

Our Management Approach to Customer Engagement and Experience

A. Purpose

This document sets out how we engage with our customers to understand their changing needs and enhance the customer experience. These insights are critical to the sustainability of our business and the ongoing relevance and reputation of our brand, products, and services.

This document should be read in conjunction with our **Customer Engagement and Experience Deep Dive** (available on our [website](#)), where we report on progress against customer engagement and experience priorities on an annual basis. Together, our management approach documents, deep dive reports and our data packs comprise our sustainability reporting suite, which is prepared in adherence to the International Integrated Reporting Framework principles of materiality, stakeholder responsiveness, reliability and completeness; in accordance with the GRI Standards¹(Comprehensive); and is **third party assured**.

Our commitment to customer engagement is consistent across our diverse customer base, which includes:

- the people who live in our residential communities
- the people who live in our retirement living communities
- the people who may potentially live in our residential and retirement living communities
- shoppers and retailers in our retail town centres
- workplace and logistics tenants across our commercial assets.



For more information on our approach to customer engagement see our **Customer Engagement and Experience Deep Dive**.

Stockland's Sustainability Strategy



¹ The GRI Standards are global standards for sustainability reporting published by the Global Reporting Initiative (<https://www.globalreporting.org/standards/>)

B. Management approach

B1. Overview

Strong customer engagement is a priority for Stockland, and involves:

- understanding who the customer is and relative customer segments;
- understanding the customer journey and establishing a high standard of customer service excellence;
- identifying customer values and needs and developing relevant value propositions;
- committing to measurable investments that create both new customers and brand advocates who are willing to share their experience with friends and family; and
- unlocking the value of positive customer experiences by encouraging existing customers to refer friends and family, and rewarding repeat purchases of Stockland products.

Customer engagement methods and objectives vary across business units due to the different requirements of our diverse customer base. We focus on understanding the various customer segments and what drives value for these customers across their journey, with a focus on:

- **customer insights** – quantifying the size and value of different segments within assets' geographic catchment areas, understanding the needs, values, attitudes and behaviours of current and prospective customers to inform strategic decisions regarding portfolio mix and the design, and delivery and operation of new and existing projects and assets. This enables the development of products and services that respond to customer needs and in turn generate more sustainable returns for the business.
- **customer analytics** – using behavioural data for customer segmentation, customer journey optimisation, business intelligence and predictive analytics enabling Stockland to develop strategies that drive conversion.

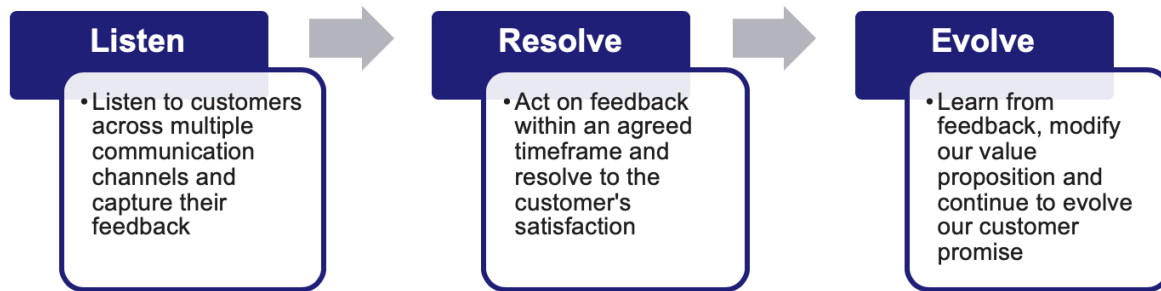
- **customer experience** – developing a strategy to drive positive customer experience and then measuring the experiences of our customers to evaluate areas for improvement in service delivery and in the design and operation of our assets. This includes annual surveys and regular ongoing engagement with our customers to provide quality service and prompt issues management.

Customer research is provided to the respective business units and projects and customer insights are used across the business (such as development, sales, marketing, business development and sustainability) to inform strategy and decision-making, and help our assets meet the evolving needs of our customers and the community.

Learning and improving via customer feedback

Stockland is committed to collecting, understanding and learning from customer feedback, both positive and negative. It is critical for Stockland, as a customer-centric organisation, to handle feedback in a disciplined manner for continuous improvement of products and processes. Proper handling of feedback maximises customer satisfaction while also protecting our reputation, mitigating our social and other media risk, and increasing trust and transparency with our customer issues in a responsive manner.

Feedback across all businesses is collected via Salesforce case management and resolved via front line staff. A Customer Feedback Framework and Customer Feedback and Complaints Procedure based on guiding principles of “Listen → Resolve → Evolve” have been embedded across the business via regular training and our intranet. These are used for consistently categorising feedback, identifying complaint severity, guidance for escalation to management, and aligning behind target time frames to resolve.



Listen

- Listen to customers across multiple communication channels and capture their feedback

Resolve

- Act on feedback within an agreed timeframe and resolve to the customer's satisfaction

Evolve

- Learn from feedback, modify our value proposition and continue to evolve our customer promise

This strategy is embedded operationally via “Stockland Listens”, in which customers are invited in to discuss their experience and feedback in front of all staff. These events form part of each local team’s operating rhythm, being held at least twice a year at each Stockland office. A live customer call listening program is also in place. From this ongoing employee / customer connection, diverse ideas to improve the experience are generated and collected, and performance objectives are assigned to ensure accountability for implementation.

Feedback collected from all channels (including but not limited to Salesforce, social media, Stockland Listens and our regular surveys) is aggregated and distributed to management, as well as to our Executive Committee and the Board of Directors. This includes quantified trends

and recommendations. Insights are shared and discussed at monthly Business Unit Leadership Teams. Performance objectives related to importance of entering feedback into Salesforce, actions taken to improve, as well as closing out complaint cases over a certain age, are shared throughout the business, from the front line to senior management.

B2. Management approach by business unit

Our key customer engagement mechanisms for each business unit and customer group are outlined in the table below.

Group

	How we engage	Why we engage
All consumer groups	In 2014, we launched our own online research community, Stockland Exchange . This is a community of over 5,800 members who are customers of our shopping centres, residential and retirement villages.	The community is used to conduct research across our projects and assets. This enables us to better understand our customer needs, test ideas and provide a mechanism for customers to influence our decision-making. We also use this platform to communicate with our members on various Stockland initiatives, demonstrating that Stockland listens and serves to engage members.
	In 2014, we implemented a Group-wide brand-tracking program. The purpose of this research is to measure brand awareness, image and reputation compared to key competitors on an ongoing basis.	This program provides deeper insight into the drivers of our reputation and helps identify how we can improve our reputation and how we compare to our peers.

Commercial Property

	How we engage	Why we engage
Retail Town Centre tenants	<p>We conduct annual satisfaction tracking research among our retail tenants via two research studies:</p> <ul style="list-style-type: none"> • Stockland proprietary approach, a research study of centre tenants conducted on Stockland’s behalf; and • Monash University’s TenSAT survey, an industry study of head office-based retailers run on behalf of several landlords. 	<p>To better understand retailer satisfaction as well as the drivers for lease renewal so that we can respond to concerns that impact most heavily on retailer retention.</p>
	<p>Over the last 12 months we created “Stockland Listens”, in which we invite retailers in to share their stories and feedback, and make it easier for shoppers to submit questions, complaints or compliments via a ‘web app’ promoted in centre.</p>	<p>Stockland Listens seeks to proactively solicit retailers and shopper feedback in an environment where employees can hear real stories and be inspired to continually improve. It also an alternative channel to bolster existing insights.</p>
Shoppers	<p>We conduct shopper satisfaction audits across retail centres as part of Monash University’s ShopperSat research, which measures shopper experience across over 120 centres nationally.</p>	<p>To monitor satisfaction and perceptions of our shopping centres and identify opportunities to better meet customers’ needs by offering the right retail mix and engaging shopping environments.</p>
	<p>We engage with shoppers through market research studies such as surveys, focus groups and discussion forums.</p>	<p>To better understand shoppers’ views, perceptions and behaviour on specific issues, centre place-making initiatives or potential new initiatives.</p>
	<p>We use transactional data to analyse the spending habits of our shoppers and residents who live in our centres’ trade areas through the using anonymous and de-identified transactional data.</p>	<p>To inform our tenancy mix and retail development planning, as well as track our centre performance over time. This information is also used to inform our place-making strategy and better understand our customers shopping habits and preferences.</p>
Workplace and Logistics tenants	<p>We conduct annual surveys with tenants across our Workplace and Logistics portfolio.</p>	<p>To assess tenant satisfaction and help us build stronger customer relationships.</p>

Communities

Residential

	How we engage	Why we engage
Prospective residents	<p>We conduct ongoing ‘Voice of the Customer’ research with prospective customers (leads) and when customers place a deposit with us.</p>	<p>To continually enhance the customer experience throughout the buying journey and ultimately increase sales conversion.</p>
	<p>We conduct surveys with customers at the point when they settle their contracts with us.</p>	<p>To continually monitor the customer experience between deposit and settlement and identify areas for improvements.</p>
	<p>Mystery Shopping research which audits the sales experience.</p>	<p>To provide consistency in the sales experience delivered at point of sale that ultimately leads to increased conversion and referral business.</p>
Community residents	<p>A key element of our residential customer engagement is our proprietary Liveability research, which identifies the specific elements that enhance customer satisfaction among our community residents.</p>	<p>To identify specific elements that most significantly enhance customer satisfaction. By focusing on development and community creation activities, we can increase satisfaction and drive greater referral rates.</p>
	<p>‘Stockland Listens’ connects residential customers and staff by bringing customers in to share their experiences or listening to live calls in the Contact Centre.</p>	<p>To enable as close as possible to 100 per cent of residential employees to regularly connect with customers, learn what is important to them and inspire action and improvement.</p>

Retirement Living

	How we engage	Why we engage
Prospective residents	We conduct sales experience research with inquiring residents and those who have reserved a property.	To better understand the sales experience and prospective customers' needs to ultimately increase sales conversion.
Retirement Living community residents	We conduct an annual satisfaction survey with residents called Residents Voice. This is equivalent to the Liveability Index research completed in our residential communities.	To monitor how our customers feel about life in their Stockland retirement living community. We can use this customer sentiment to inform areas of improvement and drive greater referral rates.
	We conduct a Welcome Home survey with residents when they move in, to better understand the overall move-in experience and hence identify improvement opportunities.	Residents who have high satisfaction levels will be inspired to share their experiences and this has a positive influence on prospective residents.
	Resident Feedback Program – each Welcome Pack provided when residents move in explains how they can provide feedback.	Opportunity for residents to provide us with feedback on village life at any time.

C. Review and evaluation of the management approach

We review and evaluate our progress against our customer engagement and experience targets in our annual **Customer Engagement and Experience Deep Dive**, centred on metrics such as retailer/tenant satisfaction, liveability, likelihood to recommend, and resident wellbeing. In this reporting, we include:

- a status update of progress against our short, medium and long-term targets;
- detailed commentary on the priority actions that contribute to the achievement of key targets;
- the identification of future priorities;
- highlights of initiatives implemented over the reporting period; and
- case studies that explore key achievements, usually at particular locations.

Customer research is used and reviewed at Project Control Group meetings (monthly meeting to review progress of development projects) and Asset Control Groups, which review and respond to customer experience findings. In addition, key insights from customer and other research are incorporated into Investment Review Group papers and reviewed by the Research team to enable customer insights to be accurately reported and considered in investment decision-making. The Customer Insights team works with the business units to set and review customer research-related KPIs so that they are attainable and in line with customer expectations.

D. Responsibilities

Roles and responsibilities contributing to execution of our approach to customer engagement and experience are described in the table below.

Role	Responsibilities
Chief Innovation, Marketing and Technology Officer	Responsibility for customer insights at a Group level Responsibility for customer experience at a Group level
Chief Innovation, Marketing and Technology Officer	Responsibility for customer experience at a Group level
Group Executive and CEO Commercial Property Group Executive and CEO Communities	Responsibility for customer experience in their business units. Each business unit has customer-focused key performance indicators designed to continually improve customer engagement
Executive Committee	Supports the delivery of our customer engagement and experience approach
General Manager – Customer & Group Marketing	Responsible for driving customer-centricity within Stockland as well as the implementation of Marketing using customer insights within each of the business units Reports directly to Chief Innovation, Marketing and Technology Officer
National Customer Experience Manager	Set group-wide strategy to deliver a differentiated customer experience and drive commercial outcomes. Provide thought leadership and maintain an organisation-wide strategy to continually improve the differentiated Stockland customer experience Support the business units to implement their customer experience programs
Customer Insights team	Management of company-wide customer insights and customer analytics and informing strategic recommendations
Group Research	Analysis of customer insights from our customer relationship management system as well as providing marketing analytics to increase customer leads, conversion and retention
Market Insights team	Analysis of industry data and using it to inform a product and pricing strategy
Customer-facing employees	Meet evaluation criteria for customer service

E. Version control

Revision	Published	Owner	Changes
1	September 2018	National Manager Customer Insights National Manager Customer Experience	Update to include Stockland Listens as an ongoing program.
2	August 2019	National Manager Customer Insights National Manager Customer Experience	Updated approach to customer feedback, and added information about Stockland Listens as an engagement mechanism.
3	April 2020	National Manager Customer Insights National Manager Customer Experience	Updated management approach to reflect the new team structure