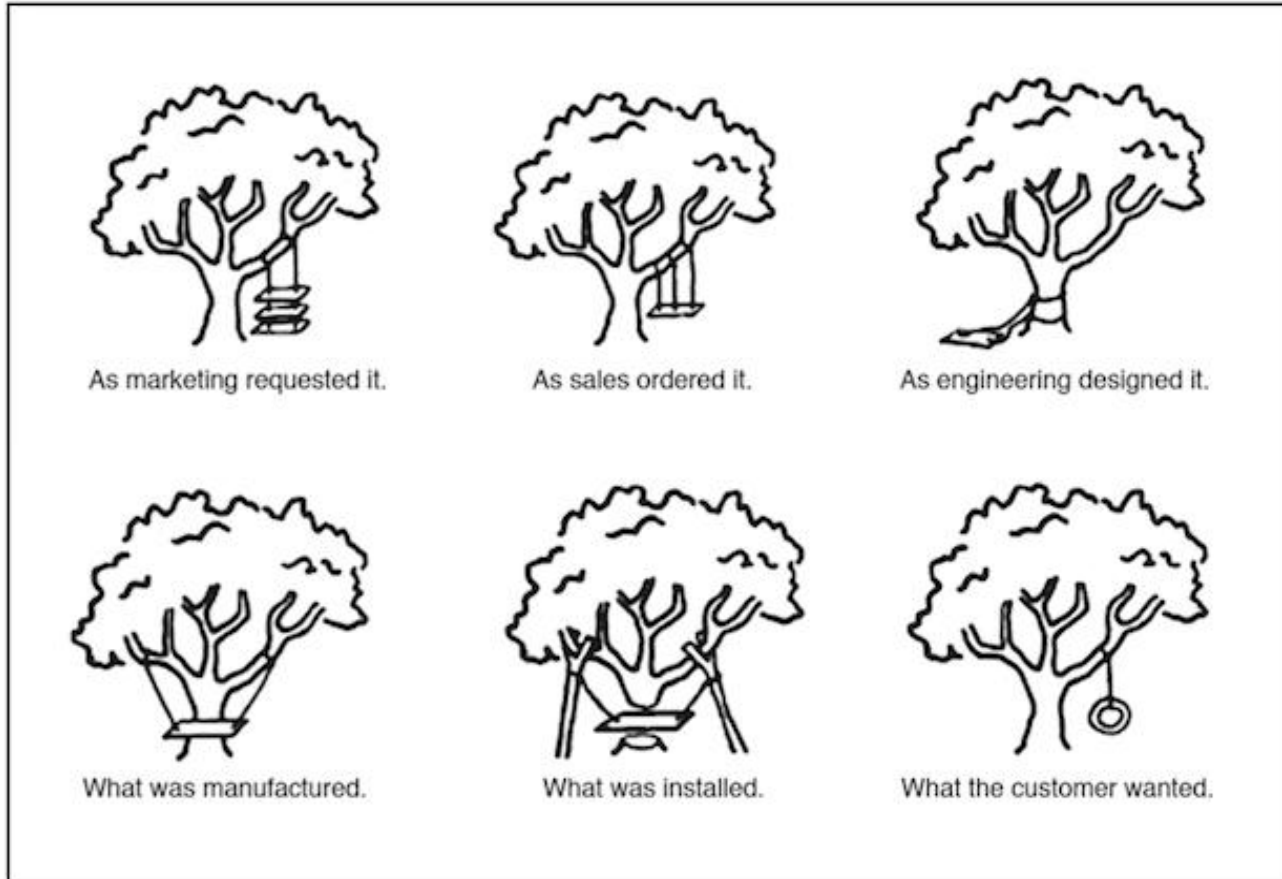


# Going Digital - The 'e'-citizen perspective

*Tax Administration for the  
21<sup>st</sup> Century Conference  
13 June 2014*

**Professor Miriam Lips**  
**Victoria University of Wellington**

# Putting the customer at the centre of the digital shift is critically important



# Challenging ‘e-customer’ assumptions

## *Assumption 1 “People want digital public service delivery”*

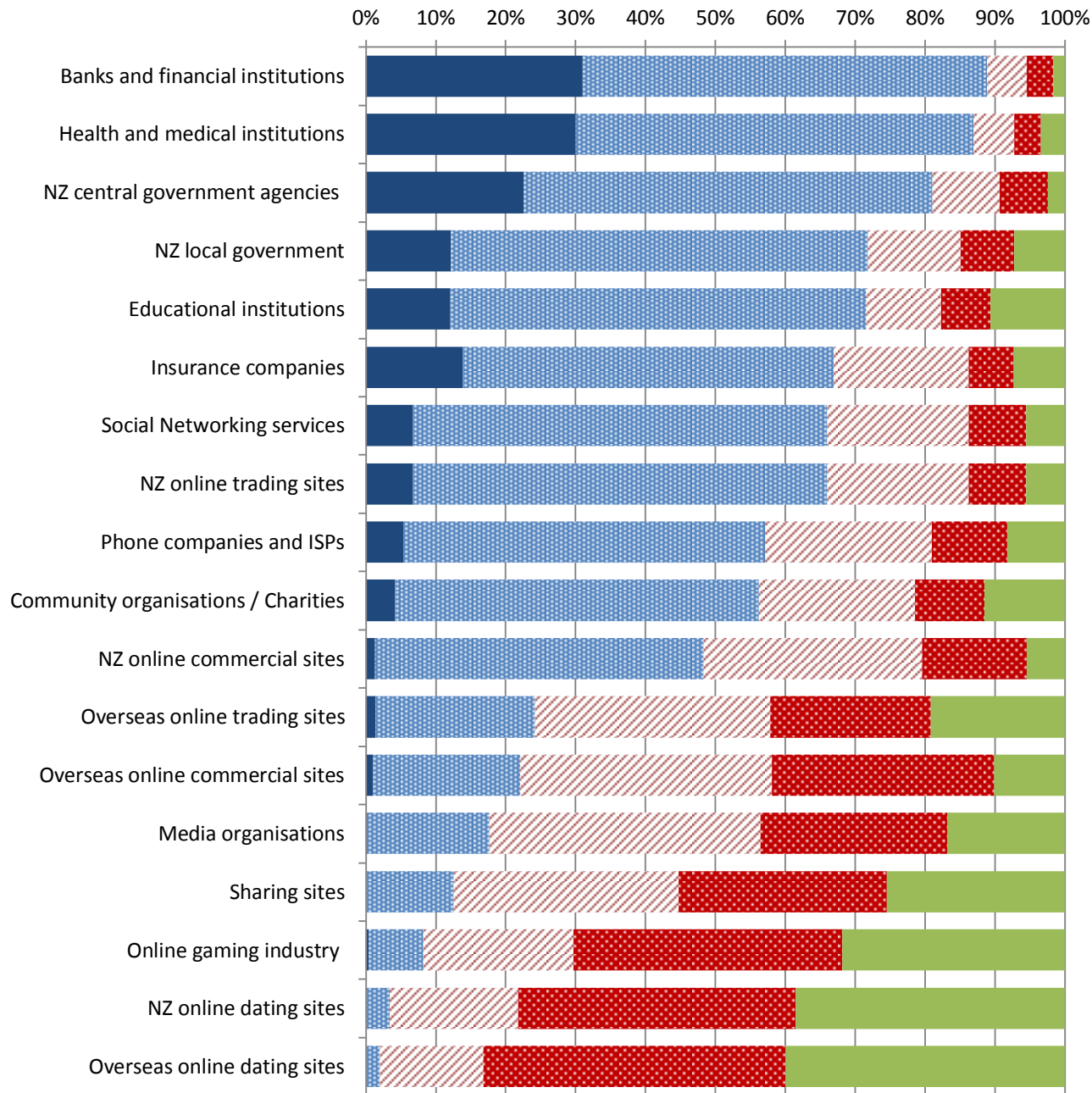
- Although digital inclusion is high in New Zealand (95%), digital exclusion is still 5%
- Some customer groups can’t afford using digital channels
- Some customers have problems with digital service provision (e.g. senior citizens with health issues)
- Some customer groups prefer face-to-face service provision: e.g. established trust in frontline staff working in rural areas
- People use a multichannel approach for service consumption, including non-digital channels

# Challenging ‘e-customer’ assumptions

## *Assumption 2 “Customers have similar service delivery expectations of private and public sector organisations”*

- Public services are perceived as being different compared to commercial services: different value proposition for transactional service (e.g. paying tax online vs buying goods online)
- Public services are perceived as more complex compared to commercial services: channel choice is affected by the need to ask questions, get feedback and reassurance during the transaction
- Privacy and security expectations are higher for government:  
*“Just the fact that they are government services – you think ‘well these are trusted’. If it was some sort of dodgy insurance company, I might have a second thought ... but you instantly compare the government as being relatively controlled and safe – in New Zealand at least.”*
- The New Zealand government brand is strong

## Trust institutions to protect your personal information



## Trust of institutions

- Totally trust
- Tend to trust
- Tend not to trust
- Do not trust at all
- Don't Know

# Challenging ‘e-customer’ assumptions

## *Assumption 3 “Technology makes it easier for people to engage with government”*

- People do not understand the structure and functioning of government: navigating government to get the service they need is an issue
- Youth are technology-savvy, but not government-savvy
- People do not understand why they need to provide the same information (over and over again) to different agencies in this digital age
- Standardised online forms create situations where government *“is not always asking the right questions”* from the customer’s perspective
- Many people know that they don’t know the online environment well enough and look for help from family or other experts; alternatively, they limit what they do online

# Challenging ‘e-customer’ assumptions

## *Assumption 4 “Government is seen as big brother”*

- There is relatively high trust in the protection of personal information by New Zealand government agencies
- People believe there is more cross-agency information-sharing happening than is actually the case
- People are happy for more cross-agency information-sharing to happen if that would help agencies to do a better job
- People strongly support the principle of ‘fairness’: *“everybody should be playing by the rules”, “you have nothing to hide as long as you play the game”*
- Different value proposition for public services leads to data accuracy concerns

# Challenging ‘e-customer’ assumptions

## *Assumption 5 “People are concerned about their privacy”*

- Survey findings are an outcome of a particular (subjective) question
- New Zealanders are very much privacy aware; however, they have different privacy perceptions and behaviours (e.g. privacy pragmatists, victims and optimists)
- There is a difference between online privacy ‘attitudes’ and ‘behaviours’ and online behaviours are changing over time:
  - People are learning by experience; ‘crystallised’ behaviours around ‘mature’ online services (e.g. Internet banking)
  - Shift from public towards more private behaviours online; experienced users are more private online
  - Bad experience leads to major change in online behaviour
  - A positive experience builds trust in the organisation and confidence in the online channel
  - Life course changes (e.g. parenting) lead to major changes in online service use



# Working together with e-citizens is critical

- Digital transformation means transforming the relationship with 'customers' from different backgrounds
- Accept that learning-by-experience is happening on both sides of the relationship
- Include the citizen at an early stage of the design
- Take into consideration digital exclusion issues and lack of government understanding
- Cater for individuals and families with complex needs
- Security-by-design, privacy-friendly solutions and increased transparency around the collection and processing of personal information build trust and confidence