Think Paper 2: Customer-centric, citizen centric. Should Government learn directly from business?

Michael Blakemore

Version No. 5.0

http://www.ccegov.eu/

Think Paper 2: Customer-centric, citizen centric. Should Government learn directly from business?

Michael Blakemore, Brussels, Belgium, 24th October 2006

Version No. 5.0

Prepared for the eGovernment unit, DG Information Society and Media, European Commission
http://europa.eu.int/egovernment_research

"Think Papers" aim to present strategic issues that will be explored with stakeholders and researchers. They are intended to be high-level summaries both of the issues and challenges, and of the ongoing work undertaken by the project team. They will be updated on the project web site http://www.ccegov.eu/ where registered participants can contribute to interactive explorations of definitions and issues.

This paper sets out to provide an overview of issues that surround the general 'citizen as customer'. It does so in the context of general themes that occur in policy and research, and these themes are presented as 'myths'. The term 'myth' is used as defined by Vincent Mosco[1]. He notes that myths are more seen as paradigms, or prevailing themes. They are never to be regarded as 'true or false', but are 'alive or dead', and they will be explored iteratively during this project.

The opinions expressed in this study are those of the authors and do not necessarily reflect the views of the European Commission. Reproduction is authorized, provided the source (eGovernment unit, DG Information Society and Media, European Commission) is clearly acknowledged, save where otherwise stated.

Think paper series editors: Trond-Arne Undheim and Michael Blakemore

---

[1] MOSCO, V. (2004) *The Digital Sublime: Myth, Power and Cyberspace,* Cambridge, MA, MIT Press.

TABLE OF CONTENTS

1 Key messages

'**Obligations**' of being a customer are not easily linked to the complexities of the obligations of being a citizen. However, Public Value may involve similar bi-lateral obligations such as those emerging in business.

Citizens as customers function in the context of consumerism and individualisation. **Individualisation**[2] means we expect compensation, we expect instant gratification, and are quick to post our negative opinions. Understand further the processes of individualisation and globalisation that generate tensions when we try to build common identities (for example being 'European') and citizenship.

The identification of citizen and customer needs is an **iterative process** (an 'emergent' strategy) involving; dialogues; informal knowledge gained by employees in their dealings with customers; and formal knowledge, for example through customer surveys. The **cross-matching of citizen data**, with commercial data, can generate new insights into service demands and delivery.

ICTs are more than cost-savers – they are important tools in delivering **better services** to a **more complex and demanding citizenry**. The use of ICTs in eGovernment should learn from both the positive and negative experiences of eCommerce in building multiple channel services. CRM (Customer Relationship Management) can provide centralised information, while still allowing **local autonomies** that respond directly to customer/citizen needs.

---

[2] Zygmunt Bauman writes of the fluid nature of consumerism, terming it "Liquid life" which "means constant self-scrutiny, self-critique, and self-censure. Liquid life feeds the self's dissatisfaction with itself" BAUMAN, Z. (2005) *Liquid Life,* Cambridge, Polity Press.

2 The Myths

2.1 Business is implicitly better at being customer-centric?

This myth envisages a one-way learning from business to government – there is indeed little evidence in the literature that business should learn from government customer strategies! However, while there are good examples of integrated customer approaches, such as Amazon's marketplace (where small suppliers can become embedded into the Amazon.com customer interface and delivery systems), customers mostly do not receive an 'integrated' retail experience, but construct their experience from many shopping activities.

Commerce seeks to retain customers and to generate customer loyalty. Government service delivery, such as social services and health, ideally want fewer customers who will make reducing demands on the services. The most 'loyal' customers for commerce pay the most money and generate the most profits, whereas for government the most 'loyal' customers are those with least resources, who often make consistent demands on services. Business has a direct link between supply and demand through price, sales, and profit. Government, however, relies on indirect links between supply and demand, through taxation (direct and indirect) and the apportionment of tax income as organisational budgets. Government organisations therefore rely on sub-optimal mechanisms of matching income and demand through processes such as rationing, waiting lists, and means-testing.

For those reasons it seems unlikely that governments can become customer-centric in the business sense, but will often remain product centric where services remain delivered through silo-based organisations. However, customer-centricity can be achieved through integrated and personalised "packages of service, support, education, consulting"[3], for example the integrated assessment and payment of benefits in Belgium[4].

Business regularly generates new relationship models with customers, for example "by unloading work on to their customers, firms can grant them more control - and save money in the process"[5]. Self-service, self-checkout in a store, and online booking, are all models where customers accept new responsibilities in exchange for better service. These new 'obligations' of being a customer are not easily linked to the complexities of the obligations of being a citizen, which are much more contested: for example the 'right' to smoke, drink alcohol, eat foods that lead to obesity, and to take risks[6] that lead to costs to the taxpayer - even playing sport can be costly to the health service.

---

[3] GALBRAITH, J. R. (2005) *Designing the Customer-Centric Organisation: A Guide to Strategy, Structure, and Process,* San Francisco, Jossey-Bass.

[4] http://ec.europa.eu/idabc/en/document/1255/386

[5] ECONOMIST. (2004). *You're hired.* (September 16) Economist, [cited September 17 2004]. http://www.economist.com/science/tq/displayStory.cfm?Story_id=3171466

[6] SALAÜN-BIDART, A. & SALAÜN, Y. (2002) The responsibility of the citizen in a health-risk situation. *International Journal of Information Management,* 22, 225-239.

Public value may therefore involve similar bi-lateral obligations such as those emerging in business – a business will give you better value if you take on some of the tasks of being a check-out agent. Public value refers to the value created by government through services, laws, regulations and other actions[7]. This value added can be characterized as the difference between the benefits delivered by government and the resources and powers which citizens decide to give to it. There is therefore an implicit contract between citizens and government which underlies the concept of public value. Value is determined by citizens' preferences and these preferences and perceptions are clearly of interest to this study, given the focus on "citizen centricity". The concept also provides a potential means to measure the performance of public bodies and make decisions on the allocation of resources and selection of delivery systems – issues considered by the EU eGovernment Economics Project[8].

2.2 Business is more efficient at dealing with customer information and communication?

Do businesses look after customers better than government looks after citizens? After all, government has rich data about citizens, and can join it up subject to legislation. Businesses, however, construct pictures of customers through surrogate data collections such as geodemographic profiles, or through data collected via loyalty cards. So, why are businesses – with less robust data – seemingly better at dealing with customers? Part of the problem may be with information overload. We exist within a 'reputation society', where reputation is built up usually from a cloud of individual ratings – surveys, polls, online opinion forms etc. The multiplicity of communication channels lead both to the potential for techo-consultation, and the "the increased irrelevancy that the near acquires through our use of online technologies"[9] – we rely not on those information sources that are near to us, but those sources that are accessible easily on the Net, and whose accuracy and reliability are uncertain.

CRM (Customer Relationship Management) strategies are being promoted widely now in Government, for example the US Bureau of the Census is using one to maximise citizen involvement and satisfaction in the Census and other surveys[10]. However, the use of CRM systems to understand and segment citizens into service-delivery grouping, may result in a situation where "the street level bureaucrat (or 'infocracy') has been simultaneously empowered and downgraded"[11], implying that local decision-making power may be reduced.

CRM and related systems invite citizens to respond. The literature differentiates between 'technopopulism' and 'deliberative democracy', warning that citizens will soon tire of contributing to legislative deliberations, online or offline, if no apparent account is taken of

[7] KELLY, G., MULGAN, G. & MUERS, S. (2002). *Creating Public Value: An analytical framework for public service reform.* London: Cabinet Office. October, 35 p. http://www.strategy.gov.uk/downloads/files/public_value2.pdf

[8] http://217.59.60.50/eGEP/Static/E_Description.asp

[9] MEJÍAS, U. A. (2005). *Re-approaching nearness: Online communication and its place in praxis.* (volume 10, number 3 (March)) First Monday, [cited March 9 2005]. http://firstmonday.org/issues/issue10_3/mejias/index.html

[10] GRIMES, B. (2006). *Serious about service.* (June 5) Federal Computer Week, [cited July 122 2006]. http://www.gcn.com/print/25_14/40895-1.html

[11] RICHTER, P., CORNFORD, J. & MCLOUGHLIN, I. (2004). *The e-Citizen as talk, as text and as technology: CRM and e-Government.* (Volume 2, Issue 3) Electronic Journal of e-Government, [cited February 20 2005]. http://www.ejeg.com/volume-2/volume2-issue3/v2-i3-art7.htm

them[12]. A behaviour change will be needed for government-citizen interaction, since most government communication systems "were designed for the vertical, unilateral, mass distribution of information, not for communication; communication is interactivity"[13].

Communication may therefore become more interactive, but it also becomes less certain, with highly fluid and emergent new power structures and behaviour. New methods of communication behaviour are evident in political blogs, described as "the ultimate cyberspace soapbox"[14]. Communication may therefore become more interactive, but it also becomes less certain, with highly fluid and emergent new power structures and behaviour. But, as Zygmunt Bauman warns "setting people free may make them indifferent …"individualisation seems to be the corrosion and slow disintegration of citizenship"[15]. Individualisation means we expect compensation, we expect instant gratification, we are quick to post our negative opinions about the health service (Patient opinion UK[16]), we can send emails to politicians, we can see their responses[17], but often we are slow to give praise.

There are opportunities for government to use business customer information. The cross-matching of citizen data, with commercial data, can generate new insights into service demands and delivery. Commerce uses geodemographics to segment customers into service and profit sectors. Governments frequently prioritise the need to 'share' and integrate data, so that holistic pictures of citizens can be built up. However, experience in cross-matching government citizen/customer data with commercial geodemographic profiles, can identify significant efficiency gains. For example Experian[18] has worked with the public sector in areas such as health, to 'drill-down' from aggregate official statistics of deprivation, to build intelligent household level profiles, and to use these to model demand and supply more effectively.

On that basis there seem to be three logical areas of activity: "we have defined three modes of local citizenship management using ICTs: e-Administration, e-Government and e-governance"[19]. One looks at service needs, the second at efficiency gains, and the third looks towards public value. Underpinning all of the information processes is the building and retention of trust, which is difficult to build, but in the reputation society is easy to lose: "trust comes on foot, but leaves on horseback"[20].

---

[12] HANSARD. (2002). *Technology: Enhancing Representative Democracy in the UK?* London: Hansard Society. August.

[13] MCIVER, W. J. J., BIRDSALL, W. F. & RASMUSSEN, M. (2003). *The Internet and the right to communicate.* (volume 8, number 12 (December)) First Monday, [cited December 16 2003]. http://firstmonday.org/issues/issue8_12/mciver/index.html

[14] SAPPENFIELD, M. (2005). *More politicians write blogs to bypass mainstream media.* (March 24) Christian Science Monitor, [cited March 25 2005]. http://www.csmonitor.com/2005/0324/p02s01-uspo.html

[15] BAUMAN, Z. (2000) *Liquid Modernity,* Cambridge, UK, Polity Press.

[16] PATIENTOPINION. (2006). *Patient Opinion.* (March) PatientOpinion.org, [cited March 13 2006]. http://www.patientopinion.org/

[17] HEARFROMYOURMP. (2006). *HearFromYourMP.* (March) HearFromYourMP.com, [cited March 13 2006]. http://www.hearfromyourmp.com/

[18] http://www.business-strategies.co.uk/Public%20sector.aspx

[19] MICHEL, H. (2005). *e-Administration, e-Government, e-Governance and the Learning City: A typology of Citizenship management using ICTs.* (Volume 3 Issue 4, pp 213-218) Electronic Journal of e-Government, [cited July 15 2006]. www.ejeg.com

[20] PECHTOLD, A. (2005). *Strengthening Trust in Government: What Role for Government in the 21st Century.* (November 28) OECD, [cited December 6 2005]. http://www.oecd.org/document/5/0,2340,en_2649_37405_35760965_1_1_1_37405,00.html

2.3 Government should copy the organisational strategies of business?

Businesses have the ability to make radical changes to their workforce, whereas employment protection in government is much stronger - organisational inertia is therefore much more evident in government. Therefore, many attempts at change in government have been what we could term the latest 'next best thing/intervention'. This involved ad hoc prioritisation of elements of an organisation that can be changed and moulded (for example mergers of departments), rather than changing the overall menu of elements that feature in business organisational change.

Experience from customer-centric businesses advises that the identification of customer needs is an iterative process involving dialogues, informal (knowledge gained by employees in their dealings with customers) and formal relationships (customer surveys). These processes lead to tensions, often "challenging management power and authority", and that requires management to confront resistance, and to resolve conflicts[21]. What organisational models and practices will encourage and reward these processes within government?

Research in customer-focused business projects indicated "that about three-quarters of such projects fail", and this requires more intelligent use of customers: "instead of taking the temperature of a representative sample of customers, firms must identify the few special customers who innovate"[22]. Therefore, 'citizens panel' approaches may need to be strengthened by clearer targeting of citizens who can help in the development of service delivery – more dynamic communication channels need to be built.

In business, eCommerce has grown alongside existing channels, and has become embedded in a multi-channel strategy through considerable trial and error. By contrast, government programmes require "significant business transformation and process redesign"[23], where too often a strategy assumes "machine-like bureaucracies are highly decomposable along hierarchical lines"[24].

Government employees seldom have delegated financial authority to deal directly with customer issues, instead having to process them through bureaucratic processes. Innovative business solutions exist to overcome customer problems at source, for example employees of the Stena Line ferry service "are allowed to spend up to £1,000 to solve the problem for you - without having to obtain management approval[25]. This concurs with other business research, showing that customer service and value can only be delivered by good services and customer-friendly behaviour, for "customers scored empowering employees second-highest,

[21] GALBRAITH, J. R. (2005) *Designing the Customer-Centric Organisation: A Guide to Strategy, Structure, and Process,* San Francisco, Jossey-Bass.

[22] ECONOMIST. (2005). *The rise of the creative consumer.* (March 10) Economist, [cited March 10 2005]. http://www.economist.com/business/displayStory.cfm?story_id=3749354

[23] HEATH, W. (2006). *Chance of a lifetime? Or lost cause?* (August 12) Kable Government Computing, [cited August 23 2006]. http://www.idealgovernment.com/index.php/weblog/comments/chance_of_a_lifetime_or_lost_cause/

[24] CIBORRA, C. (2002) *The Labyrinths of Information,* Oxford, Oxford University Press.

[25] LESTER, T. (2006). *The cost of not caring for your customers.* (January 30) Financial Times, [cited January 31 2006]. http://news.ft.com/cms/s/9c0e38a2-9135-11da-a628-0000779e2340.html

trailing only product quality"[26]: This in turn requires dynamic and flexible team strategies, for "the speed and efficiency with which effective teams can be brought together to resolve problems is crucial to success in the modern organisation"[27].

2.4 Businesses inherently have more complex customer-centric issues?

The Work Foundation in its report *Why ICT?: The role of ICT in public services*[28], noted that ICT channels cannot by themselves deliver public value, since not all citizens wish to use them: "33% wanted to access government services via the web; 48% wanted more government services online; More than 75% wanted access to services outside of normal working hours 63% thought the net made it easier to find out about government services" [29]. This may contest the expectations that ICTs are cost-savers[30], but may instead be important tools in delivering better services to a more complex and demanding citizenry. The focus on better services to citizens[31] does not necessarily imply that the services will be delivered at lower costs, although the mantra of cost savings is deeply embedded in the political rhetoric of e-Government.

The emergence of customer-centric eCommerce has taken place over six or more years. And William Heath identifies unrealistic expectations for eGovernment: "We didn't get overnight change in banking and finance, we didn't get it in e-travel and on-line shopping—we haven't had it anywhere, really. So why expect instant result in government?"[32] Government programmes are complex, must focus on maximum inclusion of people who are not typically the focus of commercial services, and have significant legacy issues, whereas commercial products and channels can be constructed iteratively alongside traditional channels. Exclusivity at the high end of business involves a radical selection of premium customers who will pay high prices, such as for Swiss watches[33]. Exclusivity at service receiving end of government is being pointed out as being in need.

The challenge for government is that 'at-a-distance' customer relationship management in business focuses on defined products and limited services, but Richter questions whether the segmentation of eGovernment services (albeit often 'integrated' via a portal) "adequately encompasses the **richness and complexity of the relationship between the state and its**

[26] LEE, D. (2006). *Implement CRM or Become Customer-Centric?* (July 1) Destination CRM, [cited July 11 2006]. http://www.destinationcrm.com/articles/default.asp?ArticleID=6116

[27] ECONOMIST. (2006). *Teaming with bright ideas.* (January 19) Economist, [cited January 20 2006]. http://www.economist.com/surveys/displaystory.cfm?story_id=5380422

[28] WORK. (2005). *Mismatch, mismanagement and miscommunication. The three key challenges to using ICT to improve public services.* (March 29) The Work Foundation, [cited March 29 2005]. http://www.theworkfoundation.com/newsroom/pressreleases.jsp?ref=163

[29] Ibid.[cited.

[30] BBC. (2005). *Net can transform public services.* (March 29) BBC, [cited March 29 2005]. http://news.bbc.co.uk/1/hi/technology/4390625.stm

[31] RELYEAA, H. C. (2002) E-gov: introduction and overview. *Government Information Quarterly,* 19, 9-35.

[32] HEATH, W. (2006). *Chance of a lifetime? Or lost cause?* (August 12) Kable Government Computing, [cited August 23 2006]. http://www.idealgovernment.com/index.php/weblog/comments/chance_of_a_lifetime_or_lost_cause/

[33] GOMELSKY, V. (2006). *Atop Swiss watchmaking peaks, rarefied air.* (March 30) International Herald Tribune, [cited April 1 2006]. http://www.iht.com/articles/2006/03/30/reports/rwatchtop.php

public, where the twenty-first century citizen adopts multiple roles? For example, the end user may play the 'individual' roles of paying customer, beneficiary and obligatee"[34].

2.5 Citizens want integrated online services rather than humanly-mediated services

The development of e-Government can present paradoxical outcomes – a rising satisfaction in e-channels, albeit from low initial levels, but also dissatisfaction overall of government, and dissatisfaction of government employees who may fear job losses and the loss of direct contact with customers[35]. An over-focus on electronic channels may lead to the emergence of 'anonymous'[36] government, at a time when eCommerce is building multiple channel services.

There are warnings from business that focusing on electronic channels is not what customers want. Next plc, the UK clothing etailer/retailer, increased stores from 358 to 384 from January 2004 to 2005, and overall floorspace also increased. Marks and Spencer also increased UK stores to 390, with an additional 122 food outlets. In 2002, Tesco had 729 UK stores with 18,222,000 sq ft, and in 2004 the figures were 1,878 and 23,291,000. However, this is not the case in all sectors, and in 2006 British Airways closed call centres as their need declined because more people were booking travel online[37]. Barclays Bank in the UK, like many banks, had closed around 20% of its physical outlets as it prioritised eBanking and related online services. In 2006 it reversed the policy, admitting that access to human mediated banking was seen as essential by most customers[38].

2.6 Citizens want more 'choice'

The UK Health Service is developing the concept of 'patient choice', where the 'Choose and Book' facility for booking of hospital appointments allows the patient to choose from several options[39]. The choice, however, is constrained by two factors. First, is the fact that most people wish to go to a local hospital, for example because relatives and friends can visit them more easily. Second, performance targets and financial restrictions may mean that their first choice hospital may not have capacity, and will reject their 'choice'. There are contradictory messages about choice when the core 'health' choice is not available, but once at a hospital

[34] RICHTER, P., CORNFORD, J. & MCLOUGHLIN, I. (2004). *The e-Citizen as talk, as text and as technology: CRM and e-Government.* (Volume 2, Issue 3) Electronic Journal of e-Government, [cited February 20 2005]. http://www.ejeg.com/volume-2/volume2-issue3/v2-i3-art7.htm

[35] PERERA, D. (2005). *Oversight Board criticizes IRS tax center closure.* (June 15) Federal Computer Week, [cited June 15 2005]. http://www.fcw.com/article89169-06-10-05-Web

[36] Similar terms include 'invisible government/governance'. The major point here is that customers react badly if there is not a 'human' contact who can deal with problems. However, that does not mean business is 'better' at achieving this goal, for in UK eCommerce "only eight per cent of retailers surveyed had invested in a customer-centric means of searching for information" ANON. (2006). *Dumb' Retail Sites Fail to Deliver Customer Service.* (July 5) CRM2DAY.com, [cited July 11 2006]. http://www.crm2day.com/news/crm/119238.php

[37] BBC. (2006b). *Online sales prompts BA shop cuts.* (March 15) BBC, [cited March 16 2006]. http://news.bbc.co.uk/2/hi/uk_news/northern_ireland/4810050.stm

[38] CONNON, H. (2006). *Forget the internet. Let's go back to the high street.* (June 25) Observer (London), [cited July 2 2006]. http://observer.guardian.co.uk/business/story/0,,1805102,00.html

[39] KABLENET. (2005). *Stuck in the waiting room for e-booking.* (November 1) Kable Government Computing, [cited November 2 2005]. http://www.kablenet.com/kd.nsf/Frontpage/96351E323DA07D81802570AC00602EBB?OpenDocument

the patient has the choice to purchase access to "interactive television, high-speed internet and other comfort-oriented" services "designed to make them feel like hotel guests"[40] – this is, of course, a very positive situation if it is linked directly to high-quality healthcare, for without the healthcare it can be seen more as 'window-dressing'.

Therefore there is a risk that the "Internet is mainly used to facilitate 'choice' and creates few opportunities for 'voice'"[41]. Choice may be used more in the context of the selfish consumption noted below, and the exercise of choice needs to have a consequence in the context of debates about service quality and development: "citizens are regarded as consumers that can make a choice and not as 'citoyens' that are involved in public affairs"[42].

Choice, however, is not restricted only in the public sector. There is both the need to regulate mergers and acquisitions in business to avoid the building up of a monopoly position, and also for the presence of regulation over monopoly services such as the UK rail system (a series of monopoly route franchises with limited route competition), and in the regulators appointed for privatised utility services (water, gas, electricity). Paradoxically, while privatised services need regulation, they also allow the externalising of liability – services previously suffering from high levels of citizen dissatisfaction now are seen as private businesses. While "customer complaints about water firms in England and Wales rose by 11% in the last financial year"[43], it is not now the Government that is to be blamed for the problems.

Furthermore, the exercise of 'choice' means that there is a right not to choose: for example, not to shop around for the best price, but to go to the shop you always go to. There is also the right not to exercise your voice in the context of corporate governance -– shareholders often do not attend Annual General Meetings, or may casually assign proxy vote to the Board. There also is the choice to pay less, and receive less, as in the case of low fare airline such as Ryanair[44], where few customers will read the terms and conditions in detail: one condition is accepting that the airline may vary the departure by +/- three hours without penalty.

Therefore, the availability of choice, and the exercise of choice, has both similarities and fundamental differences between business and the public sector. There is no single 'typical' characteristic of commerce/customer and government/citizen. Indeed, the considerable heterogeneity of customers' commercial experiences shows that business, with all its flexible investment, and ability to segment and target customers, finds it very challenging to deliver the services people want. Consequently, there is considerable potential in establishing critical and constructive dialogues between commerce and government, rather that expecting government simply to emulate a mythical business ideal.

---

[40] AP. (2006). *Hospitals Cater to Their 'Guests'.* (August 6) Associated Press, [cited August 7 2006].
   http://www.wired.com/news/wireservice/1,71549-0.html

[41] MEIJER, A. J. (2005). *'Public eyes': Direct accountability in an information age.* (Volume 10, number 4 (April)) First Monday, [cited April 14 2005]. http://firstmonday.org/issues/issue10_4/meijer/index.html

[42] Ibid.[cited.

[43] BBC. (2006a). *Complaints about water firms rise.* (July 13) BBC, [cited July 13 2006]. http://news.bbc.co.uk/1/hi/uk/5174936.stm

[44] RYANAIR. (2006). *Terms and Conditions of Travel.* (August) Ryanair.com, [cited August 31 2006].
http://www.ryanair.com/site/EN/conditions.php

3 Being Citizens

Being 'customer' means being a complex of different personae – we are customers of many businesses, and we are loyal to some of them. However, our loyalty is 'purchased' through good products and services, loyalty schemes, and through an ability to benchmark those services against other offerings: advertising, price comparison, consumer reports and evaluations, all are means through which customers can construct knowledge.

Citizenship, however, is often promoted as a responsibility; for example, obligations to society and to fellow citizens, maybe even the responsibility to feed your children food that has high nutritional value. In spite of the goals of European mobility in the labour market, the vast majority of citizens remain localised in their communities. Performance statistics about national eGovernment therefore have little resonance – 'so what' if my country is not as good as Canada in the global rankings? 'So what' if there is a high-performing hospital 250 kilometres from my house, because how do my relatives visit me? What does it mean to a citizen, if they want to consume government services locally?

Furthermore, recent research by Saskia Sassen argues that ICTs cannot be seen as tools in a linear process of reducing exclusions. Not only can new inclusions produce new exclusions, but more importantly, the concept of citizenship itself is influenced by exclusions, and warns that as a result "the grip of the nation-state on questions of identity and membership is weakened by major social, economic, political, and subjective trends".[45]

Sassen's arguments warn of the serious challenges that exist to any inclusion strategy, and therefore the extent to which citizenship will be served interactively by eGovernment is central to this project. Furthermore, the extent to which the institutions of governance can serve citizens also is central, and Sassen further warns of the "debordering of formal citizenship, albeit with greater variations across countries.[46]

For business, the task of understanding the highly variegated customer landscape is a continuous one, driven by rich streams of data in real-time. Business segments customers into those who are most likely to buy, and targets them. For governments, often basing their 'customer' information on rapidly outdated statistics such as a decennial Census of Population[47], it needs to segment citizens into those who most need a service, and then target them. The Experian example (section 2.2) shows that innovative cross-sector approaches can add value to both business and governance. However, the notion that 'business is always best' clearly is not sustainable, and while there is value in sharing best practice, and exploring synergies, the task of delivering services to citizens, particularly in the i2010 context of 'no citizen left behind', presents challenges to government that are much more complex that most challenges to business.

---

[45] SASSEN, S. (2006) *Territory, Authority, Rights: From Medieval to Global Assemblages,* Princeton, Princeton University Press.
[46] Ibid.
[47] Most EU member states hold a Census every 10 years, although some, such as the Netherlands, use population registers that are updated more frequently