



## Specification

# Swan Housing Customer Segmentation and Journey Mapping 2021

### Version Control

Document Version	Date	Author	Changes Made
V1	20/11/20	HM	
V2	27/11/20	HM	Amends from JB/AOC
V3	19/02/21	HM	Updated following meeting with PMW/JB
V4	04/03/21	HM	Updated following meeting
V5	11/03/21	HM	Final for tender

This competition is being run through the CCS Research Marketplace agreement (RM6018)

# 1. Project Title: Swan Housing Customer Segmentation and Journey Mapping 2021

## 2. Summary

Last October, we launched our new Corporate Strategy setting out our seven aims to 2023. A core aim of this strategy is to 'Build Customer Trust' and we are looking to transform the way we interact with all of our customers. We have grown significantly as a business and recognise that the way we support and empower our customers also needs to change. We have already started to act on this, most recently with the implementation of a new online portal for customers as technology continues to play an increasing role in how we communicate. But we want to go further.

We want to change the way we interact with all our customers, developing a new customer experience model. Building customer trust is at the core of this and we want to be clear on what our customers can expect from us by establishing a new set of service standards. However our customers choose to interact with us, we want to provide a single point of contact with a consistent and transparent approach. For this to be embedded, we also need to engage with, and support, our people to know who our customers are and focus on building customer trust.

We are seeking an external partner who can help us with the first phase of our development, to enable us to better understand who our customers are and how they interact with us currently. Only by speaking with our customers and our people can we start to understand how we can better deliver our services. We are looking for a consultant that has the vision and skills to help create customer personas through segmentation and then map a select number of customer journeys. When we refer to our customer this encompasses not just our general needs residents but our supported housing residents, care and support customers, private sector renters, leaseholders, keyworkers and sales customers.

The creation of the personas will be an important tool that we will use throughout the business to help our people understand our customers and how we can shape our services to achieve better customer satisfaction. We will use these personas to inform our business decisions. If we understand our customers better, we can improve how we deliver our services and build their trust in us. We expect this to lead to higher levels of customer satisfaction and greater customer advocacy.

This research will enable us to see where our customer service is working and inform any potential redesign of our services going forward, ultimately delivering a better and more seamless customer experience.

Our anticipated timescales for the delivery of this project are as follows:

Action	Timescale
<b>Create customer segmentation and persona models to inform service design</b>	May 2021 – August 2021
<b>Undertake customer journey mapping to allow service redesign</b>	August 2021 – December 2021

## 3. Background

Swan is an innovative and forward-thinking housing association helping as many people as possible to have somewhere to feel at home. We operate in East London and Essex, locally managing over 11,500 homes, including social rent, shared ownership, NHS accommodation and supported schemes.

We have always been a regenerating landlord and currently have a secured development pipeline of over 7,000 homes to be delivered using both traditional and offsite construction by our in-house developer Swan Commercial Services. We have our own offsite modular housing factory which we are using to build high quality modular homes including fully customisable homes. Every penny we make is reinvested in homes and services for our residents.

About so much more than just bricks and mortar, we transform the communities in which we work by investing in these communities and our residents. As well as high quality public realm, community spaces and high-quality homes, we deliver life changing services such as training and employment support and community engagement and activities, on top of a quality property management service (under our subsidiary, Hera). It is this holistic approach that has earned us a reputation as one of the UK's leading regeneration housing associations as well as a host of prestigious awards.

We are proud to provide care and support services including domiciliary care and support services, sheltered housing for older people and those with special needs, as well our inspirational accredited foyers that accommodate young people including young parents and their children. We also own a number of women's refuges and provide a range of specialist services to support NHS workers.

### 3.1 Corporate Strategy

Our core purpose is to find better ways of doing things so that we can improve lives and communities. Every day.

We want to deliver brilliant customer care to all that we support underpinned by our 4 values:

- Making a difference
- Being inventive and solutions focused
- Being open and fair
- Caring about every customer

Our Corporate Strategy sets out seven strategic aims to meet our purpose over the next 3 years to 2023:

- Build Customer Trust
- Maximise Our Talent
- Provide Safe, High Quality Homes
- Build Financial Capacity and Resilience
- Love the Planet
- Deliver Digital First
- Grow Responsibly

In order to achieve our aims, we need to better understand our customers. Only by placing them at the centre of our approach can we deliver even better customer services.

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We have recently become members of the Institute of Customer Service (ICS) and are in the process of surveying both customers and people together with our repairs partner, Axis, to understand what is working well, opportunities for improvement and how engaged our people are with our current customer experience. The first survey is for general needs residents and will enable us to benchmark ourselves against other providers in the sector and beyond. It is our ambition to become ServiceMark accredited within the next three years. ServiceMark is a national standard, independently recognising an organisation's achievement in customer service and its commitment to upholding those standards.

Please refer to Appendix 1 for our Corporate Strategy and Appendix 2 for an overview of the survey methodology completed by ICS. Please note that this ICS survey was for general needs residents only. We also have additional survey data from customers in Swan Housing Association, Hera, Care and Support and NU Living Sales Customers.

### Who are our customers?

Our accommodated customers comprise general needs tenants, who make up just over half at 53%, key workers, leaseholders and supported housing residents. In addition, we support around 70 customers each month through our domiciliary and home from hospital care services.

Hera, our private property management arm, has over 1,460 leaseholders and 270 private tenants.

A breakdown of properties owned and/or managed is provided below.

Tenure type	Number
General needs	8,126
Supported	350
Intermediate & keyworker	921
Leasehold & shared ownership	1,505
Freehold, Market Rent & Temporary Accommodation	46
<b>Total</b>	<b>10,948</b>

Hera Private Rented Sector	270
Hera Leasehold	1,460
<b>Total</b>	<b>1,730</b>

Our private subsidiary, NU living builds high quality new homes for private sale. These customers primarily comprise first time buyers and investors with a mix of shared ownership and outright sale. The relationship with the customer starts at enquiry through to the point of completion. However, as circa 80% of our sales are off plan, customers may remain with us for a few years depending on the build timetable. This is particularly true for some of our larger developments. Our customer care team are responsible for the customer following completion for the duration of the 2 year defect liability period. We typically have a greater

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level of investors in our London properties which comprise high rise flats when compared with our properties in Essex. Where properties are at a premium and above the Help to Buy threshold, we also engage agents to identify suitable investors. We have understood from buyers that our current satisfaction score is circa 60% and we would like to increase this to 90% (in line with Home Builders Federation 2-star builder to 5-star builder). We currently have a secured pipeline of over 7,000 new homes. A large proportion of these homes are for private sale and shared ownership.

Project	Units
Beechwood Village, Basildon, Essex	576
Watts Grove, Bow, London	65
Blackwall Reach Phase 2, Poplar, London	268
Station Block, Essex	6
Laindon Shopping Centre including Landmark, Laindon Place, Basildon, Essex	244
Essex & Cordage, Walthamstow	28
Blackhorse Yard (Webbs Site), Waltham Forest	359
Purfleet, Essex	2,850
Brayford Square, Exmouth	229
Blackwall Reach Phase 3, Poplar, London	315
Blackwall Reach Phase 4, Poplar, London	643
Better Queensway, Southend-on-sea	1,658
	<b>7241</b>

Swan previously created characters to bring our customers to life for use both externally and internally. Examples are included in Appendix 3. **Please note there is no expectation that Bidders use these to create our personas and are a reference of previous work conducted by Swan to help personalise our customers.** This was a marketing exercise only and was not supported by any customer segmentation or profiling.

## 4. Research Objectives

Specifically, we want to achieve the following by partnering with an external consultant:

- Create customer segmentation and persona models representative of our business; understanding who they are and what their goals and expectations are. These personas will become an integral part of how we understand our customers and review our services going forward. They will need to be visually appealing, succinct and accessible to all people across the business to enable us to have a common language when talking about our customers;
- Map the customer journey across key services to understand our own, and our customers' actions, thoughts and emotional experience, highlighting highs, lows and key touchpoints. This is likely to include 2-3 main services such as repairs and complaints. We expect this to be agreed with the consultant following the customer segmentation which may highlight other areas that would benefit from customer journey mapping. We want our people to be heavily involved in the mapping process and to be left with the skills to conduct mapping in the future on other projects.

## 5. Target participant group

In order to segment customers, we will ensure that the external provider has access to the data we currently hold and we facilitate meetings, workshops, telephone calls etc. as necessary with customers and our people. We would expect the provider to propose how best to capture gaps in data to build a better picture of our customers to enable segmentation.

Please see Appendix 4 which provides some further information on the information we hold for different customers groups.

## 6. Suggested approach and analysis

We want to encourage suppliers to develop their own approach as to how best to meet our needs and engage with our customer base.

In considering your approach please note the following:

- We would expect the supplier to use a range of engagement methods to ensure a good representation of all of our customers from surveys to face to face meetings. Some of our customers may not have English as a first language, have additional support needs or be identified as vulnerable which will need to be considered. We would provide the supplier with this information upfront to enable effective planning.
- We want to celebrate and personalise our customers for our people, so they understand how best to serve different customers. We are keen to hear from suppliers as to how they propose to build the customer personas and present them in a marketable and relevant way for our people to relate to.
- Throughout the process, we will make our people available to contribute to the personas and customer mapping. We expect the customer mapping to cover repairs and complaints as two main processes as there is an opportunity to improve satisfaction here, however, we are also expecting new insight through the customer

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segmentation process to highlight other potential areas that would benefit from customer mapping instead.

- Given the ongoing pandemic, we expect the supplier to give consideration for any COVID-19 safe practices at the time of engagement.
- We plan to use the customer personas within Swan longer term and request that they are provided in a format that is able to be edited by our in-house marketing team should this be required in the future.

## 7. Outputs

These are the following outputs we expect from this research, however, we would welcome new approaches and are open to innovative solutions:

- Surveys, telephone calls, face to face meetings with customers, and any other relevant stakeholder engagement with customers to inform segmentation.
- Customer segments to inform the development of customer personas.
- Customer Personas – these need to be visually represented to be shared across the business and establish a common language for our people to use when considering how we interact with our customers. They need to be in a format which is able to be edited in house by Swan in the future should we need to update them longer term with new information. Please also take note of our branding guidelines which are attached as Appendix 8 and will need to be considered in the development of the personas to ensure they reflect the Swan brand.
- Mapped customer journey for 2-3 key services with key touchpoints, what is working well and where improvements could be made.
- Consultations and workshops with customers and our people where appropriate.
- Presentation of information in an accessible and graphical way to be shared with key internal stakeholders on outcomes achieved including Executive Team and Board.

## 8. Liaison Arrangements

The key contact for the project will be Pete Morley-Watts, Executive Director of Customer Experience. There will also be an expectation for the supplier to attend bimonthly Project Board Meetings to update on progress and to circulate a monthly update.

## 9. Timings

Our anticipated timescales for the delivery of this project are as follows. The tender timetable provided may be subject to change and should be used as a guide only.

Following evaluation of the written quality submission and cost, we will invite a maximum of 3 suppliers to present their proposal on Friday 16<sup>th</sup> April 2021. Please refer to Appendix 5 for more information. Those invited to presentation will have sufficient written scores to enable them to win the competition.

For those bidders invited to presentation, we will also be requesting references. Please refer to Appendix 6 for information required. References will not be scored and will only be contacted should you be invited to presentation.



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The tender documents provided will not be subject to negotiation. Where necessary, tenderers are advised to seek further clarification for the purposes of ensuring that their submission is accurate and compliant. All communication regarding this opportunity must be directed via the message function on the eSourcing portal and must be submitted by 19/03/2021. Queries received after this deadline has expired may not be considered.

Please note, Swan Housing Association reserves the right to seek additional clarification for all elements of your proposal including but not limited to pricing, resourcing, assumptions made etc.

Action	Date
<b>Tender open</b>	18/03/2021
<b>Last date for clarifications from suppliers</b>	24/03/2021
<b>Response to clarifications</b>	26/03/2021
<b>Submission deadline</b>	01/04/2021
<b>Evaluation of written submission and cost</b>	09/04/2021
<b>Presentation</b>	16/04/2021
<b>Award of contract</b>	20/04/2021
<b>Mobilisation Meeting</b>	30/04/2021
<b>Customer profiling and segmentation</b>	May 2021 – August 2021
<b>Undertake customer journey mapping to allow service redesign</b>	August 2021 – December 2021

## 10. Budget

The budget for this project, including expenses and any respondent incentive payments is £70,000 (excluding VAT). A detailed breakdown of costs is required within the proposal. Please complete Appendix 7 Cost template.

All fees must be quoted for in UK Pond Sterling, exclusive of Value Added Tax (VAT) and must include all disbursements connected to the delivery of the service outlined within the ITT documents. Swan Housing Association will not be liable for any costs incurred in connection with the development and submission of this tender.

Swan Housing Association reserves the right to extend the scope of requirements where, following an in-depth review, carried out by the successful tenderer, it becomes clear that further support and development is required to ensure that the solution is successfully implemented. This may include but will not be limited to:

- Additional customer engagement
- Additional stakeholder engagement
- Additional customer mapping

## 11. Form of Proposal

Please submit a proposal setting out how you propose to complete the customer segmentation and customer mapping for Swan.

Project team CVs can be included as an appendix, along with any additional company information you think is relevant.



The proposal should contain the following:

- A summary of the proposal.
- Details of the approach and external data sources to be used in support of this work, including your rationale for choosing this approach.
- A demonstrable understanding of customer mapping and segmentation, particularly within the housing sector.
- How your organisation's experience of similar projects and relevant research capability will be applied to this project.
- Details of the personnel to be involved including their role for this project and their relevant experience.
- Arrangements for managing this work and quality assuring outputs, including how you would like to work with Swan during the project.
- A detailed budget, including a breakdown of time and costs per activity and per team member. Please refer to Appendix 7 for cost template.

## 12. Evaluation Criteria

The Award decision will be based on the highest scoring bidder using the MEAT (Most Economically Advantageous Tender) criteria.

### Quality – Submission Requirements

Please refer to Section 11 Form of Proposal to complete the method statement (quality) questions for this tender.

All tender submissions will be evaluated in accordance with the scoring criteria set out below and the top scoring tenderer will be awarded a contract to deliver the services set out within the scope of services/requirements.

Quality has been allocated 80% of the available score. Please note that any tenderers failing to achieve a minimum quality score of 40% of the available **written** quality score or, a minimum score of 1 for any question (as set out in the scoring methodology below) will be excluded from further competition and their pricing submission will not be reviewed or evaluated.

The quality written submission comprises 60% and the presentation comprises 20% totalling 80%. The relative weightings for each part of the written submission total 100% and are then weighted accordingly to represent 60% of the total.

The written quality submission will be scored using the following score definitions with a total of 15 points available. The most comprehensive bidder will be allocated the full 15 marks, with the other bidders being allocated a final score using a percentage (%) difference method. An example of how this will work is provided below:

Bidder A is awarded a mark of 15 (highest) and scores 60%

Bidder B is awarded a mark of 13 and their score is calculated by:

Written submission quality score for Bidder B = Total available score x (Bidder B mark / Highest Bidder Mark)

Bidder B score =  $60 \times (13/15) = 52\%$

## Score Definitions

Each quality question will be scored from 1-5 using the following definitions.

Score Definitions	
Mark	Comment
1	Failed to provide confidence that the proposal will meet the requirements. An unacceptable response with serious reservations
2	A poor response with reservations. The response lacks convincing detail with risk that the proposal will not be successful in meeting all the requirements.
3	Meets the requirements - the response generally meets the requirements but lacks sufficient detail to warrant a higher mark.
4	A good response that meets the requirements with good supporting evidence. Demonstrates good understanding.
5	An excellent comprehensive response that meets the requirements. Indicates an excellent response with detailed supporting evidence and no weaknesses resulting in a high level of confidence.

## Pricing – Submission Requirements:

Please be advised that pricing has been allocated a 20% of the available weighting. Please refer to Appendix 7 Cost Template for a more detailed breakdown and to complete the pricing matrix for this tender.

Your pricing information must include:

- Key personnel required to complete each task
- Number of days / hours assigned to each task
- A description of any disbursements
- A description of any expenses
- A description of any other costs expected to be incurred

A percentage difference method will also be used to calculate the cost and presentation scores. An example of how this will apply to cost is shown below:

Bidder A has the lowest cost and scores 20%

Bidder B score is calculated by:

Final cost score for Bidder B =  $20 \times (\text{Bidder B cost} / \text{Bidder A cost})$

## Evaluation Panel:

The evaluation panel will consist of members of the Customer Experience and Business Excellence directorate as well as any other appropriately qualified stakeholders who intend to play an active role in the development, implementation or delivery of the proposed solution.

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### Presentation:

Following evaluation of the written quality submission and cost, we will invite a maximum of 3 suppliers to present their proposal on Friday 16<sup>th</sup> April 2021. Please refer to Appendix 5 for more information. Those invited to presentation will have sufficient written scores to enable them to win the competition.

This stage of the tender process will allow Swan to meet the proposed team, understand more about your approach to service delivery i.e. 'your approach to ways of working' and management of key deliverables. We will endeavour to provide you with 7 days' notice prior to attendance.

### Weightings:

	<b>Weighting</b>
<b>Quality (Written Submission)</b>	<b>60%</b>
Methodology and Approach	55% (of 60%)
Experience in customer mapping and segmentation	30% (of 60%)
Evidence of understanding of the brief and Swan as an organisation	15% (of 60%)
<b>Quality (Presentation)</b>	<b>20%</b>
Face to Face Presentation	100% (of 20%)
<b>Quality Total (Written Submission and Presentation)</b>	<b>80%</b>
<b>Price</b>	<b>20%</b>
Price	100% (of 20%)
<b>Quality and Price Total</b>	<b>100%</b>

## 13. Completion of Tender

Your tender should comprise the documents listed below. Where provided, responses should be given within the documents attached. All documentation should clearly state the tenderer's name. The Proposal and relevant documentation should be uploaded to the Crown Commercial Services eSourcing portal no later than 1<sup>st</sup> April 2021. Please refer to Appendix 9 for guidance on how to use the portal.

eSourcing portal: <https://crowncommercialservice.bravosolution.co.uk/web/login.html>

Documentation to be uploaded:

- Your Proposal setting out your approach and methodology as per Section 11 Form of the Proposal (required)
- Appendix 6 References (required)
- Appendix 7 Cost Template (required)
- Project Team CVs (optional)
- Additional company information that you deem relevant (optional)

## 14. Conditions of the tender

All bidders are required to comply with the following conditions of tender, ensuring compliance with the Public Contracts Regulations. These conditions ensure that bidders are treated fairly and equally. Failure to adhere to these conditions may result in your tender being rejected.

Tenders which are incomplete or contain omissions/exclusions may not be considered.

### **Pricing**

Values/budgets provided for this invitation to tender are approximate and for guidance purposes only therefore no actuals can be given.

All fees must be quoted for in UK Pound Sterling, exclusive of Value Added Tax (VAT) and must include all disbursements connected to the delivery of the service outlined within the ITT documents. Swan Housing Association will not be liable for any costs incurred in connection with the development and submission of this tender.

All Prices quoted will be expected to remain open and valid, for acceptance by Swan Housing Association for 90 days from the tender submission expiry deadline.

Swan Housing Association reserves the right to reject any, or all of the tenders submitted and will not accept any liability arising from this invitation to tender.

### **Information provided to Bidders**

Swan housing Association does not guarantee the completeness or accuracy of the information provided within the Invitation to tender document pack. Whilst we have made every effort to ensure that accurate and complete information has been provided, tenderers are required to satisfy themselves as to its validity and completeness.

### **Subcontracting**

In the event that a bidder intends to subcontract any portion of the work, this should be clearly outlined within their submission and it will be at the discretion of Swan Housing Association.

### **Confidentiality**

All documentation relating to this tender should be treated as confidential and should not be shared with anyone outside of the bidder's organisation, unless authorised by Swan Housing Association.

### **Approved Supplier**

The successful bidder will be added to Swan's approved supplier list and following contract award, we will request the following information for our records as detailed in Appendix 10 Approved Supplier Requirements.