

## Understanding Customer Relationships

By Alex Bollen & Claire Emes

What can our personal relationships teach us about the relationships users have with public services?

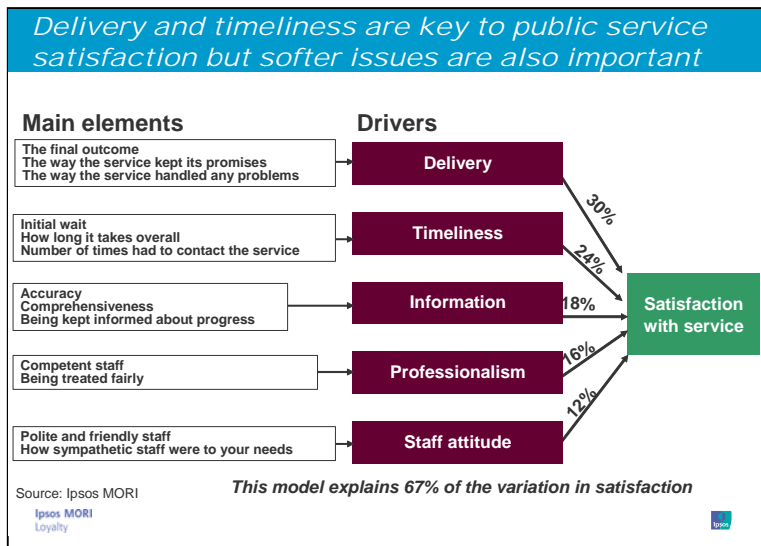
First of all, in our personal relationships many different types of bonds exist. We also see great diversity in our relationships with suppliers in both the private and public sectors, and it is useful to use our personal lives as a metaphor to describe these. In other words, is the relationship your customer has with you more like a casual friendship, committed partnership, fling or marriage of convenience?

We can take the analogy further than this. It has been argued that our personal relationships are 'purposive', involving at their core the provision of meanings to the people who engage in them. These meanings can be simply functional and utilitarian or more psychosocial and emotional. It can be valuable to think about customer relationships from this perspective, and consider what benefits they offer customers over and above the basic service delivered.

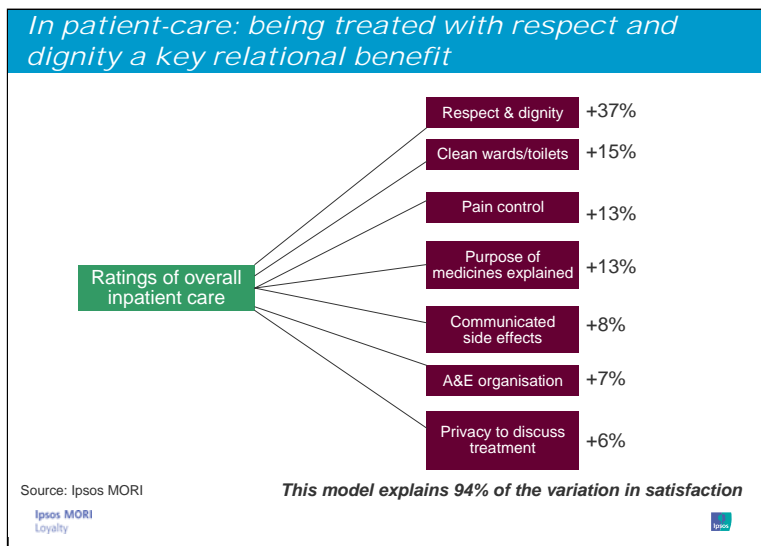
Some possible examples of such relational benefits include:

- Shaping or reinforcing your customers' identity (e.g. premium or trendy brands, but also more day-to-day examples such as our newspaper)
- Giving customers good experiences (e.g. rather than just providing a cup of coffee, companies like Starbucks can offer a peaceful place to read, an appealing place to do some work, or somewhere to catch up with friends)
- Helping customers live better lives. Concern about the environment is growing among consumers, but the right choices are not always obvious. Retailers have the opportunity to take on the role of a trusted and expert guide

But what do people want from their relationships in the public sector? Our analysis of satisfaction with public services shows that the key drivers of satisfaction, unsurprisingly, centre around delivery and timeliness. However, softer elements, such as treatment by employees, are also important.



Our work suggests that public services can offer other relational benefits. For example, in our analysis of the drivers of ratings of in-patient care for hospital trusts, the most important of these was being treated with respect and dignity. This socio-emotional benefit is a greater driver than functional elements such as clean wards and clinical elements such as pain control.



We would therefore argue that public services should do more than just meet people’s needs – they also need to understand the nature of the relationship between user and provider, and appreciate the relational benefits which will deliver the best outcomes for both.

For both public and private sector organisations, there are enormous advantages to thinking through relational benefits from the customer’s perspective. Done properly,

this should help organisations understand how to strengthen the customer relationship and achieve the outcomes they desire.

*This article is based on the recent Ipsos MORI paper ‘Understanding Customer Relationships – How important is the personal touch?’ To download a copy, please [click here](#)*