

The State of the Nation for UK Customers

Do organisations make life better or let us down?
A new report on how we feel about what we receive
and what we experience

February 2024

**the
Foundation**
the customer-led growth consultancy



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Foreword from Charlie Dawson

When The Foundation was established back in October 1999, the aim was to do some pioneering – to find new and better ways to help organisations serve their customers well.

Serving customers well sounds so simple. But everyday experiences as a customer suggest it remains a long way from being achieved.

We continue to look for ways to be more helpful. In recent years we have worked across ever more sectors, in B2C, B2B, B2B2C set-ups (and probably more), in and well beyond the UK, with an increasingly effective and experienced team. We've run events to share learning, written two books and multiple articles, and brought together a community of more than 1,000 people interested in doing more customer pioneering themselves, widening the reach of the work well beyond us.

The report that follows is another initiative intended to help, making a contribution in a distinctive way. It takes a genuinely customer-led view of experiences across life, surrounded by organisations whose job is supposed to be to help. It reflects how it feels not just what

happens. And it has business leaders' input, drawn from our community, each of whom cares and wants to do the right thing. The main learning from our first 25 years is that serving customers well is much easier to say than it is to do.

We have learned things that make it easier than it was.

But the battle with inward-looking, self-centred ways of doing things continues, given that this is the natural state of affairs.

We hope you enjoy this report and that it inspires new and useful insight alongside redoubled determination and energy.

We look forward to doing more on this agenda with a growing cohort of friends and colleagues over the next however many years!

“We've run events to share learning, written two books and multiple articles, and brought together a community of more than 1,000 people interested in doing more customer pioneering themselves.”

A man in a blue jacket and cap walks along a sidewalk, pushing a bicycle and holding a coffee cup. The background is a wall of vertical wooden planks. A large, semi-transparent red circle with a white dotted border is overlaid on the right side of the image.

Executive summary

This report gives a nationwide snapshot from the end of 2023 showing what 1,500 customers think about providers in 44 categories they use right across their lives – from essentials to entertainment, from public services to fresh new brands, from heroes lighting up people’s lives, to vampires sucking energy and time from people across the UK.

The aim was to get a truly customer-centric view of our whole-life experiences as recipients of service.



We asked how people feel.

Not about satisfaction.

We’re humans. Who dreams of a satisfactory life?

We want to feel supported and safe, inspired and wowed.

Not stressed, frustrated and enraged.



We also asked 250 business leaders to give us behind-the-scenes insight into what’s going on.

Do they see the same things customers do?

Why do their organisations perform in the ways they do?

Customers

As customers across the UK, we're being let down far too often in far too many areas of our lives. A quarter of us have had a **truly awful experience** in the recent past – enraging in fact – and one in six of us has been enraging in at least five different areas of our lives.

Business Leaders

When we asked them, the people with the inside view, amazingly, they agreed.



The Vampires

Train companies are the most frustrating – one in three find them regularly problematic or enraging. Next comes local public transport, then government services, low-cost airlines and energy companies... and then some newer types of organisation: social media platforms and food delivery apps.

Named organisations start with the NHS – it really matters when it goes wrong – then HMRC, City Councils and Facebook which absorbs lots of people’s time in ways we’re not all enjoying. After this comes British Gas, Ryanair and Thames Water.

Vampires

The categories and organisations most intensely sucking away our time and energy



It doesn't have to be this way.

Some sectors and organisations stand out – lighting up people’s lives.

The Heroes

General retailers did the best, having nearly 7 in 10 saying they are reliably good or better. Streaming services performed strongly, coming second highest with 69% of people having a reliably good experience or better. Across the board, supermarkets performed well, with premium offerings slightly outperforming large and low-cost alternatives.

Amazon and Netflix lead by a distance, then Aldi, Apple and... the NHS again, wonderful when it works and a source of national pride.

Heroes

The few that stand out, lighting up people’s lives



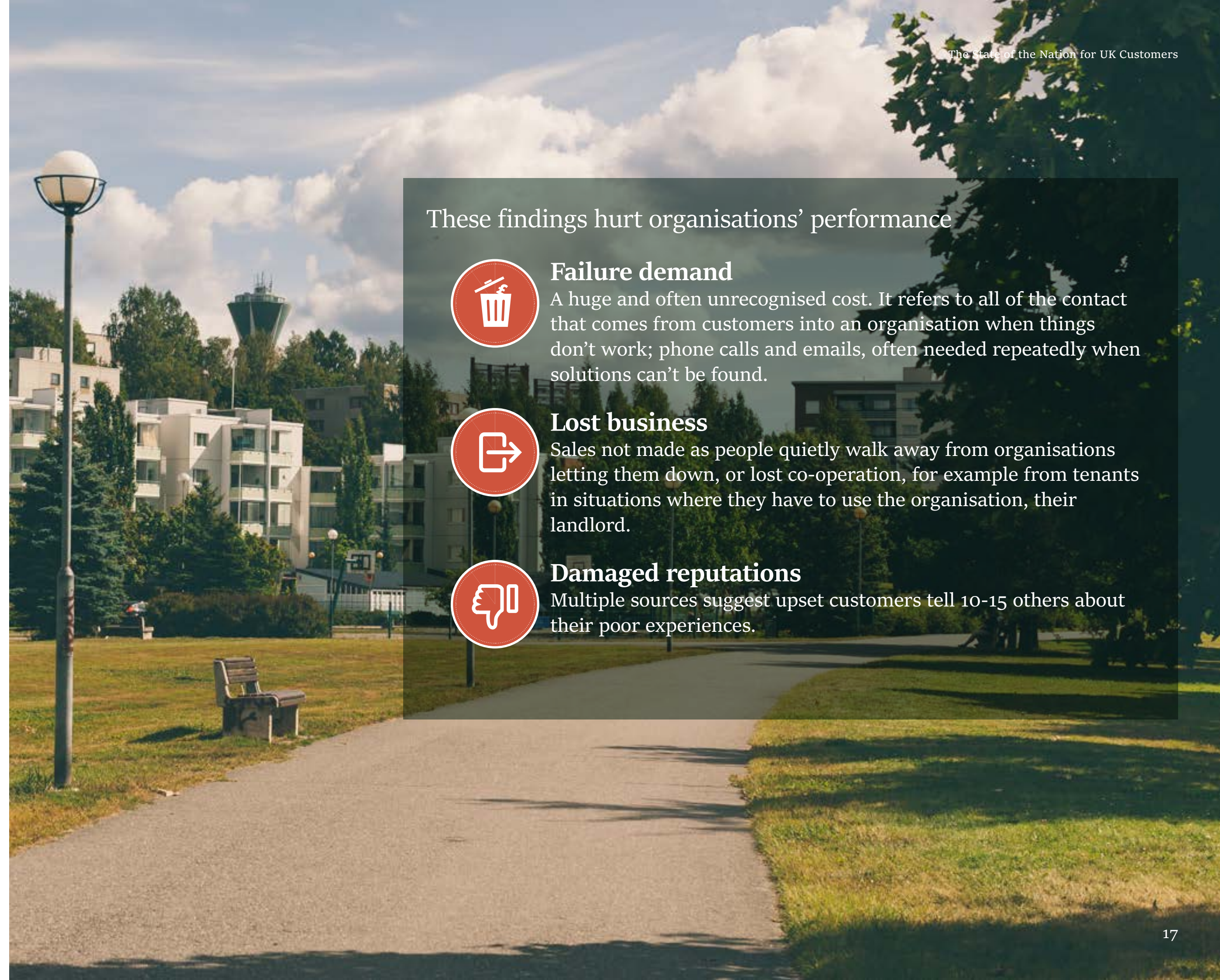
Our view.

The quality of service we get determines the quality of our lives:

- It affects the time we have to spend on what we choose to do and our ability to get things done.
- It affects the way we feel and the mood we're in – often frustrated and impotent, so stressed.
- It affects the nation, damaging productivity by wasting our time and depressing our mood.
- It's causing growth in poor behaviour from customers towards people on the front line: anger vented at colleagues unable to deal well with many issues, fueling another cycle of stress and unhappiness.

We're accepting mediocrity, treating it like it doesn't matter.

We need and deserve better.



These findings hurt organisations' performance



Failure demand

A huge and often unrecognised cost. It refers to all of the contact that comes from customers into an organisation when things don't work; phone calls and emails, often needed repeatedly when solutions can't be found.



Lost business

Sales not made as people quietly walk away from organisations letting them down, or lost co-operation, for example from tenants in situations where they have to use the organisation, their landlord.



Damaged reputations

Multiple sources suggest upset customers tell 10-15 others about their poor experiences.

We have spent 25 years learning how to do this well.

At The Foundation, we know how to guide organisations to be more effectively customer-led – by which we mean helping their customers solve problems or get outcomes they want and in continually new and better ways... all leading to success for the organisation as a result.

We call the organisations that are great at this Customer Pioneers.

It's not just about managing customers' experiences – it starts with leadership and culture, growing ambition to do better and belief that it can be done... and then putting the teams and organisation in place to make it happen.

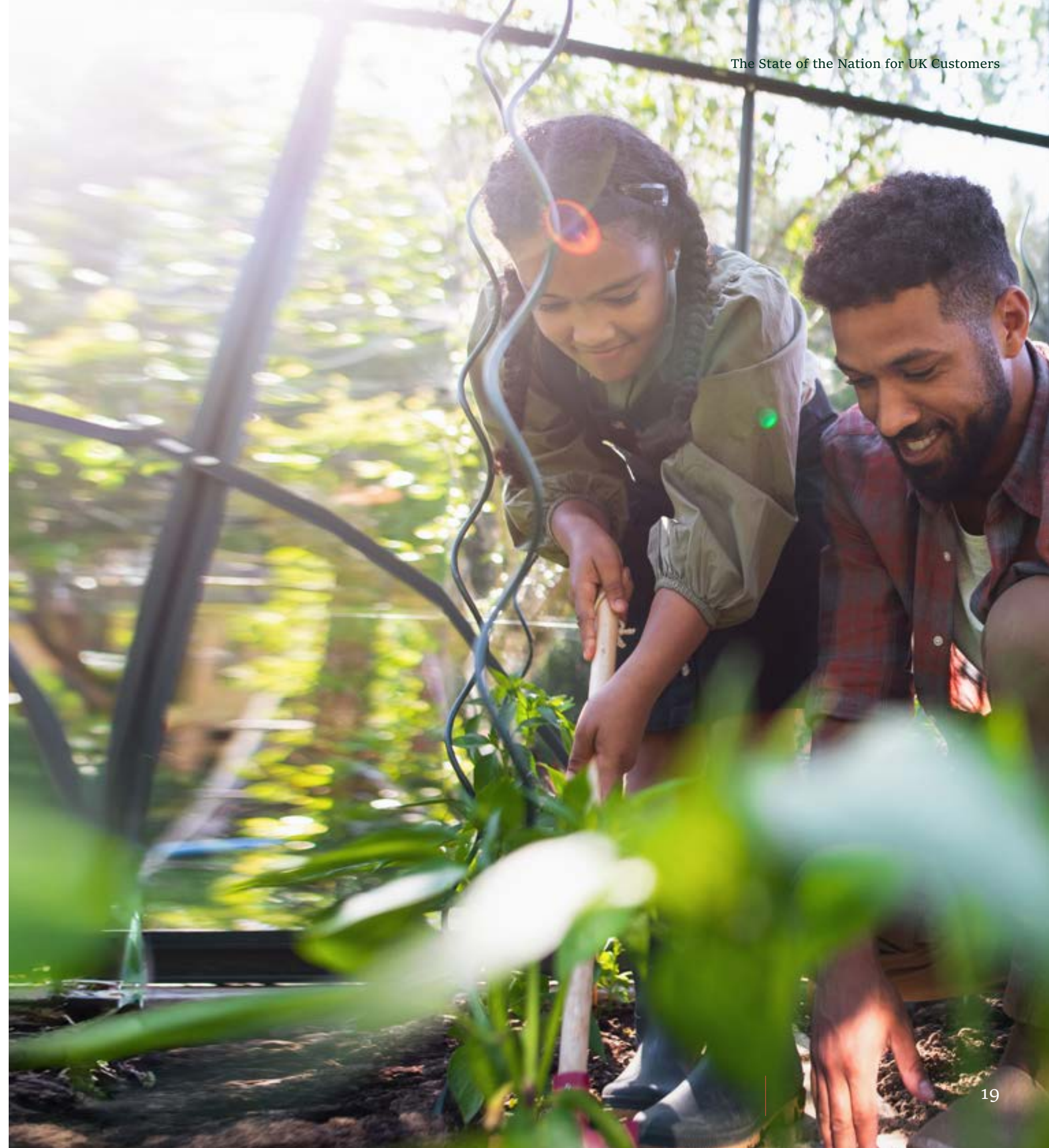
We are gathering leaders together, spreading the word, showing that when organisations do this well, they do very well themselves.

The first step is deciding it matters – then finding the burning determination to put it right.

We have a Customer Pioneer Community of business leaders, over 1000 people who feel just like that.

To join the Customer Pioneer Community, or to ask for a meeting or a team presentation, get in touch: hello@the-foundation.com

**the
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Our approach

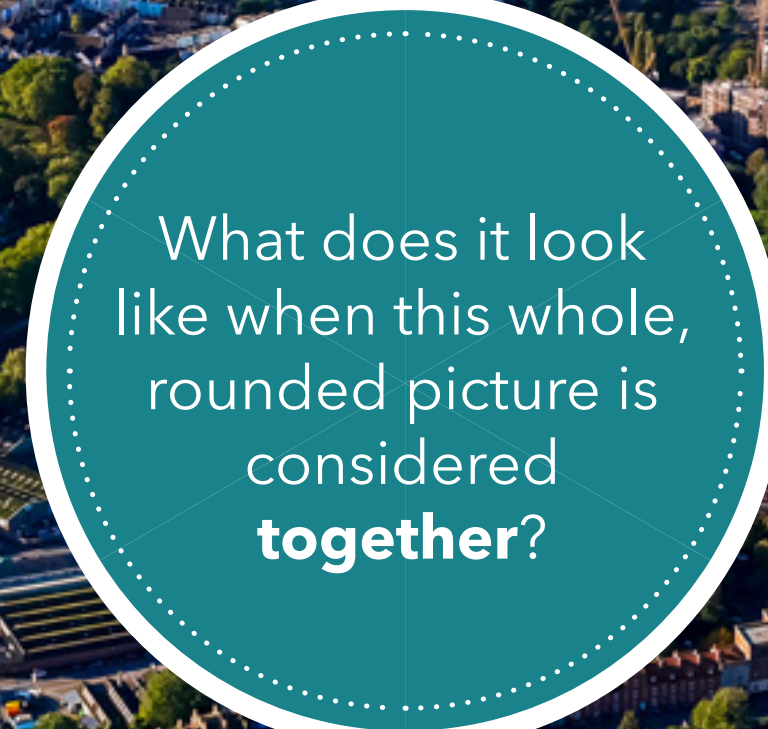


Our aims – to get a truly customer-centric view of our whole-life experiences as recipients of service AND to get a business angle too.

In life, we are surrounded by organisations that are supposed to serve us:

- To make life easier and more **enjoyable**
- More productive and better **connected**
- Individually and collectively, **sustainably**

We asked three big questions...



A simple, nationally representative customer survey and a similar, smaller view from our community of leaders.

1. The customer survey:

- A nationwide snapshot from the end of **2023**
- **1,500** customers asked how they feel about **44** categories they use across their lives
- A **five-point scale**, from ‘Wonderful, brilliant’ to ‘Enraging and awful’ with ‘Regularly problematic’, ‘Functional and fine’ and ‘Reliably good’ in-between
- In categories at top and bottom of the scale, participants were asked to **name the organisations** they had in mind and to give reasons why they felt what they did

2. The business leaders survey:

- Business leaders were asked for reflections on **the sector they work in**, that they know best
- They were also asked what the **best organisations** are in their sector and beyond





Findings from customers

The headline findings from customers.

We learned that we're being let down far too often in far too many areas of our lives.

63%
had a bad experience in at least one area

1 in 4
had a truly awful experience in at least one area

1 in 6
had an awful experience in five areas or more

When we're not being annoyed, we get mediocrity - functional and fine but no better.

83%
have frequent experiences that leave us cold - at least five areas of our lives we describe as just functional and fine or worse.

42%
get this across more than half of all our categories.

For these people, it's the majority of what they experience, like being surrounded by mediocrity, not enough to describe as 'good'. Doing better is hardly asking the world you might think.

On the flipside, uplifting experiences are a rarity.

20%
of us have an experience we'd describe as wonderful or brilliant in 5 categories or more.

41%
don't have this kind of experience at all - with no provider across any of the 44 categories we surveyed.

If we look across the lives of our respondents, the 44 categories divide into three groups:

The Vampires.

The sectors that drain our energy and get in our way, failing to solve our problems, wasting our lives dealing with the fall-out and feeling angry or upset as a result.

The Unexceptionals.

The sectors in the middle, doing OK but not living up to their true purpose of making our lives better in some way.

The Heroes.

The organisations who help, who uplift, with the customer outcome and customers front and centre.



Vampires

- Fail to solve our problems
- Make us angry or upset
- Get in the way
- 'Wasting our lives'



Unexceptionals

- Tolerable or passable
- Doing an OK job
- But not really making life better

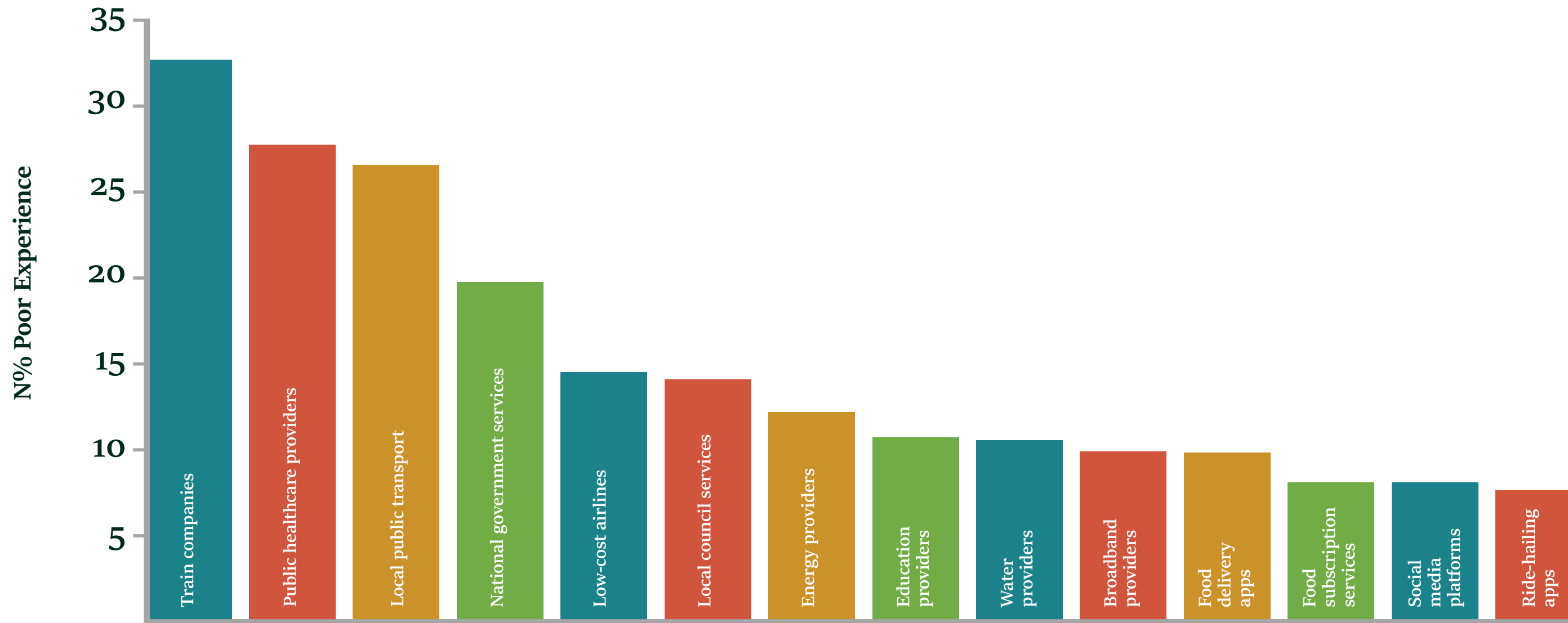


Heroes

- Help us get to outcomes we want
- Uplifting, caring, helpful, inspiring
- Customers central
- (Good to work for)

Letting us down – The Vampires

The Vampires – the bottom 14 sectors – by percentage



*Poor experience determined by responses given which are either “enraging and awful” or “regularly problematic”. Vampires are all above 8% of responses, one in 12.

- Train companies do worst with one in three of us describing our experience as regularly problematic or enraging – a reflection of the disruptions, strikes and challenges that the industry has faced in recent times.
- Public health providers are next with 27% – likely due to long waiting times and lack of access due to resource shortages, funding cuts and strikes.
- Local public transport comes next with one in four feeling the same – a reflection of overcrowding in some places, unreliable and pared back services in others.
- Government services are regularly problematic or enraging for one in five – with complex procedures and long wait times contributing.

Other sectors worth mentioning are low-cost airlines and energy companies, with around one in eight having a frustrating, problematic time with both. They are followed by education providers and water companies and then some more recently arrived, tech-led categories; broadband providers, food delivery apps, food subscription services, social media platforms and ride hailing apps.

Letting us down – The Vampires

The Vampires – the bottom 10 organisations – by number



*Determined by the number who selected an organisation as their most “enraging and awful”. Vampires are all those with more than 10.

Especially identified as providing enraging experiences were the NHS, HMRC, City Councils, Facebook, British Gas, Local GPs, Ryanair and Thames Water.

- The NHS, the only public healthcare provider, had over one in four, 27%, finding their experiences regularly problematic or worse.
- Thames Water were perhaps called out as the largest and highest-profile water company in a sector that’s hit heavy weather in recent times – likely due to reputational challenges around environmental concerns with sewage disposal and publicity about shareholder dividends, and despite the service they perform being difficult and highly valuable.
- In a similar vein of reputation clouding reported experience, Virgin Trains make an appearance despite no longer operating any UK train services.
- Facebook is one of the highest, absorbing lots of people’s time in ways we’re not all enjoying (an average of 2 hours a day in the UK in ’22, Statista, Jan ’24). But also recent reputational challenges recognised by customers, such as privacy concerns and spreading of misinformation.

Notably, most of these sectors are in areas of our lives that really matter – getting to work or school, seeing friends, going on holiday, heating my home, having clean water, getting support, and staying healthy, feeling financially secure. These are fundamental needs, not nice to have luxuries.

This stuff needs to work.

How does it feel to experience this kind of thing?

People gave us feedback and we pulled out some of the themes

Not listening and responding

“ Customer services that seem to be paid on how much they can annoy a customer, and have no ability to do anything and indeed don’t listen to any issue, just see if they can pass the buck then drop the call.”

Virgin Media

“ They send out emails offering their sympathy and support in the cost-of-living crises. They pretend to care and offer help, but if you contact them, they don’t want to know.”

EDF Energy

“ Just a general nightmare to deal with and hard to get hold of; diabolical lack of communication between different departments and the individual; convoluted forms; unhelpful... the greatest hair-loss and heart attack inducing organisation in existence.”

HMRC

Feeling inhuman and remote

“ Extra charges, unhelpful, no leg room, herded like cattle, left standing around in queues for a long time, etc. The impossibility of human contact.”

Ryanair

“ It takes an eternity to get information from them. 7 months to tell me my pension information. They go out of their way to make it as hard as possible to get benefits for which you are entitled. They seem to be there to serve the government and themselves whilst making life as difficult as possible for the public who fund them.”

Department for Work and Pensions

“ My local branch closed recently - the nearest branch is now 25 miles away, and I don’t drive. The mobile app constantly nags me with useless information. Generally unfriendly service.”

HSBC



How does it feel to experience this kind of thing?

People gave us feedback and we pulled out some of the themes

Lack of trust

“ Questionable behaviour of charities. I find it infuriating that they feel they can delude the people who donated!”
All charities

“ My partner and I have essentially been priced out of commuting over the last year. I can’t travel to see family as much as I want and when I do decide to travel, I can’t even guarantee that the trains will run.”
CrossCountry

“ Waiting 2 years for an MRI that still hasn’t happened yet, can’t get appointments, no communication. Absolutely awful.”
NHS

“ Things I have mentioned on Facebook suddenly appear in adverts on websites I visit. Furthermore, they have been known to have sold customer data.”
Facebook

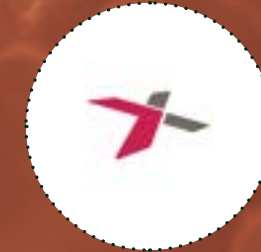
Poor value

“ Staff are surly and unhelpful; prices are extortionate even with a Clubcard; what annoys me most is that their offering is limited. As a vegetarian I might as well be a Martian.”
Tesco

“ Their prices are way too expensive and some of the food arrives cold so I don’t use them anymore.”
Uber Eats

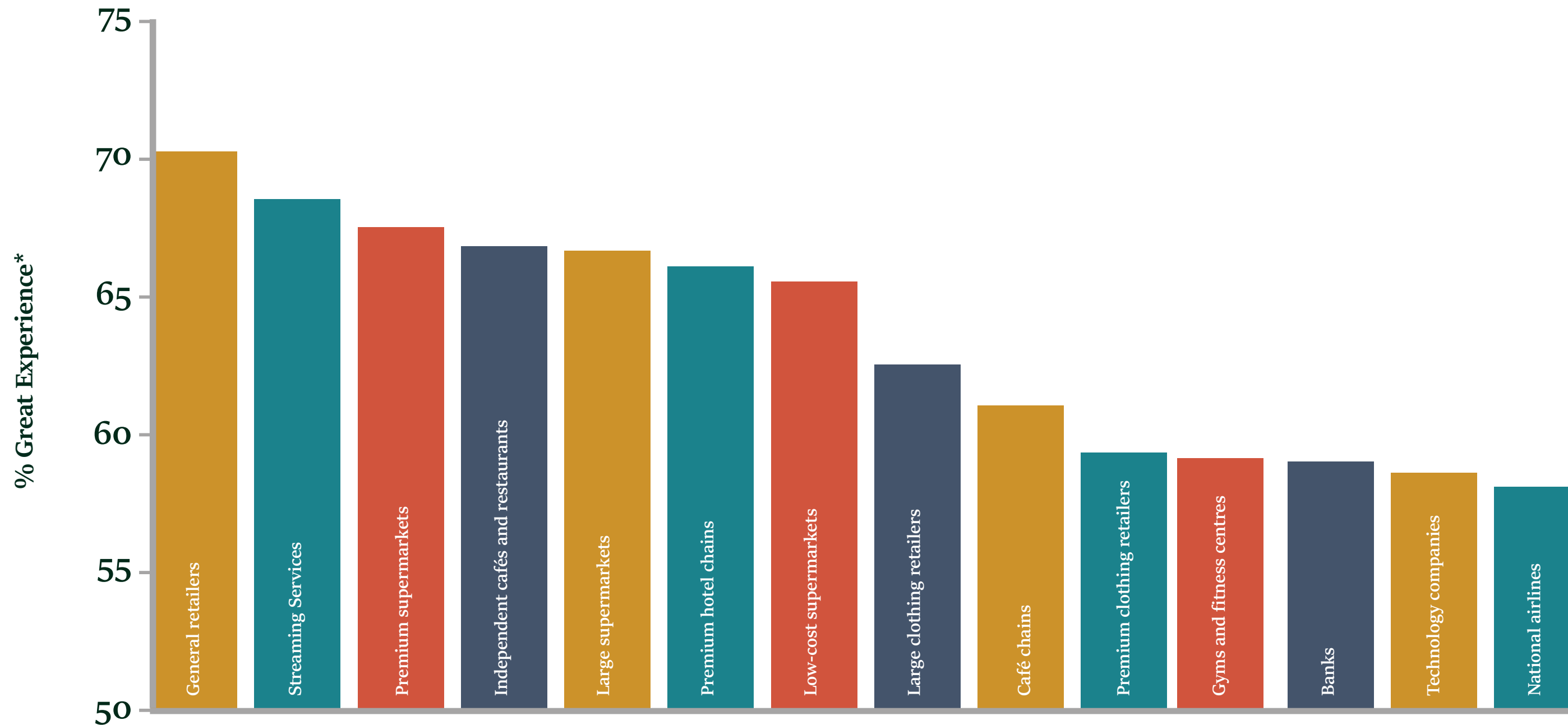
“ They are money grabbing, rip-off merchants who take the customer for granted. They keep putting their prices up not only for the products but also the standing charges which are disgusting.”
British Gas

“ Increased prices so they could pay shareholders more money instead of investing in repairs and better infrastructure. Excessive pay to CEO and other staff.”
Severn Trent



Giving us hope – The Heroes

The Heroes – the top 14 sectors – by percentage

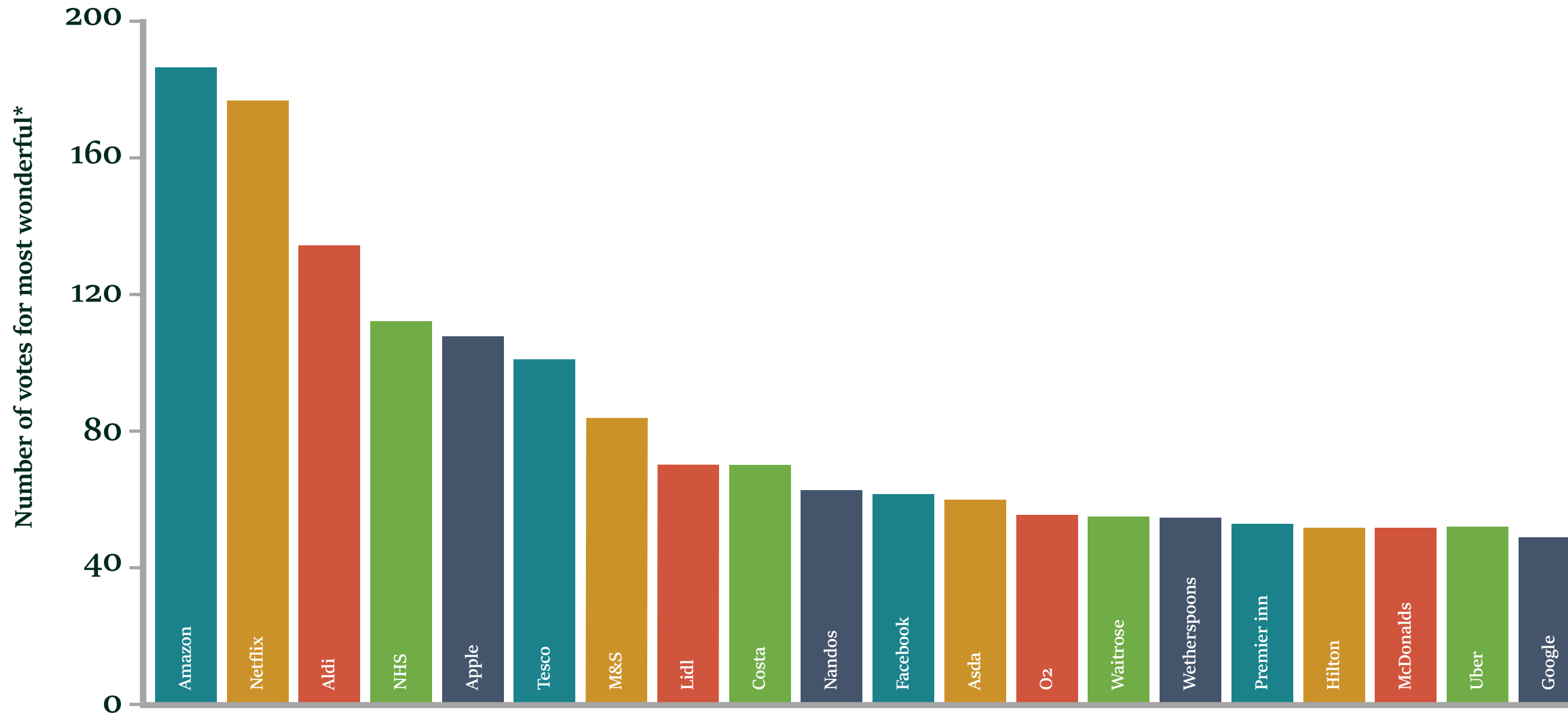


*Great experience determined by responses given which are either “wonderful, brilliant” or “reliably good”. Heroes are all above 59%.

- General retailers did best, with 7 in 10 saying they are reliably good or better.
- Streaming services were also strong, with 69% having a reliably good experience or better.
- Supermarkets performed well, with premium offerings just ahead of large supermarkets and low-cost supermarkets.
- Independent cafes and restaurants come an encouraging fourth, with local relevance and individuality putting them ahead of café chains, who also do well.
- Gyms and fitness centres have plenty of fans, as do the technology companies, although not social media businesses, which were listed separately.
- Interestingly given their villain status in the media, banks did well, with just under 6 in 10 finding them reliably good or better. We think this is significant as banking has gone digital, through new entrants and the big established players, making it easier to manage money. The publicity about branch closures looks like it hasn't brought them down for most.
- Despite discount airlines being one of the Vampires, national airlines made the cut into hero status.

Giving us hope – The Heroes

The Heroes – the top 20 organisations – by number



*Determined by the number who selected an organisation as their most “wonderful, brilliant”. Heroes are all those with more than 50.

- Amazon is the customer favourite, with ease, vast choice, fast delivery and value earning recognition. It will be interesting to see whether they maintain their lead as, subjectively, the shopping experience is becoming more cluttered and promotional and publicity about treatment of staff continues.
- Netflix comes next, the leader of the streaming revolution. It offers wide variety of high quality and largely original content, a continuous stream of tailored recommendations and great ease. It’s managed this despite making it harder to share accounts prompting more people to pay.
- Aldi comes third with Lidl eighth, leading the way with low prices, decent quality, and a simple shopping experience.
- The NHS is fourth, proving divisive with hero and vampire status. It’s a service we find extremely valuable, open to all at least when it works, and a source of national pride.
- Large supermarkets Tesco and Asda and premium supermarkets Waitrose and M&S, who have also found their mojo with clothing again, do well with two-thirds seeing them as reliably good or better.
- Apple came 5th, Facebook 11th, Uber 19th and Google 20th as technology innovation proves useful, and in Apple’s case desirable too.
- Other notable strong performers include organisations across the hospitality sector; Hilton Hotels, Premier Inn, Costa, Nando’s and Wetherspoons.

How does it feel to experience this kind of thing?

People gave us feedback and we pulled out some of the themes

Going above and beyond

“ Nothing is too much trouble for them. They will collect our car to make sure everything is covered under the extended warranty if possible. They have customers 200 miles away. They are just a special family company.”

Brown Brothers Peebles: Honda

“ When I had to go back for my mum’s funeral and I became extremely upset on a long-haul flight, the staff on the plane really looked after me, stopped me from becoming embarrassed in front of other people and checked on me throughout the whole flight.”

Singapore Airlines

“ What Apple did that made it so good was that I had a helpful and compassionate technician who really cared about my needs and did everything possible to ensure all of them were met at all times.”

Apple

Convenience, efficiency and reliability

“ All locations appear to operate to the same high standard.”

Premier Inn

“ Always deliver when they say they will. Good quality experience and products.”

Waitrose

“ Easy to order and have delivered to my home or my girlfriend’s. Never let me down so far and was a godsend during pandemic.”

Amazon

“ Very reliable. Have been scammed multiple times in the past and problem was solved immediately. Great online service. Great phone customer service. Interest rates are good. Feel secure.”

Halifax



How does it feel to experience this kind of thing?

People gave us feedback and we pulled out some of the themes

Trust and being on my side

“ Always give good advice and trust them to do the right thing.”

Barclays

“ They are so accessible, trustworthy and easy to use and they have the best customer service.”

Hargreaves Lansdown

“ Trust!! Trust!! And more Trust!”

MoneySuperMarket

“ They support their customers, make them aware of price hikes and how it can impact them, whilst always providing support.”

Octopus

Value for money

“ As well as Prime Video, I can also make purchases with Prime that are really fast. Getting more for my money.”

Amazon and Prime Video

“ Good price, loads of options to watch and easy to use.”

Netflix

“ The quality is really high on all products and the price point is reasonable. So you aren’t getting cheap but paying a fair price for excellent quality. The style has also been very good in recent years appealing to a much younger audience.”

M&S

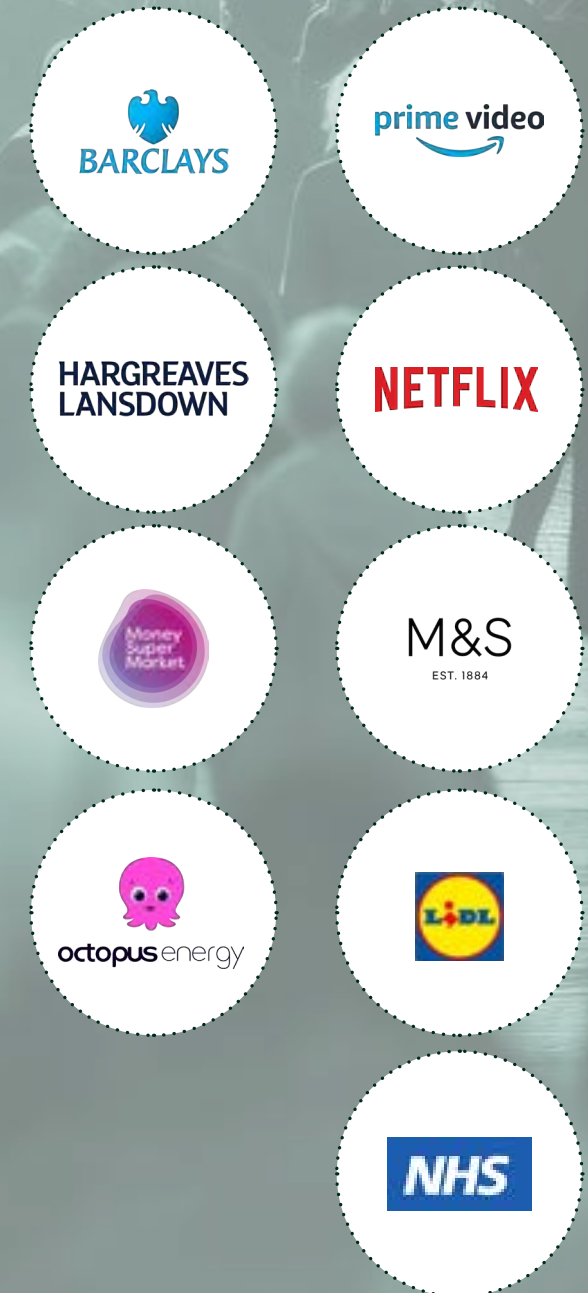
“ Great prices and good variety. Makes cost of livin easier.”

Lidl

Pride

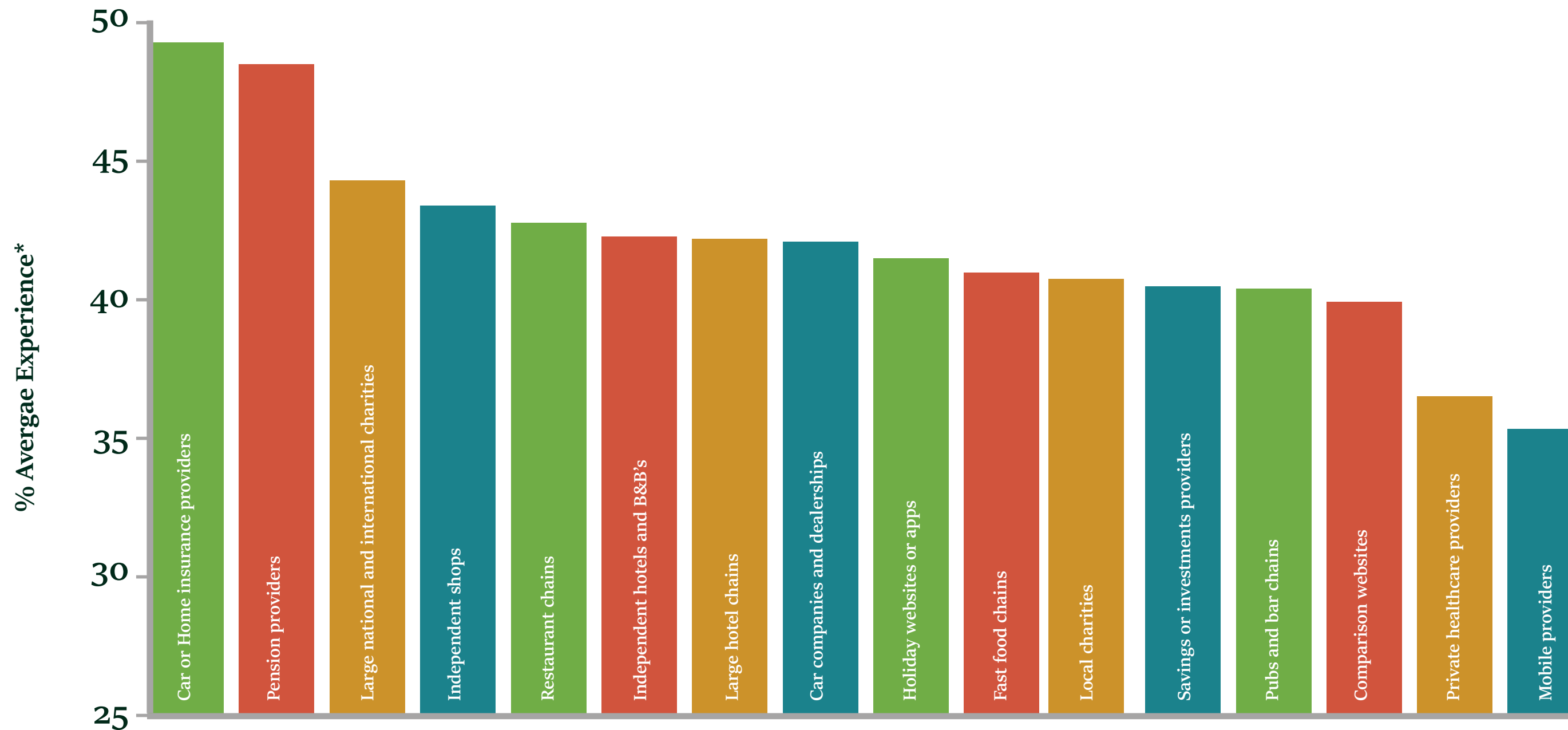
“ The NHS is the best thing about the UK and I am extremely proud of it and grateful for it. Every country in the world should have an NHS.”

NHS



The middling group – The Unexceptionals

The Unexceptionals – the middling 16 sectors – by percentage



*Unexceptionals determined by those which neither featured in the heroes or villains. Percentages shown are experiences rated as “functional and fine”.

- The shine has worn off comparison websites and also holiday websites and apps – what was once new and better once is now familiar and expected, and in crowded markets, the focus can switch from customers to competitors, adding noise and me-too experiences.
- Charities aren’t impressing, perhaps getting better at the ‘ask’ more rapidly than providing good feelings in return, with reputational challenges for some of the biggest names too.
- Bigger hospitality chains appear here, reflecting the challenges of being exceptional at scale.
- Mobile phone providers used to be exciting, aspirational, and forward-looking, but they’ve become familiar, and their role has reduced to something closer to a utility as handsets and operating systems have expanded their capabilities.
- Car companies could be exciting but don’t seem to be managing it.
- Financial services providers of various kinds have a tougher job to stand out perhaps, and perhaps for them being functional and fine is a solid base at least.
- While independent cafes and restaurants were heroes, independent shops, and independent hotels and B&Bs are just middling, perhaps harder to provide the digital experiences and solid core offer in the face of tough competition. It’s hard to stand out and to get and keep staff post-Brexit.

The Surprises and The Split Votes

Surprise lower performers (to us at least)

- **Charities** did badly with nearly half of people saying they were functionally fine or worse.
- **Social media** platforms were among the worst-rated sectors with over 6 in 10 describing them as ‘functionally fine’ or worse.
- **Facebook** was one of the least popular Vampires tied with **British Gas** and **City Councils** as the third most ‘enraging and awful’ organisations.
- The shine has worn off **food delivery apps** with nearly 6 in 10 saying they are ‘functionally fine or worse’.
- **Comparison websites** didn’t make it into the heroes category with only 1 in 10 saying they are ‘wonderful, brilliant’.
- Where is **John Lewis**?
For years, one of the nation’s favourites, now not getting called out to anything like the same degree. They had 21 nominations as ‘wonderful’, some way off the 50+ needed to qualify for our top 20. It’s a business struggling to update itself in a relevant way.

Surprise higher performers

- **PureGym** dominated the gym and fitness sector with nearly 50% of the votes – and the sector did well overall too.
- **HelloFresh** led for food-subscription services also with nearly 50% of the votes.
- **easyJet** did well in a poor-performing sector receiving three times more votes than any other low-cost airline.
- **Banks** did well with just under 6 in 10 people finding them reliably good or better.
- **Independent cafes and restaurants** stood out coming in as the 4th highest performing sector.

Those that split their vote, dividing the nation

- The **NHS** gets strong feedback of both kinds with high votes as a wonderful and an enraging organisation.
- **Wetherspoons** was also hit-and-miss but thankfully less ‘our lives in your hands’ than our health service.
- **Ryanair** was mainly seen as a vampire, but has a small group of fans with many seeing as awful, but half that number rating them highly.

A modern office interior featuring a brick wall, glass partitions, and orange chairs. The scene is viewed through a glass partition, showing a workspace with a desk, a whiteboard, and a stool. The lighting is soft and modern, with recessed ceiling lights and a pendant lamp.

The inside view: a business-leader perspective

The inside view: the business-leader perspective

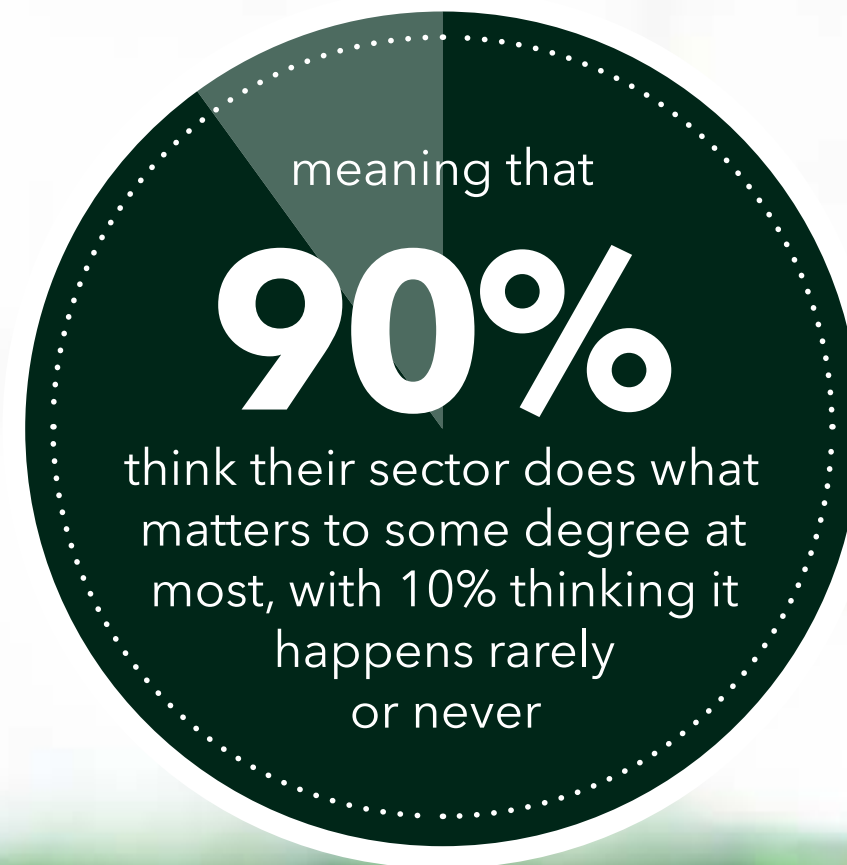
We asked business leaders, the people with the inside view, what they thought.

They agreed with customers, seeing lots of room for improvement.

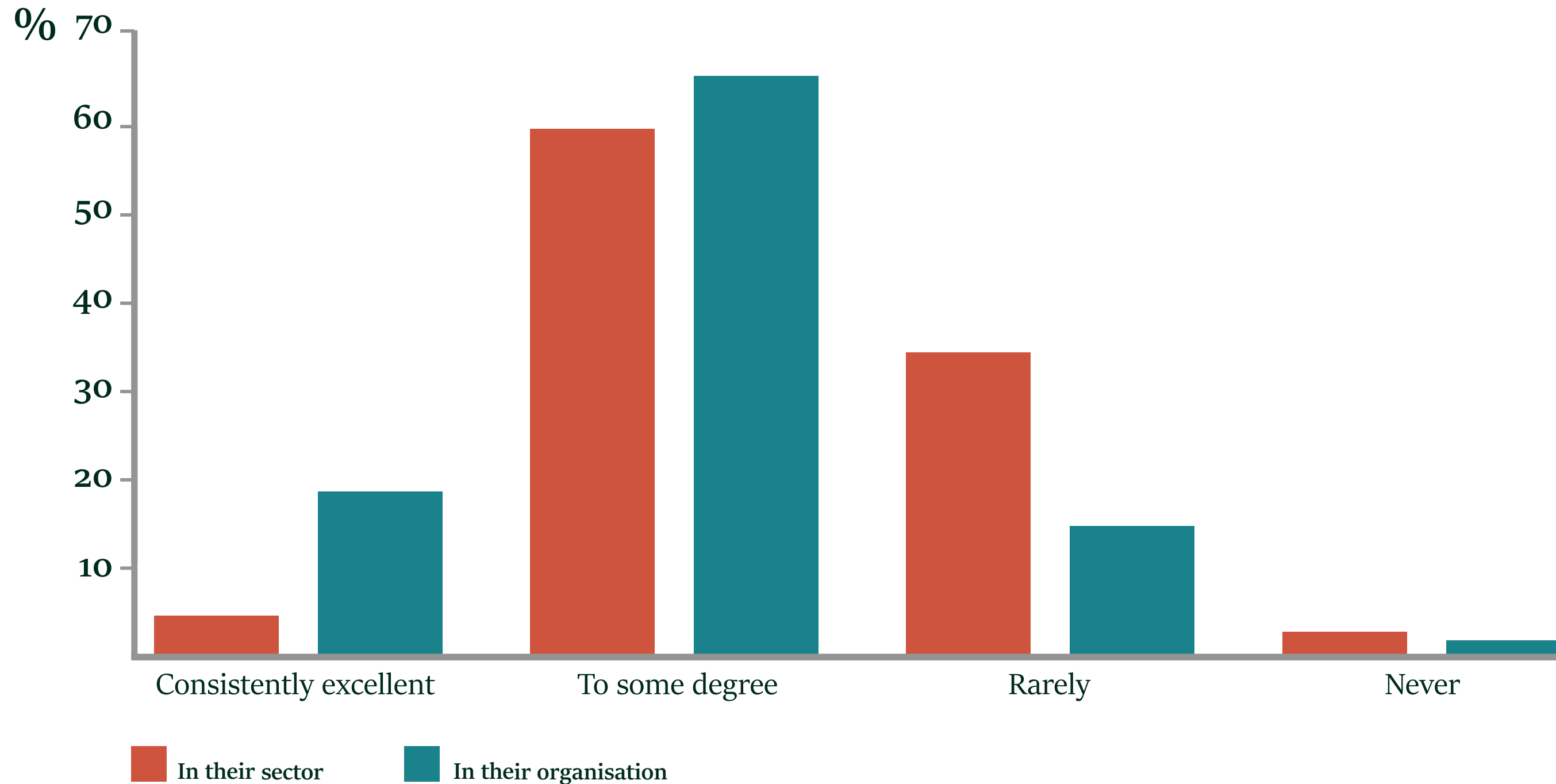
No wonder we're largely nonplussed by what we experience as UK customers.

A few of the leaders in the sectors customers had problems with are aware of the issues.

- In transport and logistics, and in energy and utilities, no one believed their sector was consistently strong.
- More surprisingly to us, the same was true in charity and voluntary work.



Business leaders see little sign of consistently excellent pioneering, especially outside their own organisations:



There's further to go when it comes to pioneering – to exceptional customer-led performance.

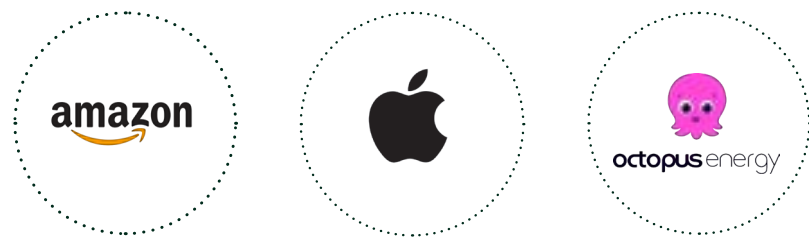
- Few people see their sector as containing strong pioneers – only 4% think they have peers who are good at playing this stretching and unusual role.
- There's more positivity about people's **own organisations**, and because they're our contacts, perhaps we know more pioneering people too.
- A solid 19% feel they're working somewhere that's consistently excellent at doing this kind of thing.
- Although even that means **four in five** are not.

Who do our business leaders see as pioneering in their sector beyond their own organisation?

These will be well-informed views, business leaders judging their competitors.

They reflect to some degree the sectors they work in, that they know best.

Of organisations that were named most as pioneers in their sector and beyond – there were three standout leaders:



Amazon are overwhelmingly admired.

Apple are on a similar level.

Octopus Energy stand out as being in a sector that's largely poor, but doing a great job in the eyes of their peers.

Behind them come a close-packed bunch, with a few standing out:

Tesla have re-written rules in automotive, and Polestar are also recognised to a lesser degree

Spotify and Netflix are respected, doing a great pioneering job, solving the customer problem of watching or listening to something I like, when I want to, how I want to, in genuinely new and better ways.

In banking, challenger banks and apps do well including **Monzo, Revolut** and **Starling**.

And **Zoe**, the early-stage health business is called out by quite a few.

Disney has modernised and are clearly respected despite not making entirely smooth progress.

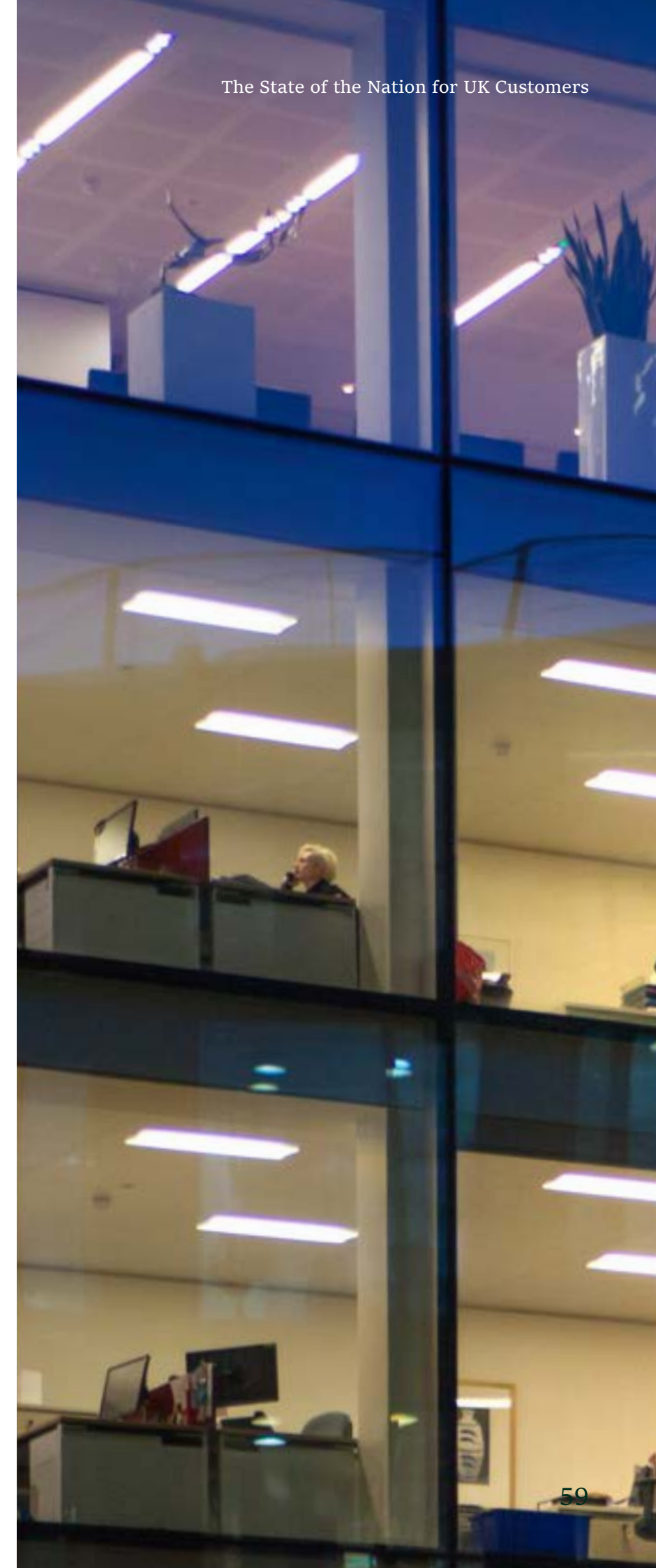
Like customers, business people recognise **M&S** has found its mojo again, and **Tesco** has also recovered from a difficult few years.

EE, now part of BT, are recognised by their peers, and **AO** is still seen as a pioneer, in unpromising-sounding white goods retail, more than 20 years since the business was created.

Unilever called out which is impressive for a vast organisation beyond the involvement of their obviously pioneering previous CEO, Paul Polman.

Lemonade are doing interesting, innovative work in the insurance sector.

And **Patagonia** are also respected for combining premium brand appeal with uncompromising sustainability credentials and campaigning.





Why this matters

Why this matters.

The quality of service we get determines the quality of our lives.

It affects the way we feel and the mood we're in. Too often people feel frustrated, let down, having to make do, trying to contact the uncontactable and reason with people who don't have the freedom to help.

It affects the amount of time we have to spend on what we choose, and the energy we have available to do more than just survive and do the basics of living.

There are clear links connecting a lack of control and feeling helpless with depression and anxiety (proof goes back to work by Seligman in the 1970s on learned helplessness and resignation to defeat).

When we zoom out, we see how this also affects the nation, damaging productivity by wasting our time and depressing our mood on a serious scale.

It also explains the growth in poor behaviour from customers towards people on the front line of organisations, as anger gets vented at people unable to deal well with the issues, leading to another cycle of stress and unhappiness.

This is a national problem that's hidden in plain view.

We're being too accepting of mediocrity, treating it like it doesn't matter, like it's normal. We need to do better.

As customers, it's making us feel diminished and stressed, and it's also making us unproductive.

It will also be hurting the performance of the organisations involved.

Failure demand

A huge and often unrecognised cost. It refers to all of the contact that comes from customers into an organisation when things don't work; phone calls and emails, often needed repeatedly when solutions can't be found.

Lost business

Sales not made as people quietly walk away from organisations letting them down, or lost co-operation, for example from tenants in situations where they have to use the organisation, their landlord.

Damaged reputations

Multiple sources suggest upset customers tell 10-15 others about their poor experiences.



The word ‘customer’ can be unhelpful.

We’re people. We need help to live good, productive, and fulfilling lives.

That help has to come from organisations that solve our problems or support us in getting to the outcomes we want:



We don’t need a mortgage; we want a home, and in getting a mortgage, we’d like help to use it to get to the end result.



We don’t want insurance, but it’s good to have cover and reassurance in case things go wrong.

What our survey is really telling us is how well all the organisations around us in our lives are managing to help with what matters... and where they’ve been diverted by things that matter more to them, often the short term and the numerical targets they’ve been given to hit.





Turning this
around

Turning it round

It doesn't have to be this way.

There is hope. Some sectors and organisations stand out - lighting up people's lives.

As organisations here to serve us should be doing - it's what we ought to expect.



And when organisations do this kind of thing well, they do very well themselves.

A customer pioneer is a term we use for an organisation that goes first in its sector, innovating proactively to make things better for customers.

We have studied customer pioneers in writing the book, *The Customer Copernicus* (published 2021. Routledge)

This showed customer pioneers being extremely successful in their periods of pioneering:

The Institute of Customer Service reported that over the past 5 years organisations that have consistently achieved higher customer satisfaction than their sector average have also enjoyed stronger revenue and profit growth than their peers. (ICS, January 2024, profit refers to EBITDA)

So, we know what good can look and feel like, and some organisations at least know how to do it.

The journey to customer-led success starts with deciding it matters – and then finding the burning pain, fear or ambition to make things better.

	1982-2012 pre-tax profit from £50m to £3.8bn
	2003-2008 valuation from £3.7bn to £17.7bn
	2010-2015 share price from £4 to £19
	1996-2020 revenue \$15m to valuation of \$2 trillion



There ARE customer pioneers out there...

...doing great work and they are successful because of it.

giffgaff

giffgaff takes pioneering on behalf of customers to an extreme.

Since launching in late 2009, giffgaff has grown and led in its sector, trusting the community the business serves, indeed often being steered by them, to an extraordinary degree.

CEO Ash Schofield sums ethos up with one word – “mutuality.” giffgaff has been prepared to lead, believing they will ultimately succeed by making things better for their customers, or members as they insist they are called. They listen, trust and reflect what matters most to their members in the ways they operate.



This is parent-led care of premature babies in a world that assumed a tech-led approach was needed.

Glasgow Neonatal Unit proved that the customers they had who could talk – parents - could lead the team to better patient care and to better health outcomes.

Dr. Neil Patel led changes that ultimately shaped the team’s shared beliefs about the way care was provided. It means parents taking a lead in the treatment and nursing

of their sick babies which, despite the perceived risks, had a profound positive impact on patient outcomes and stronger relationships between the families and the hospital unit. Neil wants it to soon be the case that families can’t believe how neonatal care used to be. “If I had one simple message from our work,” he says, “it would be to listen to the families and staff and help them lead the change.”



A vast public sector body with no competition.

Not the obvious recipe for a customer pioneer. Yet TfL has continually, bravely found new and better ways to serve people needing to get around the capital city, trusting its workforce, sharing its data and getting energy and direction from its purpose.

The roll out of Oyster across services between 2003 and 2005 was a step in the right direction. It was well received and encouraged TfL leadership to ask what else they could do to be more customer-focused.

In 2011, TfL introduced ‘Every Journey Matters’ as a

single unifying purpose, an unambiguous promise to Londoners. Staff have the freedom to do things their own way, leading to consistency of action alongside diversity in style and character across individual underground stations, tube and bus drivers, and digital service providers too. They have embraced innovation, like providing their vehicle data openly and for free to developers, leading to the creation of Citymapper among others, and they encourage individuality with a human touch, as with the quotes of the day on whiteboards at tube stations across London.



To get a wider view, we asked a group we've brought together that we call our Mountaineers.

These are comments from people who have led organisations that pioneered on behalf of customers for real – they've battled successfully against the gravity that pulls leaders' perspectives back into their organisations, hence their name.

Given the difficulty of doing this kind of thing, their stories and learning tend to be valuable (although they're too modest to say so themselves).

Everyone is a customer - and we all know what great products and services look and feel like. This research makes it clear that organisations we work for, in the main, do not deliver what we need and want. That's bonkers and the pain and frustration it leads to saps our energy, the time we spend doing the things we love or with friends and family, and ultimately the productivity of the UK. What a waste.

As a country we have simply been too slow to recognise the shift from 'products/ things' to 'services' which is frustrating recognising that services make up well over 65% of GDP. It's not in the media enough and it's not in our vocabulary. It needs to be.

Why don't more leaders spend time on the customer service front line? The ones who care listen to customers' calls, read complaints and check whether customer feedback supports or rejects the organisation's mission and values statement.

After a lot of faffing I eventually managed to get an appointment at our local GP. I turned up already grumpy that it was an experience that shouldn't have been so difficult or taken so long. When I arrived though, I was utterly astounded by the poor behaviour of the other 'patients' attending. Their sense of expectation, entitlement and their absolute lack of respect was shocking. The poor woman behind the reception desk was dealing with an irate woman who needed a prescription because she was going on holiday the next day... The next day! I'm starting to think there is a push and a pull in the model of customer service. So while we might not be having great experiences, I am also pondering if we are getting worse as customers?

In terms of the deteriorating customer behaviour towards frontline people, perhaps the general distancing and de-humanising of relationships between organisations and customers leads to this kind of behaviour, a bit like road rage when we're separated by a windscreen and seem to behave in a way that wouldn't happen in person on a pavement. We know front line people in many organisations are having to deal with more anger directed at them and we think it's all linked.

Could it be that the top performing brands are in purchases where there is choice and where a customer will be happy to part with some money, whereas many of the poorer performing brands are in the "grudge purchase" bucket (transport, utilities). But then Octopus Energy has done well in their field and the NHS did well alongside the criticism it got. Banks have usually been woeful, but first direct was always able to break through (and it's doing well again now). An alternative cause of this effect might be that competition means the people involved try harder. And when it's missing, other things rise up the agenda and take over. We have heard about NHS boards not even having customer measures on their top level scorecards.

Conclusions



The effect of the way organisations serve us as customers is a vastly underrated issue.

It affects the nation's productivity and mood. And it also affects the success of organisations – being good for customers strongly correlates with being good for shareholders too.

As customers, spending hours on phones or delayed by trains or correcting mistakes or the myriad of other issues we're all used to experiencing means we are literally wasting our lives.

The frustration and impotence we feel while we do it is hurting our mental health. Pushed into rage or depression, we tell ten times more people when things go wrong than when things go right. This should be something we see, and we care about as a nation.

It's easy to forget, but organisations are created by people for no other reason than to serve people. They really ought to do things that we like.

But without meaning to, they become inward-looking and self-obsessed. In our 25 years of work on this subject, we've learned that this is the natural way of things.

It's natural but it's not inevitable. There are customer pioneers out there, doing great work on all our behalf. When they do it well, they also have exceptional commercial success.

We can learn from them. In fact, we've written a book that's all about learning from them, *The Customer Copernicus*.

The first step is deciding it matters – and then getting a burning determination to put it right.

We have a Customer Pioneer Community of business leaders, several hundred people who feel just like that.

We want this report to put the issue on the map.

Alongside the offer to join us personally, we also want to spread the word ourselves and we are happy to come and share the findings with your team.

To join the Customer Pioneer Community or to ask for a meeting or a team presentation, let us know. hello@the-foundation.com





About The Foundation



We're a proudly independent consultancy that's been studying, supporting and helping create customer pioneers since 1999.

Developing Pioneering Ideas.

Creating trailblazing products, services and experiences that make life better for customers, achieving lasting success as a result.

Build Pioneering Organisations.

Growing the leadership, culture and capabilities to become and remain a customer pioneer, from the boardroom to the front line.

How we do it

Great customer-led organisations - Customer Pioneers - see the world from the outside-in, understanding what people really value. Then they trailblaze on their behalf.

However, being customer-led is easy to say but hard to do, because leaders naturally see the world from the inside-out, surrounded by colleagues, the business and their industry. Customers are distant and peripheral.

So we challenge the natural self-centred view of the world, connecting clients with outside-in perspectives. customers.

The outcomes are better organisations, brands, and businesses - more successful for customers, colleagues, shareholders and stakeholders.

One big way we do this is through Immersion, connecting leaders in person to the people they serve, to understand what really matters, reveal inconvenient truths and create the visceral belief needed to take action. And we introduce them to leaders and experts in other sectors who've been there and done it, giving them both inspiration and the conviction to make difficult decisions on behalf of their customers.

We're proud to have worked with



“What sets The Foundation apart is the ability to challenge and shed light on uncomfortable truths, bringing in new angles and ideas you’d never have thought of which help to frame the real issue. At Twinings, we’ve found The Foundation an invaluable strategic partner on those knotty issues we simply couldn’t unravel before.”

Senior Insights Manager, Twinings



“The Foundation were transformative in helping the business to keep the customer top of mind at every point of designing products and services to support our ambition of being a truly customer centred bank and creating more fans.”

Head of Customer Insight, Metro Bank



“The Foundation really helped engage the teams in ways that made sense to them and help them genuinely understand the change that was needed.”

Global CMO, Jaguar Land Rover



**the
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