experience aspects that most informed the answers they gave when participating in the Customer Survey.

Individuals

- 5.6 Individuals cited a range of factors that were integral to good customer service, these included a polite, friendly and approachable service, being able to get an accurate answer and being able to contact somebody easily. It was also clear that what was important to individuals was a personal service and the option of being able to speak to somebody, rather than having to go through online channels. For individuals, the main concern around going through online channels was the fear that they were not looking at the correct information or were in the wrong place for their needs or query. Contact with a person was felt to mitigate this risk and ensure that they got accurate and relevant information. In addition, individuals felt that a drawback of online interaction was that there was not anybody to provide supplementary information if further explanation was needed.

'The first thing is being able to speak to one person and not being passed around from pillar to post. The second thing is that person having the required knowledge to answer your questions.'

Individuals, benefits and credits, 60-64 years old

- 5.7 Individuals' contact with HMRC had largely been over the telephone and so they found it difficult to approach the question of customer service from any other angle other than telephone service. For all three audiences, spontaneous comments about customer service predominantly revolved around telephone contact. Online dealings are therefore not top of mind when thinking about customer service and in order for this channel to be considered as part of the overall customer experience in the Customer Survey, it may be useful to communicate this directly to customers in order for them to be able to give an overall view.



Importance of 'atom' model factors when dealing with HMRC and how channel of communication affects this

5.8 Agents, businesses and individuals were prompted with the 'atom model' factors (as documented in HMRC research 'Understanding quality of service from a customer perspective'¹), and asked how important they felt they were to the customer experience and whether this varied by channel of communication. The 'atom model' factors are outlined below:

- Quality of information provided;
- Finding answers;
- Navigating the process;
- Staff manner and approach;
- Time taken to resolve query;
- HMRC staff taking ownership;
- Proactivity; and
- The outcome of your interaction.

Agents

5.9 Agents felt that all 'atom model' factors were important, but placed particular emphasis on **quality of information** provided and **finding answers**.

- Elements that were cited as making up good **quality of information** were being accurate, correct, honest and direct.

'We deal in information so we have to make sure that what we're doing for the clients is accurate and correct. If it isn't correct we could be making big decisions for our clients based on that information which has adverse effects.'

Agent, 10-49 employees

- Factors cited as delivering on **finding answers** were being given a direct number to ring and being given an answer within a telephone conversation without being transferred around.

'I expect to ring them up, and somebody at the other end to sort it out. If they gave me a telephone number for a helpline, that helpline should be able to sort all my problems out.'

Agent, 10-49 employees

5.10 In terms of the **time taken to resolve query**, agents also identified this as very important, pointing out that if too long was taken to resolve an issue that there were likely to be potential costs to the business or client. The majority of agents felt that the quicker the query could be resolved the better, with one expecting queries to be resolved within a couple of days unless there was a good reason it should take longer.

'Something is very simple but because of the bureaucracy it takes so long. I want to be able to recover the fee, the time. I don't think the Revenue appreciates that.'

Agent, sole trader

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/344753/report285.pdf



- 5.11 Agents did not have many opinions to offer in terms of how the importance of these factors varied by channel of communication, although **staff manner and approach** were understandably felt to be more appropriate to telephone contact than online, and it was mentioned that a better accuracy of information would be expected online

'When you use the internet, it's quite faceless, there's no emotion in it. For me, perceptions are generally based on emotion.'

Agent, 1-9 employees

'I would say [accuracy of information] would be more important online because that's written down you're relying on that being 100% accurate. If you have a telephone conversation you have an element of judgement in there. If someone's telling you something and you're not quite sure that's right, you can converse directly with them and make sure that your understanding is correct.'

Agent, 10-49 employees

Businesses

- 5.12 Again, as with agents, all 'atom mode' factors were felt to be important, but the **outcome** and **quality of information** were highlighted by businesses as two of the most important factors in overall customer experience both over the telephone and online.

- Businesses defined the **outcome** as being information that was correct and a resolution to the query.

'Should be that you've reached an agreement to sort the problem out. The whole point of it is to get the problem resolved.'

Small business, sole trader

- **Quality of information** was largely seen by small businesses as information that was accurate, clear and easy to understand.

'This is very important for any dealing with them, whether by phone or online it needs to be clear and give enough information.'

Small business, 10-49 employees

- 5.13 **Navigating the process** was also felt to be important across both telephone and online contact. However, it was clear that some felt this was more relevant to online contact and some felt it was more relevant to telephone contact – this was largely dependent on how businesses tend to deal with HMRC. For example, a business customer who felt it was more relevant to telephone contact described this aspect as someone at the end of the phone who could talk and communicate clearly, whereas a business customer who felt it was more relevant to online contact emphasised the need for a simple and clear 'click-through' pattern.

- 5.14 Again, **staff manner and approach** was felt to be more relevant for telephone or face-to-face contact compared to online. Being friendly and helpful were the key elements that were perceived to contribute good staff manner and approach. Professionalism, tone and the ability to put a person at ease were also cited by businesses elements of good staff manner and approach.



'It shouldn't feel like you're going through an inquisition, they should put that person at ease and make them feel comfortable so that they feel there is someone who understands them.'

Small business, 10-49 employees

5.15 HMRC staff **taking ownership** was a factor that was also seen as only relevant to telephone or face-to-face contact and was something that businesses felt would certainly be nice to have. Businesses did relate this element to being able to trust HMRC staff and being able to get the correct answer, implying that taking ownership is only perceived as good so long as the outcome is accurate and satisfactory.

Individuals

5.16 Individuals also said that all elements of the 'atom model' were important to them in regard to overall customer experience, but placed particular emphasis on good **quality of information** and tying in closely with this, **finding information**.

- Individuals felt that the main features of good **quality of information** were clarity and understanding.

'I think that is very important. I suppose because with tax it's a complicated area, it's got to be written in plain English for the majority of people to understand it.'

Individual, taxes, 60-64 years old

- The elements that made up **finding information** also included locating material that was easy to understand, but effective signposting was also highlighted as important under this category, with an emphasis placed on being told the right people to speak to or the correct place to look for information in an efficient way.

'I want to be told where I can get the answer from if it's not know by them, where to go, where to look, who to speak to or be put through to on the phone.'

Individual, benefits and credits, 60-64 years old

5.17 **Navigating the process** was predominantly discussed in relation to telephone contact, but this largely reflects individuals' main method of contact with HMRC. In relation to this 'atom model' feature individuals expressed a desire for their call to be answered quickly and to get through to the appropriate person that can help them as efficiently and quickly as possible without being transferred numerous times or being held up by automated menus.

5.18 In the same vein as agents and businesses, individuals felt that good **staff manner and approach** was very important in creating overall satisfaction and comprised of being polite, approachable, calm and understanding, and again emphasising the significance of a personal touch.

'I think that it is important that they show a human side of themselves, rather than just being a bureaucrat.'

Individual, taxes, 60-64 years old

5.19 **Time taken** was also a factor that individuals felt was necessary to a good customer experience, with some saying they expected their queries to be dealt with immediately on the spot, others did not put a specific timeframe on their expectation but did say they would like their query to be dealt with as soon as possible.



6 Digital experience

Usage of HMRC digital services and expectations of a digital service

Agents

- 6.1 All agents interviewed used HMRC digital services - typically on a daily basis. The primary expectation of a digital service was that it worked and functioned effectively. Other expectations were that the service should be secure and that procedures should happen within a reasonable timeframe.

'That the process from start to finish works and I can achieve what I've set out to do. That's the most important thing.'

Agent, 55-99 employees

Businesses

- 6.2 Most businesses had used HMRC digital services, although a minority had not. Paying VAT online was the most mentioned digital service used.

'PAYE just goes out of the automatically but I enter VAT online.'

Small business, 10-49 employees

- 6.3 Ease of navigation and well-presented information was key to businesses' expectations of a digital service. Businesses felt that a digital service should be easily accessible and should include simple language that was easy to follow and was consistent.

Individuals

- 6.4 Some of the individuals we spoke to said they had used HMRC digital services and some said that they had not. Of those that had used digital services, this typically comprised of looking at information on the website, with benefits and credits and taxes individuals both reporting this was something that they do or have done.

'I do go online to look for information, but if I want any chances, I'll generally phone rather than go online.'

Individual, benefits and credits, 25-34 years old

- 6.5 Individuals' expectations of a good digital service centred on ease of use and being able to find relevant information quickly that was easy to understand.

Importance of service factors for digital services

Agents

- 6.6 When asked to think about how expectations of digital services varied to other channels of communications, particularly around the 'atom model' elements, agents put emphasis on a greater need for digital information to be accurate above all else. This was because, unlike telephone contact, there was no recourse to query the information provided. The expectation of being able to navigate the process easily was also seen as especially relevant to digital services, agents pointed out that currently the online services were easier to navigate than telephone services.

- 6.7 One agent in this sample said they would consider taking part in a digital survey, on the condition that it was a short pop-up survey. In addition, the ability to enter open text responses was seen as



desirable. However, all other agents said that they would be unlikely to participate in a digital survey and expressed a preference for taking part over the telephone. Reasons for this included it being easier to put off a digital survey and the complexity of the questions asked in the Customer Survey not lending themselves to a digital format.

'If I was given the choice of doing it or not, I don't think I'd do it. The time would put me off and the complexity of the questions. Even on the phone it was complex.'

Agent, sole trader

Businesses

- 6.8 Tied in with their expectations of digital services, businesses felt that ease of access and accurate information were the most important factors when rating a digital service. Speed of use was also seen as a high importance factor – with some stating that they expected online responses quicker than they would through other channels of communication.

'If I wrote something today I would expect somebody to come back to me within the next two to three hours. I think that's acceptable.'

Small business, sole trader

- 6.9 All businesses said that they would consider taking part in a digital survey and were on the whole receptive to participating in a pop-up survey. In addition, businesses typically expressed a preference for taking part in a digital survey as opposed to a telephone survey.

'I think probably prefer an online survey because you can do it whenever you've got the spare time.'

Small business, 1-9 employees

Individuals

- 6.10 Usability was highlighted by individuals as a key factor in terms of assessing digital services over other communication channels. Ease of navigation and being able to find the relevant information were factors that distinguished digital service from telephone service where somebody else was able provide guidance.

'Important to be able to retrieve information quickly and accurately and to have some kind of checkpoint to get back to quickly, if you've spent half an hour on it and you want to go back to it the next day you don't want to spend another half hour trying to get to where you were before. ...On the telephone you can talk it through with somebody but online you're on your own.'

Individual, benefits and credits, 60-64 years old

- 6.11 Individuals were mixed in their willingness to consider participating in a digital survey. Some were receptive to the idea of participating in an online survey, but typically this was on the condition that the survey was short.

'Would complete an online survey but depends on the time of day, on how long it takes. For an online survey I'd say 5, 10 minutes max.'

Individual, benefits and credits, 25-34 years old



- 6.12 Other individuals were less keen on the idea of participating online. Reasons for unwillingness to participate digitally tended to be around avoiding emails and the internet in general and preferring to speak to somebody over the telephone.

'I probably wouldn't be fussed to do that [a pop-up survey]. That would annoy me if I'd just sorted something out and I'm getting something popping up, no I'm not really into that.'

Individual, tax payer, 35-49 years old

7 General perceptions of HMRC

What perception of HMRC is based on

Agents

- 7.1 All agents interviewed for this research said that their opinion of HMRC is based on their own experience and predominantly felt that nothing else would influence their perceptions of them. In particular none of the agents perceived the media to influence their views of HMRC.

'This is my personal opinion because I deal day in day out for the past 2-3 years, dealing with my own customers, with the Revenue myself and I haven't got a chance to be influenced by the media.'

Agent, sole trader

- 7.2 On the whole, agents did not feel that perceptions of fairness affected their overall opinion of HMRC. This came down to the fact that it was not within their job role to decide what was fair or unfair, but to follow the rules. However, the one agent who did feel fairness affected their overall opinion of HMRC, related this to be more fairness around individual issues rather in the wider sense, for example, stated that if they felt somebody over the telephone was being unreasonable and a 'jobs worth' that it would have given them more or a negative opinion of HMRC as an organisation. How personalised the service was had little influence on agents overall opinion but trusting that HMRC uses data properly and looks after it securely was seen as having slightly more influence on their overall opinion. Most influential on agents overall opinion of HMRC was confidence that they administer taxes effectively.

'I trust that HMRC, being the huge official government organisation, are the word of the law. I believe them. If they do mess it up, which we have seen with machine games duty, then everyone was notified and penalties were forgiven and it seems they've done everything they could to make it right. This certainly influences my overall opinion.'

Agent, 55-99 employees

Businesses

- 7.3 Small business were split between those who felt their own experience had most influence on their overall opinion of HMRC and those who felt their opinion of HMRC was based on more of a broader view. Even businesses that said their opinion of HMRC was mostly based on their personal experience acknowledged that other broader influences also played a role. Some of these cited the opinion of their employees, colleagues, trade magazines and the media as having an influence on their



view. In other cases, businesses mentioned that they their opinions of HMRC had changed over time and the more direct contact they had with them the more their opinions became based on personal experience as opposed to other influences.

'I suppose the media and other experience [have an influence] and other experiences from fellow businesses and colleagues'

Small business, 10-49 employees

'When I was growing up there was a general perception of them [HMRC] as the body who takes all your money off you. But in fact all my dealings with them have always been favourable as opposed to intimidating so now my perception is based on my dealings with them.'

Small business, 10-49 employees

- 7.4 As with agents, confidence that HMRC administers taxes effectively was believed to have the biggest influence on overall perceptions of HMRC. There was more variation in the proportion of business that felt fairness, having a personalised service and uses data properly and securely had an influence on their overall opinion, with no overall consensus among businesses on how influential these factors were.

Individuals

- 7.5 Individuals largely felt that their own personal experience had more of an influence on their perception of HMRC compared to taking a broader view.

'Predominantly my own experience, and then my experience on behalf of my children and then slightly by my husband's experience. I try not to let myself be clouded by the media's view.'

Individual, benefits and credits, 60-64 years old

- 7.6 Again, all individuals agreed that confidence in HMRC administering taxes effectively had the biggest influence on their overall perception of HMRC. The concept of fairness was also influential to most individuals, however this tended to tie in with the concept of fairness being defined as administering taxes effectively.

'I've got no confidence in them whatsoever, they just make a mess of things They don't get things right and this influences my opinions of them [HMRC].'

Individual, benefits and credits, 60-64 years old

Both having a personalised service and trusting that HMRC uses data properly and securely were also seen as more influential factors compared to agents and businesses, however, in regard to the latter factor this was seen to be something that should be an essential characteristic of HMRC rather than something to strive for.

To summarise, HMRC customers, even among those who say they do not know a great deal about HMRC or have a limited experience, would be able to comment on their own dealings with HMRC, in addition to commenting on HMRC as an organisation. To effectively tap into customers' views on their overall experience, findings suggest that full and consistent definitions of what type and mode of contact should be taken into consideration, should be provided. Different audience types have differing levels and type of usage of HMRC, however, share an ability to form overall views and opinions on the customer experience.

