

How to encourage switching

to digital services using behavioural insights

Moving services online can provide a better, faster, and more convenient service for customers. However, customers can resist change. Behavioural insights can be used to encourage customers to switch from in-person services to digital versions.

Where to begin

Design well: It's important that your digital service meets the needs of users before you start encouraging them to use it. Refer to the Design Standards for NSW Government.¹

Support all users: In any digital transition, some customers will need continued support. Not everyone can self-serve online, and not everyone wants to. Ensure customers aren't excluded by maintaining alternative paths to your service.

Prompting the switch

Find the right moment to prompt switching: Customers are more likely to perform a behaviour if prompted at the right time. When a baby is born in The Netherlands, new parents receive a congratulatory letter from the Dutch government. The letter includes a link to the online form for claiming child benefits, instead of a hardcopy form. This has increased take-up of the digital service from 37% to 80%, while keeping customers satisfied.²

Make it easy to switch: Customers are less likely to switch to a digital service if it's a hassle or the steps are confusing. Where possible, remove the need for customers to set up a separate profile or manage additional usernames and passwords. Keep guidance on switching short and simple. The Victorian Government included a step-by-step guide to registering for BPAY View when Land Tax Assessment Notices were mailed out. This increased the proportion of land taxpayers registering for online billing from 1.6% to 2.2%.³

Help people plan when and how they will switch:

Without a plan for performing a behaviour, people often fail to follow through on their good intentions. A US study found that postcards, which asked people to write down when they planned to renew their car registration online (Figure 1) increased online renewals from 28.3% to 30.5%.⁴

Figure 1. Postcard prompting recipients to write down when they will take action

Action	Date
I will have my insurance up to date by	__/__/__
I will have my emissions up to date by	__/__/__
I will renew on bit.do/DMVonline	__/__/__

Get their foot in the door: Incentivise your customers to try your digital service at least once. This may help them overcome a natural preference for what they've done in the past (known as 'status quo bias' or 'inertia'). To encourage members who had previously deposited cheques at a branch or by mail to start using mobile deposits, a Chicago-based credit union posted step-by-step instructions for its smartphone app and offered a free \$5 cheque they could practise with. This doubled the number of members using the mobile phone app to deposit cheques for the first time.⁵

Invest in onboarding: Walk customers through your digital service the first time. If they have a good initial experience, many will continue without further prompting. VicRoads increased take-up of vehicle-related online services by 14.1 percentage points (and improved customer satisfaction) by inviting customers who visited a customer service centre to complete a form online rather than join a queue.⁶

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Digital adoption messages

Highlight the gains from using online services. Explaining how convenient and efficient an online service is can help customers overcome any perceived hassle of switching. The Government of Ontario in Canada found that highlighting five benefits to vehicle owners if they renewed their registration plate online (Figure 2) increased online renewals from 10.3% to 14.6%.⁷

Highlight the costs of not using online services: Informing customers that using an in-person service wastes their time and energy (a loss frame) can be about as effective as highlighting the benefits of going online (a gain frame). The Government of Ontario in Canada found that highlighting the time costs to vehicle owners if they didn't renew their registration plate online (Figure 3) increased online renewals from 10.3% to 13.3%.⁷

Figure 2. Gains from online registration plate renewal

Why go online?

1. Save travel time
2. Save waiting time
3. Renew from the comfort of your home, 24/7
4. Easy and safe – just like online banking
5. Instant confirmation and legal proof of renewal

What are you waiting for? Visit us at
ServiceOntario.ca/RenewSticker

Figure 3. Costs of in-person registration plate renewal

Renewing in person:

1. Travel to ServiceOntario centre (20 minutes)
2. Wait in line (15 minutes)
3. Talk to agent (5 minutes)
4. Travel back to home/office (20 minutes)

Total estimated time: 1 hour or more

Renewing online:

Total estimated time: 10 minutes or less

In the convenience of your home, 24/7, instant, easy and safe.

What are you waiting for? Visit us at
ServiceOntario.ca/RenewOnline

Emphasise the collective benefits if everyone switches:

For some services, communicating how digital adoption is a pro-social behaviour may encourage people to switch. In the UK, a local council increased online renewals of a disability parking permit (Blue Badge) from 30.8% to 36.5% with the following message:⁸

There are two main advantages to you applying online:

- Renewing online will speed up the processing of your application;
- If all Blue Badge applicants renewed online it could save as much as £45,000 in public money, which can be used helping us to protect frontline public services.

Catch people's attention: Novel language can increase engagement with your call to action. An email to US residents which said...

'I'd rather be waiting at the DMV [Denver Motor Vehicle] during the holidays,' said NO ONE EVER

...increased traffic to the government's online service platform from 25.9% to 29.5%.⁴

Emphasise the digital social norm: We are highly influenced by the behaviour of others. If most customers are already accessing a service online, draw attention to it to encourage offline customers to follow. A letter telling US businesses that the majority of users have an online tax account doubled registrations from 1.7% to 3.4%.⁴

For additional guidance, refer to:

- bit.ly/behavioural-insights-playbook-for-channel-shift
- bit.ly/behavioural-design-for-digital-financial-services

References

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