

# Case Study: Midland Heart Customer Insight

## WHY USE CUSTOMER INSIGHT?

Customer insight is a well used marketing tool in the Business to Consumer world. Only recently has it been recognised as having a powerful role to play in public services. Gone are the days when it was sufficient to offer a one-size-fits-all service to your customers – they are much savvier about what services they want and therefore what their council, landlord or health service should provide them as a customer.

Customer 'segmentation' is a key tool to develop insight, as a way of looking at your customers in subgroups or segments – dividing them up from one large homogenous group, being offered the same services, to smaller groups which possess similar characteristics and specific service needs and aspirations that differ to other groups. Although in the short term this is not the cheapest option, in the long term it will result in much higher satisfaction levels amongst customers and much more efficient use of resources.



The Chartered Institute of Housing and I&DeA/LGA are a few organisations recently to introduce briefing documents on 'Customer Insight' to public sector providers to show the importance of customer segmentation and customer insight in delivering better services for their customers. At the time this was being written, M-E-L Research was working with Midland Heart, one of the largest housing associations in the UK, on their STATUS survey and used the project as an opportunity to look at their tenants in a much more sophisticated way, using the customer segmentation model.

## AIMS AND ACHIEVEMENTS

Traditionally, satisfaction levels and opinions amongst social housing tenants are all either grouped together, or looked at by ethnicity, gender, age group or employment status, to find where differences in levels of satisfaction or dissatisfaction may occur. Ethnicity and area are the most useful out of these ways to sub analyse results, but the others are often quite meaningless – what are you really going to do about your service offer if men are more dissatisfied than women?

In an attempt to get to the bottom of why there are such a broad range of satisfaction/dissatisfaction levels amongst tenants and how Midland Heart can start to make a real difference to tenants, the Citizens and Neighbourhoods team at M-E-L Research used 'lifecycle' stages to create distinct subgroups of tenants that have different needs and different aspirations. This is fairly well-used tool in the Business to Consumer world and one that translates extremely effectively into public service customers, whether it is for social housing tenants or for council residents.

After creating the sub groups, the Citizens and Neighbourhoods team looked at their satisfaction levels to identify above/below average satisfaction levels, firstly to see which groups need most work with. Key driver analysis was then used to identify the drivers of satisfaction/dissatisfaction amongst the individual groups, which allows Midland Heart to see what may need improving or changing to help create more satisfied tenants.

## CLIENT SERVICE AND SUPPORT

The project was led by M-E-L's Senior Research and Marketing Consultant, Karen Phillips, who worked closely with Midland Heart's Innovation and Research Team. Karen worked with Helen Clive, our resident Senior Consumer Research Analyst, to create the distinct subgroups and analyse the key drivers. Overall, the customer segmentation work was vital for Midland Heart as a starting point, as it gave them priority groups to begin working with and begin tailoring services to their needs and aspirations, which will ultimately improve overall tenant satisfaction levels.

For further information about our customer segmentation work, please contact Karen Phillips @ [karen.phillips@m-e-l.co.uk](mailto:karen.phillips@m-e-l.co.uk) or call 0121 604 4664