



HM Revenue  
& Customs

Research report

# Assisted Digital

Customer insight and pilot evaluation research

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Customer Insight & Knowledge Team

## *About Chief Digital Information Officer (CDIO)*

CDIO Group leads HMRC’s journey to become a digital business, in line with the Government Digital Strategy.

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

HMRC is designing services to meet the Assisted Digital support needs of its customers, and commissioned qualitative research in two phases to understand these needs and to evaluate a pilot AD service.

The purpose of the first exploratory phase was to:

- Understand customers' current barriers to accessing digital services
- Identify customer types based on these barriers and their needs
- Identify what good AD support will look like for these customer types
- Draw initial conclusions about the implications of this for the pilot and HMRC's AD service

Following this initial phase a pilot Assisted Digital support service was developed and launched. The second phase of research was intended to :

- Explore expectations and experience of accessing and receiving Assisted Digital support
- Explore what impact the piloted Assisted Digital support had/will have in ability to deal independently in the future
- Understand the extent to which this support provided met customers' needs
- Explore any room for improvement in support provision

### ***When the research took place***

Fieldwork took place in October – November 2014 and April – July 2015.

### ***Who did the work (research agency)***

The research was conducted by TNS BMRB.

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

Stage 1 fieldwork comprised:

- 8 telephone depth interviews with HMRC and GDS personnel who were involved in the development of digital support services
- 24 face to face depth interviews with potential AD customers (defined for this research as: customers with varying disabilities; customers who lacked IT literacy or ability to use digital services without help; and customers who can use digital services but cannot conveniently access them)

This fieldwork was followed by an interim presentation to help inform the development of the AD pilot, and a wider presentation to HMRC stakeholders to embed the insight it provided in December 2014.

Stage 2 fieldwork comprised:

- 31 interviews with customers who have gone through the AD pilot service (29 telephone; 2 face to face)
- 4 interviews with advisers in HMRC's Contact Centres who had been delivering the AD pilot

The project closed with a final presentation of findings and discussion of implications with HMRC stakeholders in July 2015.

## ***Main Findings***

### **Findings from the customer insight research**

#### ***Barriers to using digital services***

Customers varied, but their experience and self-knowledge meant most were uncertain about their ability to use HMRC's digital services. This uncertainty stemmed from three main factors: their general experience of being online; the nature and experience of contact with HMRC; and their resulting willingness to engage digitally with HMRC.

Many were using the internet to some degree – but they were aware of their limitations. Only pensioners or customers with learning difficulties had never been online without help; others were able to browse and use social media, online shopping and banking, but avoided more complex and/or unfamiliar tasks. Almost all knew the extent of their abilities – what they could do and where they would run into trouble. Few sought support from service providers, either giving up or asking friends/family if they ran into trouble.

Contact with HMRC was rare – reasons varied but most were in touch only once or twice a year. Telephone was an in-grained choice for almost all, but also valued for providing reassurance and tailored answers. Nevertheless, contact with HMRC was widely seen as stressful as the issue was known to be important but poorly understood, and costly because of long waiting times and the cost of calls, especially if they had no access to landline.

Most respondents accepted that digital services are ‘the way the world is going’ and may have convenience and cost benefits overall. However, the two factors outlined above meant that moving services online created a dual challenge for these customers: it seemed to put tasks which were assumed to be complex into a space where customers knew that they struggled; and it suggested that stressful, unfamiliar tasks would need to be done independently, without advice or reassurance.

As a result, the common view among these respondents was: *‘I understand why HMRC is moving services online, but I didn’t ask them to do it and I know it’s going to cause me trouble – so what are they going to do to help me?’* It is in this context and against these expectations that the AD support service needs to operate.

Against this backdrop of uncertainty, three general factors combined to create barriers to customers using HMRC’s digital services independently:

- Tax confidence: how well they understood what the task involved and what they needed to do to meet their obligations to HMRC, and how confident they felt in their ability to do this without tailored advice or reassurance.
- Online confidence: how comfortable they felt using unfamiliar types of online services, and how confident they were about carrying out potentially complex and significant tasks online.
- Internet access: how conveniently they had access to broadband via a device that is suitable for carrying out HMRC tasks (i.e. a PC, laptop or tablet).

Tax confidence was determined by experience of dealing with HMRC, and the familiarity and complexity of the task at hand. Three broad levels of confidence emerged among these respondents: *“I don’t know what I’m being asked to do”*; *“I know what HMRC needs but I’ll need help doing it”*; and *“I can do it, but only the way I’m used to.”* Most fell into the second two categories for familiar tasks, requiring reassurance and/or fearing change. But more complex or unfamiliar tasks are liable to push customers into a higher-needs group, so needs will vary.

Online confidence was largely based on past experience of using the internet; most knew what they find easier and harder. Again, customers fell into three broad groups: *“I couldn’t turn a computer on without help”*; *“I can do a couple of tasks I’ve learnt by rote”*; and *“I use the internet but prefer to do complex tasks offline.”* Self-knowledge was a key factor in all

groups: many had already come to firm conclusions about what they can and cannot do, and were uncomfortable about moving beyond this without support.

Internet access could be a barrier if customers lacked convenient access in an appropriate location, with the right hardware/software. Some customers did not have the means to get online at home, but almost all could get online somehow – if not at home, then through friends/family or a public service such as a local library. But many had privacy/security concerns about using HMRC services outside their own homes, and some resented the thought of having to go elsewhere to do HMRC tasks. Finally, some (typically younger) customers had broadband at home and were very comfortable using the internet for everyday tasks like Facebook, email and banking; but they used their smartphone for these tasks and did not have a computer at home, and assumed that HMRC tasks would require one.

Most customers presented barriers to using HMRC's digital services that stemmed from deficits on more than one of these factors. Consequently, delivering an effective AD solution would require identifying all these barriers and providing support that addresses them directly.

Disabilities tended to impact as tax and/or online confidence barriers; these impacts were more severe for recent disabilities. Customers with mental health issues, poor concentration and dyslexia tended to have lower levels of tax confidence. Those who had recently developed visual or hearing impairments and mobility issues often lacked online confidence. However, customers with visual or hearing impairments and mobility issues already had accessibility technology, and expected HMRC to offer a range of services, so did not tend to anticipate facing access barriers themselves.

### ***Overcoming barriers through AD support***

Customers fell into one of three types, generally depending on the level of support needed to address the strongest of the three barriers outlined above. Their preferences for support depended primarily on the level of reassurance they required given the barriers they faced; following that, convenience was the key aspect.

- **Do it for me.** These customers tended to: find all tax tasks daunting; struggle with most online tasks; and/or have no convenient internet access. They tended to prefer a service where they could complete their task offline (either over the telephone as this was convenient and familiar, or in person if they were so uncertain as to need this level of reassurance) as they did not see how they could do it online.
- **Help me do it myself.** These customers were generally: used to getting reassurance when they had queries about tax tasks; able to do familiar tasks confidently online, but not new ones; and/or able to get convenient internet access even if they did not have it at home. They tended to prefer the idea of completing a task online while having an HMRC adviser on the telephone for advice and reassurance; those with access

barriers generally preferred to find a computer in the most convenient location provided this gave them no concerns about security or placing burden on others.

- **Tell me how to do it myself.** These customers were typically: happy to deal with familiar tax issues, but nervous of change; able to carry out complex tasks online, but preferred to use the telephone; and/or able to access the internet at home, but not through a computer or tablet. Tax and online confidence issues could mostly be resolved through support provided online for these customers; access issues were similar to those for the 'Help me to do it myself' customers.

Overall, older customers and those with mental disabilities tended to have the highest support needs, but there were a few other demographic patterns. It was notable that customers in the research often claimed they would want higher or lower levels of support than their needs required; and customers may see HMRC as forcing change on them, and thus want to feel that their needs are understood and suitably addressed. These points have implications for how needs are assessed and solutions are offered.

### **Findings from the AD support pilot evaluation**

The AD pilot aimed to test a prototype support model at the point of telephone contact with the customer to find out:

- If it met the needs of AD customers
- What the impact on call handling time would likely be
- What the training displacement costs were likely to be

The trial used the annual Tax Credits renewal service as a vehicle, and was carried out over a period of approx. 3 months, May-July coinciding with the Tax Credits Peak. c50 advisers were recruited and trained on the support model to be tested, and were given in-depth training on the new Digital Service. Advisers were also given access to a dedicated AD microsite through which information and updates were pushed out at a rapid pace.

Upon answering a call, advisers were required to determine whether the customer had tried to use the digital service, and follow the support model accordingly (offer to help or support with the digital service in the first instance, signposting to sources of support in the second and only offer paper or phone alternatives if the first two options were rejected). To facilitate, relaxed call handling time targets were agreed for the duration of the pilot. At the start of the trial, advisers were free to choose how/when they asked for the relevant information. Towards the end of the trial, groups of advisers were directed to ask at specific points during the call.

### **Context**

As noted above, telephone was a preferred channel for support for many participants, for numerous reasons. First, it was familiar: calling the helpline was a 'habit' for participants.

Second, it was effective: in most participants' experience, calling the Contact Centre had got the job done. Third, it was reassuring: for more nervous participants, speaking with an adviser gave them confidence that they had got things right. Fourth, although most participants acknowledged that making a call can involve a lengthy wait before getting through to an adviser, doing so is an infrequent occurrence (calls about tax credits were typically made once or twice a year, for example), so tolerable given the other benefits.

Participants in this second stage of the research had varied circumstances and levels of confidence around tax and digital services. However, in relation to AD support and their reasons for needing it, they fell into four categories.

Some participants were digitally confident, aware of the online service they needed, and happy to use it. They could see benefits to interacting with HMRC online, in terms of time, convenience and cost. However, their tolerance for difficulties using a digital service was not typically high, which could quickly lead to frustration. Their real need from a digital service was therefore a user-friendly experience which allowed them to complete a transaction easily. Ultimately, however, the occasion was more important than the channel for these participants: having committed to dealing with their tax issue, getting the transaction completed then and there was more important than the method they used to do it. So if they encountered difficulties online they had little hesitation in turning to what they were used to and knew works (i.e. the telephone), in order to get things done.

Others were digitally confident and aware of the online service they needed, but unwilling to use it. The reasons for their lack of willingness varied, but included not knowing if their particular issue could be addressed online, previous negative experiences online, and security concerns. These participants needed reassurance and/or information that would overcome these barriers to wanting to use digital services, and had not received this; so they preferred to use the familiar telephone service.

There were some participants who were simply unaware that the relevant HMRC digital service existed, and that they could carry out their tax task online. These participants varied in their digital confidence and their openness to using a digital service, so many would have had secondary needs as well; but it was their lack of awareness that drove them to the telephone in the first place.

Finally, some were not digitally confident or had real access barriers, and while they may or may have been aware of the service, they were unwilling to use it as a result. These participants had turned to the telephone as a preferred method for resolving their tax issues.

As this indicates, each of these groups had differing needs from AD support. However, all received a very similar telephone service from the advisers who were delivering the pilot. This had implications for their satisfaction and future behaviour.

### ***Experience of AD support from HMRC***

At the point of telephone contact, all participants were in the same mind set regardless of their needs from a digital service and AD support: they were focused on completing the transaction, not on receiving digital support. Those who had called the helpline because they had had difficulties online were now most concerned about getting the transaction done – even more so after a lengthy wait to get through to an adviser. Although they started online, these participants were therefore ‘offline’ in their minds by the time they spoke to the adviser. Others who had gone straight to the helpline because they were unaware of the digital service or assumed that they would not be able to use it simply wanted to complete their transaction by phone as intended, and as they had done in the past; these participants were at no stage online, in mind set or in practice.

On the call, participants were supported to complete the transaction, but in most cases any digital support needs did not seem to have been clearly identified nor addressed. Advisers had typically completed the transaction for participants on the phone, thereby meeting their immediate needs and priorities at that point. Any digital support received tended to be brief and a secondary focus: sometimes (but not always) the digital service was ‘mentioned’, often towards the end of the call and once the transaction had been completed; but real advice about how to use it was given in only two out of 31 instances. Thus the particular AD needs of participants were seldom addressed: their lack of willingness to use digital services was usually not challenged; reassurances were typically not offered for those with concern; and where online experiences were discussed, solutions or digital specific support were not offered.

These findings are supported by the reports from advisers themselves, who highlighted the challenges of providing digital support. Fundamentally they perceived the pilot AD adviser role as being about raising awareness of the digital service, rather than about providing digital support. Beyond this, however, they raised a number of issues that they found made it hard to deliver the AD support that customers need via the general HMRC helpline.

Identifying AD customers and their needs was the first challenge for advisers. As noted above participants had typically been waiting a long time to get through and were ‘offline’ in the minds by the time they spoke to an adviser and simply wanted to get the transaction or query resolved. They therefore focussed the conversation on the tax issue, and did not bring up any use of and difficulties with the digital service. In the interests of providing good customer service, and resolving these issues as soon as possible, advisers also focussed on the tax issue rather than digital support. Pressure on call times was also mentioned – advisers felt they needed to resolve the issue as quickly as possible, and not spend extra time helping customers with their digital difficulties. Finally, the issues that many customers had faced related to the Verify process, rather than the particular digital service they wanted to use, so digital support was less relevant as they couldn’t use it (the same was true of the participants in this research – difficulties with Verify was a common reason for calling the helpline).

Advisers highlighted a number of needs to improve AD support in the future, based on the experience of the pilot. In particular, improving publicity and awareness of digital service; improving the Verify system, which was the cause of calls from customers who may otherwise have had no need for digital support; and providing the capability to interact with customers *within* online space (e.g. via webchat), so they do not leave the digital service and remain in an 'online' mind set.

### ***Satisfaction with the service***

Participants were in fact happy with the service they received: 26 out of the 31 interviewed said they were satisfied or very satisfied, and the same number said their issue had been resolved. This was because their transactional needs had been met, and advisers were felt to be friendly and helpful; and lower ratings tended to be due to waiting times rather than the service in itself. In the two cases where digital support or advice was offered, this was well received: these participants felt their specific needs around raising awareness or providing reassurance had been addressed, and one was taken through the online process step by step so they knew what to expect when they did it for real, which gave confidence that they would be able to get online straight away.

However, in most cases the support given did not address digital needs, and was seen by participants as the 'usual' telephone service (which they valued). Particular needs in relation to using digital services were mostly unmet, and some felt more could be done to give information and/or reassurance. But overall, advisers' ability to meet participants' digital needs did not seem to significantly impact their experience and satisfaction because this was not a priority at the time of the call, and because the transaction in question was so infrequent that investment in getting it done more efficiently online next time did not seem valuable to them.

### ***Impact of the service on future behaviour***

This research indicates that the interactions that participants had with the AD pilot service were likely to have had limited impact on their future behaviour – they would be no more or less confident in using an online service, and no more or less likely to try it as opposed to using the more familiar telephone service.

Participants who were aware of the digital service and confident about using it generally said they would try it again next time, but also that they would still be quick to revert to the telephone to resolve the issue if they got into difficulties. Those who were aware of the service but unwilling to use it were no more likely to try it next time as they had not had the reassurance or advice that would help them to overcome their barriers. Participants who were unaware of the digital service and were told about it during their call would be likely to try it next time if they had no other barriers – but not if they lacked confidence or access as these barriers had not been addressed.

In the two cases where tailored support or advice was given, this enhanced satisfaction and did seem to make these customers more likely to try to use the digital service again in the future.

It therefore appeared that advisers were typically doing little to prompt behaviour change among customers, and were not taking opportunities to challenge customers' 'offline' mind set and address their digital needs up-front to support and move them online. The digital service was often mentioned to participants in this research, but this was typically after the transaction had been done, and by this point their needs had been met and their interest in online had gone. More particularly, the benefits of online were rarely communicated to participants, and their specific needs for reassurance were rarely identified, giving them little reason to do anything differently next time. Indeed, the very effectiveness of the helpline in resolving an issue where online had seemed to fail seemed to have bolstered their confidence in the telephone as they way to get things done, which is likely to make them more rather than less likely to turn to it quickly in the future.