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Reasons Customer Experience Should Be The Focus Of Your Aged Care Organisation



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Customer expectations around what it means to spend time in an aged care home are changing rapidly.

Customer experience – or how the customer perceives an interaction with the service provider at their premises is fast becoming a must-address capability in any aged care service provider. There is an increased perception that to remain competitive, aged care service providers – be they residential, home care, palliative, dementia care, providers all need to offer extra value and remain relevant.

While it was once the case that excellence in quality and effectiveness of the product or service provided was the point of differentiation from other providers, increasingly, that comparison is now also dependent on providing a holistic, seamless and modern experience - from the time they hear about the provider to the time they decide to engage with them after their interaction.

“By the year 2020, customer experience will overtake price and product as the key brand differentiator” - Walker Study.



As the world becomes increasingly connected and customers' reliance on convenient, technology, time-saving options continue, routine experiences like social activities will become much more than chatting, or enjoying outdoor activities with other people. The digital customer journey now starts well before they enter a provider's premises and continues long after they have left. In some cases, the client might never visit your premises.

Customers loyalties' will be tied to the service provider's ability to offer a solution to their problem of having limited time and the ability to cater to a variety of expectations that comes from living in the modern digital world. Aged Care service providers can now use technology to provide a more personalised customer journey - from enabling pre-planning to catering for a personalised care experience for all clients.



1. Ageing population driving demand for your services

Fertility rates have been declining worldwide since the 1960's and fell below the replacement rate around three decades ago; put simply, we aren't having enough children to maintain growth within the population, which would fall, if not for migration. Alongside declining fertility rates, modern medical innovations mean we are also living longer, Australia now enjoys one of the highest overall life expectancies in the world. The rise in life expectancy has not come at the expense of deteriorated health or impaired function, in fact, most older Australians consider their health to be good to excellent.

Despite living for for longer and in satisfactory health, age continues to be a robust predictor of aged care service utilisation. The probability of permanently entering a residential aged care facility has been shown to increase by 15%, every additional year, from the age of 65. Unless an unprecedented change occurs in birth rates, the age structure is likely to permanently stabilise with those over 65 comprising a quarter of the population.



The changing population means the volume of those over 65 years old and their consequent use of aged care services will inevitably increase, the industry must be prepared to meet demand.

It is forecast that by 2040, the number of people accessing aged care services will increase from 1 million to 3.5 million in Australia.



2. Consumer-centric model of care

Recent years has seen developed countries move to a more individualistic, person-centred model of care, and Australia is no exception. Instead of treating ‘patients’ as a group, in an institutionalised manner, more credence is given to an individual’s unique needs and desires. This makes life better for older Australians, empowering them to make decisions about their care ultimately leads to greater independence and better outcomes both personally and for society.

A customer focussed model of care means providers will have to extend efforts to understanding the relationship between customer and supplier, the customer journey and how to foster brand loyalty. Accessing aged care services is often a complex and emotional decision with the older person having other key stakeholders like family or Doctors influencing them along the way. Providers must quickly adapt their strategy to better understand who their customers and key stakeholders are and how best to serve them.

3. Consumerization of IT

The community with its organic demand and utilization of technology enabled devices has driven the recent innovation and consumerization of information technology. The defining feature of this consumerization is the 'dual use' aspect. That is, both businesses and consumers are increasingly using network infrastructure, hardware devices and other value-added applications and services. Those accessing aged care services presently are more familiar with technology than their predecessors and this trend will only strengthen.

Aged care organisations need to understand their customer avatars will expect an experience enhanced by technology. Wireless networks are considered a fundamental need for tech-savvy consumers. Without wireless and our devices by our sides, many of us feel lost and disconnected, those entering the aged care market are no different. The continuing process of IT consumerization is inevitable, and the benefits to will be optimised in those aged care organisations that embrace and integrate at the rapid pace that consumer technology is evolving.



4. Consumer expectations

As the population of those accessing aged care services grows, they bring with them a different set of expectations and consumerist values. Older Australians expect a variety of options for how they receive care, greater control over where their money is spent and services that go above and beyond providing the bare minimum of care. In the age of the customer, it is also expected providers be transparent and informative about fees and quality ratings, yet one study by KPMG shows that the initial interactions potential customers had with service providers were anything but.

Service providers are allocating resources to improve care quality but are overlooking the crucial initial engagement with their customers. Customers who will vote with their feet and access services elsewhere if they have a negative initial experience. Focussing on the customer experience from marketing to service provision will ensure your organisation remains relevant in this fast evolving and competitive industry.

5. High quality rating

In response to public demand, and after several tragic incidents within the industry, the federal government has developed a set of standards by which aged care quality can be upheld. The standards focus on consumer outcomes and outline the level of services and care the community can expect from an aged care organisation. The standards, which are already a mandatory requirement, are to be actively enforced by the Australian Aged Care Quality Agency (AACQA) from this July 1, 2019.

The new quality standards go hand in hand with in an increase in consumer consultation within the aged care industry, those who access aged care services are being asked to rate their provider and those ratings are public. Consistent with the way consumer ratings guide other purchasing activities within society, the aged care ratings system will guide consumers and their stakeholders in how they choose a care provider. An organisation that invests in customer experience will naturally be exceeding quality standards, translating into a high-quality rating.

6. Consumers dignity and choice

Essential to a person's quality of life is being treated respectfully and with dignity. It includes empowering an individual to make their own choices about the care they receive and valuing their unique identity. Within any given community, people are shaped by their different life experiences and psychosocial needs, aged care consumers are no different. An organisation that is customer experience focussed will seek out to understand the diversity within their customer base and strive to listen to understand how they can best be served.

Consumer dignity and choice is also demonstrated by how respectfully communication occurs with employees and customers within an organisation. Respectful and inclusive communication is essential to a positive customer experience and includes providing information so that a consumer may be informed and being culturally aware. Becoming a customer experience focused aged care service provider will inherently create a dignity of choice culture within your organisation with the intended effect of improving quality of life for consumers.

IoT technologies don't just benefit the customer but also the operations of a business. A Sydney-based aged care home has jumped on the IoT bandwagon and installed temperature sensors in their fridges and almost immediately reaped the benefits of catching problems early.

A faulty fridge motor had increased the temperature inside the fridge to 12 degrees Celsius, putting the food stock inside at risk of being spoilt. An IoT sensor, connected to the residential home's automated system alerted staff who were able to quickly transfer stock and make arrangements for the faulty fridge to be fixed.



7. Enhances customer engagement

Customer engagement describes the direct interactions, virtual or physical, a consumer has with your organisation, while customer experience is built on the journey of through those interactions. Putting customer experience at the forefront of your aged care organisation will naturally guide your organisation to connecting more with your customers. Customer engagement and experience are, respectively, the behaviour and attitudes components of a loyal customer relationship.

A customer experience focussed organisation will certainly invite more customer engagement which serves to further enhance their experience, and the cycle continues evolving your best customers into customer advocates.

*“The only companies that will succeed in the future will be the ones that are genuinely investing in technology and experiences for their customers that are very immersive”
- Emma Lo Russo.*

8. Promote customer advocacy

Customer advocacy is realized when consumers recommend your organisation to others and share their positive influences, influencing other consumers purchasing choices. Inspiring genuine customer advocacy in the experience economy is a long-term strategy to maintain a competitive edge. Customer advocacy is hard earned, built from amazing experiences, a point of difference and empowering customers to feel confident and included.

Its unsurprising that highlighting customer experience as the top priority for your organisation, embedding a consumer focus at every level of business, will ensure you will delight your customers. These positive experiences will turn your customers into advocates of your brand, creating new customers. Empowering customers to feel confident and included in the aged care industry will not only promote their advocacy of your organisation, it will also improve their quality of life.



9. Improves employee engagement

A customer experience focused organisation will embed their strategy at every level, most importantly with their employees. Employee engagement is the main contributing factor to a culture of high-performance growth and is strongly related with customer satisfaction. Engaged employees are more likely to initiate extraprofessional activities that benefit the customer and job performance was more often boosted by job attitudes than vice versa. Conversely, disengaged employees have the propensity to spread negativity and poor performance.

An organisation, particularly within aged care, cannot focus on customer experience without first engaging its employees. Financial performance is one tangible measure of engaged employees, but engaged employees contribute far more than the obvious operational and financial benefits, such as a culture of empathy and belonging. Engaged employees are a key driver of customer experience and should be a strategic focus of your aged care organisation.



10. Remain competitive

In the next couple of decades, Australia's baby boomer generation will be entering the aged care market. This demographic owns 55% of the nation's wealth, having both the capacity and desire to pay for luxury services. An influx of demand is anticipated, and service providers are preparing; these consumers want more, and they aren't afraid to hunt for it. Expect to continuously improve, to seek consultation from your consumers and to innovate, uncompromisingly.

Remaining relevant in the aged care industry is more challenging than ever. Knowing your customers, understanding the market landscape and providing a quality service will not be enough. To satisfy the demands of the new aged care market, organisations should take a consumer experience focus, embedding the strategy into all facets of business from front line to the highest level of management. Providing an exceptional customer experience will be essential to being competitive in a customer-centric, deregulated industry. The question is, how focused on customer experience is your organisation?

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