

Rethinking customer insight

Moving beyond the numbers

August 2018

Contents

Summary	3
1 Background	4
2 Scoping study	6
3 Creating actionable insights	7
4 Methodology	9
4.1 Question bank	9
4.2 Data analysis	10
5 Key findings and learning	14
5.1 Overall satisfaction	14
5.2 Service related satisfaction drivers	16
5.3 External influences on satisfaction	31
5.4 Survey approach	33
6 Conclusions	42
Appendix: question bank	44

This project has been supported by:



*Rethinking customer
insight: Moving beyond
the numbers*

HACT

Published August 2018

© HACT 2018
ISBN 978-1-911056-11-9

www.hact.org.uk
[@HACThousing](https://twitter.com/HACThousing)
info@hact.org.uk

HACT
49-51 East Road
London N1 6AH

HACT is registered
as the Housing
Associations' Charitable
Trust, charity number
1096829, company
number 04560091.

This document may be cited as:

“HACT (2018) Rethinking customer insight: Moving beyond the numbers”

Summary

Customer satisfaction is the Holy Grail of the social housing sector. Headlines are made by it. Bonuses are paid by it. And objectives are driven by it.

In a sector where choice isn't an option, customer satisfaction provides a comfort blanket measure of efficiency. Everyone buys into it. Everyone does it. Everyone knows, however, that it isn't telling the whole story.

Over the past decade, many have been searching for the silver bullet, in the form of a more sophisticated methodology that reflects the diversity of our service offer.

This research has been part of that process. Our findings should, however, signal the end of that search, not because we've discovered the silver bullet, but because we think there is no silver bullet.

Our findings highlight two key issues for the future of customer satisfaction:

- First, rather than collect data to demonstrate how good you are, collect data to improve how good you are.
- Second, communicating with your customers needs to be more targeted, more intelligent, and more responsive.

The approach you take should depend on your organisational priorities. You shouldn't expect a one-size-fits-all model to work for you, just because it works for another housing association down the road.

Rather than a new model for customer satisfaction, we're proposing a new approach:

- Only ask a question if it's relevant to your business and your business objectives.
- If you're not going to use the responses to the question to develop actionable insights, don't ask the question.
- If you're going to use the data, tell your customers why you're asking the question, what you're doing with their responses, and how they can continue to be involved.
- Make it as easy as possible for your customers to engage with the process using their choice of channel, at their time of choosing.
- If satisfaction rates for a particular service plateau, perhaps it's time to stop asking questions, at least until changes are made to the service. Start asking again to gauge the impact of the changes.
- Review, reflect and redesign, and start again.

Data is at the centre of this approach, whether in the data we collect from our customers on a daily basis, or the data we have about our customers.

But this is more than just a story about data: it's about how we turn the data we collect into the information we need to deliver the actionable insights to drive business transformation. If the social housing sector wants to rethink customer satisfaction, then it needs to move beyond the numbers by adopting a new approach to its relationship with its data, and with its customers.

1 Background

Social housing providers inhabit a unique and sometimes contradictory role. They are private companies, providing public services. They are not-for-profit organisations whose margins are often determined by the market. They look to treat their customers as customers, albeit customers without choice of products.

Determined to address their perceived inefficiencies, increasingly housing associations are run along the lines of commercial businesses. Central to this ethos is the service user experience; it has become at the heart of many social housing provider's stated values and mission, as a cursory online search will demonstrate. Take, for example, BPHA's stated purpose:

*"bpha is a housing association which is committed to providing its customers with high quality, value for money services whilst continuing to develop energy efficient, sustainable and affordable housing."*¹

Similarly, Equity Housing confidently state:

*"Our customers can depend on us to provide high-quality properties, a responsive repair service, expert advice and personal support."*²

This dedication towards the customer is laudable. How, though, do you measure whether you're succeeding, especially when

your customers have no choice in the services you're providing them?

Current approaches to measuring customer satisfaction with service provision have their origins in the STATUS and STAR surveys. Until 2011, STATUS was a regulatory requirement. After its demise, STAR was developed by HouseMark in consultation with the social housing sector, and was formally endorsed by both the Customer Participation Advisory Service and Customers and Residents Organisations of England. It was welcomed by many in the sector as it enabled them to compare satisfaction results with each other.

After a number of years with no regulatory requirements, two developments emerged after 2015. The first came from the government, in the form of the Value for Money standard as part of the regulation of the sector by the Homes and Communities Agency. The second came from the sector, with the development of the sector scorecard, which aimed to become a means to benchmark efficiencies and effectiveness in relation to value for money across the housing sector.

Yet customer satisfaction data was not collected just for regulatory requirements.

1: see www.bpha.org.uk/about-us/

2: see www.equityhousing.co.uk/about-equity3

Over the last decade, it has also become collected and measured for a number of reasons, including:

- performance indicators
- understanding performance over time
- benchmarking performance with other housing providers
- understanding the needs and perspectives of service users

Over the last decade, customers have become used to levels of customer service from utility suppliers, online stores, and retail chains that housing providers appeared unable to match. Simultaneously, other sectors have adopted more sophisticated techniques to engage with their customers – whether through the use of algorithms, actionable insights or regression analytics.

In the meantime, the sector has persisted with the same approach. Even though the services provided by social housing providers have become increasingly diverse and more complex, the means of measuring customer satisfaction have failed to evolve. Bombarded by communications from multiple channels from dawn to dusk, housing providers continued to attempt to engage their customers through regular customer surveys.

Regardless of the resources invested or the channels used, however, the use of regular tracking surveys to measure customer satisfaction isn't working. Resident groups complained of survey fatigue. Critics pointed to the number of questions, and the range of services being surveyed in one questionnaire. The intention is honest, with the aim of capturing insights about every aspect of their service provision.

Too often data was not being turned into actionable insights. Data was just presented as simple information: for example, “we have a 85% satisfaction rate” and nothing more was done with the information. As well as not reflecting best practice in user research or data analytics, it resulted in customer satisfaction rates stagnating, as survey respondents became frustrated that their opinions were not actioned. This has the potential to affect levels of trust that services users have in their housing provider.

The sector has been searching for the silver bullet that would resolve dissatisfaction with measuring customer satisfaction once and for all. It was against this background that HACT conducted its initial scoping project into the future of measuring and using resident satisfaction data.

2 Scoping study

In March 2015, HACT embarked on a scoping study in partnership with Simetrica and eighteen housing providers to better understand the issues facing housing providers around measuring and using resident satisfaction data.³

Housing providers had become cautious about using satisfaction surveys to inform decision making. Yet, despite their concerns, there was a distinct lack of alternative options available. Consequently, there was both the need and the appetite for a better understanding of the strengths and limitations of current approaches and possible alternative models.

The scoping study used interviews with project partners to understand the approaches that these organisations took towards measuring customer satisfaction, the challenges with these approaches, and the business decisions they would like to inform with insights. The study examined practical

challenges in gathering insight around resident satisfaction and wellbeing, as well as issues relating to methodological rigour.

Our aim was to develop a proposal for a full project that would explore an alternative way of gathering and interpreting customer satisfaction data that would be more appropriate for informing housing provider's business decisions. The scoping study found that:

- There were concerns about inconsistency and the implications of using a specific survey mode.
- Survey responses can be impressionistic and not indicative of business performance.
- Current methods of aggregated benchmarking were flawed; results did not provide meaningful business insights to enable informed decision-making and were of limited value.
- Massive amounts of data are being collected, but this data is not being used, leading to significant levels of resource wasted both on collection and analysis.

The scoping study highlighted the need for a new approach to collecting, measuring and using insights about service users that responded to the needs of the sector and addressed challenges in the current approaches being used by the participants.

3: our housing partners in the scoping study were: Bron Afon Community Housing, Catalyst Housing Group, City South Manchester Housing Trust, DCH Group, Equity Housing Group, Family Mosaic, First Choice Homes Oldham, Hanover Housing Association, Hastoe Housing Association, Knightstone Housing Association, Midland Heart, Plus Dane Group, Radian Group, Sovereign Housing Association, Sovini, Tai Calon Community Housing, Thames Valley Housing Association, Trafford Housing Trust.

3 Creating actionable insights

Between the scoping study in spring 2015 and the completion of the in-depth project three years later, the sector was affected by two events; the 2015 Budget, and Grenfell tower.

The 2015 Budget forced housing providers to focus on internal efficiencies. It led to a more widespread adoption of customer-service techniques and terminology. And it resulted in a shift away from purely talking about satisfaction levels, and to a more holistic view of the customer experience and perception of the housing provider.

The tragedy of the Grenfell tower fire in June 2017 has placed even greater emphasis not just on listening to the customer voice but also on ensuring that it informs business processes, and decisions. This means engaging, listening, and taking actionable insights in the most appropriate and effective way.

Both of these trends have meant that capturing and using insights from service users efficiently and effectively has become increasingly important. The primary intention driving the full in-depth project was to enable housing providers to make business decisions based on insights and evidence, and understand the impact these decisions will have upon the business and service users.

Project partners committed to the project, recognising that their previous approaches were not delivering actionable insights that could be used to inform business decisions

and improve the delivery and efficiency of quality services. The seven project partners have their own priorities and objectives for using insights within their business, all of which informed the direction of the project.⁴

Actionable insights

Before we discuss the proposed approach, it is worth explaining what we mean by actionable insight. There are three parts to the process of creating an actionable insight: data, information, and actionable insights.

Data is the raw, unprocessed facts that are usually collated in the form of numbers or text. Data can be quantitative (measured) or qualitative (observed). Data exists primarily in computer-friendly formats, usually within databases and spreadsheets.

Information is data that has been processed, aggregated and organised into a format that is contextualised and easy to digest for the relevant audience. It might be presented as a data visualisation, or within reports or dashboards.

Actionable insights are generated by analyzing information and drawing conclusions.

Data and information set the stage for the

4: Our housing partners in the full research study were: bpha, Catalyst Housing Group, Equity, Peabody (formerly Family Mosaic), settle (formerly North Herts Homes), One Manchester, Trafford Housing Trust.

discovery of insights that can then influence decisions and drive change. It was this last stage that the scoping exercise had determined needed to be refined.

Start at the end

Before we started thinking about the data we needed to collate, we had to understand the end point. There is a clear link between business decisions, metrics, and outcomes for the business. So we need to start with the objectives housing providers want to achieve, and then select the most appropriate metrics aligned to these outcomes.

By aligning metrics with key business outcomes, housing providers can directly influence, inform and drive business improvements. This enables housing providers to understand whether there are areas of interest they can affect, and weigh up the cost of implementing change. It also allows them to determine whether something is actionable and whether it should be actioned.

Using roundtables and workshops with each project partner, we asked them to consider their strategic and business objectives, and whether satisfaction is intrinsically an outcome of interest, has extrinsic value to facilitate improvements or functions as a proxy for business outcomes of interest.

They consistently expressed that the measurement of satisfaction should not be, as one respondent called it, a “self-serving

beast”. It is only of interest if it can inform decisions that support the organisation to achieve its objectives. A headline figure that x% of service users reported satisfaction with the organisation does not constitute actionable information. Gathering information should be with an eventual purpose in mind.

Project partners identified a range of insights that could be actionable, including those that:

- relate directly to the delivery of good outcomes (including building more homes);
- build trust and rapport to provide further support to residents and customers;
- allow them to operate efficiently (achieving more with the same resources);
- relate to their reputation with funders (supporting further growth of their beneficial activities).

We are not suggesting that gathering satisfaction data does not have value. Project partners did, however, agree that satisfaction (as a single score in itself) is not intrinsically important. It has to be linked to outcomes that housing providers can action and affect. Consequently, any approach to measuring satisfaction must reflect this.

With this in mind, we identified the following key principle for the approach developed through this project:

We should only collect data from service users if it generates actionable insights.

4 Methodology

4.1 Question bank

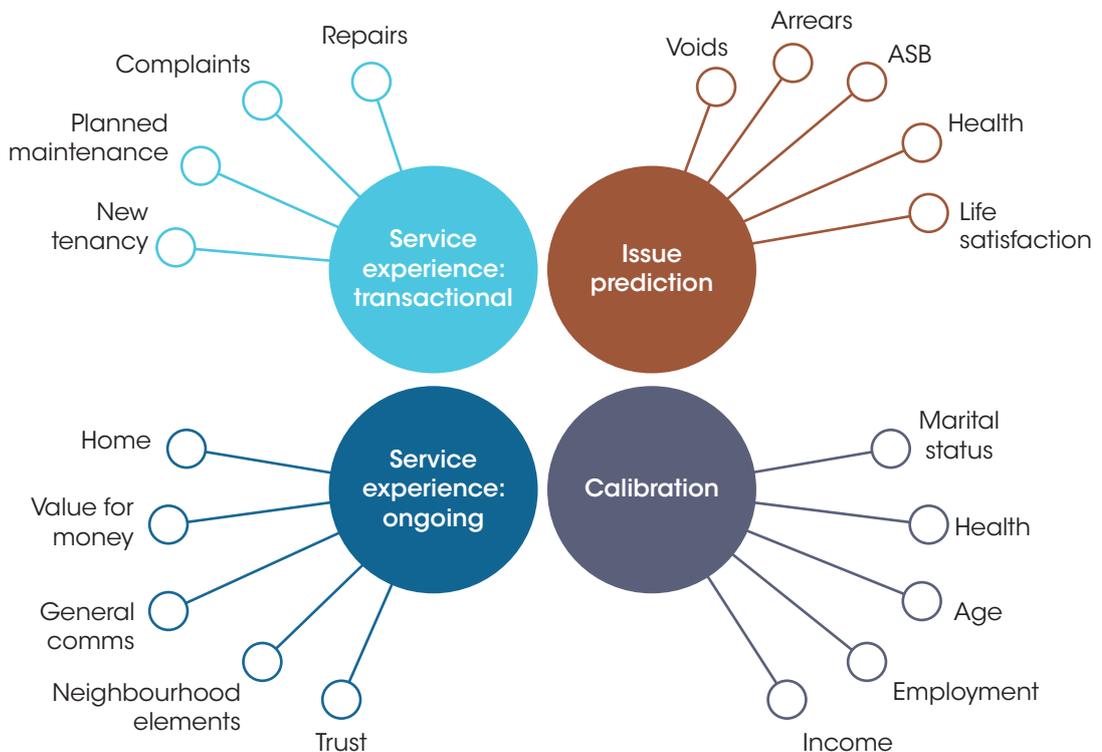
Using the business objectives of interest for project partners, we created a modular framework. Project partners were then able to select the business areas of most interest to them and to include additional objectives at a later stage.

We then designed one or more questions for each business objective, often re-framing or adapting existing STAR and ONS questions as well as other questions used by project partners.

The question bank is intended to evolve; it can be updated and expanded as required. The questions were designed to produce relevant insights. Each question is associated with information on how to interpret and respond to the answers that may be received, in the form of follow up questions.

It should be noted that the project did not set out to develop a definitive, proven question bank. Our purpose was to test questions that can evolve to deliver the actionable insights required.

Figure 1: The question bank, represented by thematic area



4.2 Focus groups

We developed a bank of themes related to the project question bank and tested these in focus groups of service users. These included:

- *Acceptability of questions in the question bank* - how service users interpret questions from the question bank, do they understand what is being asked of them, would the use of these questions inform how they respond to a survey?
- *Net promoter score (NPS)* - what do service users think about being asked an NPS question, would this inform how they respond to a survey with an NPS question?
- *Appearance vs cleanliness questions* - are these questions treated as two different concepts (appearance can be cleanliness plus physical aesthetics of the buildings and area, whilst cleanliness is just how clean the streets and communal areas are)?
- *Ordering of questions in survey* - does the order the questions are asked impact the response by allowing service users to distinguish between experiences and treat them as discrete events?
- *Acceptability and preference for scales: 0 to 5, 0 to 10 or -10 to 10* - do service users prefer one scale over another?
- *Method of surveying (online, phone, post, text)* - does the way we survey service users affect the results and response rate, particularly for the level of feedback on follow up questions? Does an automated survey affect the responses given in comparison to speaking to a person?

- *Communication and customer expectations* - do service users know what they have been promised with regards to services and how are these communicated?
- *Survey fatigue* - do service users feel like they are surveyed too much or are they happy to answer surveys? Are there particular survey themes they are more willing to answer?
- *Pre-communication for surveys* - is there any benefit to informing service users about surveys before they happen? Does it improve response rate or are residents deterred by additional communication from housing provider?

We consulted with project partners to identify areas and themes of interest and developed a bespoke and flexible topic guide for each focus group.

In total, we facilitated four focus groups with panels of service users from three project partners (see page 11 for details).

4.2 Data analysis

Each project partner incorporated questions from the question bank into a new survey or adapted existing surveys, sometimes with additional own questions. Responses from each survey were sent to HACT and analysed individually. This was due to project partners asking different questions, using different modes, surveying at different timepoints, and adapting questions to suit their needs better.

Table 1: Themes and areas tested within in each focus group

Focus group	Themes / areas tested
1	<ul style="list-style-type: none"> • acceptability of the two repairs and three trust questions • interpretation of, and preference for, scales • general thoughts about the survey
2	<ul style="list-style-type: none"> • interpretation and understanding of the value for money question • communication and customer expectations • general thoughts about the survey
3	<ul style="list-style-type: none"> • interpretation and understanding of the value for money question • combination of value for money and planned maintenance • general thoughts about the survey
4	<ul style="list-style-type: none"> • method of surveying • relevance of questions, including net promoter score • survey fatigue • interpretation of, and preference for, scales • general thoughts about the survey

The focus of the analysis was to measure the effectiveness of questions from the question bank in gathering insights, gauge current levels of customer satisfaction for pinpointing service improvement and consider the drivers of satisfaction. Each dataset was cleansed, as appropriate, before any analysis was conducted.

4.2.1 Quantitative data

A range of techniques were used to gain insight into the quantitative survey data. For each dataset, we used these techniques:

- Descriptive statistics were conducted on each question (e.g. mean, median, distribution, response rate) to get a better understanding of the data.
- Correlations were conducted across all pair combination of questions. These were conducted using free scale and pairwise (i.e. where there were missing values they

Table 2: Surveys conducted by project partners (HA1-HA5)

Project partner	Dataset	Description	Sample size	Mode	Timeline
HA1	HACT (ongoing with data returned monthly)	11 satisfaction questions related to home, value for money (with follow up), neighbourhood elements, trust (with follow up), issue prediction and life satisfaction with demographic questions	1,299	Phone	Dec 2016 to Jan 2018
	Complaints (ongoing with data returned monthly)	11 satisfaction questions related to complaints	202 (154 with new complaint question)	Phone	Apr 2016 to Jan 2018*
	Repairs (ongoing with data returned monthly)	14 satisfaction questions related to repairs	3,994 (2,530 with new repairs question)	Phone	Apr 2016 to Jan 2018*
	STAR (ongoing with data returned monthly)	18 STAR satisfaction questions	3,027	Phone	Apr 2016 to Jan 2018

were deleted in pairs rather than deleting all rows of data that have missing values). This technique provides an understanding of how strongly pairs of questions are related and consider whether this suggests that one question is a redundant indicator.

- Factor analysis was conducted for each dataset that had sufficient data to further understand whether combinations of questions measured a unified concept.
- High level comparisons were undertaken across project partners to see whether there was consistency in results found; for example, is the distribution of answers similar between organisations for the same question?

4.2.2 Qualitative data

Qualitative follow up data was analysed using a coding framework. The process involved:

- The qualitative feedback being coded in an iterative fashion, with key themes emerging organically from the material under study as opposed to being defined by preconceived expectations. This was conducted independently by two people to ensure all key themes were identified.
- Each theme was broken down into smaller categories, which were defined using a short description, forming the coding framework.
- Using the framework, the responses were tallied and quantified against each category.
- Percentages calculated for the proportion of responses associated with each category.

Table 2: Surveys conducted by project partners (HA1-HA5): continued

Project partner	Dataset	Description	Sample size	Mode	Timeline
HA2	Repairs (one-off)	1 satisfaction question related to repairs	95	Text	Jan 2017
	Digital engagement (one-off)	16 satisfaction question related to home, neighbourhood elements, repairs, value for money, communication, trust and issue prediction with general follow up question and demographic questions	102	Online	Mar 2017
	Leaseholder (one-off)	12 satisfaction question related to neighbourhood elements, repairs, value for money, communication, trust and issue prediction with general follow up and demographic questions	31	Online	Apr 2017 to May 2017
	Customer (one-off)	17 satisfaction question related to home, neighbourhood elements, value for money, communication, trust and issue prediction with general follow up and demographic questions	321	Online	Apr 2017 to May 2017
HA3	General (one-off)	9 satisfaction questions related to recent work, neighbourhood elements, communication and trust - all with follow up - and issue prediction	200	Online	Mar 2017
HA4	Service charge (one-off)	3 satisfaction questions related to value for money (service charge) with follow up, life satisfaction and overall service satisfaction	212	Phone	Dec 2016 to Jan 2017
	Rent (one-off)	3 satisfaction questions related to value for money (rent) with follow up, life satisfaction and overall service satisfaction	202	Phone	Feb 2017 to Mar 2017
HA5	Planned maintenance	1 satisfaction questions related to planned maintenance	20	Person	May 2017 to July 2017

5 Key findings and learning

The findings in this chapter are drawn from the data returned from project partners who tested questions from our question bank, insights gained from focus groups with resident panels, and ongoing discussions between HACT, project partners and an academic adviser.

There were four themes to the findings:

- overall satisfaction
- service-related drivers of satisfaction
- external influencers on satisfaction
- survey approach

5.1 Overall satisfaction

Housing providers often include an overall satisfaction question within their surveys to customers. The rationale is that this broad question will provide a more holistic view of satisfaction, encompassing everything from value for money, satisfaction with the home and the area surrounding the home. This question is perceived as more of a steady measure of satisfaction, in the knowledge that satisfaction with specific services may fluctuate.

Typically, the question is phrased like this:

Taking everything into account, how satisfied or dissatisfied are you with the service provided by {Housing Association}?

The responses offered tend to be:

Very dissatisfied, Fairly dissatisfied, Neither, Fairly satisfied, Very satisfied

To test whether this question reflects all service areas provided by housing providers, we conducted factor analysis on returned data. This analytical technique provides an indication of the questions with the same underlying attitude that is also slightly distinct from other questions. In other words, each question which falls under the same factor are more closely related with each other than questions within alternative factors. In the context of overall satisfaction, the technique highlights the topic areas that are more likely to influence customer's judgement of overall service provision.

The results of the factor analysis for a 17-question survey covering a range of topics showed the cleanest structure to be a three-factor model, with the closely related questions broadly categorised under the themes shown in figure 2 (see page 15).

The results suggest that when answering questions about satisfaction, customers make a distinction between interactions with the housing association, the home, and the area near the home.

The overall service satisfaction falls within the first factor and is, therefore, more closely associated with trust, communication and repairs. This indicates that customers think less about the provision of the home and the area near their home when answering this question. This finding challenges the

assumption that this question provides a holistic view. Any inferences that a customer who is highly satisfied with the overall service is also highly happy with their home or the area near their home is not necessarily true.

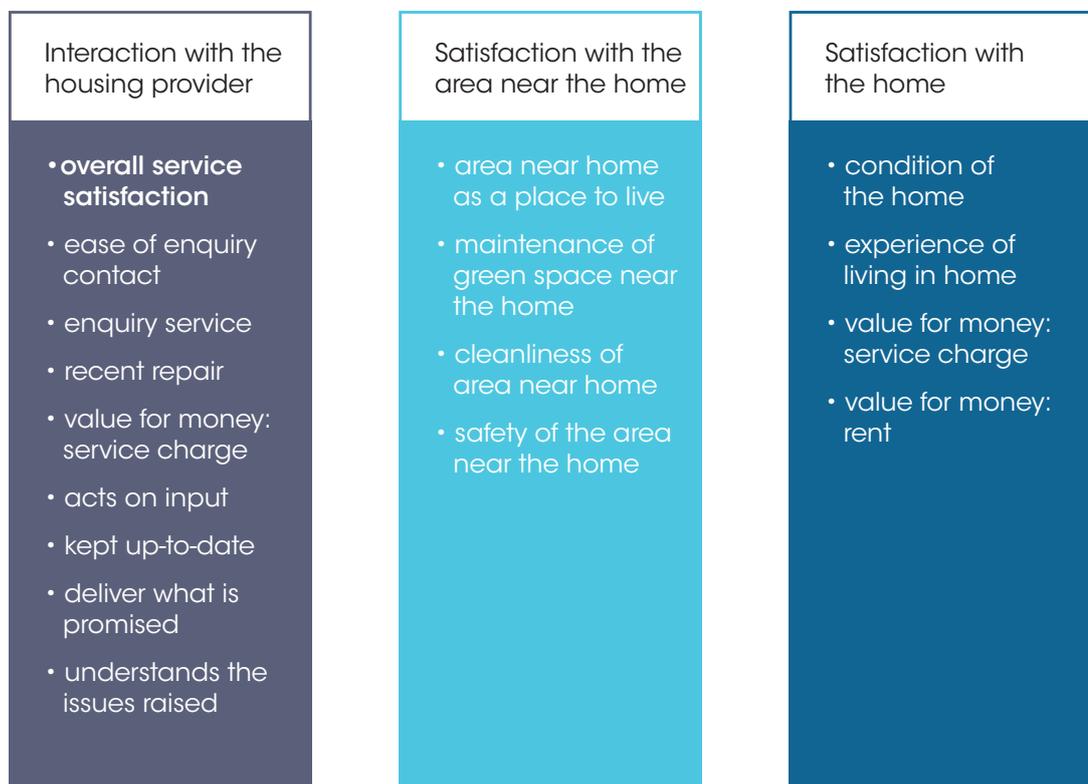
We also posed a qualitative question to participants at the end of the same survey:

How could we improve our services to you?

The responses show similar results. After categorising the comments, the most common were:

- repairs (35%)
- communication (30%)
- housing association being more proactive (14%)
- safety and security / maintenance and cleanliness of communal areas (10%)
- merger (6%)

Figure 2: Three-factor model from factor analysis of 17 question survey



Repairs and communication are the biggest issues for customers: 65% of the responses related to these themes. The small proportion of people whose responses were focused on the home and area near the home suggests these are considered by customers, but less frequently.

Recommendations

When using the overall satisfaction question in surveys, we recommend:

- On its own, the question does not provide any information that can be used for actionable insights. Be clear as to why you are asking the question and what it will be used for.
- When assessing responses to this question be aware that it does not provide a holistic view of your services. The responses are more focused on the customer's interactions with the housing provider, and tell you little about satisfaction with their homes or their neighbourhoods.
- When asking this question, use follow-on questions to find out the key drivers (see 5.4.1 for further information).

5.2 Service related drivers of satisfaction

Our factor analysis shows that repairs, communication, trust and, to a slightly lesser extent, value for money are the key areas associated with overall satisfaction. These, then, are key influencers and should be explored further.

5.2.1 Repairs

Repairs is commonly seen as the biggest driver of satisfaction within the housing sector. As the biggest transactional service area, it is reasonable to believe that repairs are key to a customer's perceptions of their housing provider, and the quality of services they provide.

We used this question from the project question bank to measure repair satisfaction:

On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied were you with the level of service you received with your most recent repair?

One project partner then undertook a survey with their customers, using 14 questions related to repairs that included both their own questions, other questions from our question bank and the repairs question (shown above).

Factor analysis was then conducted on the returned data to highlight the topic areas which are more likely to be considered during the assessment of the overall repairs service. For this particular survey, the results showed the cleanest structure to be a three-factor model as shown in figure 3, page 17.

The results suggest that when passing judgement on the repairs service, customers make a distinction between the reporting and appointment booking part of the process and the repair work itself.

As shown in figure 3, overall repair service satisfaction falls within the second factor and is more closely associated with the repair work taking place, for example, knowing what the contractor was there to do, as well as the quality of the work.

The idea behind the overall repair service question was to provide a complete view of satisfaction with the repairs service, including the repair work and the process of reporting and getting an appointment. This

result, however, suggests that the stronger association with the final delivery/resolution of the repair may be more important to customers when they weigh up how satisfied they were with the repair as a whole.

This sense was reflected in the focus groups. Participants indicated that they see the repair process as having distinct points, and that someone could have a good experience at the reporting stage, but a bad experience with the quality of work for the actual repair.

Figure 3: Three-factor model from factor analysis of 14 question survey on repairs





Figure 4: Correlation between repairs question and other question areas. The stronger the relationship, the higher the value, and darker the shade of purple. Grey boxes equal unknown correlations, due to no data being available

Repairs are clearly important when thinking about overall satisfaction, along with trust, communication and value for money. What, though, is the relationship between repairs and other themes of questions?

Figure 4 provides an answer, showing the correlation between the repairs question and other questions areas. The stronger the relationship, the higher the value in the box, and darker the shade of purple. Grey boxes represent unknown correlations due to no data being available.

The repair question has the strongest correlation with communication and trust, specifically the trust question of “deliver what they’ve promised” and the communication question of “acts on your input”. There was also a strong correlation with “understands issues raised”, another key trust question.

Customers often expect that repairs of any type are the responsibility of their housing provider. Much of the time they spend interacting with their housing provider is to report a repair. So when a customer is deciding whether their housing provider acts on their input and delivers what they’ve promised, it’s likely they will be heavily influenced by whether their provider has resolved their reported repair.

This raises the question whether it is the repairs service that’s the most important for customers when thinking about overall satisfaction, or is it about communication?

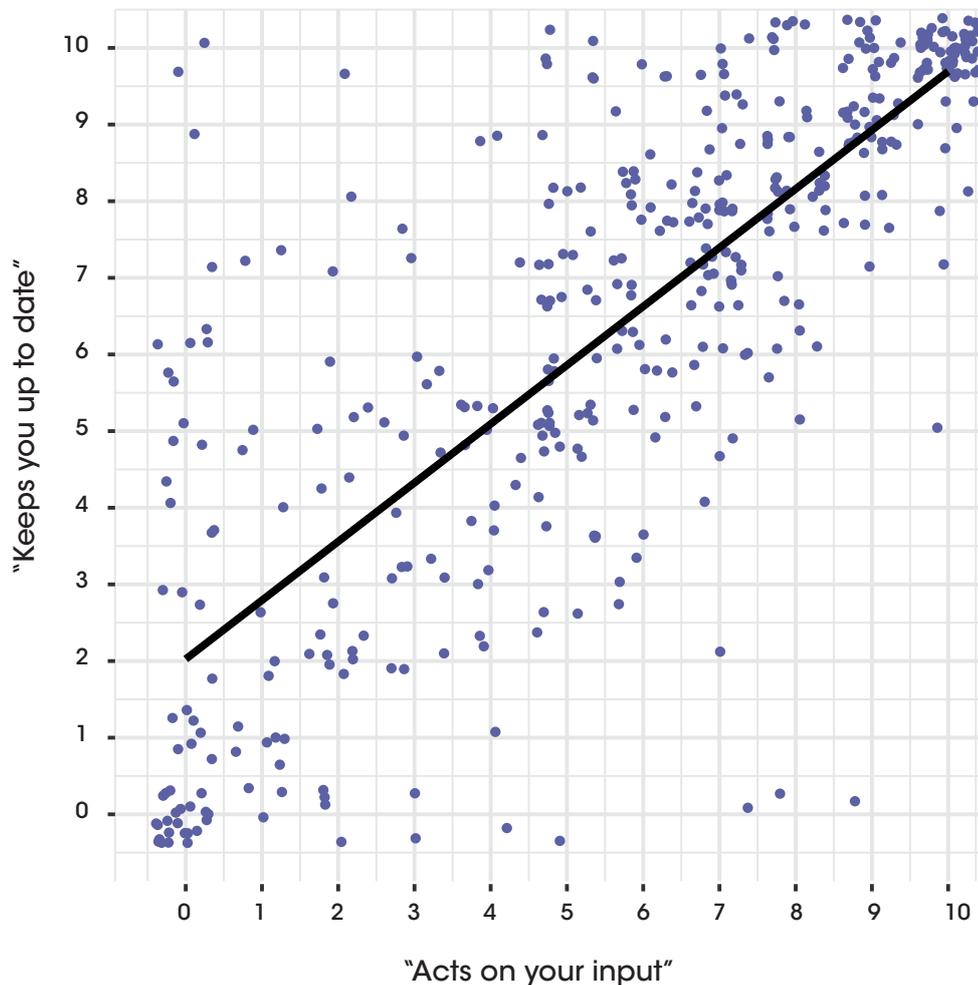
Since repairs is a frequently contacted service, this might create a misconception that repairs are a key driver for satisfaction, masking the more fundamental driver of communication.

5.2.2 Communication

Communication was identified as an important influencer of satisfaction. It's also shown to be closely related to satisfaction around repairs. It's important, therefore, to look at communication in more detail.

Along with our project partners, we decided to separate communication into two main areas: communication from customer to housing provider; and communication from housing provider to customer.

Figure 5: Scatter-plot of responses to the questions "Acts on your input" and "Keeps you up to date" for one organisation. The black line represents the line of best fit



We devised two questions to test these two communication pathways:

On a scale of 0-10, where 0 is not at all and 10 is completely:

1. *How satisfied are you that {Housing Association}:*
 - a. *Listens to your views?*
 - b. *Values your opinion?*
 - c. *Acts on your input?*
2. *How satisfied are you that {Housing Association} keeps you up to date with things that might affect you as a resident?*

Two organisations asked a combination of the communication questions within their survey. As expected, analysis of the datasets returned by these organisations revealed a high positive correlation between the questions addressing “acts on your input” and “keeps you up to date”. As shown in figure 5, most customers respond with the same rating, or one rating higher/lower, for these questions.

This suggests that if customers are updated about the actions that have been taken in relation to any incidents they’ve reported to their housing provider, then they’re more likely to feel satisfied their input has been acted upon. Ensuring a feedback loop is in place could therefore be important.

This idea was echoed by participants in two focus groups. They indicated that an acknowledgement of the time and effort people provided in responding to surveys,

as well as feedback outlining how this information was used or what was done as a result would be welcomed and appreciated.

Time is precious, need to know that feedback is being utilised. Feels like wasted time. Shouldn’t have to ask for the feedback.

The feedback loop and the provision of clear and complete communication was highlighted in one focus group as being important for building trust. Often people don’t know how the surveys responses are used and there is a belief that “these surveys are just filled in and then filed away in a back room”. Using a *you said, we did* approach ensures that customers are aware of how their responses have been used and whether any changes have been made as a result or not, as the case may be.

Communication was also a common theme in the qualitative survey responses. One organisation asked a follow-up question with broad range of possible answers:

How could we improve our services to you?

After categorising the comments, 30% were related to improving communication, featuring clear themes such as:

- unclear communication on points of contacts for different issues;
- general communication about keeping customers informed and up to date about future plans;
- comments around customer service and requesting for staff to be more understanding and polite.

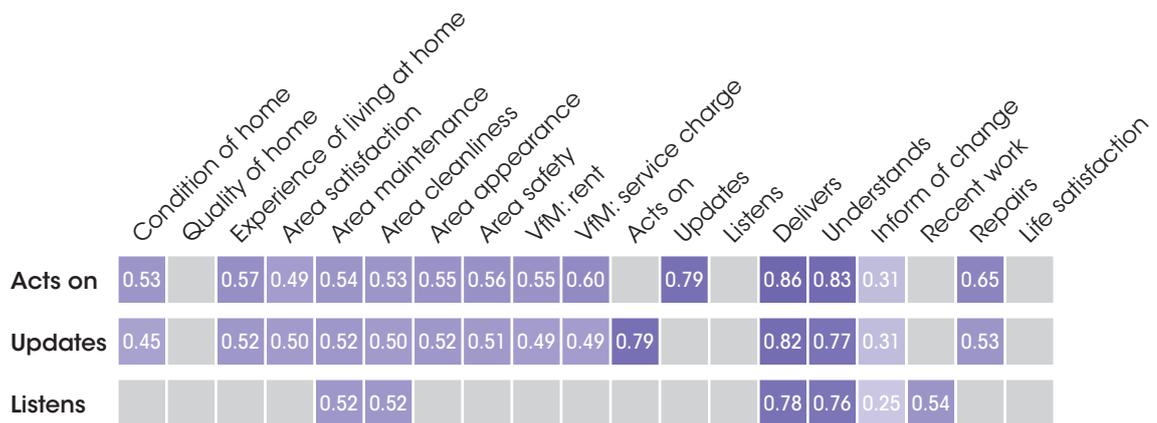


Figure 6: Correlation between communication question and other question areas. The stronger the relationship, the higher the value, and darker the shade of purple. Grey boxes equal unknown correlations, due to no data being available

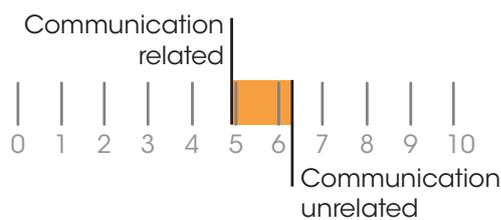
Communication was the second most common theme after repairs. However, some of the comments within the repair-centred verbatim related to communication as well, such as communication on scheduling repair appointments. This shows that effective communication is vital in all interactions with customers, whether in providing feedback, the manner used to communicate, clear communication to manage expectations, and generally keeping customers updated and informed. It is paramount that a sufficient and appropriate engagement process with customers is in place.

We know that communication is related to repairs. It's also important to examine the relationship between communication and other questions, as shown in figure 6 (see above).

This shows the correlations between communication questions and other question areas. The value in the boxes and the shade of the boxes represent the correlation. The stronger the relationship, the higher the value in the box, and darker the shade of purple. Grey boxes represent unknown correlations due to no data being available.

The correlations found across communication and trust questions were stronger than the correlation between communication and repairs. Specifically, the trust questions of “deliver what they’ve promised” and “understands the concerns or issues you raise” were all correlated above 0.75. Clearly, the perception and trust a customer has for their housing provider is impacted by their interactions and communication with the housing provider.

Deliver what they've promised?



Understands the concerns or issues you raise?

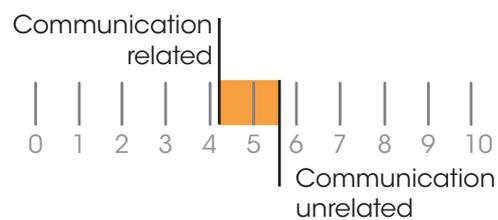


Figure 7: the mean and difference in mean satisfaction ratings for two trust questions based on whether their follow-up responses were related to communication or not

5.2.3 Trust

Building trusting relationships between customers and housing providers often takes time, but is believed to be vital for sustained engagement and, ultimately, tenancy sustainability. This is particularly the case with the relationships between housing provider and more vulnerable customers.

Working with project partners, we agreed that any trust questions should be closely aligned with their three main outcomes of interest: perception of being dependable or trustworthy; empathy; and willingness to engage or disclose information.

We developed three questions around trust for the project question bank:

On a scale of 0-10, where 0 is not at all and 10 is completely:

1. Do {Housing Association} deliver what they've promised?
2. Do you think {Housing Association} understand the concerns or issues you raise?

3. How likely would you be to tell {Housing Association} about a change in your life that might affect you or your tenancy?

We know from our correlation analysis that communication and trust are highly related. To examine this relationship further, we considered the proportion of communication-related qualitative responses and how these relate to ratings of trust.

When grouping customers into those who had communication related and unrelated comments, a significant difference is found in the mean satisfaction score of responses related to “delivering what they’ve promised” and “understand the concerns or issues raised” between these two groups.

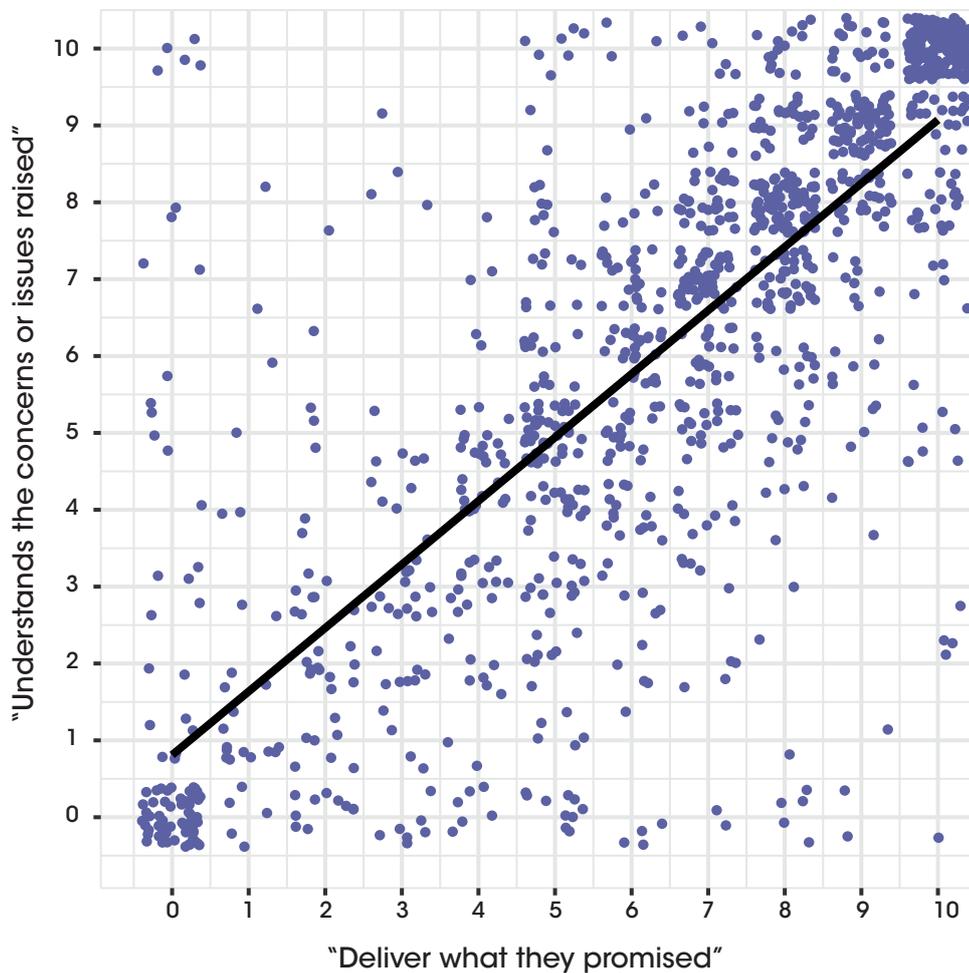
Specifically, on average those with communication-related comments rated 1.38 to 1.41 lower than those with unrelated comments, as shown in figure 7 (see above). These findings reinforce the strong

relationship between these two areas and highlights how issues with communications lead to a decline in trust with the housing provider.

The strong relationship between communication and trust was also evident

within the focus groups where we explored the acceptability of the trust questions. Participants indicated they would have difficulties answering all three of the trust questions as there was a lack of understanding about what the housing providers offers and a lack of communication

Figure 8: Scatter-plot of responses to the questions “Deliver what they promised” and “Understands the concerns or issues raised” for one organisation. The black line represents the line of best fit



between the housing provider and customers about what to expect in terms of all services.

These findings suggest that improving communication with customers will help to build trust. These improvements in communication would include transparency, making sure customers understand what is happening and clarity around expectations.

Although trust seems to be inter-linked with communication, trust is also an important aspect on its own. Three organisations asked all three trust questions from the question banks within their survey. An analysis of the datasets returned by these organisations reveals a high correlation between the questions addressing “delivering what they’ve promised” and “understand the concerns or issues raised”. As shown in figure 8, page 23, most customers responded with the same rating, or one rating higher/lower, when answering these questions.

The correlation could indicate that delivering on promises requires an understanding of the issues raised, and the impacts of those issues. This understanding means the solutions are more likely to be in line with the customer’s expectations, leading to increased satisfaction.

Another finding came from the trust question that asked whether a customer would inform the housing provider about a change in their life showed starkly different results to either

of the other two trust questions, and to any other area. Although the distributions across organisations suggests a high proportion of customers are likely to inform the housing provider of a change in their life, suggesting a positive and trusting relationship between customer and landlord, this is not necessarily the case.

One organisation asked a follow-up question to the “tell about a change in your life” trust question. When looking solely at those customers who responded with a score to the first question between 8 and 10, and provided a follow up response, we found:

- **25% were due to previous positive experiences.** These customers believe the housing provider can provide support as it has done in the past or they find the housing provider friendly and helpful.
- **28% were due to negative feelings.** These customers express concerns about the consequences to themselves if they don’t inform their housing provider about a change in their life, such as being evicted, or felt that they inform their housing provider because they are their landlord, or they believed it was a legal obligation.

At the other end of the scale, of those who responded 0-4 to the first question and provided a follow up response, we found:

- **41% were due to previous negative experiences.** They believe the housing provider will not help them in future.

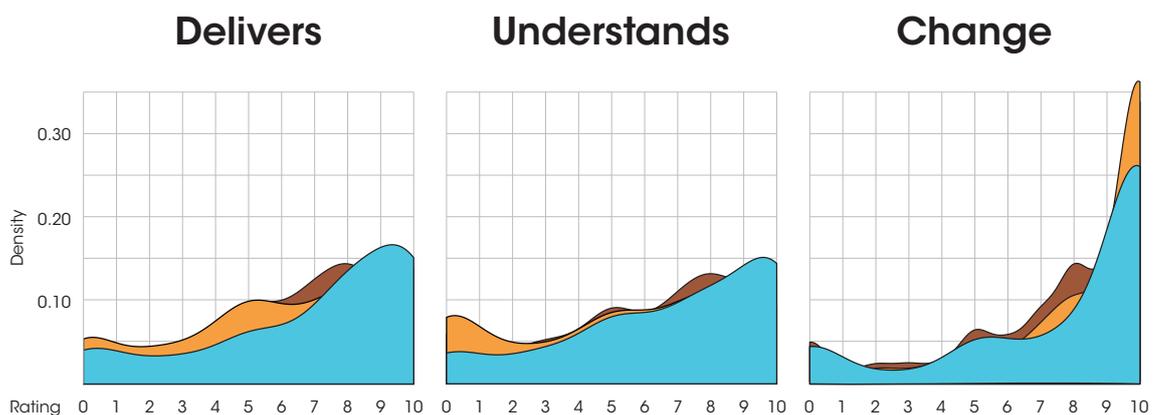


Figure 9 shows density plots of responses to three trust question for three organisations. Each colour represents a different organisation.

- **47% were due to distrust.** These customers don't think it's the housing provider's business, they don't want to say anything as they feel uncomfortable or not listened to, or believe that nothing would happen if they did.

The results raise the question around what type of relationship a housing provider wants to have with their customer. They suggest a significant proportion of people have an adverse relationship and perception of their housing provider.

This finding also emerged from a focus group discussion about the "inform about a change in their life" question. Participants expressed concerns about being penalised rather than helped by the housing provider. A couple of participants, who had received positive support from the housing provider in the

form of debt management services, felt that the housing provider should be aware of the personal circumstances of customers.

The majority of the panel, however, saw the housing provider solely as a provider of housing and did not consider other services, like financial inclusion and employment support, were part of its core purpose.

While communication seems to be a driver of trust, at the same time, trust seems to be at the heart of customer satisfaction. Figure 10, page 26, shows that the trust questions "deliver what they've promised" and "understand the concerns or issues you raise" have mostly moderate to high correlation with other themes of questions.

In addition, they are often the area with which other questions have their highest



Figure 10: Correlation between trust question and other question areas. The stronger the relationship, the higher the value, and darker the shade of purple: the lighter coloured boxes represent very low correlation (below 0.2). Grey boxes equal unknown correlations, due to no data being available

correlation with. Customers who trust their housing provider believe that the organisation is working in their best interest and providing value for money.

5.2.4 Value for money

Value for money was also shown to be important for overall satisfaction, and provides an additional element to the interrelationship between communication, trust and repairs. When examining value for money we agreed with our project partners that it would be more insightful to separate

value for money into specific components – rent and service charge – as these have different meanings.

The two questions relating to value for money in the project question bank were: *On a scale of 0-10, where 0 is not at all and 10 very good value, do you think the amount of:*

1. Service charge you pay represents value for money?
2. Rent you pay represents good value for the property you live in?

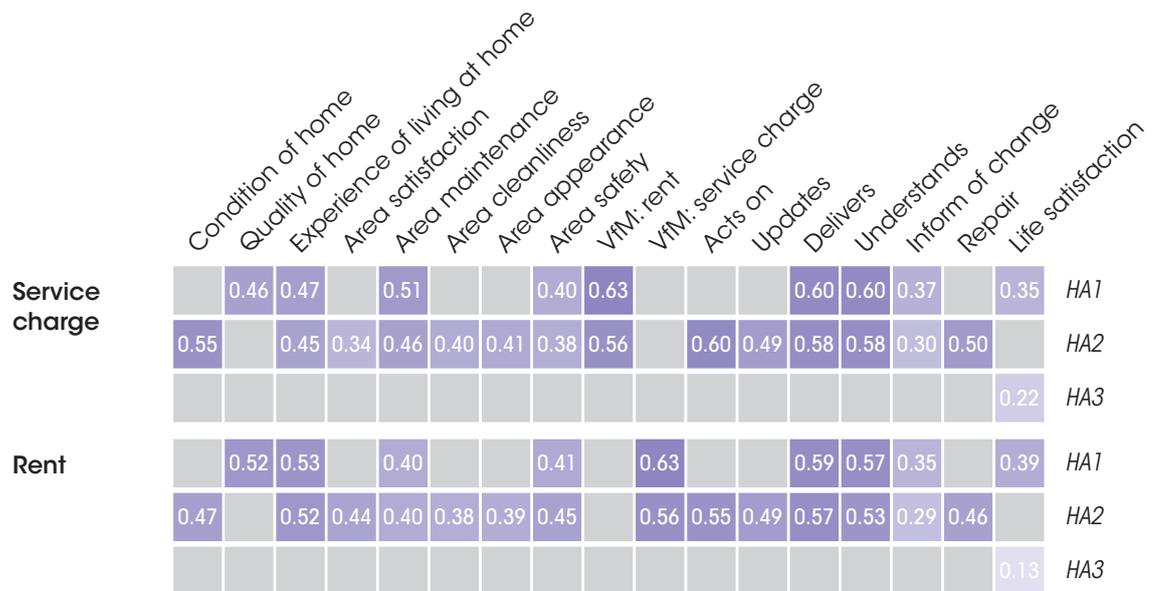


Figure 11: Correlation between value for money questions and other question areas. The stronger the relationship, the higher the value, and darker the shade of purple. Grey boxes equal unknown correlations, due to no data being available

Three organisations asked the value for money questions within their survey. An analysis of the datasets returned by these organisations revealed a moderate positive correlation between both the rent and service charge questions, and also with the communication and trust questions, as shown in figure 11, above.

This would suggest that a positive perception of value for money is rooted in the trust that customers are being charged fairly and in line with the services being delivered. A customer’s trust of their housing provider is at the heart of satisfaction and a key driver to consider when looking to improve satisfaction. Trust and communication also seem to be important when looking at the

perception of value for money, as seen within the qualitative follow-ups.

One project partner asked a specific follow-up to the service charge question. After examining data from two months (March/September 2017) we found that 37% of responses were related to communication. Specifically, their discontent was at what they perceived as:

- a lack of reliability and action from the housing provider;
- a lack of responsiveness and support, especially regarding follow-up communication;
- a lack of transparency and availability of staff;
- poor internal communication.

The other main areas highlighted in comments from customers focused on the standard of services, for example, unsatisfactory maintenance standards and practices and repair schedule. While 11% thought repairs and maintenance work were carried out too irregularly, many customers may be unaware of how often maintenance work is contractually carried out. This reinforces the need for clearer communication to set more realistic expectations about what customers receive for their money versus what they think they should receive.

When looking at the distribution within the rent question (see figure 12, opposite), a small peak of responses at the midway point (5) is seen for two organisations. This suggests some customers are unsure about how to answer this question, reinforcing the importance of communication. For customers to understand whether they are getting value for money they need to understand what it is they are paying for.

Another factor might be that a reasonable proportion of customers were on housing benefit, which, before the introduction of universal credit, was paid straight to the housing provider. These customers may have struggled to answer this question as they are either unaware of the amount of rent they are paying or feel very satisfied because the rental payment is not coming directly out of their pocket.

Rent

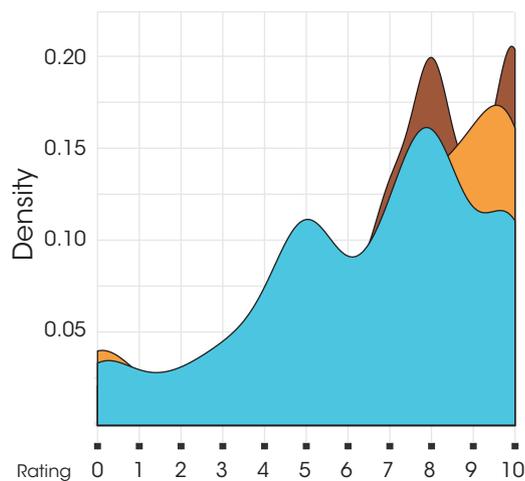


Figure 12 shows a density plot of responses to the rent value for money question for three organisations. Each organisation is represented by a different colour.

This lack of clarity about what customers are paying for was also evident in the qualitative follow-up responses to the value for money questions. There was a clear overlap between the two themes. Both had a significant proportion of follow up responses related to the upkeep and appearance of green space, the appearance and maintenance of communal areas and/or of internal living space. This suggests that some customers do not distinguish between the two payment areas (see figure 13, page 29).

A prominent theme in two of the focus group panels was the lack of information provided by the housing provider to their customers about what is included and covered by rent

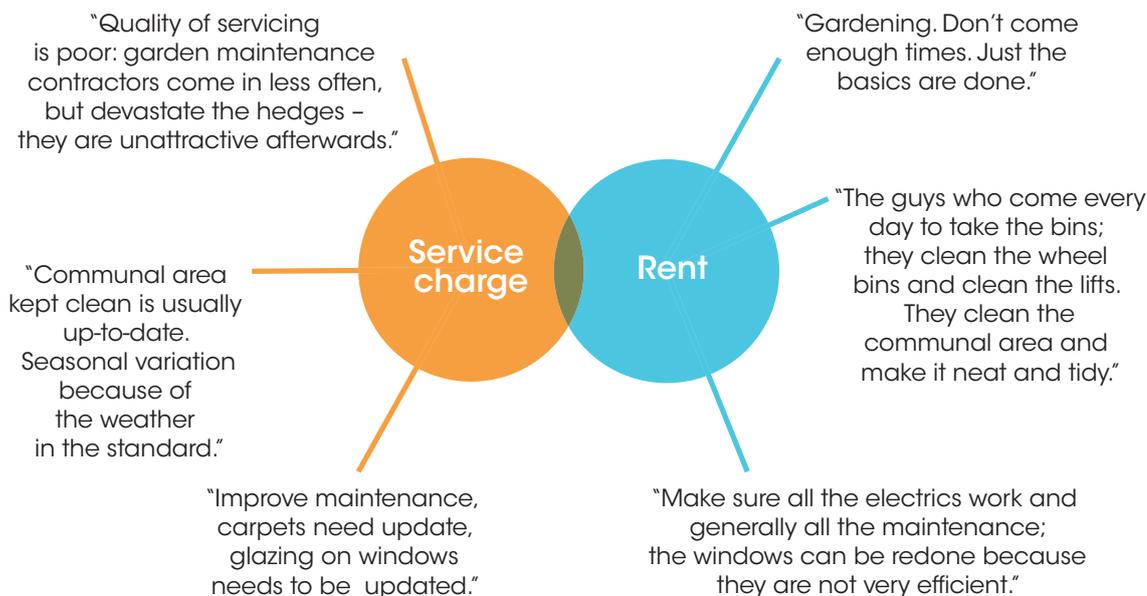


Figure 13: Examples of overlapping responses across the service charge and rent follow up questions

and service charges. When asked to define value for money in their own words, one panel participant indicated that:

It's a return on what you're paying. There is a lack of communication. I have no idea what I'm paying for.

When thinking about value for money, a key consideration is whether there is a clear understanding by both the housing provider and the customer as to what is meant by value for money.

We recognise that the questions relating to value for money are useful, even if housing providers would be unable to directly action the insights offered. Instead, these insights provide information on a customer's perception of value and their expectations.

This information can be useful in identifying where an organisation needs to communicate better, particularly if there is dissatisfaction with something that customers have had a choice in informing.

A common example of this expectation gap is that customers stated they were dissatisfied with the area surrounding their home, particularly in relation to grass cutting. At the same time, however, they were unwilling to pay for anyone to cut the grass.

Recommendations

Using our findings in this project, we would make the following recommendations relating to communication, trust, repairs, and value for money in surveys:

- Ensure good communication channels that are clear, frequent and appropriate between the organisation and customer, as well as internally. In particular, ensure there is one version of the truth, particularly within the organisation. As an example, do not send out eviction notices to customers who are being supported to sort out their personal finances.
- Feedback to your customers all the insights and actions generated as a result of focus groups, surveys or any other type of engagement. Often this takes the form of “You said, we did”. Also include what wasn’t done, and why.
- Clarify expectations, roles and responsibilities, so that appropriate expectations are in place for both the organisation and the customer, and that these are clearly understood and agreed. This should include providing a clearer understanding to customers about their service level agreement and what the money goes towards.
- If you’re not already doing this, measure trust: it’s key for how your customers perceive you and your services. This also includes identifying and monitoring the drivers of trust and how these can be improved. Use follow up questions for this.
- Measuring value for money is not very actionable in its own right as it is highly likely an organisation can’t change costs. So you’ll need to be transparent about why your asking the question. Supplementary qualitative information can help you understand what customers consider good or poor value. This could then be used to inform ways to change expectations and the value.
- As a service can have distinct contact points, follow-up questions can be useful to distinguish between good or bad experiences. These could be either multiple quantitative or qualitative questions. We recommend that questions are only asked in relation to areas that are likely to be actioned. For example, if a housing provider isn’t going to change the way it asks for repairs to be reported then it shouldn’t ask a question about this specific aspect of the service.

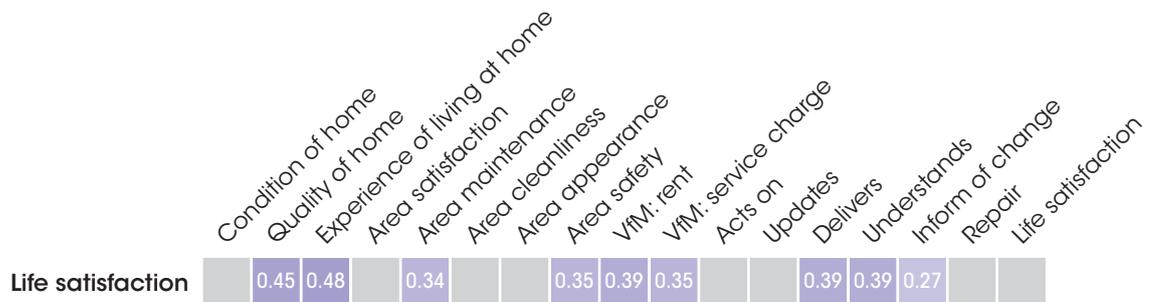


Figure 14: Correlation between value for money questions and other question areas. The stronger the relationship, the higher the value, and darker the shade of purple. Grey boxes equal unknown correlations, due to no data being available

5.3 External influences on satisfaction

Just as a customer will often consider a blend of services and experiences when thinking about their satisfaction, so a combination of other aspects of their life can play a part when they're answering a question about how satisfied they are. We made some initial assumptions as to how these potential influencers could be of use, such as understanding the correlation between actions and life satisfaction, as a measure of calibration, or as a predictor.

5.3.1 Life satisfaction

Reflecting their strong social ethos, project partners expressed an interest in life satisfaction, based on the assumption that an individual's overall satisfaction with their life would have some influence on satisfaction in other areas. A couple of organisations asked their customers the standard question taken from the four ONS wellbeing questions within their surveys:

On a scale of 0-10, with 0 being not at all and 10 being very satisfied, how satisfied are you with your life nowadays?

By understanding which areas are associated with higher or lower life satisfaction, we hoped to provide housing providers with insights as to which actions they should do more of and which to curtail.

There were mid to low correlations between life satisfaction and other areas across the board. All correlations ranged between 0.27 and 0.48. The strongest relationship was with satisfaction with the home. This is not a surprise. This question was put at the beginning of each survey so as not to be influenced by the other questions. It suggests that life satisfaction is not as closely related to overall satisfaction as previously thought. Asking a general question, unrelated to services, does not provide a strong indication about whether a customer is likely to give high or low satisfaction answers in general.

5.3.2 Demographics

It is well known that someone’s demographic make-up influences their perception of their life satisfaction. It’s reasonable to assume that these characteristics could also impact other areas of satisfaction, for example, their satisfaction with a housing provider. We included questions in our question bank that allowed organisation to interpret or account for these factors in their satisfaction ratings. The demographic areas included age, gender, ethnicity, marital status, household composition, level of household income, level of education, employment status, level of health and location.

One project partner asked customers a survey consisting of eleven questions that

covered a range of topics, including both their own questions and ones from our question bank. K-means cluster analysis was conducted on the returned data. This analytical technique partitions the respondents into groups based on feature similarity, or responses to the survey questions. The analysis resulted in four clusters being formed, which, following analysis, we defined as high, mid-high, mid-low and low satisfaction.

Using Chi-squared statistical tests we can look further into the relationship between satisfaction and demographic information. The table below indicates where a cluster had a higher than expected number of customers with a particular characteristic. It is important to note that the characteristics

Table 3: Chi-squared statistical test into relationship between satisfaction and demographic information

Demographic area	High satisfaction	Mid-high satisfaction	Mid-low satisfaction	Low satisfaction
Tenure	General needs		Shared ownership	
Health	Very good	Fair / good		Very bad / bad
Age	60–84 (older adult / elderly)		25-54 (core working age)	25-34 (young adults)
Marital status	Widowed / separated	Single / divorced	Married	
Employment status	Retired		Full-time / self-employed	Long-term sickness
Household income	£0-10,000 (low income)	£5-25,000 (low to mid-income)	£25-80,000 (mid to high income)	

should be viewed in isolation and not as a collective, for example, as customer profiles. For example, it suggests that customers who are single or divorced, and/or with fair to good health, and/or have low to mid household income are more likely to have mid to high satisfaction levels.

Another project partner asked their customers a survey consisting of 17 questions covering a range of topics, and using both their own questions and ones from our question bank. Repeating the K-means cluster analysis on the second survey provided similar results with three clusters we defined as: high, mid and low satisfaction.

However, no pattern was seen across the satisfaction groupings within the customer characteristics. Part of the reason for this may be that the sample size was much smaller and so there was not enough data to distinguish the pattern. Or it might be that characteristics are not a strong indicator of how a customer is likely to respond to satisfaction questions.

Recommendations

Using our findings in this project, we would make the following recommendations about including questions related to life satisfaction and demography in surveys:

- Our experience was that the question didn't provide much insight, apart from the responses not being tied to an individual's general life satisfaction. That is not to

deter you from asking the question. Asking customers about their life satisfaction is a sensitive question, so it is important to consider how you want to use the results. You will also need to consider how you ask the question to get the most value.

- Similarly, demographics can also be seen as sensitive questions. Often there is a lack of understanding of why these questions are being asked. Demographic information could provide some extra insight into satisfaction ratings, but if you want to include these questions it is important to be clear to customers why you are asking them. You also need to think about whether you need to ask them, or might you have the information elsewhere already, for example, by looking at their application form when their tenancy began.

5.4 Survey approach

Survey methodology is often an organisation specific process and the fundamentals of gathering customer feedback are well established within the sector, although not fully standardised outside of the use of STAR.

Conversations throughout this project have regularly touched upon aspects of survey methodology and how nuances in approach might impact satisfaction levels and response rate. We followed these lines of enquiry where possible to understand how slight variations in approach might impact the outputs and insightful feedback gathered.

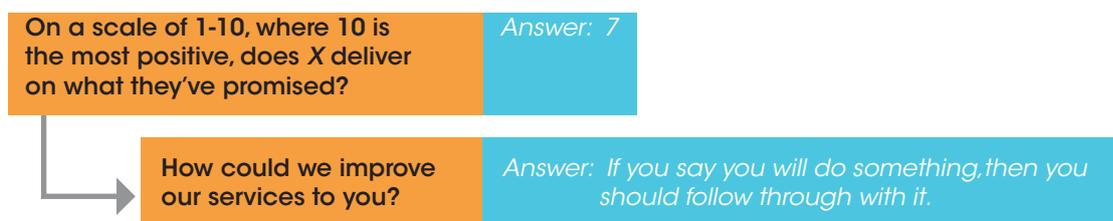


Figure 15: The value of follow up questions: the response to the second, follow-up question suggests that the response to the first, scoring question about trust is flawed.

In testing the questions from our question bank, we found there are various factors relating to the questions themselves, as well as the approach the housing providers takes when conducting the survey that can affect the propensity for customers to respond to surveys, including:

- the use of follow-up questions
- question wording
- question order
- question scales
- survey timing
- survey mode
- survey length

5.4.1 Follow-ups

Although quantitative results deriving from surveys are useful, additional qualitative data is needed to fully understand the findings and how these can be used and converted into actionable insights. This is especially true as people can be inconsistent in their responses; see, for example, the apparently contradictory responses from one customer to a scoring question about trust, and their qualitative response to a follow up question (figure 15).

From the outset of the project, our assumption was that follow up questions are a key source for providing actionable data. Consequently when developing the question bank, we recommended that project partners use follow-up questions that matched the tone of the response. This is reflected in the question bank, which includes three different follow-up questions, depending on the response to the question scale:

- 0-4 – “Sorry to hear that. What could we do better next time?”
- 5-7 – “Is there anything we could do better next time?”
- 8-10 – “That’s great to hear. Could you tell us what went well?”

Resource constraints will mean that not all housing provider will be able to deliver this level of follow-up questions. In these instances, it is better to include a broader follow-up question rather than nothing at all. Additionally, from the customer’s perspective, it enables them to explain themselves, even when they are not confident that it will be used by the organisation.

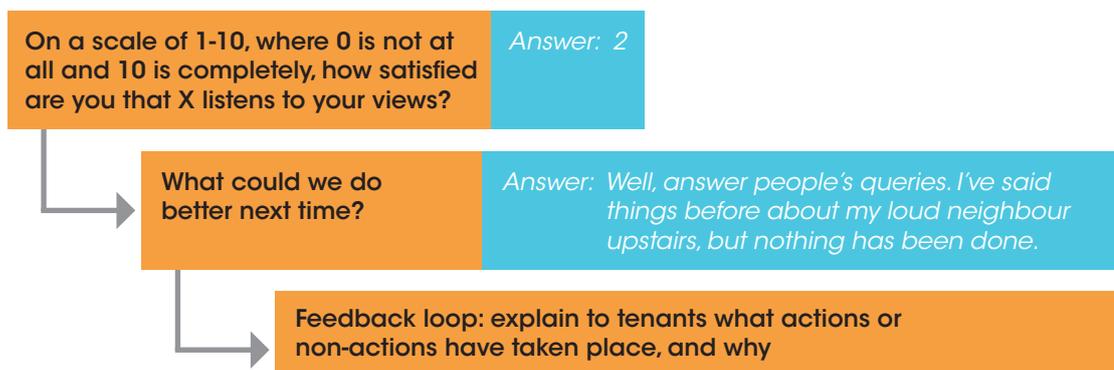


Figure 16: The value of follow up questions: the response to the follow-up question provides information that can then be translated into actionable insights

Asking customers to rate their experience of using the repair service or their satisfaction with the maintenance of the area where they live provides insight into the general satisfaction of customers but will not provide details of the aspects of that service that need to be improved, or are going well. This is where the follow up questions add value (see figure 16, above).

The lone opinion on its own is not useful. All it shows is that the individual is dissatisfied with the housing association. The qualitative response on its own indicates a specific problem that can be addressed. The qualitative responses can also be aggregated to determine whether a common theme emerges that needs specific action.

While follow-up questions are important for providing actionable insight, housing providers should be aware of survey fatigue. This is a challenge with all surveys. We would not recommend having follow-ups for every

survey question. Instead, they should be used for those questions aligned to strategic or operational objectives, where feedback will be used by the business to improve services.

Recommendations

Using our findings in this project, we would make the following recommendations for the use of follow-up questions in surveys:

- Consider organisational capacity for using qualitative follow up questions in surveys. Analysing qualitative data can be time consuming. Multiple quantitative questions about different aspects of a service may be more appropriate. Some third-party organisations can be asked to complete the verbatim comment coding as they conduct telephone surveys, which may speed up the process of in-depth qualitative analysis.
- When deciding which initial questions should have a follow-up, consider the services the organisation wants to and can improve. Use the follow-up question to focus on these areas of the business.

- Ensure there is awareness within the organisation that while passionate people might provide loads of information, this is not always going to be representative of the entire population surveyed.
- Pay attention to all responses, not just those that are dissatisfied or satisfied. Follow up responses relating to middle scores may provide more useful and actionable insights.
- Where more than five initial questions are asked of one respondent in a single survey, limit the follow up questions to one to two questions.

5.4.2 Question wording

Deciding how questions are worded is a key element of the survey approach used by housing providers. The use of certain words or the lack of clarity within a question will ultimately affect the responses.

We explored the acceptability of a selection of questions from the question bank in focus groups. For instance, when asked to consider the wording of the trust questions, participants said they would have difficulties answering the following trust question:

“How likely would you be to tell {Housing Association} about a change in your life that might affect you or your tenancy?”

They felt that the use of the word “affect” in the question was negative. Changing the wording of the question to focus on “help” would make the question more positive and

appear that informing the changes would be more for the benefit of the respondent than the housing provider.

There were also concerns with the use of “you”, with panel participants indicating that the question should only focus on the tenancy rather than the individual’s personal experiences. Consequently, they would be unlikely to answer this question.

In another focus group, panel participants discussed the wording of the two repairs questions. Participants indicated that the wording used in these questions made them think about different aspects of the repair service experience. Participants suggested that including questions intended to look at different aspects of the process rather than the general experience overall is preferable as it’s “easier to separate the negative and positive experiences”.

By comparison, some questions appear to prompt respondents to think about the same thing despite being worded differently. This was apparent with two of the neighbourhood element questions:

“How satisfied are you with the cleanliness of the area near your home?”

“How satisfied are you with the appearance of the area near your home?”

These two questions were found to be highly related with a correlation of 0.91. This

suggests the questions are asking people the same thing: they shouldn't be asked together in the same survey with the same respondent.

Recommendations

Using our findings in this project, we would make the following recommendations when considering the wording of questions:

- Ensure there is a clear purpose for asking a question and convey this to the customer (e.g. with an introduction to the survey).
- Ensure wording is simple: test questions to understand whether they have negative connotations and that people are answering questions as expected.
- Do not use questions that are too similar in the same survey with the same respondent as similar question can appear to be repetitive and frustrating for customers to answer.

5.4.3 Question scales

It is good practice to retain consistency with the question scales you use across surveys as people get used to answering questions according to a particular scale. As partners expressed interest in using the life satisfaction question, which is on a 0-10 scale, all questions in the question bank are on the same 0-10 unipolar scale.

One partner used an existing survey with STAR questions alongside a new survey with questions from the question bank. We then compared differences in responses. The questions have similar wording, but use different response scales (one is a five point word scale and the other a numeric eleven point scale). Looking at the same three-month period we can split both scales into three appropriate categories and examine the percentage of respondents in each group (see table 4 below).

Table 4: testing responses to surveys using different scales

Scale type	Quality of home		Maintenance of green space	
	<i>Very dissatisfied - very satisfied</i>	<i>0-10</i>	<i>Very dissatisfied - very satisfied</i>	<i>0-10</i>
Dissatisfied / 0-4	19%	11%	23%	18%
Neither / 5-7	11%	36%	6%	32%
Satisfied / 8-10	70%	54%	71%	50%

The two scales provide different indications of how satisfied customers were. The five point word scale shows a much higher proportion of customers being satisfied compared to the eleven point numerical scale. Conversely, the five point word scale shows a slightly higher proportion of customers being dissatisfied. The eleven point numerical scale can provide more granularity when analysing responses and will likely indicate lower satisfaction.

A middle of the road response (5) on an eleven point numerical scale indicates the housing provider can and needs to improve in that service area. By contrast, a neither satisfied or dissatisfied response on a five point word scale is less clear as to whether a change in service needs to be made.

In two of the focus groups we explored customer preferences for question scales, focusing on the ease of understanding and use of binary scales, 0 to 10 scale, 1 to 5 scale and -5 to 5 scale. We found that:

- Most panel participants preferred the 0 to 10 or 1 to 5 scales: there were, however, mixed opinions about the ease at which they could place themselves on both scales.
- There was a consensus that the -5 to 5 scales were too difficult to comprehend, and that participants would generally avoid responses on the negative end of the scale.
- The binary scale was generally considered to be too constricting, although this depended on the question or context in which it is used.

- Labels on scales were useful for placing a response.

Recommendations

Using our findings in this project, we would make the following recommendations for housing providers when considering the use of question scales:

- Consider what is being measured and how results will be used as different scales provide different types and levels of insight.
- Think about adding word labels to scale response categories (e.g. satisfied, neither, dissatisfied), as these can provide more reliable data than categories labelled with numbers alone. Categories should be fully labelled with exactly what each point of the scale means.
- Ensure scales are perceived as equivalent when you move from one step to the next in a survey. This can be done by grouping questions with the same scales together.

5.4.4 Question order

The sequence in which survey questions are asked can influence how respondents answer them, with responses to preceding questions informing subsequent questions.

The potential for this to happen has been recognised. It is, for example, recommended that questions relating to life satisfaction should be placed at the start of survey to avoid being influenced by responses to other questions.

There is also debate around the placement of questions relating to demography, with some people considering the placement of these questions at the start of surveys being beneficial as it builds rapport with the respondent. Others consider demography questions are better suited at the end of surveys as they require less cognitive effort from respondents.

We discussed the ordering of questions with one focus group. For particular survey methods, some respondents said they will always take wider views into account when completing a survey as they:

“always read all questions before [they] give answers. It doesn’t matter what order the questions are in”.

It is worth noting, however, that depending on mode, the order and placement of questions may not be an issue.

Recommendations

Using our findings in this project, we would make the following recommendations when considering the order of questions:

- Consider the placement of sensitive questions, for example, about life satisfaction, as these should be placed at the start of surveys according to best practice approaches.
- Testing the order of questions is useful as it establishes whether the order affects response rates of patterns of answers for an organisation’s customer population.

5.4.5 Survey mode

The housing sector uses a wider range of modes to survey their customers for a number of reasons, including resources and capacity. With this in mind, project partners were not restricted to using one particular mode during the project testing phase.

We discussed preferences around survey modes with focus groups. As expected, there was no consensus as to which survey mode is best or most effective.

Each customer has a preferred mode for receiving and answering surveys, often informed by their circumstances and personal characteristics. For example, several of the older participants in the focus groups expressed a preference for paper-based surveys. Other, younger, participants expressed a preference for email or text-based surveys.

Most notable was the finding that panel participants generally agreed that they would only answer surveys which they received in the mode they personally preferred. This supports the widely held assumption that survey mode can affect response rate.

Recommendations

Using our findings in this project, we would make the following recommendations when considering survey mode:

- Where possible according to budget constraints, consider using multiple

methods, or test different modes to determine what method is the best for majority of an organisation's customers.

- Regularly review the demographics of respondents against your customer population to ensure the survey sample is representative.

5.4.6 Survey timing

The timing of a survey is an important factor that can affect survey response rates and types of responses. Two project partners used the following question in their surveys:

On a scale of 0-10, with 0 being not at all and 10 being completely, overall how satisfied were you with the level of service you received with your most recent repair?

In terms of survey timing, both took a different approach. One used the question in a monthly transactional survey focused only on repairs. The other used the question as part of a broader one-off survey, so that the time between the repair and survey could have been three months or more.

When looking at the distribution of results across the two organisations, as shown in figure 17 (above), there is a clear difference. The organisation that used the one-off survey (in light blue) have a more even spread of results across the 0-10 scale, while the transactional approach (in orange) produced a stark peak with a high proportion of customers being very satisfied (i.e. responded with a 10).

Repairs

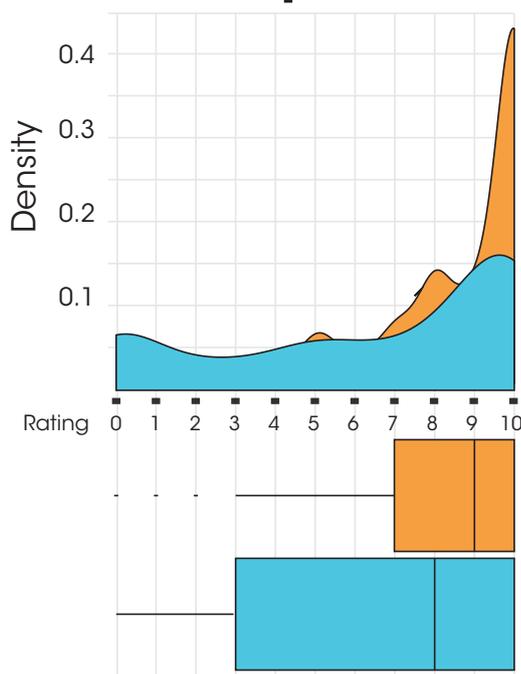


Figure 17 shows a density and box-plot of responses to the repairs question from two different organisations. The light blue colour relates to the organisation that conducted a one-off survey. The orange relates to the organisation that conducted a transactional survey

This difference may be down to a lack of memory of the latest repair experience within the one-off approach, so the results represent more of a blended satisfaction of service over the past months.

In addition, asking about satisfaction of a service too early can also be an issue from the customer's perspective. For example, the

time frame between the repair and surveying needs to be long enough to allow for the quality of the job to be determined, as it could fall apart the next day. Participants in one of the focus groups suggested seven days after a repair as the optimum time.

The timing of transactional surveys is crucial for understanding what it is about the service that needs to improve. Conducting surveys too long after the transaction allows time for other factors to come into play. Another service failure may occur, a change personal circumstances or receipt of a better service may skew the satisfaction score.

Recommendations

Using our findings in this project, we would make the following recommendations when considering the timing of surveys:

- Ensure there is awareness within the organisation that the timepoint when you ask customers a question can affect the type of responses you receive.
- Consider what information or perception is desired when deciding what the appropriate time point for conducting the survey. For example, if a customer has a bad experience with the letting process, asking them about their experience 24 hours after they have moved in will result in lower satisfaction. Asking them about it six weeks later means that a neighbourhood manager might have visited them and smoothed out any issues.

5.4.7 Survey length and design

The length and design of a survey could affect the likelihood of a customer answering as well as the quality of their responses. The longer the survey, the more likely customers are to respond neutrally, a phenomenon known as the central tendency effect.

We explored this as part of the focus groups and found that panel participants are generally put off by the sight of a long survey and will “select the middle option on questions to finish quicker”. Participants also indicated that their decision whether they would complete a survey depends on the length of time it would take.

Recommendations

Using our findings in this project, we would make the following recommendations when considering survey length and design:

- Consider including an indication of the time it will take to complete a survey and ensure this is accurate. This could be a range in time to allow for slight overestimate. If finishing sooner than indicated the respondent will experience a pleasant surprise. If it takes them longer, however, this might cause frustration and erode trust.
- Consider changing the design of surveys to ensure they are more engaging, so that respondents don't perceive them as being the “same old survey”.

6 Conclusions

The scope of this project evolved considerably from its conception until its completion. When the project was conceived, there was hope amongst some partners that the research would result in a new model for customer satisfaction. That has not been the case.

The research findings have provided some useful insights that should inform future customer satisfaction surveys:

- Questions about overall satisfaction have limited value in terms of actionable insights, and are more likely to be a reflection of the respondent's most recent interaction with their housing provider.
- The key areas that affect satisfaction are repairs, communication, trust and, to a lesser extent, value for money.
- Satisfaction with repairs is strongly correlated with satisfaction with communication and trust.
- Trust is often at the heart of customer satisfaction, and will stand or fall by how effectively you communicate with, and respond to, your customers.
- Questions about life satisfaction or demographics are not strongly linked with overall satisfaction.
- Use follow-up questions to gain actionable insights, and then feedback your decisions to respondents.
- Be clear about why you're asking a question, use a consistent scale, use multiple modes of delivery, and be aware of timings and lengths of your surveys.

In addition, project partners felt that the opportunity to discuss and thrash out the fundamentals of customer satisfaction surveys with their peers was a valuable exercise in itself. It enabled them to learn what others are doing and to understand what works well and doesn't work well in terms of methodology.

Participating in the project also supported a cultural shift within partner organisations and increased the internal appetite for having conversations across the business about the need to look at satisfaction differently as well as surveying more generally.

Instead of a new model for customer satisfaction, we would recommend that a new approach is taken towards customer satisfaction surveys.

This approach is predicated on two key issues:

- Rather than collecting data to demonstrate how good you are, you need to collect data to improve how good you are.
- How you communicate with your customers needs to be more targeted, more intelligent, and more responsive to their requirements.

When it comes to the use of headline figures for customer satisfaction, some project partners were clear that they would still be required for reporting purposes, particularly for boards. Our hope is that the contents of this report can be used to demonstrate that

we need to go beyond these headline figures if we want to realise the full potential of our businesses and transform the way we work and deliver services to customers.

The approach you take, however, will depend on your organisational priorities. There is no one-size fits all model for customer satisfaction surveys that will work across every housing provider, regardless of size, geography or service provision.

Rather than a new model for customer satisfaction surveys, then, what has emerged is a new approach:

- Only ask a question if it's relevant to your business and your business objectives.
- If you're not going to use the responses to the question to develop actionable insights, don't ask the question.
- If you are going to use the data, then tell your customers why you're asking the question, what you're doing with their responses, and how they can continue to be involved.
- Make it as easy as possible for your residents to engage with the process through their channel of choice, at their time of choosing.
- If your customer satisfaction rates for a particular service plateau, then perhaps it's time to stop asking the questions.
- Review, reflect and redesign, and then start again. If the questions you're asking are no longer relevant to your business objectives, stop asking them.

Central to the future of customer satisfaction is data, whether in the data we collect from our customers on a daily basis, or the data we have about our customers.

This, though, is more than just a story about data. It's about how we turn the data we collect from these surveys into actionable insights that can drive business transformation.

Despite the increase in resources dedicated to user research and innovation, with some notable exceptions, as a sector we still struggle to routinely convert the wealth of data we collect into practical service improvement. This has to improve. Simultaneously, customer perception data on its own will not suffice: it needs to be used in conjunction with operational data, so we understand how people use services in practice and how they will in the near future.

This project was intended to explore alternative approaches to measuring customer satisfaction. It has resulted in our moving the conversation from "how can we improve resident satisfaction?" to "how can we improve the services we deliver and the experience our customers have?"

If the social housing sector wants to rethink customer satisfaction, it needs to move beyond the numbers by adopting a new approach to its relationship with its data, and with its customers.

Appendix: the question bank

Type	Service area	Guidance	Prompt question		Follow up questions		
					If respondent chooses 0-4 on the scale	If respondent chooses 5-7 on the scale	If respondent chooses 8-10 on the scale
Service experience - transactional	Repairs	<i>Questions 1a and 1b cannot be used together for the same respondent</i>	1a	On a scale of 0-10, with 0 being not at all easy and 10 being very easy, overall, how easy was it for you to get your most recent repair resolved, which you reported {DATE}?	Sorry to hear that. What could we do better next time?	Is there anything we could do better next time?	That's great to hear. Could you tell us what made it easy?
			1b	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied were you with the level of service you received with your most recent repair, which you reported {DATE}?	Sorry to hear that. What could we do better next time?	Is there anything we could do better next time?	That's great to hear. Could you tell us what made it easy?
	Complaints	<i>Questions 1a and 1b cannot be used together for the same respondent</i>	1a	On a scale of 0-10, with 0 being not at all easy and 10 being very easy, overall, how easy was it to resolve your most recent complaint, which you reported {DATE}?	Sorry to hear that. What could we do better next time?	Is there anything we could do better next time?	That's great to hear. Could you tell us what made it easy?
			1b	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied were you with the service you received in relation to your complaint, which you reported {DATE}?	Sorry to hear that. What could we do better next time?	Is there anything we could do better next time?	That's great to hear. Could you tell us what made it easy?
		<i>Question can be used for any respondent</i>	2	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied were you with the outcome of your recent complaint, which you reported {DATE}?	Sorry to hear that. What could we do better next time?	Is there anything we could do better next time?	That's great to hear. Could you tell us what made it easy?

Type	Service area	Guidance	Prompt question		Follow up questions		
					If respondent chooses 0-4 on the scale	If respondent chooses 5-7 on the scale	If respondent chooses 8-10 on the scale
Service experience - transactional	Planned maintenance	<i>Question can be used for any respondent</i>	<i>1</i>	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied were you with the recent work undertaken in your home?	Sorry to hear that. What could we do better next time?	Is there anything we could do better next time?	That's great to hear. Could you tell us what made it easy?
	New tenancy (voids)	<i>Questions 1a and 1b cannot be used together for the same respondent</i>	<i>1a</i>	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the condition of your home?	Sorry to hear that. What could improve the condition of your home?	Is there anything that could improve the condition of your home?	That's great to hear. Could you tell us what is good about the condition of your home?
			<i>1b</i>	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the quality of your home?	Sorry to hear that. What could improve the quality of your home?	Is there anything that could improve the quality of your home?	That's great to hear. Could you tell us what is good about the quality of your home?
Service experience - ongoing	Quality of home	<i>Questions 1a and 1b cannot be used together for the same respondent</i>	<i>1a</i>	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the condition of your home?	Sorry to hear that. What could improve the condition of your home?	Is there anything that could improve the condition of your home?	That's great to hear. Could you tell us what is good about the condition of your home?
			<i>1b</i>	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the quality of your home?	Sorry to hear that. What could improve the quality of your home?	Is there anything that could improve the quality of your home?	That's great to hear. Could you tell us what is good about the quality of your home?
		<i>Question can be used for any respondent</i>	<i>2</i>	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with your experience of living in your home?	Sorry to hear that. What could improve your experience of living in your home?	Is there anything that could improve your experience of living in your home?	That's great to hear. Could you tell us what is good about living in your home?

Type	Service area	Guidance	Prompt question		Follow up questions		
					<i>If respondent chooses 0-4 on the scale</i>	<i>If respondent chooses 5-7 on the scale</i>	<i>If respondent chooses 8-10 on the scale</i>
Service experience - ongoing	Neighbourhood elements	<i>Question can be used for any respondent</i>	1	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the area near your home as a place to live?	Sorry to hear that. What could improve the area as a place to live?	Is there anything that could improve the area as a place to live?	That's great to hear. What makes the area a good place to live?
		<i>Question can be used for any respondent</i>	2	On a scale of 0-10, with 0 being not at all and 10 being completely, how satisfied are you with how the green space in the area near your home is maintained?	Sorry to hear that. What could improve the green space in that area?	Is there anything that could improve the green space in that area?	That's great to hear. Could you tell us what makes the green space in that area seem well maintained?
		<i>Question can be used for any respondent</i>	3	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the cleanliness of the area near your home?	Sorry to hear that. What could improve the cleanliness of the area?	Is there anything that could improve the cleanliness of the area?	That's great to hear. Could you tell us what makes the area feel clean?
		<i>Question can be used for any respondent</i>	4	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you with the appearance of the area near your home?	Sorry to hear that. What could improve the appearance of the area?	Is there anything that could improve the appearance of the area?	That's great to hear. Could you tell us what makes the area seem attractive?
		<i>Question can be used for any respondent</i>	5	On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how safe do you think the area near your home is?	Sorry to hear that. What could improve the safety of the area?	Is there anything that could improve the safety of the area?	That's great to hear. Could you tell us what makes the area feel safe?
	Value for money	<i>Question can be used for any respondent that pays service charges.</i>	1	On a scale of 0-10, with 0 being not at all good value and 10 is very good value, overall, do you think the amount of service charge you pay represents value for money?	Sorry to hear that. Is there anything that we could do to improve the value of the service you receive?	Is there anything that we could do to improve the value of the service you receive?	That's great to hear. What makes it good value?

Type	Service area	Guidance	Prompt question		Follow up questions		
					If respondent chooses 0-4 on the scale	If respondent chooses 5-7 on the scale	If respondent chooses 8-10 on the scale
Service experience - ongoing	Value for money	<i>Question can be used for any respondent.</i>	2	On a scale of 0-10, with 0 being not at all good value and 10 is very good value, overall, do you think the amount of rent you pay represents good value for the property you live in?	Sorry to hear that. Is there anything that we could do to improve the value of the property you live in?	Is there anything that we could do to improve the value of the property you live in?	That's great to hear. What makes it good value?
	General communications	<i>Avoid using general comms questions 1a, 1b and 1c with the same respondent.</i>	1a	On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how satisfied are you that {Housing Provider} listens to your views?	Sorry to hear that. Is there anything that we could do differently?	Is there anything that we could do differently?	That's great to hear. What is it we do that convinces you we're listening?
			1b	On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how satisfied are you that {Housing Provider} values your opinion?	Sorry to hear that. Is there anything that we could do differently?	Is there anything that we could do differently?	That's great to hear. What makes you feel that your opinion is valued?
			1c	On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how satisfied are you that {Housing Provider} acts on your input?	Sorry to hear that. Is there anything that we could do differently?	Is there anything that we could do differently?	That's great to hear. What makes you feel like we act on your input?
		<i>Question can be used for any respondent</i>	2	On a scale of 0-10, with 0 being not at all and 10 being completely, overall, how satisfied are you that {Housing Provider} keeps you up to date with things that might affect you as a resident?	Sorry to hear that. Is there anything that we could do differently?	Is there anything that we could do differently?	That's great to hear. What do you particularly like about how we keep you in the loop?
	Trust: Competence / dependability (or service-driven trust)	<i>Question can be used for any respondent</i>	1	On a scale of 0-10, with 0 being not at all and 10 is completely, overall, do we deliver what we've promised?	Sorry to hear that. Is there anything specific you feel we haven't delivered?	Is there anything we could do to improve?	That's great to hear. What makes you feel we stick to what we say we'll do?

Type	Service area	Guidance	Prompt question		Follow up questions		
					If respondent chooses 0-4 on the scale	If respondent chooses 5-7 on the scale	If respondent chooses 8-10 on the scale
Service experience - ongoing	Trust: Empathy	<i>Question can be used for any respondent</i>	2	On a scale of 0-10, with 0 being not at all and 10 is completely, do you think we understand the concerns or issues you raise?	Sorry to hear that. Is there anything we could do differently?	Is there anything we could do to improve?	That's great to hear. What makes you feel we understand your concerns?
	Trust: Willingness to engage / disclose information	<i>Question can be used for any respondent</i>	3	On a scale of 0-10, with 0 being not at all likely and 10 is very likely, how likely would you be to tell us about a change in your life that might affect you or your tenancy?	Sorry to hear that. Is there anything we could do differently?	Is there anything we could do to improve?	That's great to hear. What makes you feel open to letting us know about changes?
	Life satisfaction	<i>May be used multiple times – do not ask same respondent twice.</i>		On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how satisfied are you with your life nowadays?			
Issue prediction	Voids			On a scale of 0-10, with 0 being not at all likely and 10 is very likely, how likely are you to move out of your home in the next 6 months?			
	Arrears			On a scale of 0-10, with 0 being not at all easy and 10 is very easy, how easy do you find it to pay your bills each month?			
	ASB			On a scale of 0-10, with 0 being not at all safe and 10 is much more safe, how safety is your neighbourhood now, compared to a year ago?			
	Health			How is your health in general? [Very good; Good; Fair; Bad; Very bad]			
	Life satisfaction	<i>May be used multiple times – do not ask same respondent twice.</i>		On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how satisfied are you with your life nowadays?			

Type	Service area	Guidance	Prompt question	Follow up questions		
				If respondent chooses 0-4 on the scale	If respondent chooses 5-7 on the scale	If respondent chooses 8-10 on the scale
Calibration	Life satisfaction	<i>May be used multiple times – do not ask same respondent twice.</i>	<i>On a scale of 0-10, with 0 being not at all and 10 is completely, overall, how satisfied are you with your life nowadays?</i>			
	Age		What is your date of birth? dd/mm/yyyy			
	Gender		What is your gender? Male / female			
	Ethnicity		What is your ethnic group? White: English / Welsh / Scottish / Northern Irish / British Irish Gypsy or Irish traveller Other [write in] Mixed / multiple ethnic groups: White and Black Caribbean White and Black African White and Asian Other [write in] Asian / Asian British Indian Pakistani Bangladeshi Chinese Other [write in] Black / African / Caribbean / Black British African Caribbean Other [write in] Other ethnic group Arab Other [write in]			

Type	Service area	Guidance	Prompt question	Follow up questions		
				<i>If respondent chooses 0-4 on the scale</i>	<i>If respondent chooses 5-7 on the scale</i>	<i>If respondent chooses 8-10 on the scale</i>
Calibration	Marital status		<p>What is your marital status?</p> <ul style="list-style-type: none"> • Never married and never registered in a same-sex civil partnership • Married • Separated, but still legally married • Divorced • Registered same-sex civil partnership • Separate, but still legally in a same-sex civil partnership • Formerly in a same-sex partnership which is now legally dissolved • Surviving partner from a civil partnership <p>Under 16 = n/a</p>			
	Household composition		<p>How many children under the age of 16 live in your household?</p>			
	Income level		<p>Which of the following best describes your total annual household income before tax?</p> <ul style="list-style-type: none"> • £0-14,999 • £15,000 - 19,000 • £29,000 - 29,999 • £30,000 - 39,999 • £40,000 - 49,999 • £50,000 - 59,999 • £60,000 - 79,999 • £80,000 - 99,999 • £100,000 - £149,999 • £150,000+ 			

Type	Service area	Guidance	Prompt question	Follow up questions		
				<i>If respondent chooses 0-4 on the scale</i>	<i>If respondent chooses 5-7 on the scale</i>	<i>If respondent chooses 8-10 on the scale</i>
Calibration	Employment status		Are you currently: <ul style="list-style-type: none"> • Working as an employee • On a government sponsored training scheme • Self-employed or freelance • Unemployed • Retired • Looking after family • Full-time education • Other 			
	Level of health		How is your health in general? [Very good; Good; Fair; Bad; Very bad]			
	Postcode		What is your postcode?			



For information about HACT's evaluation and research services, please contact Rob.Wray@hact.org.uk

HACT Insight

*Rethinking customer
insight: Moving beyond
the numbers*
HACT

Published August 2018
© HACT 2018

ISBN 978-1-911056-11-9

www.hact.org.uk
[@HACThousing](https://twitter.com/HACThousing)
info@hact.org.uk

HACT
49-51 East Road
London N1 6AH

HACT is registered as the Housing Associations' Charitable Trust, charity number 1096829, company number 04560091.