



# 'Central Direct' Channel Shift Strategy

## What is Channel Shift?

Channel Shift is a planned and targeted way of encouraging customers to interact with us using the cheapest and most appropriate channels

The Channel Shift Strategy will:

- use customer insight techniques to help us understand which services are likely to successfully shift to cheaper channel; and
- realise the financial benefits of interacting with our customers through cheaper channels.

## Customer Insight: Segments of our communities prefer to interact with us in different ways

Mosaic group	CBC households		Service channel						
	No.	%	Face to face	Landline phone	Mobile phone	SMS Text	Post	Interactive TV	Internet
A	2,233	2%		Y	Y		Y		Y
B	14,700	14%	Y				Y		
C	2,355	2%	N	Y			Y		Y
D	17,886	17%	N	Y			Y		Y
E	10,904	10%	N	Y	Y		Y		Y
F	14,034	13%	N	Y	Y		Y		Y
G	885	1%	N		Y		Y		
H	11,021	10%			Y				
I	1,482	1%					N		
J	9,847	9%	Y				N		
K	6,744	6%	Y		N		N		
L	2,616	3%	Y	N	N				N
M	4,251	4%	Y	N	N		N		N
N	1,112	1%		N	N		N		N
O	1,343	1%	Y	N	N		N		N

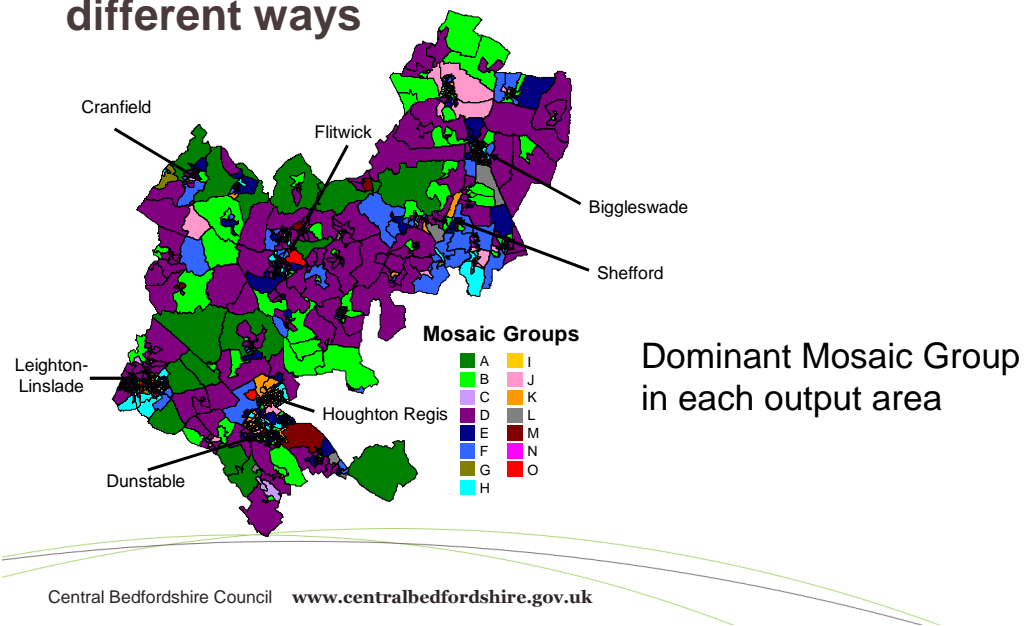
- A** Residents of isolated rural communities
- B** Residents of small and mid-sized towns with strong local roots
- C** Wealthy people living in the most sought after neighbourhoods
- D** Successful professionals living in suburban or semi-rural homes
- E** Middle income families living in moderate suburban semis
- F** Couples with young children in comfortable modern housing
- G** Young, well-educated city dwellers
- H** Couples and young singles in small modern starter homes
- I** Lower income workers in urban terraces in often diverse areas
- J** Owner occupiers in older-style housing in ex-industrial areas
- K** Residents with sufficient incomes in right-to-buy social houses
- L** Active elderly people living in pleasant retirement locations
- M** Elderly people reliant on state support
- N** Young people renting flats in high density social housing
- O** Families in low-rise social housing with high levels of benefit need



## Customer Insight: Segments of our communities prefer to interact with us in different ways

A	Prefer face to face, but often reliant on internet for practical reasons
B	Prefer face to face – likely to live near most local services
C	Use internet most days – prefer this to visiting 'drop in' centres
D	Use internet to access services. Use on most days.
E	Easy to reach via door to door or local press. High levels of internet access.
F	Highest levels of computer literacy – likely to use internet most days.
G	Confident internet users – will use for information and transactions.
H	Text and internet preferred. Many not comfortable explaining their needs over phone
I	More comfortable face to face – high computer literacy but not comfortable using to access services
J	Friends / neighbours important info sources. Most have computer access but used only for entertainment, not access to services.
K	More comfortable face to face. Internet not seen as appropriate for public services.
L	Prefer face to face. Internet access patchy - few people comfortable with online transactions.
M	Few have computer access. Most contact face to face. Particularly dislike automated phone systems.
N	Post often goes astray. Relatively low internet use, other than for entertainment.

## Customer Insight: Segments of our communities prefer to interact with us in different ways



## High Volume Services – Telephony & F2F Transactions

Top 20 Telephony Volumes	
Service	12 month est
Older People & Physical Disabilities	39544
Housing Management	32896
Development Management	29392
Asset Management	29228
Learning and Strategic Commissioning	29172
Learning Disabilities and Mental Health	24336
Safeguarding Children	22004
HR	21824
Housing Needs	20732
Revenues and Benefits	20136
Property Assets	19748
Building Control	17912
Passenger Transport	15292
ICT	14652
Democratic Services	13848
Business Systems	12632
Development Planning and Strategic Housing	11972
Financial Management	11256
Public Protection	10728
Community Regeneration and Adult Skills	9752

Face to Fact Contact	
Service	12 month est
Council Tax	13032
Housing	8247
Bus Passes	2622
Waste	1527
Licensing	1386
Other Enquiry	1377
Environmental Health	1335
Planning	1182
Blue Badges	540
CAB/CA/Tourism	456
Electoral Registration	339
Homelessness	336
Highways	318
Building Control	306
School Related Enquiries	249
Parking	159
Surgeries and Meetings	153
Registration	132
Public Protection	111
County Enquiry	108
Town Council Enquiry	99
Film Club - Over 55	72
Parks and Others	18

Estimated Cost to Serve	
Face to Face	£7.80
Telephone	£4.00
Internet	£0.17

## Shifting to Cheaper Channels: An Example

Service A

Telephony Volumes	20,000	per annum
Face to Face Volumes	2,000	per annum
<b>Approx Cost to Serve</b>	<b>£95,600</b>	<b>per annum</b>

## Shifting to Cheaper Channels: An Example

Customer Insight tells us that:

- 74.8% of service users have a preference for the internet as a channel
- 22.9% of service users are neutral to this form of service channel
- Only 2.3% of dislike the internet as a service channel.

So why don't these customers use the internet to access our services?

- Not available online?
- Poor web functionality?
- Don't know that the service exists?



## Shifting to Cheaper Channels: An Example

Moving 70% of telephony and 30% of face to face contact to the web (achievable target based on Customer Insight analysis) through improved web functionality, streamlined processes and strong marketing would save the Council **£80.8k per annum**. Saved through an approximate FTE reduction of 2.7 (spread across front and back office).

The result of this is a service that is cheaper to run delivered in a way that the customer wants.

## Best Practice

- Tameside Council reduced the cost of processing free school meal applications from a high of £51 to 6p. The overall cost of processing applications reduced from £139,000 to £500
- Exeter City Council improved their online processes used to request parking permits – saving 0.5 FTE in the front office and 0.5 FTE in the back office
- Wyre Borough Council reduced calls relating to missed, damaged and lost bins by 30% - eliminating 1 FTE from the contact centre
- Oxford City increased online recycling contacts to 60% following a campaign.
- 93% of City of York student council tax discounts are now administered online

## For Discussion...

- What are the current strengths of the way in which we transact with our customers?
- What are the weaknesses?
- Which service areas have scope to allow customers to self serve on line?
- Are there any quick wins?
- What would be more complicated?
- Which areas should be out of scope for the Channel Shift Strategy?