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CUSTOMER DEMAND AND FEEDBACK

An outline of the Cadastre organization, customer expectations, customer satisfaction

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1. Introduction

<u>Activities</u>
The Netherlands Cadastre and Public Registers Agency (Cadastre for short) is responsible for maintaining the registers on real estate, mortgages, the Cadastral Map and the provision of cadastral information. The Cadastre is a Public Enterprise, with legally well-defined tasks such as the registry of (notarial) deeds, the computerised registration of essential details (parcels, rights, holders, restrictions), surveying the cartographic information system, land-consolidation, the production of topographic maps, geo-coding products, data-mining products, and international consultancy.

The objective of the Cadastre is to promote legal security in real estate transactions by collecting, updating and providing information on real estate to our customers in an effective and efficient way. Efficient/effective has to be viewed in a broad perspective. It has everything to do with the cost/benefit ratio to customers, i.e. value. The expensive process of data capturing, processing, storage and supply serves little purpose unless we are sure that there is a demand for these services. The Cadastre is developing into a customer and market-oriented institution with a service-directed attitude.

In general, our customers use our information for purposes such as selling and buying land, establishing rights and encumbrances, establishing mortgages, land-use planning (planning, development, maintenance), taxation, risk management (by insurance companies), market information and logistics.

<u>Customer groups</u>
The customers of the Netherlands Cadastre and Public Registers Agency are mainly Business-to-Business customers (B-to-B). The main customer groups are notaries (81 % of the total turnover), real estate agents (5 %), municipalities (3%), water boards (2 %), financial institutions (3 %), the rest (6 %, private citizens account for 2 %).

<u>Distribution</u>
Distribution to most of our B-to-B customers is done directly. At the moment about 5,000 B-to-B customers are connected to Kadaster-on-line (which gives customers access of our real-time information). In 2001, 93% of sales (total number of sold products = 11 mln) of our real-time information on property, including rights, restrictions, encumbrances, mortgages and cadastral maps were delivered through the internet and extranets and this share is still increasing.

In the B-to-C market our distribution-efforts focus on indirect distribution through municipalities. At the moment, 36% of the municipalities are operating as distribution channels for Cadastre information. This number is growing steadily.

<u>Organization</u>
The organization has been redesigned as a front office (Marketing & Customer Service department) and a back office (Production teams), i.e. implementation of the shop front factory model by McKinsey. The Marketing & Customer Service department is responsible for all activities with regard to marketing, account management, consultancy, customer services and shop-sales for all products to all customers.

All customer requests, inquiries, complaints etc. through all possible means of communication (internet/extranet, fax, telephone, post, face-to-face, e-mail) are directed to the Marketing & Customer Service department. The back office is responsible for registration, administration, land surveying, large-scale standardised information production, all based on agreed product specifications. The production of customised products is centralised.

Product and distribution strategy
Our product and distribution strategy aims to enhance accessibility (IP, browsers, dedicated contact centres, networking) and ease of use, to stimulate the penetration of our products through various outlets with specific service levels, to offer modular products, pricing based on value and consultancy services (that support the optimal use of our products), to acquire new registrations related to real estate, to connect with other databanks that are relevant for the customer, and to link up with other sites (complementary information).

2. Customer expectations

Surveys, expert interviews and panel discussions have been used to retrieve information regarding customer expectations. Three large surveys have been conducted in recent years with a view to gaining a clear insight into present and particularly future customer demand. One survey covered the main players in the real estate and mortgage market, i.e. notaries, real estate agents and financial institutions. The second study covered the general public and people's needs for Cadastral information. The third study, which is in its final stage, covers the public domain, i.e. ministries, public bodies, provinces, municipalities.

In short, our customers want to have access to our information 24 hours a day, 7 days a week, at home and in the office (any time any place). They expect us to be reliable, accessible, timely, professional and relevant and they expect our products to be easy to use. Digital information has become vital for our success.

B-to-B customers want the processes to be well integrated into their businesses and are keen on one-stop shopping. The public domain is very focused on getting integrated information on present and future land use. There is a need for permanent online access to our data for internal and external use.

Citizens want a one-stop shop, instead of having to call various governmental desks for an answer to a question (integrated service delivery). They want to be able to access our information through the internet.

3. Customer feedback

Perceived quality, customer satisfaction, customer loyalty
The objective quality of our data (completeness, accuracy, precision) is measured through audits. Delivery and process times are measured through monitoring. A logistics, sales and marketing system is used to monitor the handling of contacts, the progress of the marketing activities, the progress of the service activities and contracts and also to evaluate the results of marketing campaigns.

The Cadastre conducts a customer satisfaction survey every three years. This survey is used to measure perceived quality and customer satisfaction. Bench marking with private enterprises has proved to be hard to execute because of the fact that customers have a hard time comparing the Cadastre with other enterprises. Generally speaking, customers tend to compare the Cadastre with municipalities and Public bodies.
The latest customer satisfaction survey provided us with excellent information as to how we can increase customer satisfaction. The satisfaction rates were as follows: reliability (78), knowledge (76), timelines (73), accessibility (71), customer orientation (71), clear communication (70) and being a partner in business (71).

Based on our day-to-day contacts and surveys we have been able to translate customer values into determinants for success with the underlying quality aspects. The outcome of our customer satisfaction surveys is translated into these quality aspects. The importance of the score for a certain quality aspect is determined in relation to overall customer satisfaction. Investments in quality can then be prioritized based on the effect on customer satisfaction.

Customer satisfaction at the rates as stated above do not guarantee customer loyalty in a competitive environment. In the future we will try to also measure customer loyalty and defection costs. This will be based on the overall satisfaction of the customer, the willingness to repurchase and the willingness to recommend. This will be a very interesting exercise, but it will be hard to execute (given that there are no real alternatives in the perception of our customers).

The determinants for success are product range quality, distribution quality, quality of service (quality customer service and account management) and quality of communication.

Product range quality.
Product range is defined as the range of standard products and services for which there are unambiguous specifications, prices and delivery times. The assortment should meet the needs of the customers. Customized products are not included. The assortment should be clear, transparent and modular. The products are distinguished by reliable data quality and are developed to meet the customers' needs for functionality and ease of use.

The next diagram shows how customer values are related to quality aspects of the assortment.

	Customer values				
	Reliable	Accessible	Clear	Timely	Professional
Quality aspects					
Clarity of the assortment			✔		
Comprehensibility of the product information			✔		
Actuality	✔				
Completeness	✔				
Accuracy	✔				
Functionality			✔		✔
Ease of use				✔	✔
Completeness of the assortment					✔
Innovation				✔	✔

Distribution quality

	Customer values				
	Reliable	Accessible	Clear	Timely	Professional
Quality aspects					
Reach		✔			
Opening times		✔			
Response times				✔	
Ease of use			✔	✔	✔
Delivery times	✔		✔	✔	

Reach primarily translates as the number of points of distribution where our customers are inclined to use our products. Although our marketing is lead by the customer, 'operational excellence' also means that we try to steer the use of distribution channels through pricing and product specifications. We stimulate distribution through the internet by offering longer opening times, higher delivery speed and lower prices.

Service quality

	Customer values				
	Reliable	Accessible	Clear	Timely	Professional
Quality aspects					
Accessibility by phone		✔		✔	
Handling questions	✔		✔	✔	✔
Handling orders	✔		✔	✔	✔
Handling complaints	✔		✔	✔	✔
Handling offers, contracts	✔		✔	✔	✔

The quality of the services is notable at the moments of contact.

Communication quality

	Customer values				
	Reliable	Accessible	Clear	Timely	Professional
Quality aspects (external)					
Corporate brochures			✔		✔
Advertisements			✔		✔
Mailings			✔		✔
Product information			✔		✔
Correspondence			✔		✔
Website		✔	✔	✔	✔
Shows		✔	✔		✔
Personal communication	✔	✔	✔		✔

Communication is very important when it comes to establishing the right expectations (internally) and externally. The objective of external communication is to present our product range, distribution possibilities and services.

4. Conclusions

In our endeavour to optimize sales and customer satisfaction market research has proved to be crucial not only in enabling us to assess present and future customer expectations but also and especially in enabling us to set the right priorities for investments in product range, distribution, services and communication.