

e-Citizens and e-Consumers: Is There a Difference?

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SUMMARY

Both the business sector and the government are nowadays embracing Internet technologies in order to provide high quality on-line services to their “target groups”. In both cases, service providers are trying to transform web surfers, casually visiting their web sites to seek information, to users of their electronic services, i.e. e-consumers and e-citizens. In this paper, we address the similarities and the differences between the business and the government, when they act as service providers, with respect to the factors for successful service and the issues that must be addressed.

KEYWORDS : e-services, .e-shops, citizens, consumers

INTRODUCTION

Although the notions of electronic government and of electronic shopping seem very different at first glance, they actually share a lot of commonalities. For the electronic government the transformation of the casual web surfer to an electronic citizen, corresponds to that of transforming web surfers to e-shoppers. In the rest of the paper we investigate the differences between web surfers, business users, e-consumers and e-citizens, the factors concerning the development of successful electronic services as well as the differences and commonalities between business and government, under the role of electronic service provider. The paper concludes by identifying lessons and benefits that business and government may obtain from one another, with respect to the deployment of electronic services.

CITIZENS VS. CUSTOMERS

In real life shoppers are usually citizens, in the sense that they may use a governmental service. The same is not necessarily true for e-citizens, since there is not a direct relation between e-citizens and e-customers. To illustrate the differences we provide a web user classification considering the level of interactivity of their Internet usage as well as the type of used services.

Non-Active Web Surfers

Web surfers usually have a non-systematic presence in the web. They navigate in the Internet occasionally and most times they have no target for doing so. In most cases there is no certain topic of interest in the mind of those surfers when they initiate their navigation, and when there is one, most times they stray from it to other topics. They seek for a variety of information, focused in

their special interests and entertainment. Another characteristic of simple web surfers is that they prefer to leave no track of their presence, avoiding filling electronic forms with their personal data and e-mail in order to get some services or information. In many cases, such surfers barely have an e-mail account. The reason for this anonymity is the fear that personal data and e-mail can be used in undesired ways. Of course not all web surfers behave like this. It is a characteristic of new or immature surfers. Web surfers that are not afraid to enter personal data in electronic forms, we can state that they are one step away of being an active user of the web, namely an e-consumer or an e-citizen. This profile was composed by observing first year students and Internet seminar participants navigating in the Internet as well as users from Internet cafes.

Business Users

Those are experienced computer users who use the Web almost exclusively for business. Usually they have no time for surfing, and e-shopping is not their task (neither traditional shopping usually). They leave tracks of their presence only in serious web sites and usually they can determine if a site is worth having some information by them – usually e-mail and other contact information. However, they consist an important target group for e-government services [2].

e-Customers

E-customers are usually experienced Web users, feeling confident and secure to fill electronic forms with their personal data and providing their credit card number. They can be classified to a variety of subcategories. One such subcategory are e-shopping fans who shop on-line frequently, love the experience and encourage and others to do so. E-shopping searchers are the subcategory of Web users who use e-commerce sites to make a market investigation about a certain need, to compare features and prices so as to make up their mind about what they want to purchase without physical running from one store to another. These users may do their final purchase either through Internet either from the store. Finally, another subcategory is that of the cautious e-shoppers, who buy only from famous e-stores and stores of proved reliability.

e-Citizens

E-citizens are considered to be the evolution of all the above users coming from all the above categories. Also a

considerable amount of e-citizens are new Internet users. Those users join the web only to take advantage of governmental e-services. Some times their expertise in using new technology is very small. This happens because such e-services concern nearly all citizens, so users can be derived from every education and income level. However, we can say that e-citizens, even if they are not experienced Web users, they feel confident filling personal data and sending them via Internet. Of course this confidence is established by the fact that at the other side of the transaction stands the government, which is assumed to be a confident partner. This profile was composed by observing the users of the new e-services of the General Secretariat for Information Systems of the Greek Ministry of Finance [4].

GOVERNMENT VS. BUSINESS

Both government and businesses have been lately attracted to the provision of electronic services for a number of reasons. Government anticipates a means to alleviate bureaucracy and the enhancement of the service quality, while businesses aim to increase market shares and reduce costs.

Factors for Successful Services

Whether we are addressing a G2C or a B2C services case, the provider of the services has to address a number of issues, in order to promote the acceptance and widespread of the electronic services, and minimise the risk of failure. These issues are outlined in the following paragraphs.

Establishment of Profile.

One of the key issues in the success of an e-business is the establishment of a strong profile, in order to make the e-business accessible and trusted. More specifically:

1. Chances are the service users will go directly to a known Internet brand instead of searching for local, small e-businesses [1]. Search engines and service directories, although useful as an assistant to attracting public, are not an adequate means of customer attraction, since customers usually go to sites they know a priori, rather than searching for them. Thus, the lack of profile will lead to losing some potential customers.
2. Even in the case that some service users will finally visit the site, some of them will be reluctant in entering personal (e.g. address and phone number) and financial (e.g. credit card numbers) data to sites they do not completely trust. Intuitively, most users will trust more a well-known firm, rather than a service provider they have not come across before.

Experienced Personnel.

Electronic services, in general, have increased requirements compared to traditional services for a number of reasons:

1. Services should be technically sound and their operation should be continuous and trouble-free. Dissatisfied service users will turn to alternative service providers (which are one click away!) or resort to the traditional service form.
2. The amount of interactivity with the service user is strongly limited to the information included in the web site offering the e-service. Thus e-service designers should foresee all the informational needs of service users and include the necessary information in the site.
3. Inevitably, some users will run into problems while using the e-services, either when using the service or while their request is being processed (e.g. when goods are packed and sent to the shoppers). Thus, besides the necessary on-line instructions and some tools for request status monitoring, which should complement the service, an efficient help desk offering support over the phone or via e-mail is required.

Due to this increased requirements, involvement of experienced personnel is a key factor to the success of electronic services. From IT staff to service designers and help desk operators, the workforce should be highly trained and qualified, in order to deliver services that will attract and uphold the service users.

Re-engineering of Services.

All service providers have established some procedures to handle the "classical" line of work. The introduction of electronic services, however, cannot be done by simply mimicking existing procedures: procedure modifications and possibly organisational structure changes of the service provider may be called for, in order to enable the delivery of high-quality services [3]. Service re-engineering in all cases should target the minimisation of overall service delivery time and encompass the notion of "one stop shops", as opposed to isolated "service islands". The latter is especially critical for cases where servicing a single user request requires involvement of different departments or authorities.

Provision of Incentives.

Electronic services have a strong competitor: the traditional service deployment channels, i.e. shops, bureaus, offices etc. With each of these two rivals having its pros and cons (cosy access through the Internet vs. personal experience with the merchandise, ease of access to third-party resources vs. detailed description by the shop's expert salesperson, facilitation of comparison between different e-shops vs. risks in security, enabling of access to remote services vs. the experience of visiting the shops), customers may need some additional motivation to shift from the traditional service deployment channels to their electronic counterparts. Special deductions and offers, priority handling of Internet-initiated transactions, or provision of extra services and tools may be some of the motivation offered

to customers, so that they would opt for the electronic version of the services.

Personalised services.

“Traditional” service channels include an implicit form of personalisation: visiting the appropriate department in a department store makes an initial selection of the goods one is interested in; personal relationships developed between sales persons and customers enable the former to know -more or less- what the latter prefer; and food delivery companies exploiting caller identification to know the address and the personal tastes of their customers, without the customers having to tell them. Electronic services have not only to level this degree of personalisation, but also surpass it. Assisted by the technological potential of IT systems, electronic services may formulate a highly personalised environment for service users. This may be done explicitly, with the user setting his preferences through suitable forms and supportive wizards, or even implicitly by tracking user behaviour within the system.

DIFFERENCES AND COMMONALITIES

Although government to citizen and business to customer electronic services share several common issues, there also exist some notable differences, which have to be taken into account. The required level of trust for the service is one of them. Admittedly, all services, either business or governmental, need to be secure and carried out through encrypted communication channels, while authentication schemes should assure each side about the identity of the other. However, transactions with the government rarely include direct transfer of money and, even if they do, this is not conducted in a manner that might be exploited by a malicious third party for its own profit, to the expense of the e-citizen. On the other hand, almost every business-to-customer e-service includes direct transfer of money to the business, which is exercised with more caution [5]. Consequently, governmental e-services have a clear advantage for penetrating the user community, while business e-services have a higher barrier to climb.

Users might be more eager to use governmental e-services than they would be for business services for a few more reasons. Firstly, visiting a shopping mall is usually considered a pleasant event, whereas very few citizens would think equally well of a visit to the local tax office. Secondly, e-government target group is usually secured, since the government is a monopoly for these services. There exists a single competitor, the traditional public administration bureau, instead of a vast number of multi-national or local companies offering the same goods. Thirdly, e-governmental services may offer a high added value to intermediaries, who undertake the fulfilment of citizens’ obligations to the government, thus user attraction policy might target these specific user groups. For instance, a service allowing accountants to submit electronically their clients’ tax declarations

might have a target group of a few hundred users, but besides being a valuable tool to them, the government has benefits equivalent to those of an e-business service attracting several thousands of e-shoppers!

However, within the process of delivering e-services, the government has to face some issues, which are generally not addressed in electronic business developments. The first major issue is that while e-business is allowed to focus on specific user groups, e-governmental services have to cater for all citizens: an electronic service that excludes some categories of citizens is clearly unacceptable. Another topic that has to be addressed is that many governmental services span horizontally across various public administration departments. In these cases a citizen-centric model has to be adopted, with all steps of service deployment, starting from the requirements collection and up to integration with the -usually diverse- back-end IT system and the administrative and support procedures are far more complex than one would expect for a service constrained in a single PA authority. Ideally, of course, the citizen-centric model would be adopted in all cases, but most e-government schemes nowadays do not use this approach.

CONCLUSIONS

Experience has shown that there exists a two-way relation between e-customers and e-citizens. Firstly, e-customers have the technical background and the tendency to quickly shift from traditional governmental service deployment channels to the electronic ones. Inversely, governmental e-services may prove an antechamber to electronic shops, since the former do not involve direct money transfers that hold back potential users; in this sense, governmental e-services may be the schools that prepare “netizens” with the appropriate culture, who will be less hesitant to visit the e-shops.

Moreover, both the government and business may learn from one another, as far as electronic service development is concerned. Electronic government should adopt a citizen-centric (or, even better, customer-centric) model, rather than the service-centric model usually employed in public administration bureaus. Flexibility and appropriate service reengineering have been two keys to success for electronic businesses up to now, and electronic government should take an example from this experience. On the other hand, e-businesses should take into account the fact that the major obstacle for transforming web surfers to e-customers is the flow of personal and financial data. While this is a giant step to take for the occasional web surfer, splitting it up in two smaller steps may prove catalytic. The first step would be offering some personalised or subscription-based services, in which personal data are required but no money transfers are involved. This will help users adopt the “netizen” culture, and thus take the second step -i.e. electronic payments- more easily. Another approach, which has proven successful within the

electronic submission of VAT declarations in the Greek Ministry of Finance, is the provision of a method to conduct payments asynchronously, via the banking system. Although this approach introduces administrative overheads and may induce additional costs (banks may require some commission), it will undoubtedly attract more customers to the e-shops, and then online purchases involving electronic payments will only be a matter of time.

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