



Embrace your digital citizen

UK Central Government
Citizen Experience Excellence 2023 – 24

KPMG. Shaping Citizens' Futures, Together.





Contents

01.	Foreword	03
02.	Key findings	05
03.	Meet your 'digital citizens'	07
04.	Deep-dive into the Central Government sector	08
05.	The Six Pillars of Citizen Experience	14
06.	Our approach to citizen-centric transformation	15
07.	Contact us	16

Foreword

The UK Government faces a formidable challenge to navigate the balance between cutting costs, enhancing service delivery and adopting AI whilst still maintaining citizen trust.

Our research this year on public sector Citizen Experience Excellence, shows that progress is being made. But that's against a backdrop in Central Government with many services still designed and optimised in separate silos rather than around citizens' holistic needs. This is impacting citizen satisfaction.

Increasing numbers of respondents feel that it's hard to find information and navigate services smoothly. This has led to a 7% drop in satisfaction from 2021 to 2023.

For the first time, satisfaction with digital interactions is higher than with human contact channels. But these improvements in digital services have occurred in a fragmented way, for specific departments, or with certain services. This is leading to inconsistent experiences and falls short for digital citizens who want seamless journeys tailored to their individual circumstances and needs.

We think that there is a need for a radical reshaping of the relationship between citizens and public services. Services work best when they're built around people's needs, not just on the organisations providing them.

This means a major shift is needed in how services are designed and delivered. We need to constantly improve services to meet the changing expectations of today's digital citizens.

There is a clear and present opportunity

The good news is that there's never been a better time to take action. Today, we can create seamless digital experiences for citizens from start to finish, with user friendliness and quality that were unimaginable just a decade – or even five years – ago.

This opportunity is boosted by the rise of the digital citizen, accelerated by the pandemic, which has increased digital literacy among people of all ages in the UK. Now, individuals are more comfortable navigating advanced technologies.

When it comes to embracing digital transformation, our research highlights three key themes that need attention: the balance between cost and value, the crucial role of emerging technologies (such as AI), and the essential element of citizen trust. These themes emphasise the need for an approach that prioritises citizens.

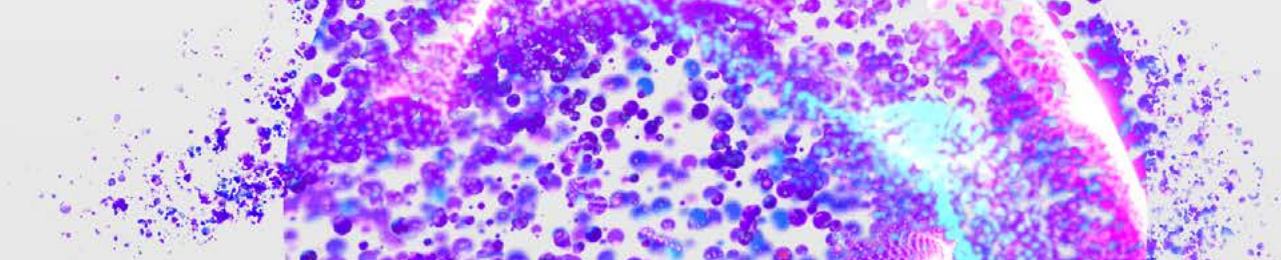
Improved end-to-end citizen experiences lower costs and improve satisfaction

The research indicates that simply fixing the basics will greatly reduce failure demand, resulting in lower service costs and better experiences. Two key areas where focusing on digital solutions can make a big difference are:

Prioritising First Point of Contact Resolution: By ensuring that citizens can resolve their issues at the first point of contact organisations can reduce contact through more traditional, expensive channels. This not only reduces costs, but also enhances efficiency and convenience for citizens.

Proactively Informing Citizens: Keeping citizens informed and up-to-date through digital channels can significantly reduce the need for them to reach out for information or assistance. This proactive approach helps alleviate concerns and frustrations, leading to fewer contacts and smoother interactions overall.

By prioritising these digital solutions, the public sector can streamline processes, lower costs, and enhance the overall experience for citizens.



Technology centred around the citizen will be transformational

In the past, technology posed the biggest obstacle to progress, especially in the public sector with its legacy systems.

However, advancements in connective technologies like Application Programming Interfaces (APIs), microservices, and cloud computing have made it easier to overcome government silos. These technologies enable seamless data-sharing among ministries or departments without sacrificing privacy.

As a result, organisations that have integrated their front, middle, and back-office technologies to facilitate digital self-service for citizens have experienced considerable financial savings and improved customer satisfaction.

Trust has become a key concern

The research shows a worrying decrease in trust in government and its services. Negative news stories consistently chip away at public trust in the entire public sector. 30% of citizens believe that the public sector doesn't prioritise their best interests or those of the community, which significantly harms citizen satisfaction. Our studies uncover a shocking 27% decline in satisfaction levels when this belief persists.

Amalgamating digital transformation, cost reduction, value, new technology, and trust

The successful digital transformation of the UK public sector requires a strong foundation that not only utilises technology, but also builds and maintains trust among citizens and stakeholders.

Adopting an end-to-end citizen-centric approach can lead to significant cost reductions by eliminating duplication, errors, overlaps, and handovers.

Implementing AI can specifically eliminate repetitive tasks, freeing up time to enhance service delivery. Additionally, AI technology itself can instil trust through its consistency and accuracy.

However, beyond technology, it's crucial for the public sector to address areas where trust may be compromised. This includes finding ways for technology to replace human interaction seamlessly without losing the personal touch. It also involves recognising the importance of citizen communication and education.

Prioritising addressing citizen concerns and clearly communicating the benefits of new technologies should be central to their seamless implementation.



Nicholas Fox
Partner,
Head of Central Government
KPMG in the UK



Jo Thomson
Partner,
Customer Transformation Public Sector
KPMG in the UK

What is Citizen Experience Excellence?

This research is part of the world’s largest benchmark of experience excellence, defining what good looks like in every human and digital interaction across our KPMG Six Pillars of Citizen Experience.

This year, the research revealed 3 key themes which Central Government must focus on to close the gap

Cost and value

- An **8%** reduction in expectations, the second greatest of the 6 Pillars
- Satisfaction drops by **11%** when citizens contact Central Government organisations to resolve an issue

Technology

- A **13%** increase in satisfaction when citizens used the website instead of the phone (Central Government’s worst performing channel, and yet still used by a quarter of citizens)

Trust

- Integrity scores are worst in the 45 – 54 age group, a **7%** reduction in Integrity in this age group

What respondents have said

“ HMRC we’re really unorganised and unempathetic. I contacted them about my tax code and they couldn’t give me an explanation. Didn’t bother to follow up with me and I had to contact them. As well as waiting in their que for 45 mins.”

Citizen quote on **Cost and Value**

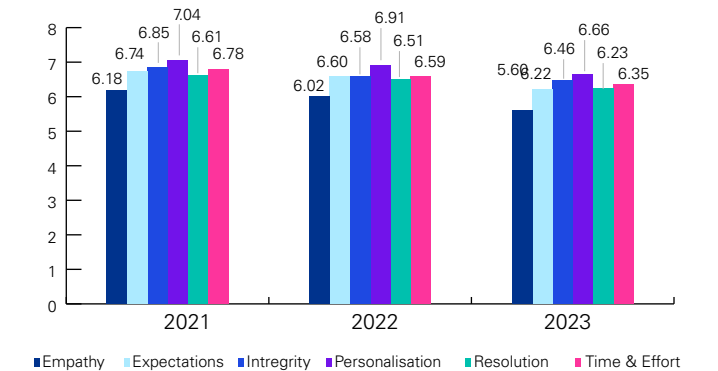
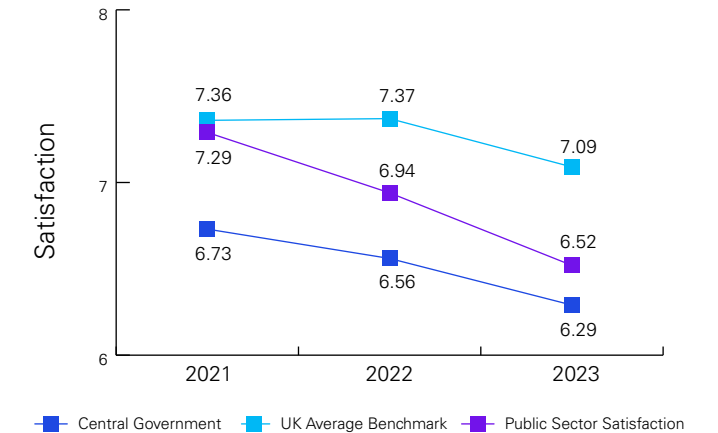
“ Applied for benefits and gave up after being kept on hold over phone for ages. this was extremely frustrating for me.”

Citizen quote on **Technology**

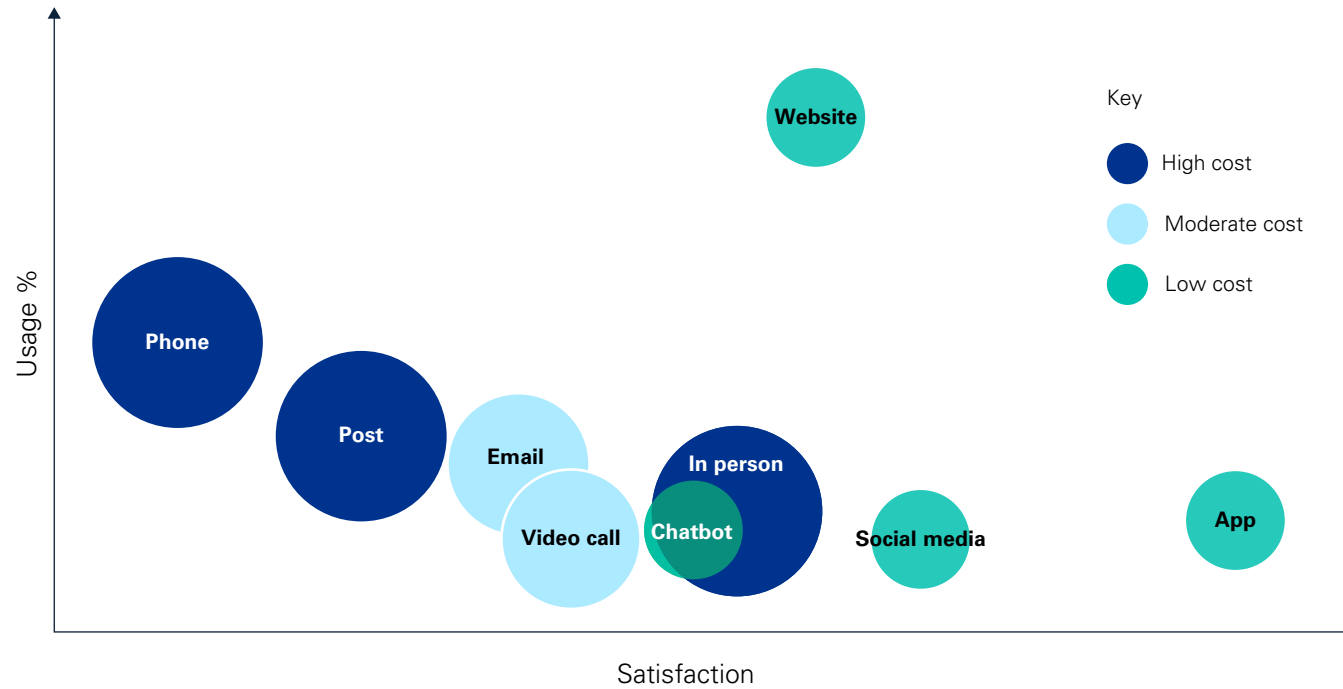
“ I phoned to report a change in circumstances, several months later I had to do the same again as they didn’t update my records. I was promised a call back but didn’t receive it”

Citizen quote on **Trust**

Public sector satisfaction decline compared to UK benchmark



Citizen satisfaction by channel



Take an 'outside-in' approach

Many departments have to date taken an 'inside-out' approach to digitalisation. They've created tools that are designed to make their own lives easier and save money. The emergence of the 'digital citizen' – who is willing and able to self-serve – means this needs to be balanced with an 'outside-in' view.

What does 'outside-in' thinking look like?

To help bring that to life, let's follow two people in different stages of life and see how digital services could improve their experiences. In both cases, digital public services help to alleviate anxiety and dissatisfaction by providing tailored support and resources. They give them quick access to all information and tools they need, empowering individuals to navigate important life transitions more effectively.

Empowering a 66-year-old about to retire:



"I am 66 years old, living on my own and about to go into retirement. I am anxious and find it difficult to get the services I need; I don't understand why I have to tell different departments the same thing time and time again. I have life-long disabilities and, although I wouldn't say I am up to speed with new technology, I do use my mobile phone and computer to make sure I stay in touch with my grandchildren."

Assisting a 26-year-old transitioning to independent living:



"After graduating from a local university a few years ago, I carried on living with my parents to save for a house deposit. I just landed a great new job at a technology start-up which means I can finally buy my own place. I have suffered from mental health issues in the past, so it is nerve-wracking moving to a new area and having to contact and use new public services. I don't know how I will manage everything myself whilst balancing the pressure of my new job."

Cost and value

What can organisations do?



Resolution

Treat any contact with the organisation as an opportunity to engage meaningfully and create insight. Deal with issues and complaints consistently and own the resolution and fix with urgency. Utilise digital technology to improve first contact resolution for colleagues as well as online.



Empathy

Bringing data together to avoid citizens having to repeat information and taking a citizen's personal situation into account can improve satisfaction by 13%. Use digital technology to reduce pressure on staff and enable a better, more citizen-centric, working environment.



Personalisation

Create personalised digital experiences to reduce the need for citizens to contact organisations due to 'just needing to speak to someone.'

What does this feel like for citizens?



Anika:

"My biggest concern going into retirement was being isolated and unable to access the services that I need, especially now I can access my pension. However, accessing my pension through my mobile phone has been so much easier than I expected. The personalised guidance and support has been a great aid in navigating the website and stops me from having to call the support team."



Noah:

"My biggest reservation about moving house was the time and effort it would take me to settle in. However I have been so impressed with the public services I have used. I thought I would have to update my address for every service I use but the single sign on capability has meant that I only had to do it once, and could do it in 5 minutes using my laptop. On top of this I was proactively informed of new services that I might need to use as a result of moving house, I would never have known otherwise!"

Client insight:



It's essential that you have a genuine ethos of customer service embedded in the organisation. Get the basics of proper user research and user-centred design right. Structure your services around the citizen – not the organisation delivering them. Build the customer ethos, and support your staff too. When staff engagement rises, so does citizen satisfaction. That's no coincidence – there's a direct link between the two."

Michael Brodie

CEO, NHS Business Services Authority

Technology

What can organisations do?



Personalisation

Harness data and analytics technology to provide citizens with the information that's contextually right for them so they can self-serve. Better understand the citizen circumstances and use this to design end-to-end solutions that guide citizens along their journeys.



Empathy

Utilise new GenAI capabilities to enable citizens to engage with the organisation on their terms and in a way that is natural to them. Define the tone of voice and persona archetype of your GenAI enabled chatbot to forge an emotional connection with citizens.



Time and Effort

Create a single entry point and redesign services and experiences through the eyes of the citizen to simplify interactions and reduce cognitive load.

What does this feel like for citizens?



Anika:

"Accessing services that I haven't used before was causing me anxiety as I haven't had a great experience with other services in the past. However, having access to all of the services I need in one place using my phone, from retirement benefits to social services, has made my life easier. The services are simple and easy to navigate, meaning I can get what I need in a matter of minutes."



Noah:

"Due to my busy lifestyle, my preferences have always been to deal with organisations online at a time that suits me. I have been so impressed with the range of channels that are available to me to access services. Most of the time I will opt for the App or the website chatbot, but if I really need the human support I can access that too!"

Client insight:



In larger bodies especially, there's an inevitable danger that, as the organisation evolves, some services get so big and complex that they become siloed. As a result, information may not get shared effectively, the citizen has to answer the same questions numerous times and repeat their information – which naturally is frustrating and detracts from the quality of the customer experience. That's why we're striving to take a person-orientated approach in which we understand the individual, focusing on as few front doors into the organisation as possible. "

Matti Raudsepp

Director of Customer, Arts & Property Operations, Bournemouth Christchurch and Poole Council

Trust

What can organisations do?

Expectations

Define the services you deliver, the steps in the citizen journey, and communicate clearly what these are and what is expected at each stage. Provide visual signposting of the journey stage reached and what lies ahead. Proactively prompt citizens for information needed to move to the next stage in a digital process.

Integrity

Invest in building the foundations of integrity, starting with cyber and technology transformation. Getting this right provides a platform for integrity to develop, as without it, investment can be undone in one incident.

What does this feel like for citizens?



Anika:

“Isolation is perhaps the scariest part of my retirement. However what has stood out to me is the proactive engagement from public services. They try to understand my needs and then tailor their service to meet them. I like to be proactively updated with information regarding my interactions with the public sector and they have done just that! I trust that they have my best interests at heart.”



Noah:

“I have had a mixed experience with public services in the past and I’m always apprehensive about interacting unless I absolutely need to. However, my recent interactions have been brilliant. They always inform me exactly what they are going to do with my personal information which was a previous concern. My opinion of the government started to change when I saw how they engaged with people through social media; using the platform to engage with the public and provide information that will improve lives. It might be simple but the transparency has helped me rebuild trust.”

Client insight:



It’s absolutely essential that we maintain trust by delivering what we say we will. And if that becomes not possible, it’s vital that we are open and honest about it, letting the citizen know and keeping them informed all the way. When trust falls, there is a risk that citizens may stop accessing services they really need. It also leads to more repeat calls, complaints and appeals – these increase our costs and eat into the value we can deliver. Communication and explanation are key. It’s about the experience and how we engage with people on a day-to-day basis.”

Matt Briggs

SRO Service Modernisation Programme, DWP



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Central Government

By sector

Satisfaction with Central Government organisations declined by 7% from 2021 to 2023, a noteworthy decrease albeit less steep than observed in other public sector bodies. Nonetheless, it remains a significant shift. The evolving expectations of citizens means that government services and the way they are delivered must also be adapted.

Across the public sector, pressure is intensifying on multiple fronts, urging prompt action to avert system failures. For Central Government, we see these pressures manifesting themselves as follows:

Cost and value

The analysis from our research reveals that the critical junctures in the citizen journey where dissatisfaction is highest also correspond to areas of substantial organisational expenditure. For instance, 45% of citizens reported difficulty in initially locating the appropriate point of contact, necessitating additional, unnecessary

interactions to reach resolution, thereby inflating failure demand within the system.

This is a common issue with Central Government services where users may be uncertain how and where to start. The effect is not only additional financial costs, but also a 17% reduction in citizen satisfaction.

Technology

Central Government departments should take note of the stark contrast in satisfaction levels across digital and traditional channels. Digital platforms emerge as key drivers of satisfaction, while legacy contact centre channels like phone, email, and post detract from the overall experience. Interactions via apps yield a 16% increase in satisfaction compared to phone-based engagements. Furthermore, the cost differentials are substantial, with digital channels offering an approximately 80% reduction in per-interaction expenses.

Trust



Integrity and trust are the cornerstone of citizen-government relations – but are contingent on meeting evolving expectations and addressing prevailing challenges. While some citizens may anticipate delays and bottlenecks in Central Government services, others are less tolerant. Fostering trust demands a commitment to service recovery, whereby organisations strive to not only meet, but exceed rising expectations, while actively addressing current citizen grievances.

7% Satisfaction decrease
(2021 – 2023)

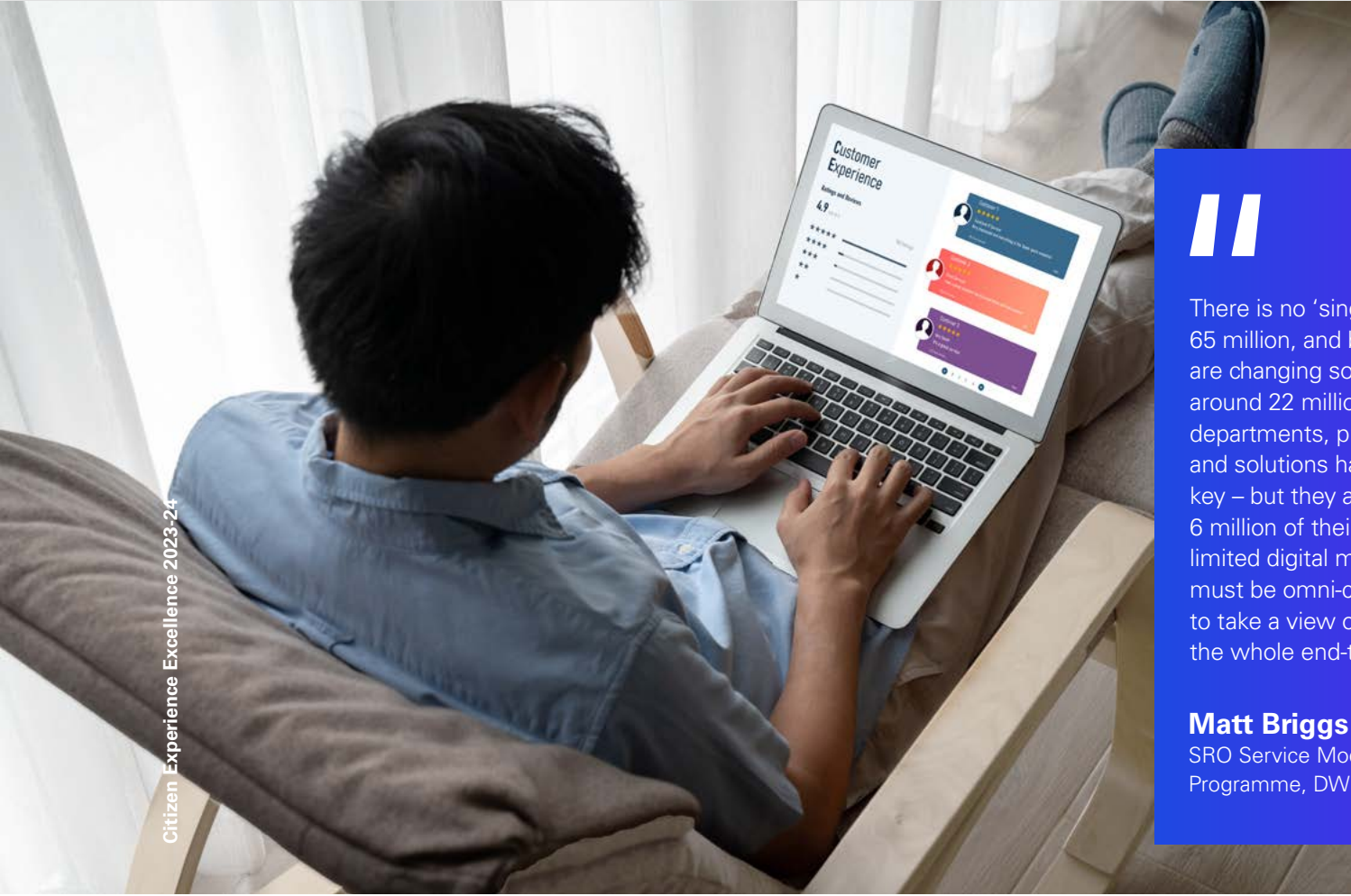
Priority actions

- ✓ Even seemingly minor adjustments can yield substantial advantages for Central Government.

Initiatives aimed at enhancing the citizen experience may encompass:

-  **Time and Effort. Streamline workflows by identifying and eliminating unnecessary processing bottlenecks.** This helps create faster, more adaptable, and resilient services for the future.
-  **Resolution. Digitalise transactional services around citizens' needs.** This establishes an integrated service environment where citizens can efficiently resolve their issues on the first attempt. By allowing citizens to self-serve digitally, frontline staff can allocate more time to individuals who need more personalised assistance.



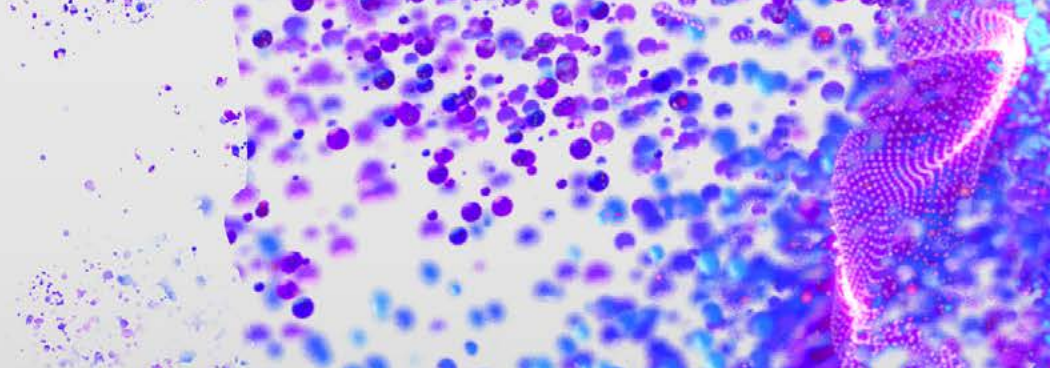


Citizen Experience Excellence 2023-24



There is no 'single' citizen in a country of 65 million, and behaviours and expectations are changing so fast. The DWP itself has around 22 million customers. As for other departments, providing digital channels and solutions has become increasingly key – but they also recognise that around 6 million of their customers have very limited digital means or access. Services must be omni-channel and it's essential to take a view of the experience across the whole end-to-end citizen journey."

Matt Briggs
SRO Service Modernisation
Programme, DWP



Case study:

Central Government agency

A prominent agency within Central Government has distinguished itself from both its peers and the wider public sector by excelling in simplifying transactional processes and seamlessly integrating them into digital channels for citizen self-service.

This achievement is underscored by a notable 2% enhancement in the Time and Effort dimension of user experience from 2022 to 2023. Such progress contrasts with the average 7% decline observed across the public sector during the same period, making this agency a beacon of innovation and efficiency within the governmental landscape.

The Six Pillars of experience

We evaluate citizens' interaction with government and public sector organisations across The Six Pillars of experience. Our ongoing research has shown that these are the essential building blocks of world class experiences. Organisations worldwide are using The Six Pillars to guide strategy development and provide design principles for their customer experiences.

We'll be referring back to The Six Pillars throughout this report.



Integrity

Being trustworthy and engendering trust



I was served by a very helpful member of staff who was very informative and made me feel very comfortable, secure, relaxed."



Resolution

Turning a poor experience into a great one



My purse was recently stolen, which had my driver's licence in it, among many other items. The DVLA process for getting a new one was astonishingly quick – in fact it turned up before any of my credit/bank cards!"



Expectations

Managing, meeting and exceeding customer expectations



I always get an email from the council with various updates on what is going on. I often click the links for further information."



Time and Effort

Minimising customer effort and creating frictionless processes



I went on their website and, although there were a lot of different portals for different departments, it was quite easy to find what I was looking for and I was able to pay what I needed and was emailed a receipt."



Personalisation

Using individualised attention to drive an emotional connection



The Council had aligned the discounted Clean Air programme to run concurrently with my Disability Blue Badge application. This means that the future process will be seamless. They have obviously thought carefully about what is best for this particular community."



Empathy

Achieving an understanding of the customer's circumstances to drive deep rapport

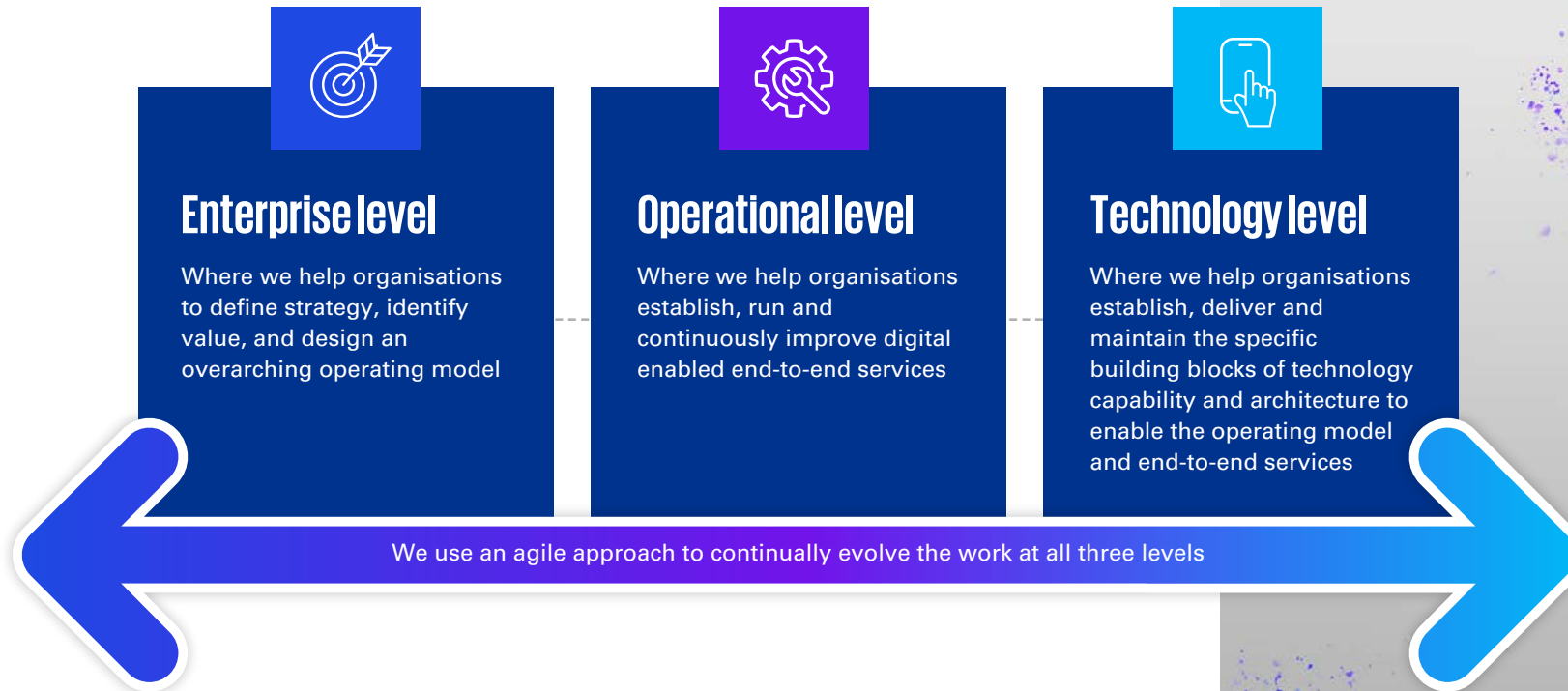


The response from staff is very professional and polite, and they are always willing to help in any way they can."

Our approach to citizen-centric transformation

Connected Enterprise is KPMG's citizen-centric, agile approach to digital transformation, tailored by sector. KPMG Connected Enterprise provides an integrated suite of preconfigured, sector specific enablers to design, build and operate a citizen-centric, agile, digitally-enabled organisation.

Our approach operates at three levels:



Contact us

We bring all three levels together, while wrapping our cultural and learning expertise around it, to ensure design is simple, cohesive, and implementable.

International leading practice, supported by a rich library of assets, fronted by teams that know how to apply them in practice, are readily available locally to support applying this across the organisation. Taking organisations from vision to tangible outcomes.

If you want to better embrace your 'digital citizen' using a connected approach, please contact one of our KPMG team.



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