

Diversifi Compendium

2022



DIVERSIFI
Annual Compendium
volume 3

Introducing Diversifi

Diversifi is a global, cross-cultural organisation that brings together world leaders in applied behavioural science to help solve some of the world's biggest problems.

By bringing together a wide spectrum of applied behavioural science capabilities and skill sets, integrated teams with Diversifi create end to end solutions for organisations and communities anywhere in the world.

We work in specific countries, within regions, across continents and lead global initiatives working with global organisations such as Amazon, Mondelez, The Wall St Journal and Dow Jones Group and Fidelity Investments.

Our Annual Compendium seeks to celebrate our similarities and differences

by bringing to life our work through essays, use cases, knowledge sharing and showcasing capabilities.

This year for the first time, as well as contributions from Australia, Belgium, UK, India - we also welcome contributions for the first time from Mexico, New Zealand and China.

More details about the team and Diversifi can be found at: diversifiglobal.com.

If you would like to connect with the team or be involved in any future endeavours, please contact us at: jezgroom@cowryconsulting.com

Letter from the editor



Jez Groom
*Diversifi Secretary
& Cowry Consulting
Founder, CEO*

Welcome to the third annual compendium from the global Diversifi Applied Behavioural Science Organisation!

During the last year, our cross cultural applied behavioural science teams from China to Belgium, from Australia to the UK, from Mexico to New Zealand and more, have been working on a host of fascinating pieces of work we'd like to share.

Learn about auto insurance in India, sports and mental health in China, end of life care in Germany, Money Mindsets from New Zealand, vulnerable customer training in Scotland, payment collection in Mexico, behavioural reactions in times of crisis in the UK, sustainable food diets for young people in the UK, the power of personalisation worldwide and readiness for your next career step globally.

This compendium is truly diverse and showcases our capability to deliver end to end applied behavioural science expertise globally. Enjoy!

Evolving Themes in Behavioural Science

In October 2022, Diversifi hosted CBO25 in London, an inaugural summit for the world's leading Chief Behavioural Officers to discuss the issues that mattered to them the most.

During the conversations, a number of interrelated themes rose to the surface relating to how our field is evolving.

A significant amount of work remains in the area of intervention. Often short wavelength projects that seek to change behaviour in a tightly defined domain. As the field has developed, teams are now being invited to help shape the future strategy of our organisations, on longer wavelength programmes and innovation.

The favour shown to i-level vs s-level strategies was also discussed and the role that private sector organisations can play in helping individual and societal and systemic change. And, as behavioural science matures, how our discipline can be applied on a continuum from a tool to a lens.

And it's on this last theme, we've chosen to arrange our portfolio of content this year.

To bring to life how applied behavioural science can be used as a laser like instrument to solve acute problems.

Conversely, how we can all use behavioural science as a lens to view our diverse world, to help create a better one, that we can live and thrive within.

Contents

CHAPTER 1 - BEHAVIOURAL SCIENCE AS A LENS

SUSTAINABILITY

Using Behavioural Science to Promote Plant-based Diets

p 16

Ramya Rao

Behaven
Belgium

INSURANCE

Evaluating a Promise

p 28

Pavithra Sudharshan, Poorni
Suriyanarayanan and Rishima Shetty

1001 Stories
India

WELLBEING

Behavioural Science In Times of Crisis

p 44

Giorgia Prestento

Optimal Decisions
United Kingdom

DIVERSITY, EQUITY & INCLUSION

Mental Health & Sports in China

p 56

Annabelle Lee

Brandnographer
China

EMPLOYEE EXPERIENCE

The Readiness Index Study

p 70

Natalia Gomez

Cowry Consulting
United Kingdom

MONEY

Setting Financial Goals with Intention

p 80

Vishal George

Behavioural by Design
New Zealand

CHAPTER 2 - BEHAVIOURAL SCIENCE AS A TOOL

FINANCE & HEALTH

Care for Yourself, Care for Others, Care for the Future

p 96

Laura Koroknai
Rachel Altmann

Behive Consulting
Hungary

BEHAVIOURAL SEGMENTATION

Power of Personalisation

p 110

Sonia Friedrich

Sonia Friedrich Consulting
Australia

FINANCE

Reinforcement of Debt Collection Process

p 130

Emiliano Díaz Del Valle

IMEC
Mexico

CUSTOMER CARE

A Helping Hand for Vulnerable Customers

p 144

Charlie Nixon

Cowry Consulting
United Kingdom

Contents

CONTRIBUTORS

Contributors

p 156

Chapter 1

BEHAVIOURAL SCIENCE
as a lens



Behavioural science to promote plant-based diets

How Behaven used COM-B, implicit research and its Rainbow Wheel™ to inform WWF-UK's communications campaigns promoting plant-based diets.

6 MIN READ

RAMYA RAO

on behalf of BEHAVEN



PART 1

Challenge

There is a global urgency to shift consumers toward a more sustainable diet, which includes eating less meat and more plant-based foods. As the importance of behaviour change in the transition to a sustainable food system grows, several organisations around the world are stepping up to the challenge. WWF, one of the world's largest independent conservation organisations, has launched the Eat4Change programme, a four-year EU-funded project led by WWF-Finland and involving 12 other WWF offices across Europe and South America. Eat4Change aims to engage a primarily young (15-34) audience on the topic of sustainable food and diets, demonstrating how individual food-related lifestyle choices can directly contribute to limiting global warming to 1.5 degrees Celsius.

Behaven recently partnered with WWF-UK to target the top half of the Eat4Change target audience i.e., 25-34-year-olds in the UK. According to WWF-UK research, this demographic wants to eat healthier for themselves and the planet, but they are also among the country's biggest meat eaters. Behaven was tasked with bridging this intention-behaviour gap by informing WWF-UK's communications campaigns, with a focus on applying innovative behavioural science methods to do so.

PART 2

Analysis

In order to better understand the factors influencing the consumption of a sustainable diet, three forms of research were conducted:

- 1 **Literature review** Identifying conscious and unconscious barriers and enablers to consuming a sustainable diet.
- 2 **Qualitative research** Validating and complementing the barriers and enablers found in the previous step. Ensuring a more contextual understanding of the insights.
- 3 **Implicit research** Confirming or refuting whether the barriers and enablers obtained so far were prevalent at an unconscious level amongst the target audience. Identifying any non-consciously expressed ones that haven't been discovered through the previous steps.

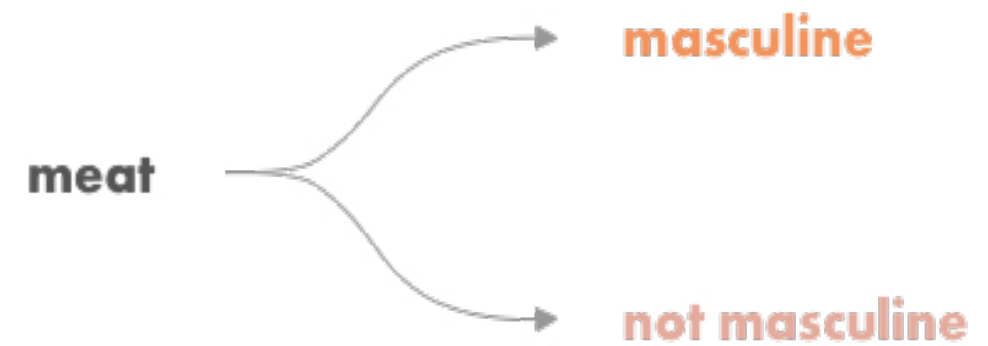
1. LITERATURE REVIEW

The purpose of the literature review was to identify conscious and unconscious barriers and enablers to consuming a sustainable diet. To start with, existing insights from WWF-UK were reviewed. This included recent reports and surveys that directly informed about the target audience's perception of environmental issues, sustainable diets, and so on. Following that, scientific literature was reviewed in accordance with the COM-B model to gain a general understanding of what prevents (barriers) and drives (facilitators) the adoption of sustainable diets.

2. QUALITATIVE RESEARCH

The qualitative research contributed to validating and complementing the barriers and enablers found in the previous step as well as ensuring that there was a more contextual understanding of the insights. To facilitate this, interviews with UK-based 25-34-year-olds were conducted. Ten participants were recruited across the UK, covering both rural and urban regions. This resulted in uncovering barriers and facilitators that were specific to the context of the target audience.

For example, having children was cited as a barrier to eating plant-based meals because incorporating children's needs and desires frequently got in the way. Those living in rural areas expressed the lack of availability in plant-based options at grocery stores and restaurants when compared to urban areas. Furthermore, many people reported a personal lack of knowledge about what a 'sustainable diet' is or about cooking with plant-based alternatives, but they were more familiar with whole plant-based foods like nuts, fruits and vegetables.



3. IMPLICIT RESEARCH

The final step was to confirm or refute whether the barriers and enablers obtained so far were prevalent at an unconscious level amongst the target audience, as well as to identify any non-consciously expressed ones that haven't been discovered through the previous steps.

500 UK-based participants were recruited and subjected to implicit tests (online neuro-tests). These online tests assessed participants' unconscious associations of terminologies related to meat and plant-based eating such as 'meat', 'meat-free', 'plant-based', etc. with positive or negative emotions.

The implicit tests also assessed participants' instantaneous, subconscious responses to different

stimuli. For instance, when 'meat' was presented, participants had to choose 'masculine' or 'not masculine'. These studies sought to uncover people's emotional associations and attitudes when it comes to eating meat and changing their diets. It was discovered, for example, that the target audience associates more positively with the term 'plant-based' than with the other closely-related terms like 'vegan', 'vegetarian,' and 'meat-free'. Furthermore, 'meat' and 'masculine' were found to be strongly associated with one another, across both men and women!

At the end of the analysis phase, the output was an aggregated view of barriers and enablers, all presented through the lens of the COM-B model thereby divided into factors of Capability, Opportunity, and Motivation.

PART 3

Solution

All of our findings influenced the development of specific, communications-based, behavioural interventions. This was done in three steps.

1 Prioritisation Prioritising the barriers and enablers to be addressed.

2 Selection Matching the chosen barriers and enablers to the right comms-based interventions.

3 Implicit research Choosing components of interventions to be tested via implicit research in order to measure their effectiveness potential.

1. PRIORITISATION

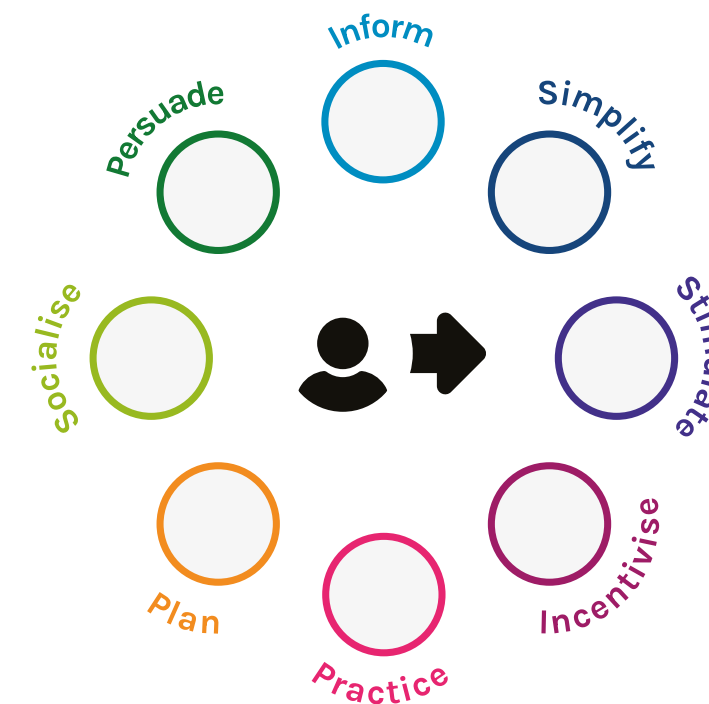
The first step in building relevant solutions was to prioritise the barriers and enablers to be addressed. This was done by focusing on barriers and enablers that:

- Could be addressed via communications-campaigns, as prioritised by the WWF-UK for the purpose of this project;
- Were discovered in more than one form of research in the analysis phase and thereby more relevant and;
- Stood out and were a part of a growing trend.

2. SELECTION

Next, the chosen barriers and enablers were matched to the right comms-based interventions using:

- The Behaven Rainbow Wheel™;
- A literature review of successful interventions;
- A co-creation workshop with WWF-UK.



© Behaven

Figure 1. The Behaven Rainbow Wheel™, a tool made of 66 interventions specifically developed for sustainable behaviours and organised in 8 categories.

3. IMPLICIT RESEARCH

Components of interventions were chosen to be tested via implicit research in order to measure their effectiveness potential. Intervention components were chosen to be examined rather than complete interventions since the results would be applicable across a broader spectrum of interventions.

Online tests were conducted across 200 UK-based 25-34 y/o participants. These were once again tested based on their instantaneous, subconscious responses to different stimuli presented on screen. The underlying components of

interventions chosen to be tested were, for instance: should the messenger of information on sustainable diets, be male, female, or non-binary? Should the impact of diets be presented in a local (e.g., heatwaves in the UK) or global (e.g., wildfires in Australia) context? Should the communications emphasise the already well-known vegetarian, whole plant-based foods, or meat substitutes? In essence, these intervention components sought to understand how people respond to messages and messengers that advocate and inform about sustainable diets, on a nonconscious level.



Figure 2. Trendy vs. traditional: image of a 'traditional' plant-based food versus a 'trendy' plant-based food presented to participants in the implicit research to assess which of these were subconsciously thought of as 'plant-based', 'sustainable', 'familiar', 'expensive' and 'for me'.

The results from the analysis and solution phases led to 12 recommendations of interventions that tackled identified barriers on both conscious and nonconscious levels.

For instance, one of the recommendations was to develop a men's-only campaign in order to tackle meat masculinity and another one was to emphasise the local impacts when talking about sustainable diets as people tended to largely associate their dietary impacts with elsewhere in the world rather than their own country. Another recommendation was to encourage consumption of well-known comfort foods in the light of being plant-based and sustainable when compared to what is traditionally marketed as plant-based i.e., often more exotic, unfamiliar foods.

These recommendations will be applicable across a wide variety of interventions but will primarily be used to enhance WWF-UK's communications around encouraging sustainable diets moving forward.

PART 4

Conclusion

The use of behavioural science is an effective way to reinforce communications campaigns in order to promote sustainable behaviours, particularly sustainable dietary behaviours. And this is echoed through the tools used throughout this project. More specifically, employing the COM-B model in the project allowed for a methodological analysis of the different influences of behaviour. Behaven's Rainbow Wheel™ aided in choosing the right comms-based interventions keeping in mind the specific barriers and enablers that needed to be addressed. Finally, the use of implicit research tied together both the analysis and solution phases in determining the nonconscious influences of behaviour and the potential solutions to address them.

“This has been a great model project with the space to move through from insights to (behavioural science) research and then finally campaign - can't wait to put the findings into action.”

Dani Jordan — Head of Campaign Insights, WWF-UK

“Behaven's work has helped us understand how to best encourage young people to make manageable changes to their diets that they can maintain overtime. I am looking forward to using their recommendations and findings in our future campaign work. It was a pleasure to work with such a knowledgeable and flexible team of experts.”

Gonzalo Taylor — Campaign Manager, WWF-UK

[BACK TO TABLE OF CONTENTS >>](#)

Evaluating a promise

A Behavioural Science & Context Architecture Case Study on Auto Insurance

9 MIN READ

PAVITHRA SUDHARSHAN,
POORNI SURIYANARAYANAN
AND RISHIMA SHETTY

on behalf of 1001 STORIES



PART 1

Challenge

From street vendors, to auto rickshaw drivers, and large fancy hospital staff, everyone in India today carries a QR code for payments through e-wallets. We can make every imaginable payment through our phones. Even the prospect of borrowing a loan has become more accessible and convenient – thanks to the massive overhaul of the Indian BFSI industry that fintech companies have set motion to.

However, insurance is one segment where the convenience of digitisation has staggered. The conventional offline mode of acquiring insurance has remained relevant among consumers who are otherwise comfortable managing financial transactions through a screen. A new breed of startups is trying to change this.

Our client was one such digital insurance provider who caused havoc in a segment which was rarely shaken.

A new-age disruptor in a traditional network-led market, this particular fintech giant was successful in onboarding customers – with the exception of one particular cohort: the highly charged new car buyer. The ones who are glassy eyed with the prospect of gaining a new status symbol, somehow had evaded our client. This was a major problem as new car insurance is one of the more profitable verticals, with insurance being a mandatory requisite during car purchase.



PART 2

Understanding the context

To discern the barriers that hinder the consumer from purchasing the client's product, we first conducted a deep dive into the cultural context of insurance.

India's understanding of 'prosperity' often differs from the rest of the world. Our historical reliance on an unpredictable agrarian lifestyle resulted in a fear of running out. It has become embedded in our cultural DNA to plan and save for the long term, despite having an abundance today. We ensure that tomorrow is taken care of by saving today's surplus. It's the hidden bundle of money inside the tin of rice/dal which allows the house to sleep peacefully at night.

Rituals and practices have existed throughout history to cope with our insecurity regarding the future. Security as a concept has always

been a collective affair; people pooled their wealth together, and an authority figure who thought for collective well-being managed it.

That has been our cultural association with insurance – where there was insurance, there was trust; there was always an authority.

Over the past few decades, as insurance became privatised and decentralised, the codes associated with it switched. Motives also changed, in the way the Indian customer perceives it, from ensuring overall welfare to making money out of the business. Since anyone could sell insurance, authority and trust were no longer expected from the category. Insurance became a 'necessary evil'.

“Private insurance companies emerged in the Indian market as recently as in the year 2000. Prior to that, Indians flocked primarily to the public-sector LIC. Even today, people continue to place unquestioning trust in LIC and exercise caution when dealing with private insurers.”

- Deepak Yohannan, CEO,
MyInsurance Club (Aggregator site)

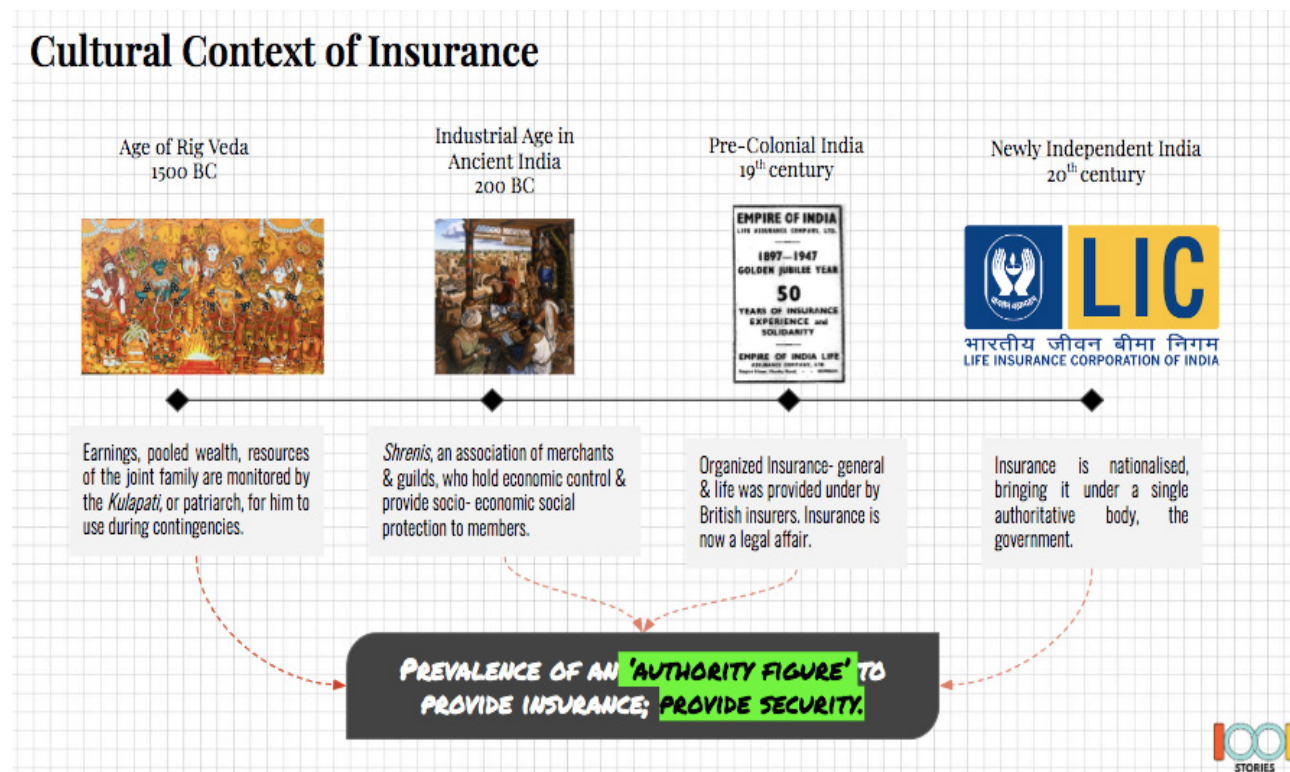


Figure 1: Cultural context of insurance.

With inherent distrust in the system, insurance became a product that the consumer could not purchase without depending on an external authority. Therefore, removing the middleman out of this equation through digital insurance was unsettling to the consumer.

As we moved through preliminary understanding of the category, there were certain questions which become apparent to dive deeper into:

1 Lower price not good enough?

The client's USP was their pricing. Having removed the middleman aka the car dealer who also sold insurance, there was no obligation for a commission – thus a much lower priced premium. In a country which takes pride in getting a good bargain, why does the lower price not attract this desired customer segment?

2 When does insurance become relevant in the purchase journey?

It was clear that insurance is part of a larger car purchase journey. There is great effort put towards choosing the colour of the car and immense joy in upgrading to a sunroof. The car is a marker of social mobility in the customer's life, and the joy from this 'upgrade' takes precedence over other decisions, including insurance. How can an insurance company effectively place itself so that the consumer can easily find it in the midst of a more important purchase journey?

3 The villainous car dealer (or is he?)

How can you pull the customer away from the authority figure, whom the customer has already trusted with the large, expensive purchase of the car and additional upgrades, and draw them towards another whole process which at first glance is less convenient?

PART 3

Research

We conducted extensive secondary research and literature review to uncover the biases and heuristics at play during insurance purchase. Having set the base, it was followed by in-depth interviews and projective techniques with participants, both users and non users of the client's product. For the creation of a comprehensive purchase journey, we also conducted ethnographies by shadowing prospective car buyers as they went about the experience of becoming new car owners.



Figure 2: The significance of the LIC logo.

1. AMBIGUITY AVERSION

One of the primary findings through our research was the significant impact of Ambiguity Aversion during the decision making.

The insurance sector operates by relying on the consumer having asymmetric information. During the interviews, we saw that respondents parroted complex insurance jargon such as 'bumper-to-bumper', 'Third party coverage', and 'Zero depreciation'. On further exploration, it became evident that there is little actual understanding of the words being uttered, but it allowed consumers to not deal with their lack of insurance know-how.

Just as the world pretends to understand web3 in 2022, Indians pretend to understand insurance. We learn a few words and use it as a shield to tackle the uncertainty.

This problem is amplified when we look at the pricing strategy used. When scores of other insurance providers are more expensive, the reference point of what is 'normal' is higher than the client's premium rate. With this anchor in place, propelled by imperfect information and no toolkit to compare with, the client's brand framed itself as 'cheap'. With this framing, the consumer does not look at the insurance premium paid as value for money, rather is suspect of the quality.



2. USER'S SPHERE OF INFLUENCE

The second finding was that the reference network of the individual and their experiences played an important role in bringing a brand into the purchase consideration set. Due to the nature of word of mouth, it does not occur at a particular time, but rather is a large knowledge base built over time. Positive anecdotes allow the brand to be a potential choice, while a negative anecdote is remembered harshly, thanks to our brain's tendency to ruminate (East 2015). The latter is used as a strict elimination criterion. A story which says 'Don't' has a notable effect on behaviour.

Our research also unveiled that the decision journey of car purchase allowed for the dealer to be a convenient authority figure during the subsequent insurance purchase. Insurance is a mandatory aspect of owning a car in India. As the requirement of this product has already been decided, there is a low cognitive effort which pushes the buyer towards the closest available authority figure. Having already created a relationship with the dealership during the purchase of the car, their recommendation for insurance is also blindly followed. While we initially believed the dealer becomes an active barrier, insights revealed that the real villain was the larger ambiguous system.

3. BUNDLING OF CHOICES

Our third finding, which we discovered by shadowing prospective buyers, was that the car dealership presents the insurance as a part of the larger car bill itself. This created the illusion that the insurance is not a separate product with its own purchase journey. The choice architecture is such that the big purchase of the car is bundled with additional requirements such as, road tax, registrations, insurance, etc., which the customer entrusts the dealership to sort out until the car is delivered.

4. BRAND ASSOCIATIONS

Finally, a crucial finding uncovered through projectives was that users of competition, i.e., traditional insurance brands, associated their choice of insurance with traits such as protection and pampering. This was in contrast to our client's brand which was associated with traits like digital and paperless. In a country which is wired to equate prosperity to protection and surplus, the cues provided by insurance brands have to reflect these beliefs. Digital services are not a surplus, but throw in a *nimbu mirchi* (seven chilli peppers and one lemon strung together which is meant to protect from the 'evil eye') and we understand that we will be taken care of in the future.

Summary of key findings

To summarise, we understood that there were two key challenges that the client must address to achieve their objective:

1 Ambiguity

The product and the larger system were ambiguous. The consumer was not 'insurance literate' to fight this ambiguity on their own. Naturally, they leaned on the expertise of the closest authority figure available.

2 Pricing perceptions

Consumers are not enamoured by low prices in this segment. 'Full coverage' during claims was the primary concern; price was only a criterion for elimination during purchase. Trained to expect protection from the category, low prices equated to cheapness and poor quality of service.

PART 4

Interventions

In order to tackle the aforementioned challenges, we tested interventions for the client's communication strategy, and presented the successful ones in the form of a guideline on how to frame their offerings. Some of these were related to:

1. FROM 'LOW PRICE' TO 'RIGHT PRICE'

Currently, the consumer's reference price was anchored to that of competition. A discount from this anchor can cue in 'value', but only when the discount is up to a certain point, a safe zone of sorts. In our experiments, further discounts from this safe zone triggered quality related anxieties. Hence, we proposed setting the client's positioning at the 'right price' in the market, as opposed to being the cheaper alternative to competition.

2. DO VS. DON'T

Reframing savings to instil FOMO and trigger loss aversion in the consumer.

3. VISIBILITY IN THE CAR PURCHASE JOURNEY

Fighting against the rigid choice architecture presented in the dealership meant the client had to be visible and bookmarked by the consumer at the early stages of the car purchase journey. Bundling of the car price with the insurance in their mass and personalised communication messaging would resolve the same.

Insurance being a complex product in itself, only communication interventions would not suffice. A comprehensive audit of the user journey highlighted the multiple touchpoints that the consumer has with the brand.

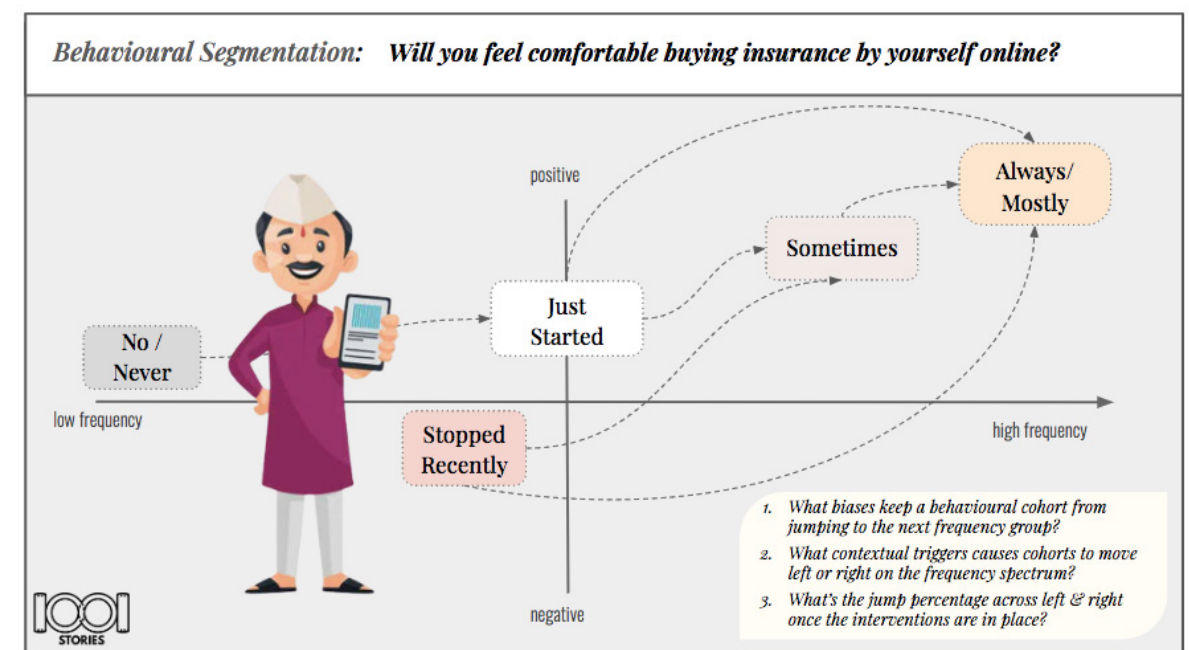


Figure 3: Behavioural segmentation for buying insurance.

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PART 5

Results

The final deliveries were behavioural strategies and design related to the product (new offerings), brand (communications framework) and people (improving the customer touchpoints e.g. support executives, call centre scripts, and personalised messaging). The ultimate goal of these interventions was to reposition the client's brand towards trust and authority, an image age-old companies have always projected. The last update from the client revealed a 55 percent increase in customer engagement post the implementation of our interventions.

The last update from the client revealed a 55 percent increase in customer engagement post the implementation of our intervention.

[BACK TO TABLE OF CONTENTS >>](#)

When the going gets tough – Behavioural Science in times of crisis

6 MIN READ

A Behavioural Science perspective on how to navigate times of crisis

GIORGIA PRESTENTO

on behalf of OPTIMAL DECISIONS

 LONDON, ENGLAND

“A crisis is ‘a time of intense difficulty or danger’. The past couple of years have been challenging for many companies, with many unexpected and unprecedented events to deal with.”



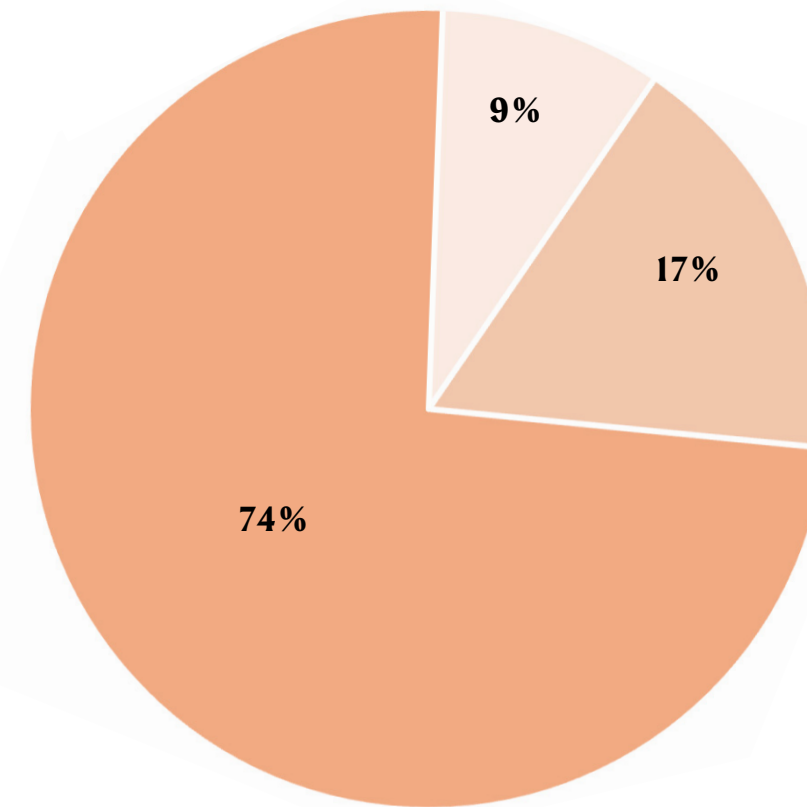
PART 1

Behavioural reactions in time of crisis

We overlook that in times of crisis the emotional brain – our *System 1* – tends to take over. This is a very important factor for every leader in any company. The problem is that crises are complex, requiring the computation of a high number of factors and consideration of multiple scenarios with their cause and effects. And that's not what the emotional brain is good at. Crises are also temporary, but the effect of a decision – especially if impulsive and emotional – reverberates for longer durations.

The aim of this article is to understand how company leaders and managers can deal with crises, with particular emphasis on minimising its negative impacts on employee experience. Crises are periods of uncertainty – employee engagement suffers, there are multiple financial worries and layoffs, etc. Although these crisis periods are temporary, their effects on employee disengagement and low motivation are felt for a longer time.

Before continuing, it is important to acknowledge that context matters. The notion 'company' encompasses many shapes and forms, from small companies with a handful of employees to large corporations with thousands of employees. The sector, cashflows, and reserves also play an important part.

**FLOURISHED**

9% of companies improved on key financial parameters and outperformed competitors by at least 10% in terms of sales and profits growth

DIDN'T SURVIVE

17% of companies in the study didn't survive a recession

DIDN'T RECOVER

74% didn't regain their pre-recession sales and profits growth rates three years after the recession

PART 2

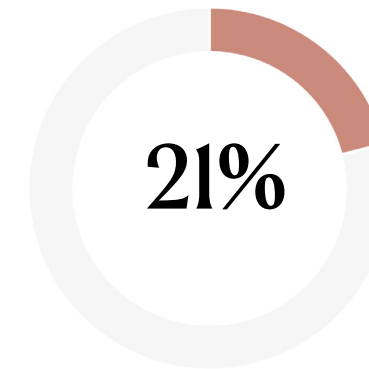
Employee engagement in a crisis

In 'normal' times, companies pride themselves on their focus on employee experience and on their programmes to promote diversity, inclusion, and wellbeing. There is money allocated to learning and development. There is more investment and therefore more opportunities for fulfilling work and personal growth. And of course, more funds for salaries and bonuses.

A common reaction in a crisis is to cut costs. Sometimes it is necessary and the only way a company can survive. More often the decision is an emotional reaction,

the brain goes into panic mode and cost reduction is seen as the only option. However, the headline saving has several costs that can only be computed when we are in a rational state. These are the long-term effects of cost cutting that impact employee engagement and the company's financial potential once the crisis is over.

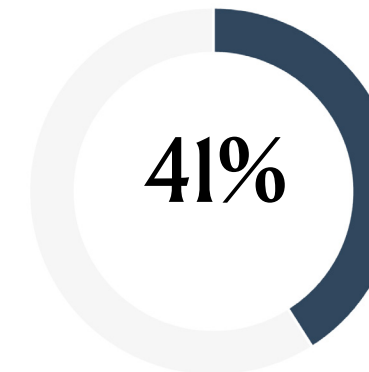
The impact of lay-offs on the business



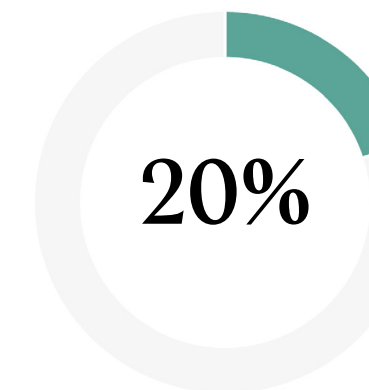
Firms that cut costs faster and deeper have the lowest probability - **21%** - of pulling ahead of the competition

Data from <https://hbr.org/2010/03/roaring-out-of-recession>

The impact of lay-offs on employees



Job satisfaction decrease post-layoffs



Employee productivity decrease post-layoffs

Data from <https://hbr.org/2018/05/layoffs-that-dont-break-your-company>

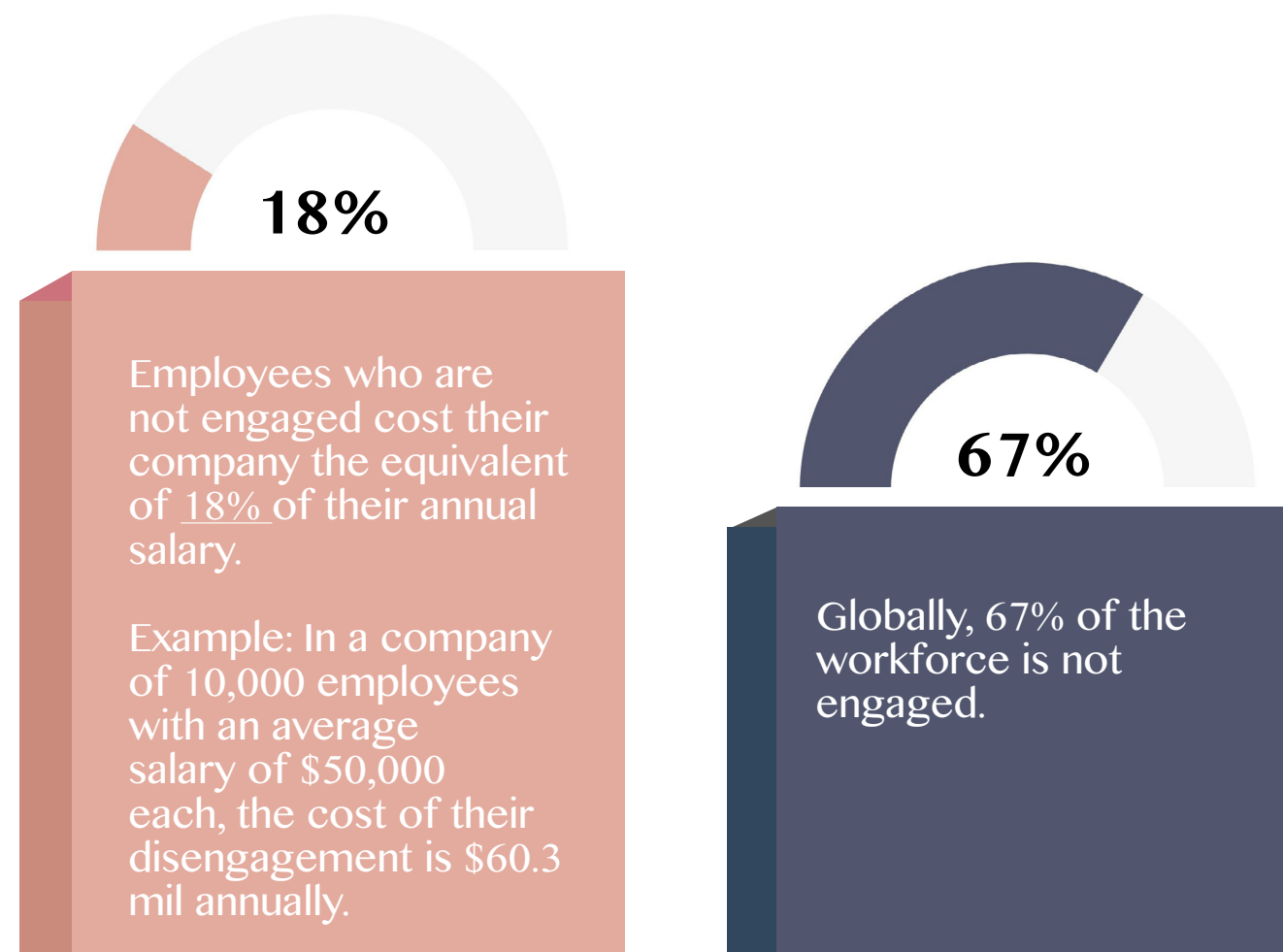
We saw companies laying off a large number of employees during the pandemic, and then struggling to recruit and train people once the crisis was over.

Even if a company is not planning any cost reduction, the environment of uncertainty and the fear of losing their job and income is enough to impact employee morale. This causes employees to feel disengaged and detached from their work, and this effect costs companies a great deal in the longer run (after the period of uncertainty is over). This cost must be considered before making

an important decision.

I have predominantly covered financial costs since they are the first consideration for leaders, and more relevant to the emotional brain's reaction when we are facing a crisis. However, we cannot forget the emotional and mental health effects of uncertainty and financial worry.

Crises are temporary, and a company that not only wants to survive, but also thrive during and after a crisis can benefit from behavioural insights.



Data from the Gallup report 'Increase Productivity at the Lowest Possible Cost' <https://gallup.com/workplace/321743/increase-productivity-lowest-possible-cost.aspx>

PART 3

The Behavioural Science Contribution

Here are some behavioural interventions that executives can adopt to efficiently lead their companies in times of crises.

MANAGE EMOTIONS IN DECISION-MAKING

This is the most important factor for leaders and managers facing a crisis. We need to move away from the bandwagon effect of doing what we – and other companies – have always been doing – prioritising cost cutting. Complex decisions require a structure to identify the most relevant data and to consider the long-term effects of decisions and a mechanism to measure the impact of those decisions. Even companies

who don't have a structured approach to decision-making can use these crisis periods as opportunities for improvement and growth, which will benefit them in the long term.

FRAME BENEFITS TO MUTUAL GAIN

It is necessary to strike a balance between decreasing cash in companies and growing requests for more money from employees. In such a situation, companies tend to reduce money spent on benefits and perks. However, some benefits may have a low or zero cost to the company but a high value for employees. The most obvious of such benefits is having a variety of working patterns and locations.

Employees may prefer to work remotely to save money on transport, or conversely work in the office to save on heating bills. This is likely to be a minor cost difference for the company. For the employee, however, being able to choose the most suitable option is a benefit, contributing to their motivation. Engaging with employees and finding out what's most important for them will enable the company to prepare a list of benefits that are low cost but highly valuable.

INCREASE LEARNING OPPORTUNITIES

A budget that tends to be cut in periods of crisis is the Learning & Development one. This is another emotional reaction to avoid, and instead we must consider the opportunities it can open. If the workload reduces for some employees, it is a good time for learning new skills.

Employees can be given either a fixed budget that they can use for learning new skills, or some dedicated time during their

working week to devote to learning.

Employees can be given a budget limit or the time to learn, but not cover the cost. Another option is an internal move that gives new learning and growth. The business can decide and prioritise the skills and capabilities needed for the future. The employee can expect a return from their learning effort. The cost of losing good talent will be more expensive in the long term.

BE FAIR AND OPEN OR EXPECT TROUBLE

Engagement can be volatile. Businesses with highly engaged employees are in a generally stronger position, but more than at any other time they need to be careful not to jeopardise it.

Perception is of primary importance. Leaders must adjust their every statement and behaviour to the employee's perspective. People understand the need

for difficult decisions, but they expect fairness. Sometimes there is dissonance between what leaders communicate and how they behave. An extreme example would be a leader who asks everyone to make sacrifices, but at the same time, shows off his wealth.





MOTIVATION

The most effective type of motivation is the intrinsic one, however some employees may struggle to motivate themselves if they're worried about job security and financial stability. Managers can step in and improve on extrinsic motivation. Some ways to do so are ensuring that individual contributions are clear, showing how all team members' roles are valuable, and contributing to team and group success.

Dealing with a crisis is not easy, but it is also an opportunity for companies to progress. And they can do so more successfully if they have motivated and engaged employees.



[BACK TO TABLE OF CONTENTS >>](#)

Mental Health & Sports in China

7 MIN READ

This project aims to document Chinese young sportpersons' struggles and discover how one may better educate and empower the community.

ANNABELLE LEE

on behalf of BRANDNOGRAPHER

 SHANGHAI, CHINA



“People kind of have this idea that: those who like sports will not jump off a building (commit suicide).”

- 20 year old male wrestler/boxer, Shanghai



Doing sports is commonly perceived as a positive activity that helps release endorphins, relieve stress, meet new friends and improve physical and mental health. However, a combination of potential injuries, illnesses, discriminations, competitions, lengthy and difficult training, peer pressure, and one's strong desire to excel brings struggles and frustrations that can turn sports experiences negative.

In China, the generalisation has led to society's overlooking of athletes' mental health challenges and needs in order to build an effective support system especially for hobbyists and enthusiasts. This project's objective is to document Chinese young sportspersons' struggles and discover how one may better educate and empower the community.



PART 1

Context

As COVID-19 struck, young athletes around the world faced new challenges – unexpected lockdowns that put social lives on hiatuses, detachments with their coaches and peers, a lack of means to maintain strong physiques, etc.

A global sportswear brand took this opportunity to look into the relationships between sports and mental health, in order to capture the post-pandemic realities of inclusivity and sustainability, as well as the emerging trends in the discourse on mental health and sports. Brandnographer was tasked with understanding young Chinese athlete hobbyists' growth, distress, and their mentalities in order to help the brand

explore new opportunities in supporting young athletes' mental and physical wellness.

Mental health is not openly discussed among people in China as it is fraught with negative connotations and associations with extreme cases of depression, suicidal inclinations, or Schizophrenia. As a result, many young people tend to keep their negativities and stress to themselves, to avoid being judged and criticised as 'over-exaggerating' their well-being. Instead of addressing the issues directly or seeking professional help, Chinese youths choose to keep their mouths shut and confront their demons in the dark of nights.

PART 2

Methodology

The project was conducted between the end of December 2021 and early February 2022, as Shanghainese entered and experienced a 3-month complete lockdown. Despite the social restrictions, we built 3 phases of engaging and interactive online activities to gain perspectives into young athletes' lives.

Beginning with a 1-week long immersive online community (see Figure 1), we investigated the overall perception of mental health and of how sports influences one's psychological well-being.

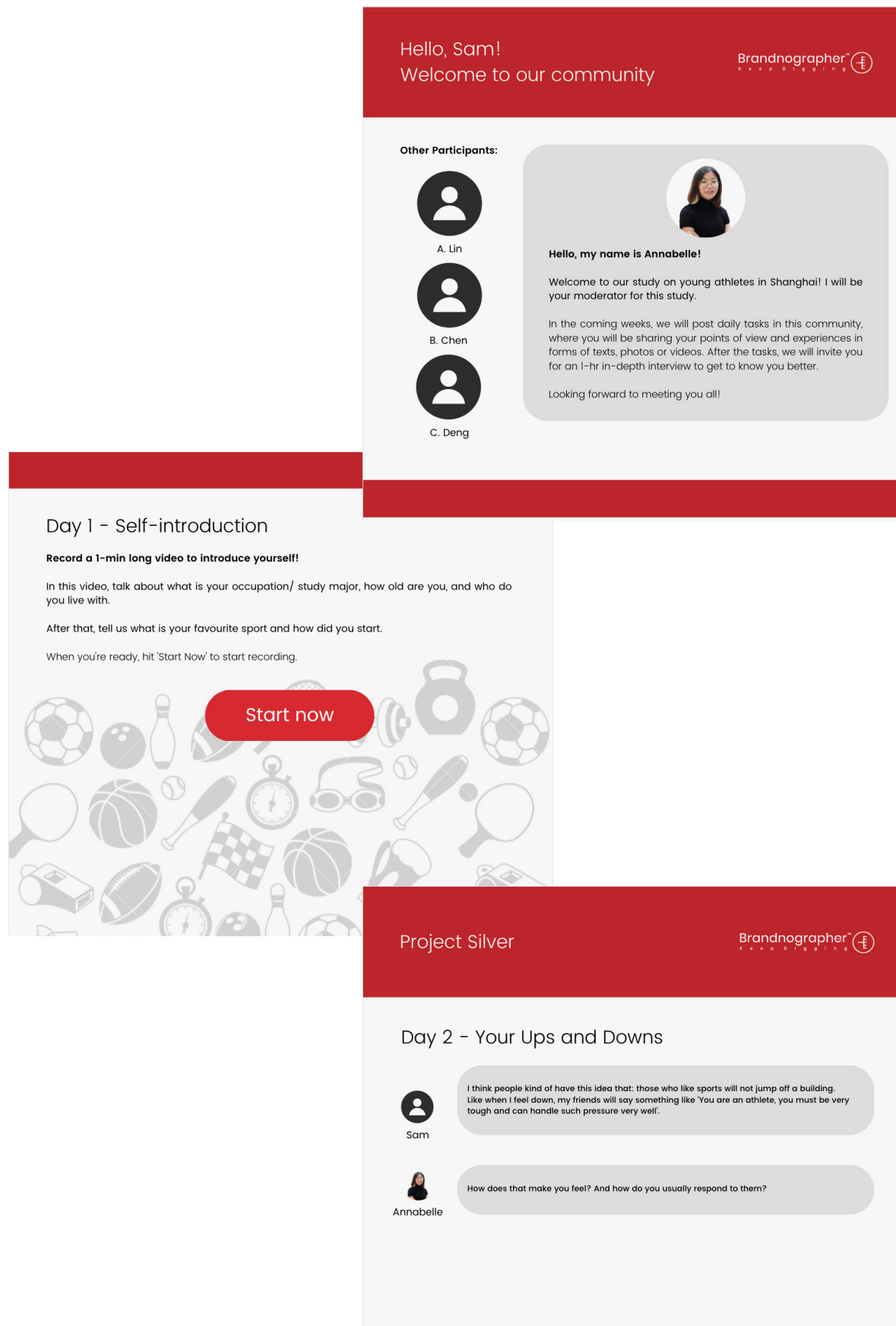


Figure 1. Online community sample, a platform where moderators can read respondents' answers to different tasks in real time and discuss with them directly.

Following the online activities, a series of in-depth interviews were conducted with the selected young respondents, along with their loved ones and coaches. Here we sought a holistic understanding of how their perceptions are formed, how the community currently provides emotional support for athletes, and what potential tools exist to build a genuine and strong support system. Finally, a self-ethnography was designed to record specific aspects

of participants' lives and to gain a vivid visualisation of their stories.

Throughout the various stages of exploration, reiteration and validation, we identified a range of factors that shaped young athletes' preconceptions and approaches towards managing their physical and mental well-being on a macro level (see Figure 2).

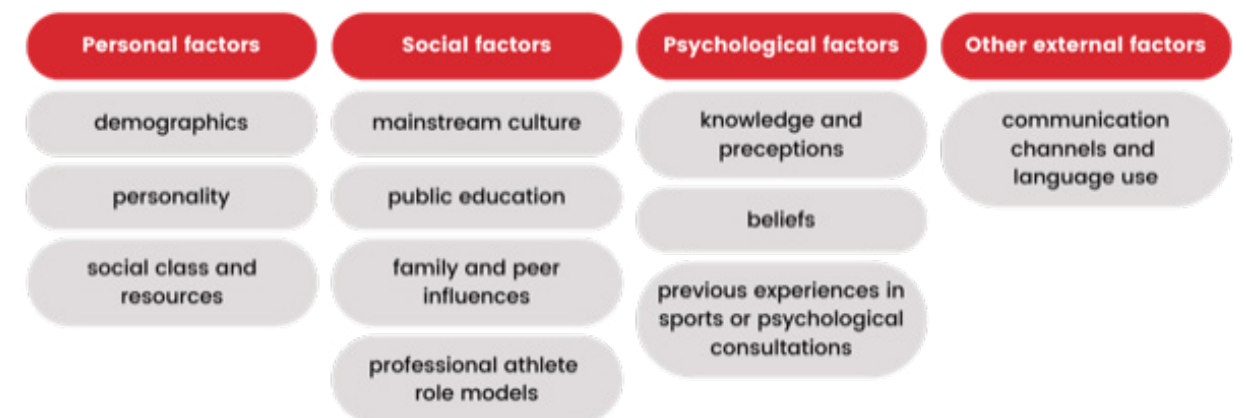


Figure 2. List of factors influencing young athletes' perceptions on role of sports in maintaining mental well-being

To gauge respondents' core needs and overcome the limitation of offline fieldwork, Brandnographer employed Life Immersion© solution to conduct online community engagement and self-ethnography. The impactful video, photo, and text tasks collected via the online community created memorable and stimulating narratives, which helped decision-makers and stakeholders understand respondents' lived experiences and psychological journeys. These materials also helped them to empathise with the respondents, and to fully grasp our insights and recommendations so as to design appropriate support services.

When researching delicate subjects such as emotional breakdowns, patience and intuition are essential to create an open and comfortable environment for those who feel rejected, in despair, and are suffering. Although online research has always been perceived as a cold, detached approach, with the help of Life Immersion technologies, the participatory and engaging method allowed our moderators to show sympathy, respect, and sincerity towards respondents. The personal touch we could add in our interactions helped to build trusting, honest relationships with young athletes and their family and friends, leading to fruitful and perceptive interview sessions.

PART 3

Results

Our research provided comprehensive cultural insights for the sportswear brand to design their growth, marketing, communication, and product design strategies, which has enabled the brand to continue to be young Chinese athletes' reliable companion.

Our findings have shown that both the general low awareness in mental well-being in society and the overly positive perceptions of sportspersons have contributed to a lack of effective support and education system for young athletes in China. While excellence is often emphasised in training and competitions, it is uncommon for the sports community to recognise discomfort or pressure and to provide help in time (see Figure 3).

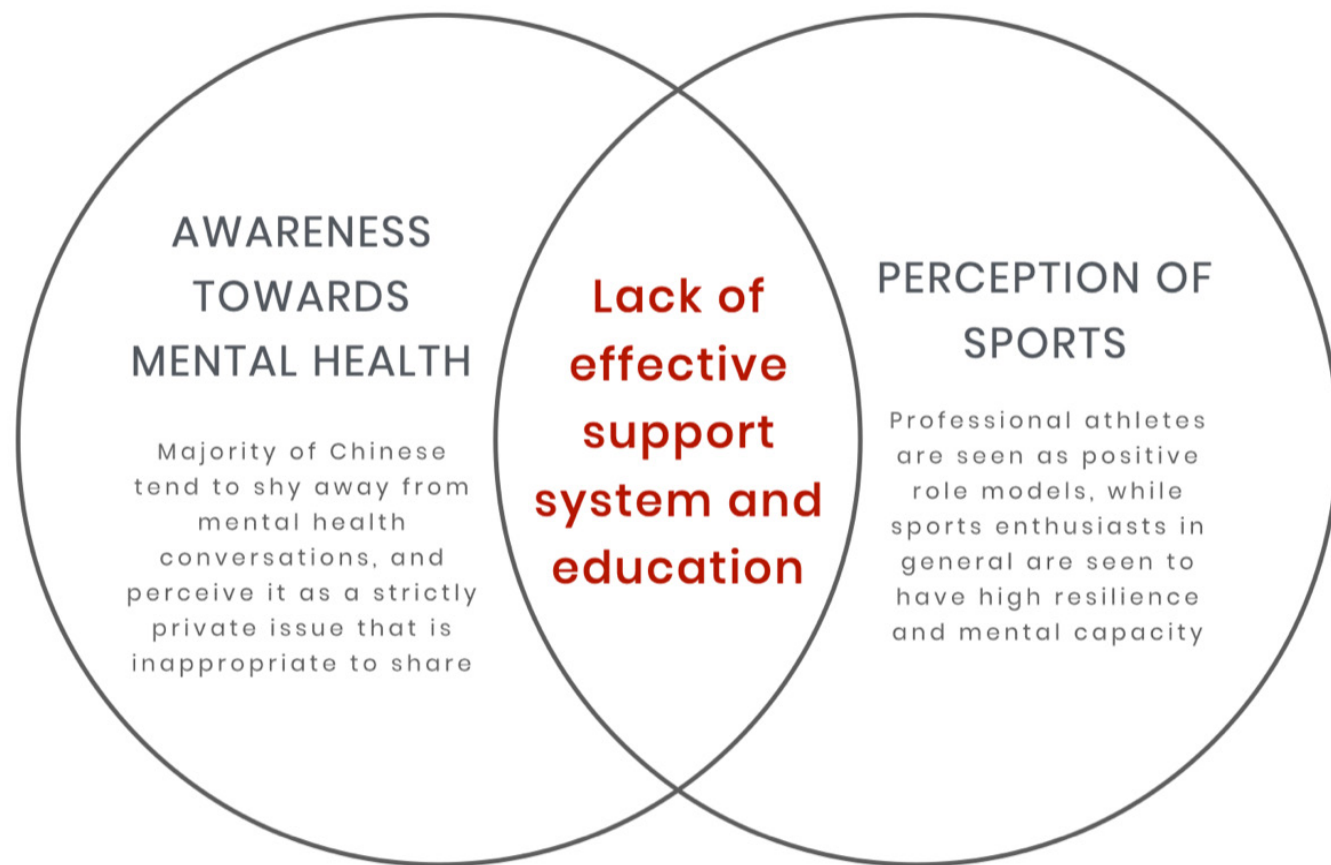


Figure 3. Knowledge gap on athletes' mental well-being needs

Brandnographer's recommendations to the brand

1

SENSITIVITY

Provided that mental health and well-being are still largely perceived as a personal and sensitive topic in China, the conversations may need to take place in more private but accessible channels.

2

LANGUAGE

The stigma around 'mental health' has made discussions more challenging in China; as such, a more moderate and less emotional tone or vocabularies may increase effectiveness of message delivery.

3

CURATE A SUPPORTIVE AND POSITIVE COMMUNITY

Lockdowns created several barriers towards building good-quality interpersonal relationships as it became more difficult to connect with peers and teammates on a regular basis. Brands should explore new opportunities to foster that lacking sense of community and unity.

To design a sustainable and scalable programme that upholds and encourages diversity and inclusivity in an unfamiliar community, cultural insights are critical to avoid errors, minimise frictions, and spot proper opportunities. An empathic approach is not only useful when making human-centric designs, but also enables researchers to collect real, personal, and unique stories to generate powerful and meaningful insights.



[BACK TO TABLE OF CONTENTS >>](#)

The Readiness Index Study

8 MIN READ

How do individuals and organisations handle job transitions, promotions and taking on leadership roles? This study uncovers what drives this form of readiness.

NATALIA GOMEZ

on behalf of COWRY CONSULTING

 LONDON, ENGLAND

PART 1

Context

The world is going through a period of transformation that has directly impacted the way we work. Most people are now coping with higher levels of uncertainty due to the impacts of the COVID-19 pandemic or recent technological advances, which has influenced the way we feel about change in our work and how we face new career challenges.

How individuals and organisations handle job transitions, promotions and taking on leadership roles, will have a significant impact on their future success and wellbeing. The Readiness Index study plays a key role in uncovering what drives readiness.

The index statistically quantifies which factors are driving readiness, and how it changes between different people and different cultures. The study took place in February 2022 in 7 countries (the UK, US, Italy, France, Germany + Switzerland, and Spain) and included 4 sectors (financial services, pharmaceutical, technology, and energy).



PART 2

Our approach

With the collaboration of our research partners Cloud Army, we used methods that go above and beyond traditional survey methods. Our index taps into both implicit and explicit responses to have a holistic understanding of conscious and unconscious processes influencing readiness.

We followed a three-staged process:

1 LITERATURE REVIEW

We conducted a comprehensive literature review examining over 170 papers from leading psychologists and academics relating to employment readiness in the different cultures.



2 MEASURES OF READINESS

From the literature review we identified the main factors influencing readiness which were divided into 3 different levels:

- *Personal* (i.e., anxiety, feeling in control, feeling excluded)
- *Workplace* (i.e., poor management, company culture, having opportunities to learn)
- *Environmental* (i.e., COVID-19, job opportunities in the market, hybrid working).



3 IMPLICIT AND EXPLICIT TEST

We built a test using implicit and explicit measures to quantify the influence of each factor on the readiness levels of 6200 respondents. Each participant was asked a range of System 1 type questions (implicit response test) and System 2 (standard survey) to understand the gap between what people said and how they actually feel about their levels of preparedness and emotional attitudes to work.

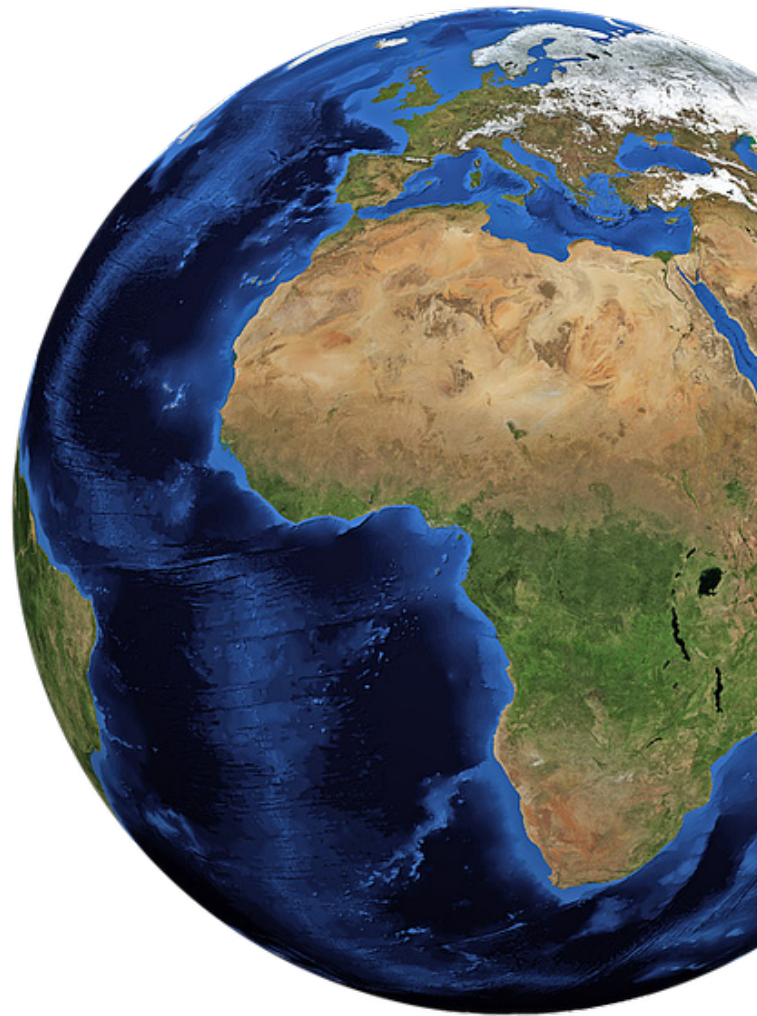


PART 3

Results

THE GLOBAL READINESS INDEX SCORE

Overall, the Global Readiness Score shows a positive trend, with people feeling 7.5 out of 10 ready to take the next step in their career. We found some differences by country. Particularly, people in Germany felt the least ready to take the next step in their careers (6.8/10), whereas people in the US felt the readiest (7.8) followed by Italy and Spain (both with a score of 7.7).



What's influencing readiness?

1 Personal

The desire for change has the most relevance driving readiness. The pandemic has shifted people's priorities. People have been rethinking and re-evaluating their careers and those that are most ready are wanting a new start.

2 Workplace

We found that relationships with colleagues is one of the most important factors to influence how ready people feel to take the next step.

3 Societal and environmental

The key influences on people's levels of readiness include, unsurprisingly, the economic recession and the cost-of-living crisis.

Differences by country

1 Personal Wanting a new start is the most important factor related to readiness for people in the US and the UK. However, having the necessary skills is more important for Italy and Spain. For the French population, setting goals was the most important psychological factor to increase readiness.

2 Workplace Relationships with others was the most impactful factors for readiness. Surprisingly, most of the respondents from all the sectors in the different countries feel that they don't have a good relationship with their colleagues. This included relationships with counterparts and managers.

3 Wider environmental The different situations were perceived differently in each country. The rise of tech and automation was the most important factor in Italy and the UK, whereas Spanish respondents felt more worried about the impacts of the war in Ukraine, and Americans about the economic recession and living expenses. We didn't find any environmental factor influencing readiness in France.

THREE MAIN TRENDS

Emerging from this study are three patterns associated with readiness. Aligned to these themes are several surprising findings by country that give us a unique understanding of people's emotional attitudes towards work and their future careers.

1. THE VULNERABLE YOUTH

Globally, we found that most people between 18-24 years old had the lowest Readiness Score. This group seems to be the most disillusioned as a result of starting their career in a post-COVID hybrid working world. They have the highest levels of anxiety and a lack of self-confidence which is related to a low level of control over their next step and a pessimistic outlook over their future.

As a result of remote working, they lack the opportunity for universal mentorship and therefore they are feeling excluded, they don't get along with their colleagues and also feel as though their voice isn't being heard.

2. THE GENDER GAP

Although there is no difference between overall readiness for males and females, we found some differences between the way they feel about themselves and about their workplace depending on the context.

In France for example, women seem to feel they don't receive enough recognition for their hard work and have a higher desire for change. This desire is boosted by a high sense of empowerment and feeling in control over the situation. Conversely, French men are more indifferent towards change and are more willing to adapt to the current system.

On the other hand, in Italy, men seemed to be slightly happier than women and felt they have a better salary, whereas women had a stronger desire for change, and felt their job was less meaningful compared to men.

3. THE RISE OF TECH

Due to the rapid technological advances and their impact in how we work, we focused on people that are more worried about the rise of tech and automation and how it might influence how they feel about their future careers. We called this group 'The Technophobes'. In general, we found that this group is more anxious and less optimistic about the future. They feel like they can't use their skills in the rapidly changing environment. This trend was particularly high in the UK.

Specifically, we found that British technophobes are trying to 'catch-up', they feel they are working too hard to compensate the fear of being replaced by technology. In addition, this group doesn't feel like their work environment is supporting them professionally and personally, 41% feel their manager is poor, and 52% feel their workplace is toxic.

PART 4

How is the Readiness Index being used?

The Readiness Index is changing the way LHH is doing business. The findings have been shared with key stakeholders globally through massive events and dissemination articles (i.e., Forbes). Insights are being used to develop more empathetic and human services by understanding people's true feelings and needs. Historically, recruiting services have been created to respond to how people say they are feeling using traditional research methods.

Now, for the first time in the Talent Solutions Industry, a scientific measure has been developed to uncover how people say they feel about their work versus how they feel at an unconscious level. The findings are supporting the design of more effective and tailored solutions to solve the new challenges people face in their work lives.

[BACK TO TABLE OF CONTENTS >>](#)

Setting financial goals with intention

5 MIN READ

Our mindsets have a profound impact on our emotional responses and how we behave with money today. Did you know that we can use science-based tools to rewire our financial wellbeing?

VISHAL GEORGE
on behalf of
BEHAVIOURAL BY DESIGN



Shifting our money mindsets involves strengthening the behaviours that serve us well and unlearning past patterns that no longer serve us.

Insights from behavioural science show us how to set financial goals with clarity, purpose and intention.



PART 1

Why why why

Consider this experiment. Psychologist Kentaro Fujita assigned participants into one of two mindsets. Some were primed to think of a life goal with intention. Others were primed to think of a life goal more concretely.

The 'intention group' was asked a series of 'why' questions. For example, participants in this group were asked: "why would you like to maintain good physical health?".

The 'concrete group' was asked a series of 'how' questions. For example: "how would you like to maintain good physical health?".

It turned out that goals with intention made all the difference. Participants who answered the series of 'why' questions were more motivated to channel time, energy and resources towards their life goals.

In her book *Get it Done*, Professor Ayelet Fishbach recommends more abstract goals that capture the purpose behind our actions. Cultivating this mindset can make our goals more engaging and feel less like a chore.



PART 2

From fantasy to reality



We ought to bring intention into our financial goals too. This doesn't mean that our savings goals, for example, should be vague. When there are no actions linked to the goal, it can turn into fantasy. And fantasy as we know is far from reality.

Optimal savings goals describe a higher purpose. We can ask ourselves: "Why do we want to save money?" This intention needs to be linked with a direct set of actions to achieve our savings goal. We can ask ourselves: "How will we save \$500,000 for retirement?"

Breaking down this big goal into a simple action can transform a near impossible savings goal into something that is within our reach. We can set up our bank account to automatically save the equivalent of a 5 dollars flat white into our investment account every day.

We are more inclined to save money if the saving amount is framed in smaller increments. One way to set our savings goal is to break things into smaller bite-sized chunks e.g. saving \$5 a day versus saving \$150 a month.



PART 3

“A goal properly set
is halfway achieved.”



In a study with a fintech company researchers tried to get thousands of new investors to commit to an automatic savings plan. They framed the plan either as \$150 a month, \$35 a week, or \$5 a day. All these amount to the same sum total.

The results of framing were simply staggering. The smaller amounts (e.g. saving daily versus monthly) quadrupled the number of consumers who enrolled into automatic savings.

This insight of setting up smaller bite-sized goals is even more relevant when we think about saving for retirement. It can be really daunting to think about getting from where we are to a big number.

Say for example, we have a goal to save \$500,000 for retirement.

This may sound like a lot of money for a lot of us. But it's needed if we are going to be out of active employment for 20 to 30 years. In this time period, we may have higher energy prices, increased medical expenses or unexpected emergencies

Psychologically, we may not be used to dealing with such large financial amounts. The most we may have spent in one-go in our lifetime is \$100,000 for the down payment on our home loan or \$40,000 on an electric vehicle.

When we translate those lump sums later in life, that's when we realise that the lump sum doesn't really add up to as much as we hoped it would. Breaking it down year by year, month by month, week by week, can help us reframe a suitable reference point to achieve our big savings goals.

PART 4

Running towards our reference points



We become more focused when we set a clear reference point for our goals.

Researchers analysed almost 10 million marathon runners and their completion times. When they looked at the distribution of timings, they noticed something very odd. Many runners complete the marathon in exactly 3 hours and 59 minutes.



Finishing the race in less than 4 hours is a common goal for marathon runners. As runners get closer to the finish, realising they have a good chance of reaching this goal, they push harder and faster.

This phenomenon is what is called a 'reference point' in behavioural science. The mere act of framing a goal for ourselves creates a baseline of what good looks like. It influences our behaviours and the steps we take to get there.

PART 5

Making the goal more visible

Sometimes saving money is more about making invisible goals more visible.

Researchers from Duke University ran an experiment to try and find new ways to increase savings. They tried many clever strategies like a weekly text message reminder from the participant's kids. They matched savings with a 10% or 20% bonus every week.

But the most effective solution was an expected one: a gold coin. The coin did not have any value on its own but it reminded participants of their commitment to becoming a saver. This coin had 24 numbers written on it that they designed. Participants were requested to put the coin somewhere safe in their house.

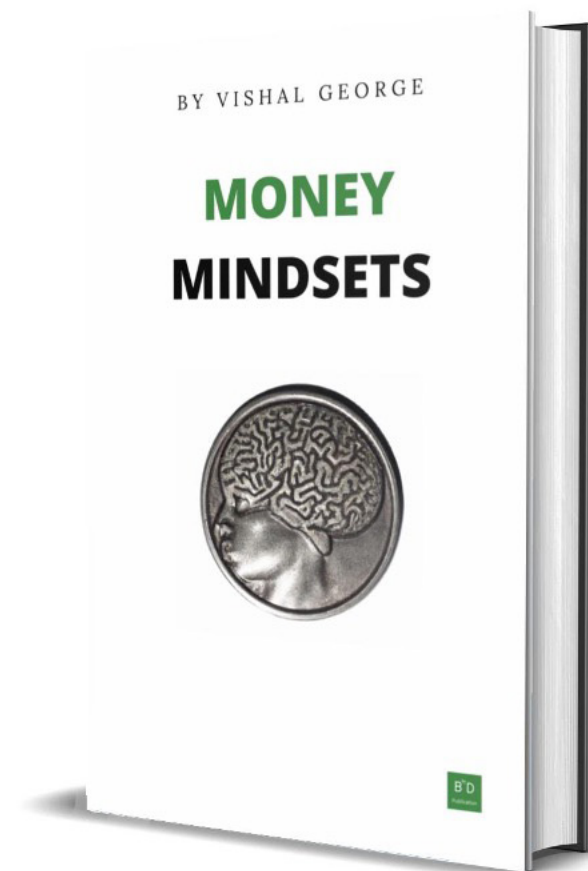


Over the next 24 weeks, they were asked to take out the coin, grab a knife and scratch the number for that week. If they reached their saving goal for the week, they scratched this number on the coin.

This act of commitment and keeping track of goals led to savings that were around twice as what participants saved in the control group. This strategy was even more effective than paying people a bonus for saving money.



Now consider how you might set your financial goals with intention.



This article is Adapted from the book Money Mindsets by Vishal George
Get early access to money mindsets: www.behaviouralbydesign.com/money-mindsets

[BACK TO TABLE OF CONTENTS >>](#)

Chapter 2

BEHAVIOURAL SCIENCE
as a tool



Care for yourself, care for others, care for the future

6 MIN READ

Redesigning the user experience of FutureCare, a digital platform for end-of-life health and wealth management, created by Volksbank Digital.

LAURA KOROKNAI & RACHEL ALTMANN

on behalf of **BEHIVE CONSULTING**

 BUDAPEST, HUNGARY

Imagine a traditionally in-person service, providing a trusting client-consultant relationship and a clientele that is generally less open to change and has limited ability to use digital services. Then imagine the potential hurdles of transforming this service to primarily digital operation.

Given these circumstances, the primary challenge of our project was to create a psychologically safe and engaging platform for end-of-life planning, that caters to all ages, including a significant senior user base.



PART 1

Context

Generational consulting, a very traditional and widespread service provided throughout Germany, is a finance and healthcare-related service offered by banks to individuals. In such a practice, individuals make decisions about how their wealth will be managed in the future when they themselves are making such decisions themselves. Generational consulting provides holistic support across various banking topics, such as asset investment, retirement provision, financing, real estate and hedging, amongst many others, whilst at the same time offering an overview of health information, legal services and general care wishes.



Traditionally, this service is offered in the form of one-on-one consultations, where the client is able to build a strong, trusting relationship with the consultant. The client is also welcome to bring a loved one along for support. Moreover, going through all health and wealth related questions, setting up directives, unpacking the legal complexities, etc. is a very lengthy and

sometimes bothersome process, which can easily deter the client from completing it till the end. Sometimes it is just that little nudge or encouragement from the consultant that one needs in order to continue and push through when it gets challenging. These human elements of the equation are especially difficult to substitute in a digital environment.

Additionally, as we can all agree, end-of-life decision-making can be an emotionally taxing and cognitively draining experience, especially for middle-aged and senior individuals. Thinking about loss of control, (dis)abilities, major life choices, and loved ones in all these situations are triggering for us all.

BeHive supported FutureCare by improving the user experience of their platform from the landing page through to the end of the user journey. This involved streamlining the user experience to increase motivation to complete the long and difficult end-of-life decision process and improving user trust in a platform that manages sensitive information and creates legally binding documents.

PART 2

Approach

We laid down the foundations of the project by conducting a range of both secondary and primary research, followed by a systematic process of synthesis and intervention design.



Our secondary research included a literature review on end-of-life decision-making, advanced care planning, digital trust, and digital affinity with a focus on senior users, as well as a competitor and best practice analysis through a Behavioural Science lens.

We were able to identify the behavioural science tools and techniques that were already in use by competitors in a similar context, and also build on the differences in their strengths and weaknesses. We made sure to find culture-specific literature to bring in a cultural understanding and later in the process, we conducted interviews in people's native languages. Based on the findings, we built a personalised model of all individual, social and environmental factors that could influence the uptake of generational consulting services.



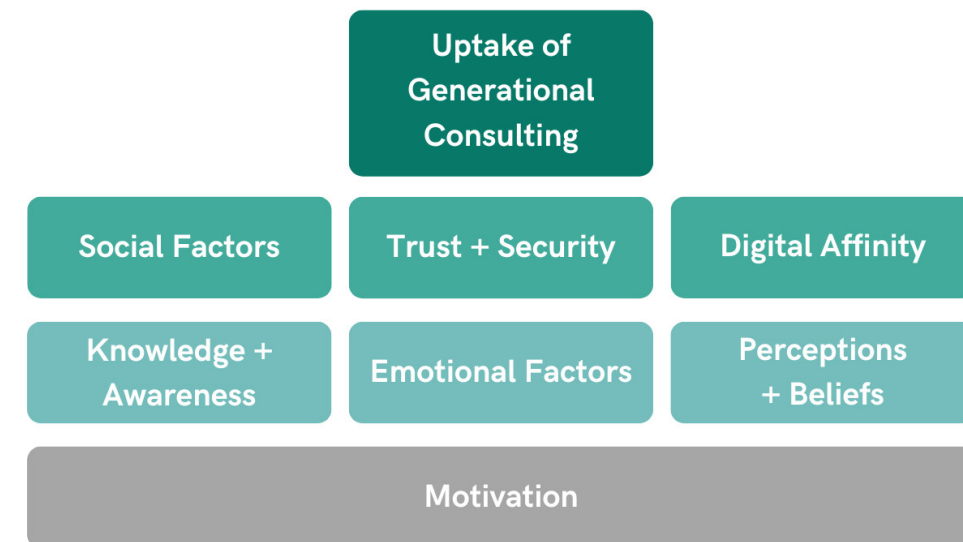


Our primary research included a behavioural audit of the FutureCare platform, where we conducted in-depth interviews with end-of-life consultants in Germany and created behavioural user personas. We then conducted usability testing with the FutureCare platform to uncover the greatest pain points for users.

Synthesising this information, BeHive developed a systematic process for prioritising and designing interventions to address the platform’s biggest user challenges. Taking into account the insights from the research and diagnostics phase and in consultation with stakeholders from FutureCare, 3 intervention areas were selected for maximum impact for effort and effect:

- 1) Emphasising the security of the platform,
- 2) Providing reassurance, empathy, and emotional support to combat emotional strain, and
- 3) Increasing perceived ability and decreasing perceived effort through improved information provision.

Factors that affect the uptake of Generational Consulting



PART 3

Solutions

SOLUTION 1: TRUST



We increased trust in the digital platform through hierarchical cognitive associations and explicit trust icons and language. This is especially important where users are required to provide personal and sensitive information, as well as while helping senior users to switch to using digital services.

Barriers the interventions tackled:

- High perceived financial risk
- Lack of trust in digital technology
- Perceived risk to personal information
- Lack of trust in the legal process

SOLUTION 2: EMOTIONAL SUPPORT



We reduced emotional strain in the process by including explicitly supportive messages throughout the platform, providing information and images of identifiable human beings behind the process, and establishing consistent positive reinforcement for user behaviour. Putting in the real, human touch into a platform can be a challenging task, one that is often

overlooked when focusing on all the functional, technical elements. The challenge of emotional management was two-fold: Increasing cognitive salience of (individual) motivations and positive benefits of the service (for oneself and others), whilst also helping the user to overcome the negative emotions or barriers (e.g. perceived effort) that may arise during the process.



We increased the perceived emotional and practical value of the product by making its benefits explicit and clear fed into the motivation and goal-setting aspect of the process. Higher perceived benefits also massively helped outweigh any momentary negative emotions that arose in the process.

Barriers the interventions tackled:

- Fear and anxiety around loss of control
- Fear of discussing one's own death
- Distress caused by the burden of difficult decisions on loved ones

SOLUTION 3: SIMPLE PROCESS



We ensured process follow-through by simplifying information content and delivery and reformatting the complex steps of the process. Additionally, BeHive also introduced a commitment device, motivating users to reach the finish line, so that these desired end outcomes could be achieved.

Barriers the interventions tackled:

- Misperceptions about generational consulting
- Perceived difficulty of using the service
- Complex terminology and overwhelming amount of information

PART 4

Conclusion

In spite of being a very complex and emotional topic, interwoven with cultural specificities, it was a very rewarding piece of work as a behavioural scientist. Making hard decisions easier by providing support and by engineering the decision context to bring people ease of mind and mitigate their negative emotions is one of the best ways to apply our knowledge and expertise.

The project would not have been possible without our cooperation with the wonderful ILL Digital (Germany) team. We are pleased to say that these interventions are currently being implemented and will go live in the second version of the platform.



Quote from the client

“

Personal assets or information about one's own family circumstances are very sensitive issues for most of our customers. The thought of the future or even one's own death also evokes strong emotions in many customers.

BeHive has helped us understand what individual personas think, feel, how they react and what is important to them in certain situations. These insights helped us to make our product even better for our customers.

Thanks to the whole team for the great and productive collaboration. I would never have thought to receive so many valuable impulses in such a short time.



Jennifer Leger

Innovation Management at Volksbank
Digital Solutions

”

[BACK TO TABLE OF CONTENTS >>](#)

The Power of Personalisation

10 MIN READ

Why increasing your potential customer lifetime value by 20% with predictive personalisation needs a solid data strategy to support it.

Learn the 9 Steps to accelerate your personalisation strategy to make your budget work optimally for a bigger and better return.

SONIA FRIEDRICH
on behalf of
SONIA FRIEDRICH CONSULTING



AUSTRALIA



PART 1

The Power of Personalisation

Are you delivering what your consumers want? Today consumers demand personalisation. Proven as better for consumer engagement, the rewards to your bottom line are significant and real. Fast growing companies drive 40% more revenue from personalisation than their slower-growing counterparts (McKinsey, 2021).

As we struggle with big data success and the real and protective constraints of data, personalisation, and privacy, the questions become "Where to?" and "For how long?". If you know your 'Why?' then the solutions are easier. You have direction, and possibly, a boundary. When it comes to data, sometimes less is more. Sometimes more is more.



Boots

 **Origin**[™]

OPTUS

CALTEX

 **MERCK**

**Muscle
Food**

m:tel

The unique combination of data and psychology is no longer reserved only for large multibillion-dollar companies. With the development of social media and other digital footprints, it is no longer a question of whether you will apply science in approaching your customers. The question is – "How soon?" Today, you have to run in order to stand in one place.

We have worked with data science, and personalisation projects in diverse industries including Energy, Entertainment & Media, Fashion, Pharmaceuticals, Retail, and Telecommunications. For clients such as Boots, Caltex, Merck, m:tel, MuscleFoods, Optus, and Origin among others. We find clients sit mostly, at opposite ends of the spectrum. They have either no data science team, or a data team that quickly becomes the heart of the business. While a few others may also have a small group of data administrators. We are excited to work with them all.

PART 2

Learning to Love Your Data

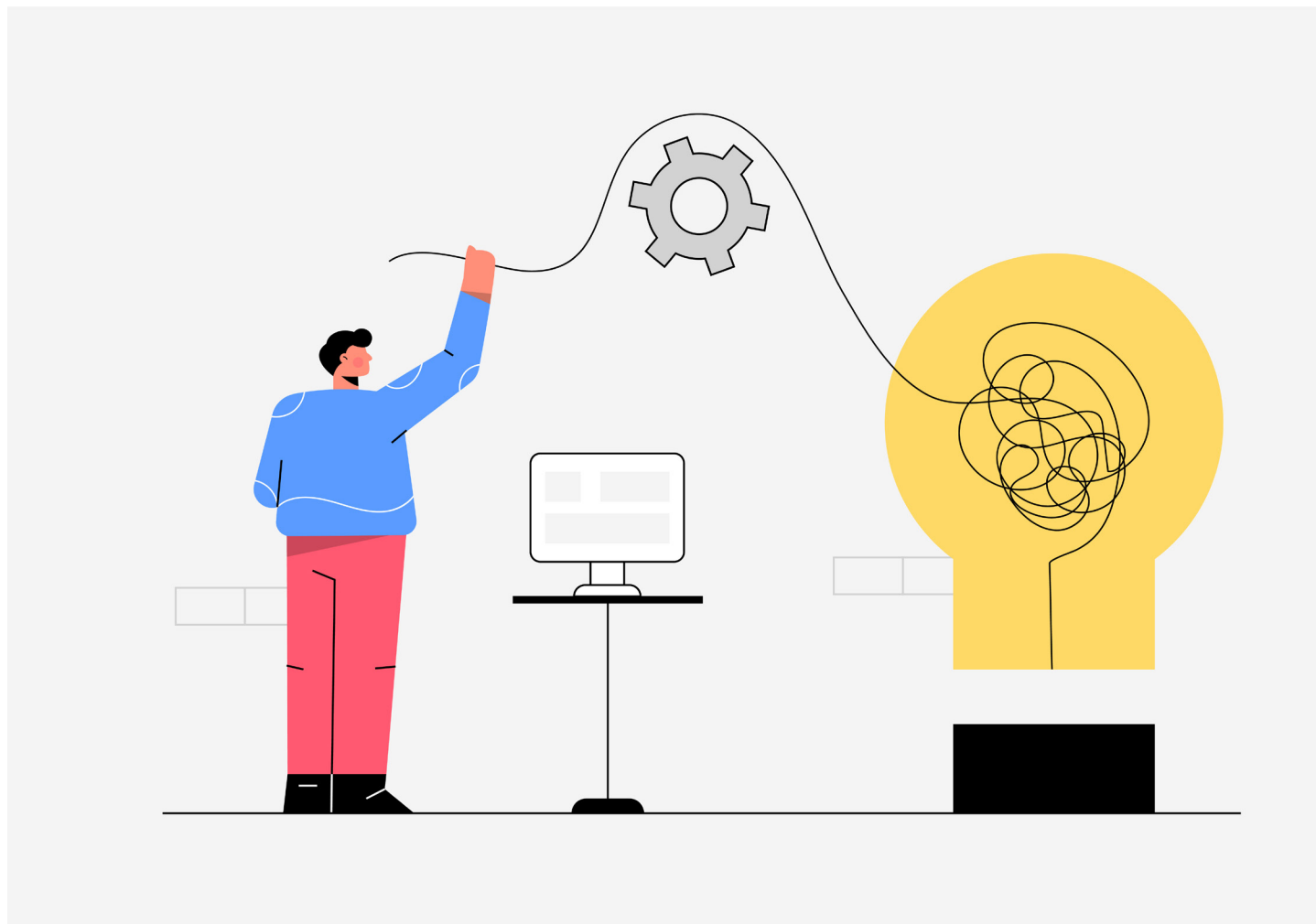


Often data is collected with no known reason or endpoint. “We have loads of data” is a common response when asked about data. Knowing what to do with it is different. I state this norm first, so clients can feel comfortable and know they are not alone. Many are then honest enough to share their vulnerability - “We don’t know what to do with it”. The relief is palpable. Having heard this so often now, my openings with clients have changed. So have I. So has what and how we deliver.

If we want to deliver measured outcomes, we need data to measure the outcomes. More importantly we need data to solve your right problem. My experience is that the original brief ends up being about 30% of what we end up solving. I set this new norm with clients too. How odd that from the first meeting, the brief is no longer the brief. How wonderful too. We take your fear away and empower you to love your data. Once we delve into the data, we often pivot because we discover there is a crisis looming, or a better opportunity. Yes, we still solve the original problem. Maybe not in the order anticipated.

PART 3

Data = Go/ No Go Decision Point



Today we begin with the data and will work with as many data sets as you have. Trust and true collaboration start here. As a mandatory default and new norm, we receive access to all client data whether for the long or short term. We need complete access for a minimum of 3 weeks. Why? If we don't get the data we don't begin. Seriously.



When was the last time you said "No. We can't start" because you didn't have access to the data? You didn't have a baseline? You didn't know if you were solving the right problem?

Why do we demand the data? We can take your money, waste your money, or not. We choose, or not. With data we aim to solve your problem and the right one. Without the data, we can guess. Now, which would you prefer?

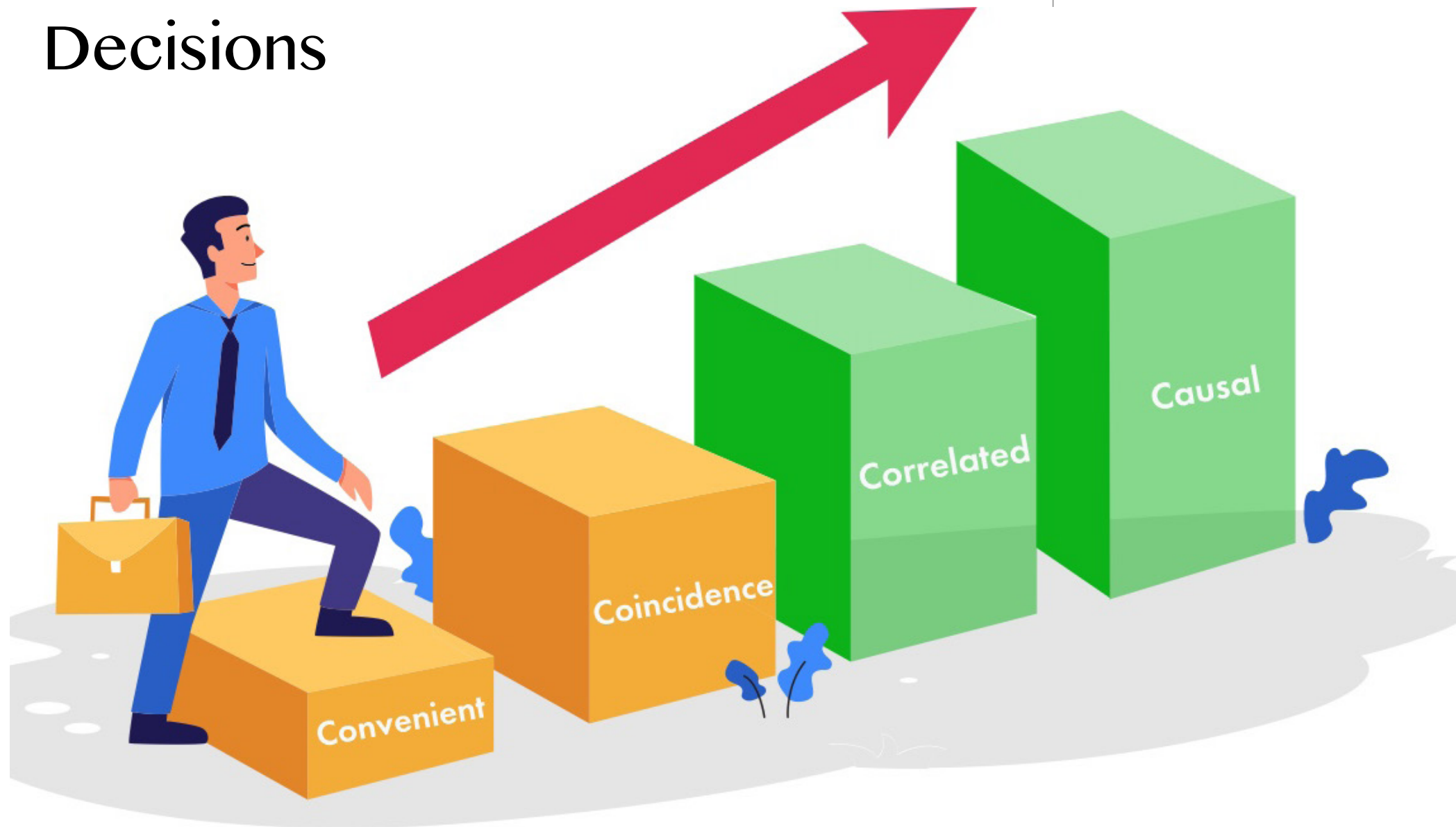
The aim then is to become a powerful partner. To relieve a burden, to tap into analysts who are working to less than full capacity within organisations and make them your new unsung hero. If

you don't know your analysts, go and say hello. Invite them for coffee. Tell them what you do. Ask them "Is there anything you could help me do, measure, or anything you know I could use?" Listen and then ask "Tell me how?". You will be amazed as new partnerships are formed and silos break down. Here the gold, dormant within your organisation can be mined.

Yes, it can be easier to work with an established Data Science team and take them to the next level because by default they already understand and are using the power of data. The conversations on data lakes, k-folds, confusion matrices and the new language of data are more easily held on both sides. For those outside of this tribe, myself included, however, it's like learning a foreign language. It is why we have experts in our team, who know how to speak with the experts in yours, or start to create them for you.

PART 4

Evidence in Decisions



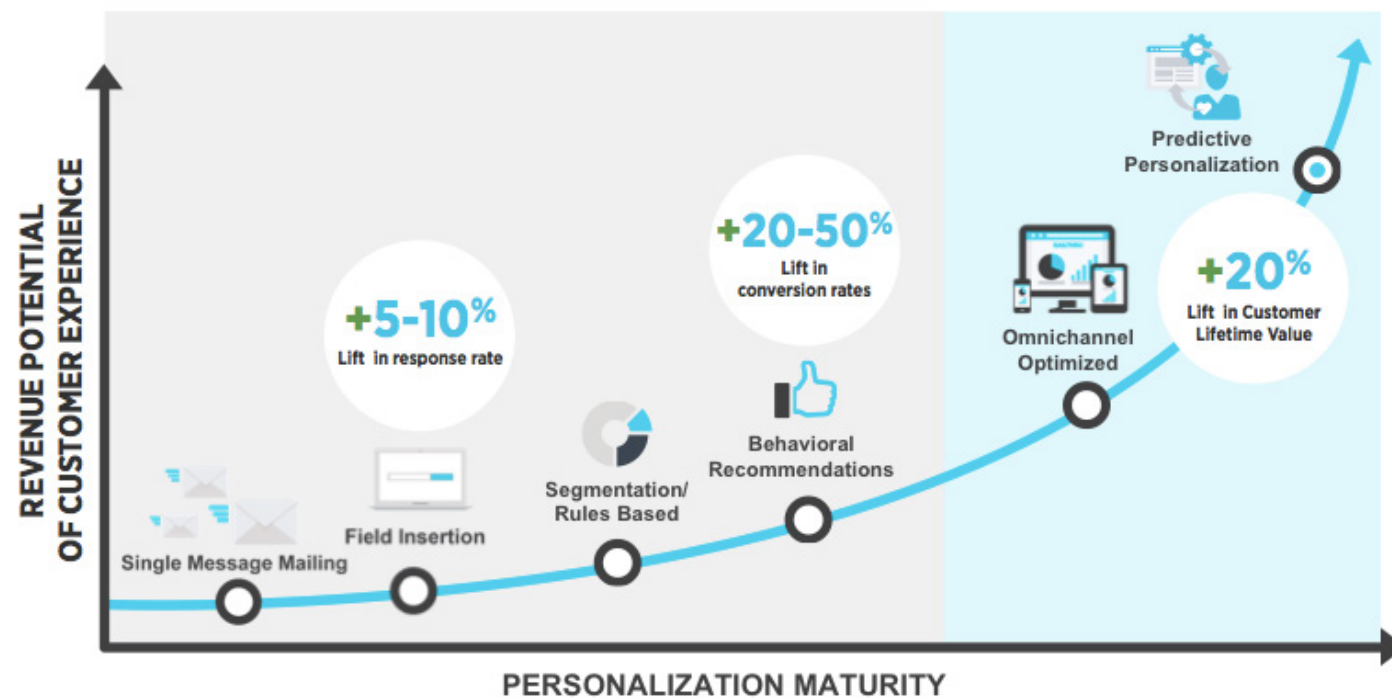
The aim is simple. Change convenient decision making to proven and causal decision making – throughout the organisation. Working for Fortune 500 Companies and building brands and markets, we applied the same process year after year. We assigned budgets accordingly. If budgets were cut, certain areas were always the first to go, while others remained the last. Not from any proof point. From gut feel and history. Today I say this is convenient. It's lazy. The key is how we disrupt decision processes. The easiest answer is that it will make and save you money – time, effort, resources, and real money when you do. The how is to get a quick win and fast proof point of success.

PART 5

The Financial Power of Personalisation

Data + Personalisation = Increased Revenue

The Maturity of Personalization



Sitecore. (2021). (rep.). The Personalization Maturity Curve.

You cannot have a personalisation strategy without a data strategy.

They work hand in hand.

The revenue incentives are an obvious 'no brainer'. Yet, you can fall flat on your face if you don't understand what needs to work together at different time points along the curve. Too often businesses want personalisation without understanding the need for data; they have data sets that do not speak to each other or segment poorly. All = poor personalisation that can fall over and be seen as a failure. You need to ask. What data, information and skillset do we need at each stage of personalised maturity? Do you know?

PART 6

Data is the Foundation for your 'House of Business'.

Remember when you built a house and the foundations were set in concrete? They ensured the rest of the house stood strong. It wasn't until you started discussing the fixtures and furnishings, the nuances of things, that you realised you and your partner had very different tastes. Different things appealed to you. Different conversations made you say 'Yes' and your partner 'No'? You thought you were sympatico. Now you wonder why are we



so different? You remain perplexed. Maybe you are not so different. You still want similar things. It's simply that how they get presented to each of you, changes your response. In business, data is part of this foundation. Personalised communication helps you furnish the house together.

The power lies in speaking to you and I, and everyone the way they understand.

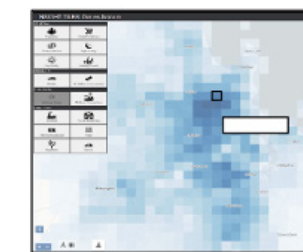
PART 7

The Emergence of Data Ethnography

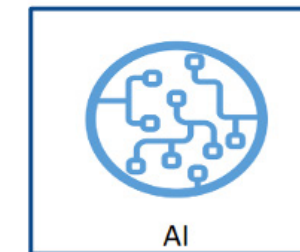


If I give you a slice of cake you can accurately tell me what the rest of the cake looks like. Similarly, in psychology, if you have a slice of someone's behaviour, you can accurately tell what the rest of their behaviour is like. You and I and everyone, leave millions of ingredients behind everywhere, everyday – through shopping behaviour, spending, social media etc. These digital footprints contain insights to your behavioural cues.

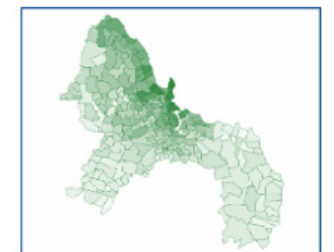
Data ethnography is the growing field of research that is focused on digital footprints and extracting psychology from digital, online and big data-heavy behaviour. No longer separate departments, the merging and collaboration from data, psychology and market research provides an edge when this information is combined. Putting this together, it turns out judgements based on thin slices can be more accurate than when you know all the information about someone!



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Features extracted from rapidly updateable PROXY data (e.g. transactional data, drone images, etc).

AI Models, that can find the links between "truths" and our proxy data.

Understanding the representation, prevalence and valuable connections between concepts (i.e. 'wicked' or less tangible topics)

PART 8

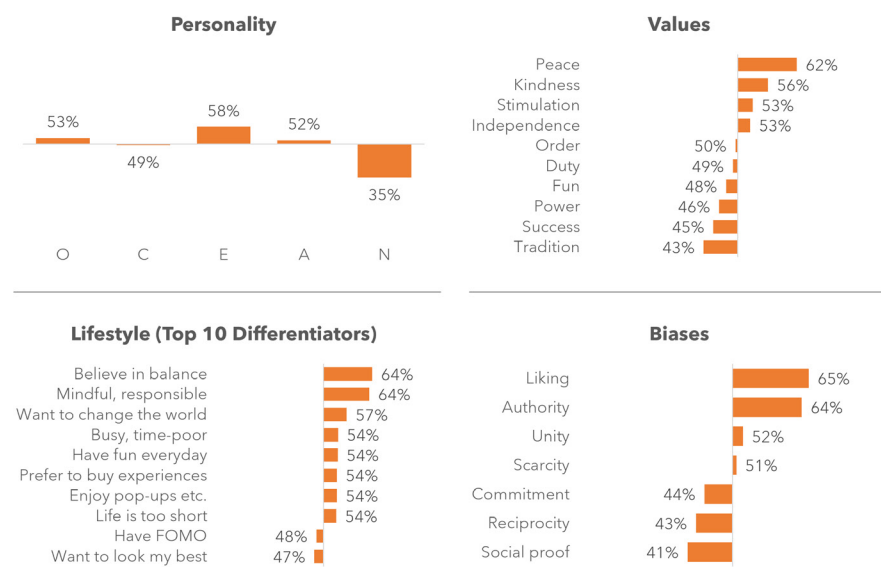
Behavioural Science Takes You Further

Sample of a Smoothie Brand Segment

Wholesome Health: Psychographics

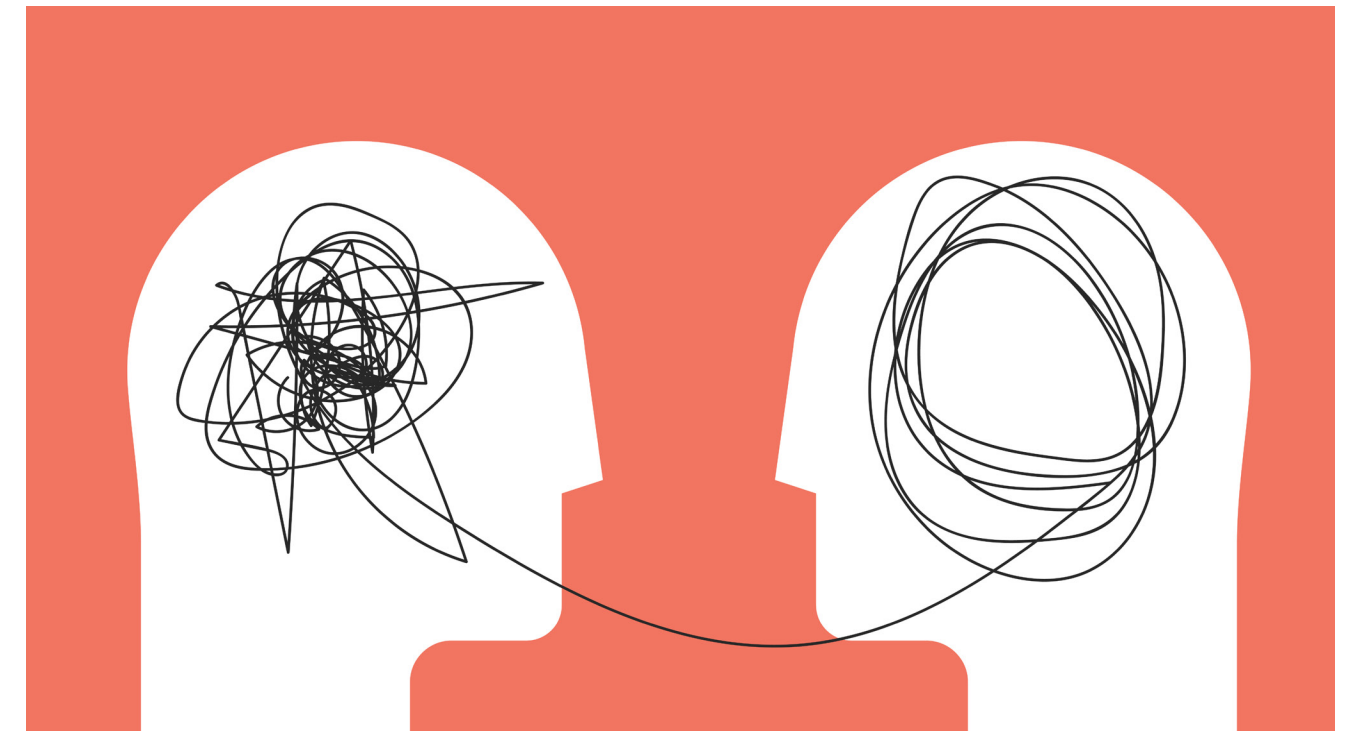


- Stable, balanced, mindful
- Biased by trusted messengers
- Value peace and kindness



Insights
 This segment is emotionally stable above all else, and this is reflected in their believing in balance and being mindful and responsible consumers. They likewise value peace (e.g., social justice) and kindness. They want to change the world. They are nudged, in particular, by the trustworthiness of the messenger - that is, how likeable and/or authoritative they are.

Base: 1,000 potential smoothie buyers and 174 customers, UK, 2021

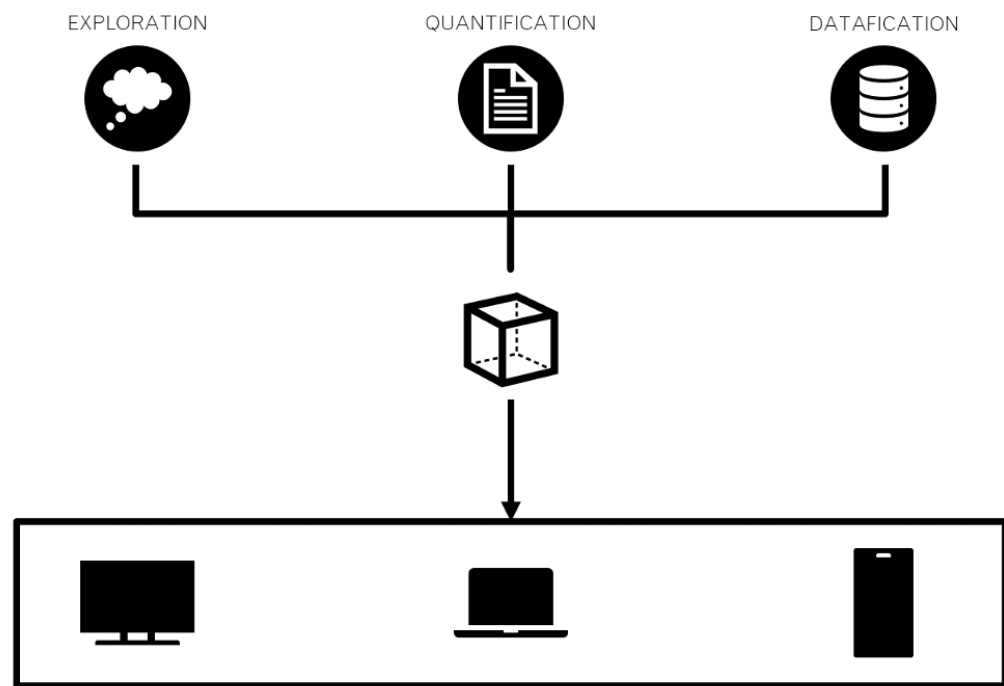


Next, you overlay this with Behavioural Science and you take business solutions to another level again. It turns out, behavioural science interventions are not a one size fits all affair. They are linked to behavioural traits, as are messaging preferences. When you combine transactional data, personality traits and psychology processes from varied sources of data with behavioural science heuristics and biases plus BeSci interventions, you speak to individuals and segments differently. From here, the aim of course is greater engagement and true behaviour change.

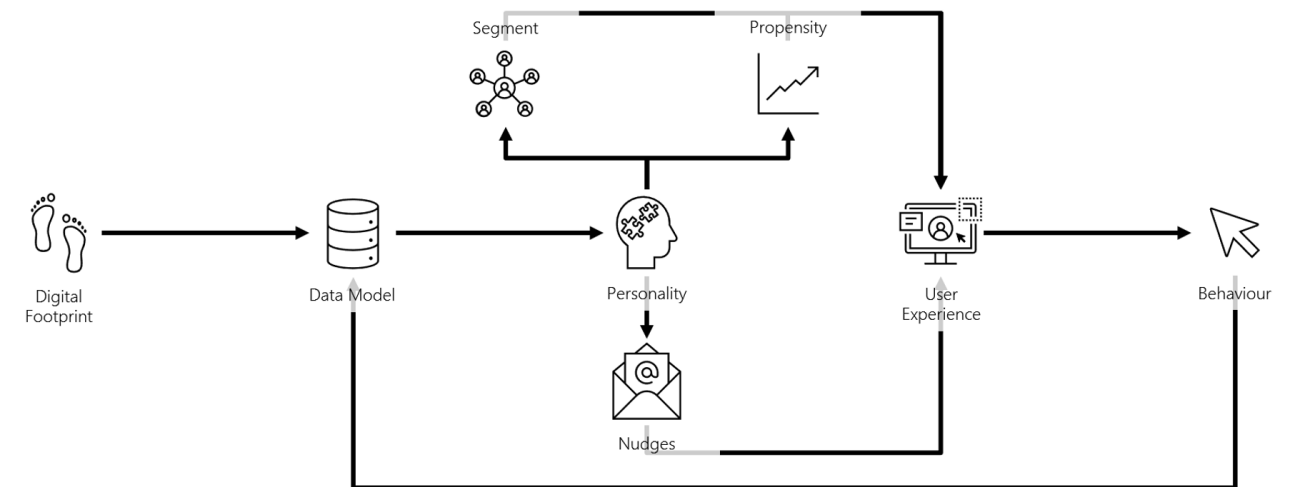
Learning from each step funnels into the next. While the process is thorough, quick wins are identified early and throughout the process too. With up to 56 variables for personality and behavioural preferences, we will provide concrete and usable recommendations on how to communicate with each segment. We will work with your agency to see them to creation for roll out and measured testing too.

PART 9

9 Steps to Personalisation



- We conduct research to understand and quantify the psychology of different groups; then we model or match it to the wider audience.
- These insights and models go into a "black box" for targeted comms.
- The optimised, targeted messages are sent to users via the most appropriate medium, and their behaviour is tracked for performance metrics.



Step 1: Data Processing and Cleaning (multiple data sources)

Step 2: Academic Literature Review

Step 3: Audits:

Data Audit

Communication Audit

Friction Audit

Step 4: 1st Behavioural Science Recommendations - Quick Wins. Test and Measure

Step 5: Psychometric Survey and Segment Profiling and Modelling

Step 6: Conjoint Analysis if required

Step 7: Predict Segments across Remaining Customers using Machine Learning

Step 8: 2nd Behavioural Science Recommendations – Personalised, Targeted, Predictive. Test and Measure

Step 9: Data and Personalisation Recommendations for Future Fast Track

Finally, you can predictively model what will and won't work per segment and individual. You can understand how to spend your budget for good, better, best return, while you continue to test and learn with personalised tactical activity. The cost savings and implications are significant.

[BACK TO TABLE OF CONTENTS >>](#)

Reinforcement of debt collection process

with materials driven by behavioral science to Macropay in Mexico

5 MIN READ

How can we improve the process of weekly payment collection for cell phones bought through credit? This article presents 5 behavioural insights that improved Macropay's customer experience and payment collection process in Mexico.

EMILIANO DÍAZ DEL VALLE

on behalf of

INSTITUTO MEXICANO DE ECONOMÍA DEL COMPORTAMIENTO



PART 1

Context



Market: We carried out this project for a fast-growing Mexican retailer, which specializes in selling cell phones in weekly installments and has more than 600 branches in 24 cities across the country.

Project context: The company faced the challenge of optimizing and increasing the payment rates of the loans it had offered since the management team detected two significant problems:

1. Since the beginning of the pandemic, there had been a sharp increase in the number of non-performing loans.
2. A sharp rise in the number of overdue customer payments accompanied this effect.



During this project, the company was in a moment of rapid expansion, where the opened branches were often overwhelmed by the existing demand for the company's financing services. However, it was not introducing a new business model into the marketplace; it was achieving a very catchy effect on a population group that usually faced many barriers to accessing a financing product.

This period of rapid expansion and innovation provided the necessary

conditions to generate quick-impact interventions, materials, and process adjustments.

Work request: To increase the rate of timely payment of loans and re-contract the MacroPay service.

The project path: To achieve good results, we generated a process of research, diagnosis, and solution design, using the CREATE behavioral change model, with which we have developed more than 43 behavioral change strategies in Latin America.

PART 2

Approach



1) First, we determined the current state of MacroPay's collections process; for this, we conducted an initial interview with the company's commercial and operational team and conducted desk research on internal processes to gain as much understanding as possible.



2) Before going out to the field, we determined our research objectives using the CREATE behavior change model and generated questionnaires and research guides to execute two types of research processes: qualitative and quantitative.



3) To determine clients' perceptions, knowledge, and expectations regarding collections and non-payment of loans. We conducted reconnaissance visits where we used on-site questionnaires, and interviewed the employees in charge of opening the loan and receiving the weekly payments to learn first-hand about their perception, and to understand the problem we were addressing from another angle.

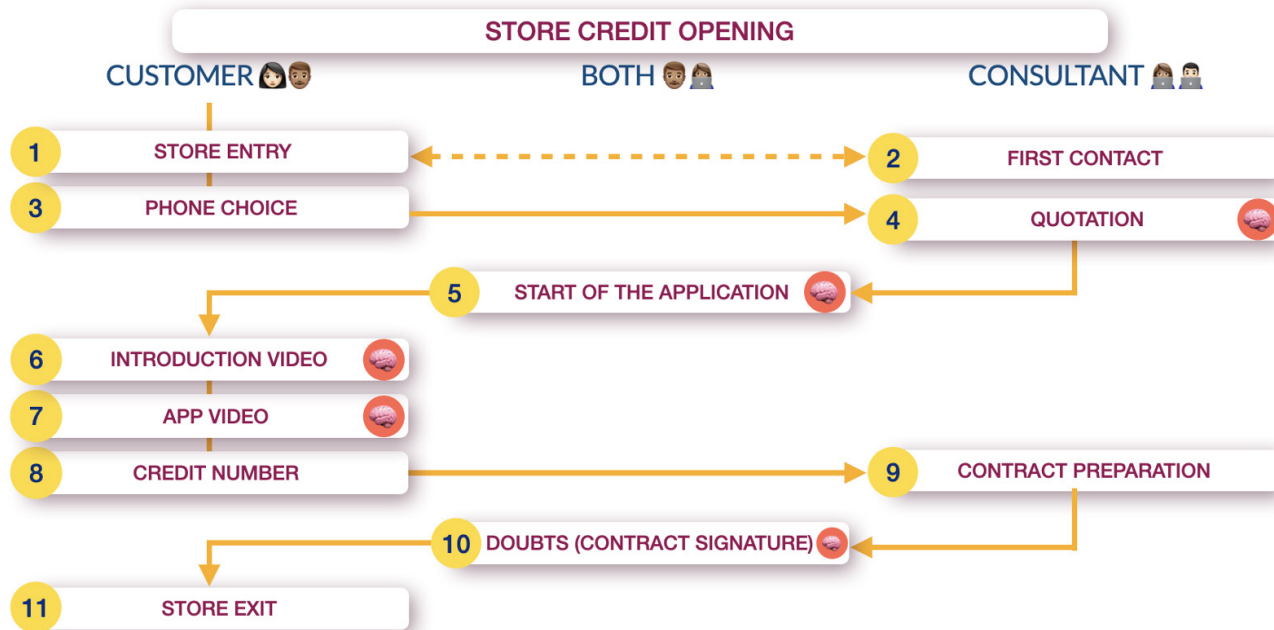


4) Additionally, we conducted a brief research process with the call-center executives in charge of making collection calls to learn about their perception of the process and the interactions they regularly had with clients.

5) To complement the investigation and diagnosis of the service process, we conducted a behavioral audit of the company's application to identify frictions and lack of information that could complicate the execution of payment behaviors.

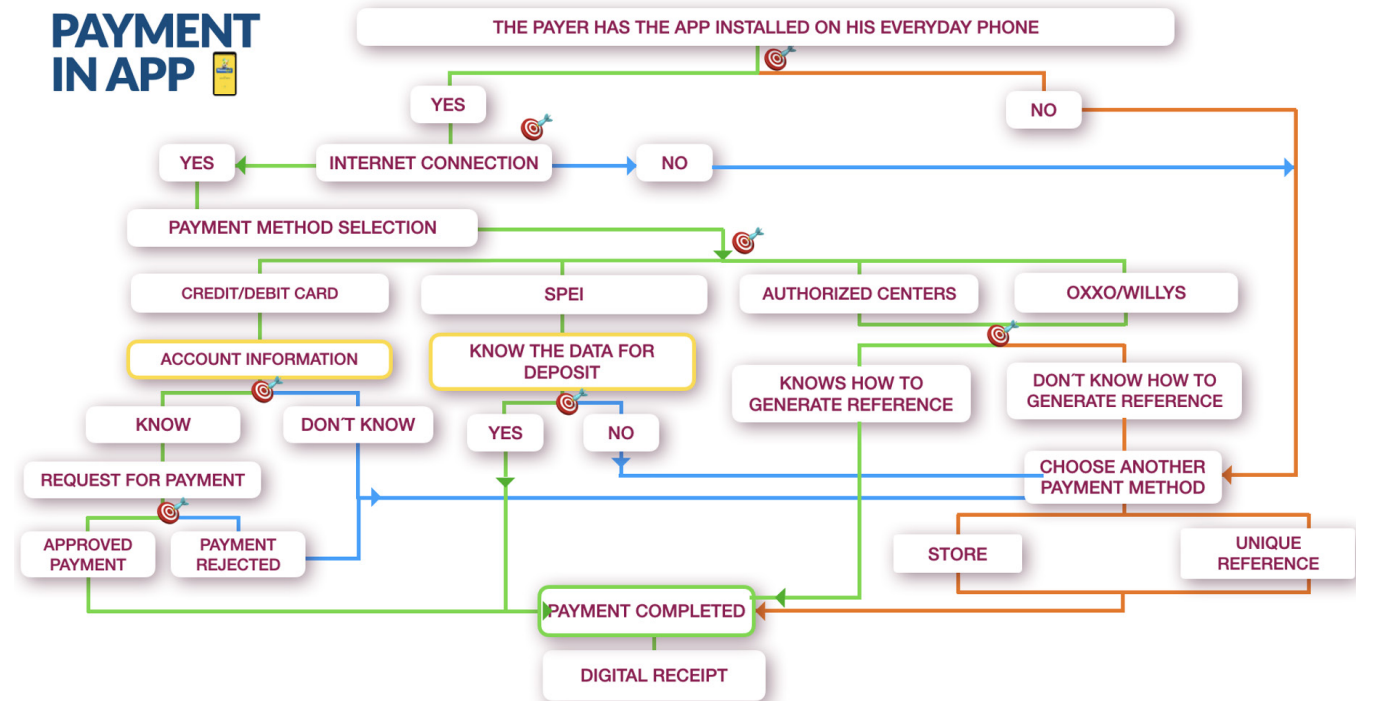
05

CUSTOMER JOURNEY IN STORE



• Credit knowledge: important contact for debt collections because it is where the amounts, dates, places and terms of payments must be clear to the user.

CUSTOMER JOURNEY IN APP



06

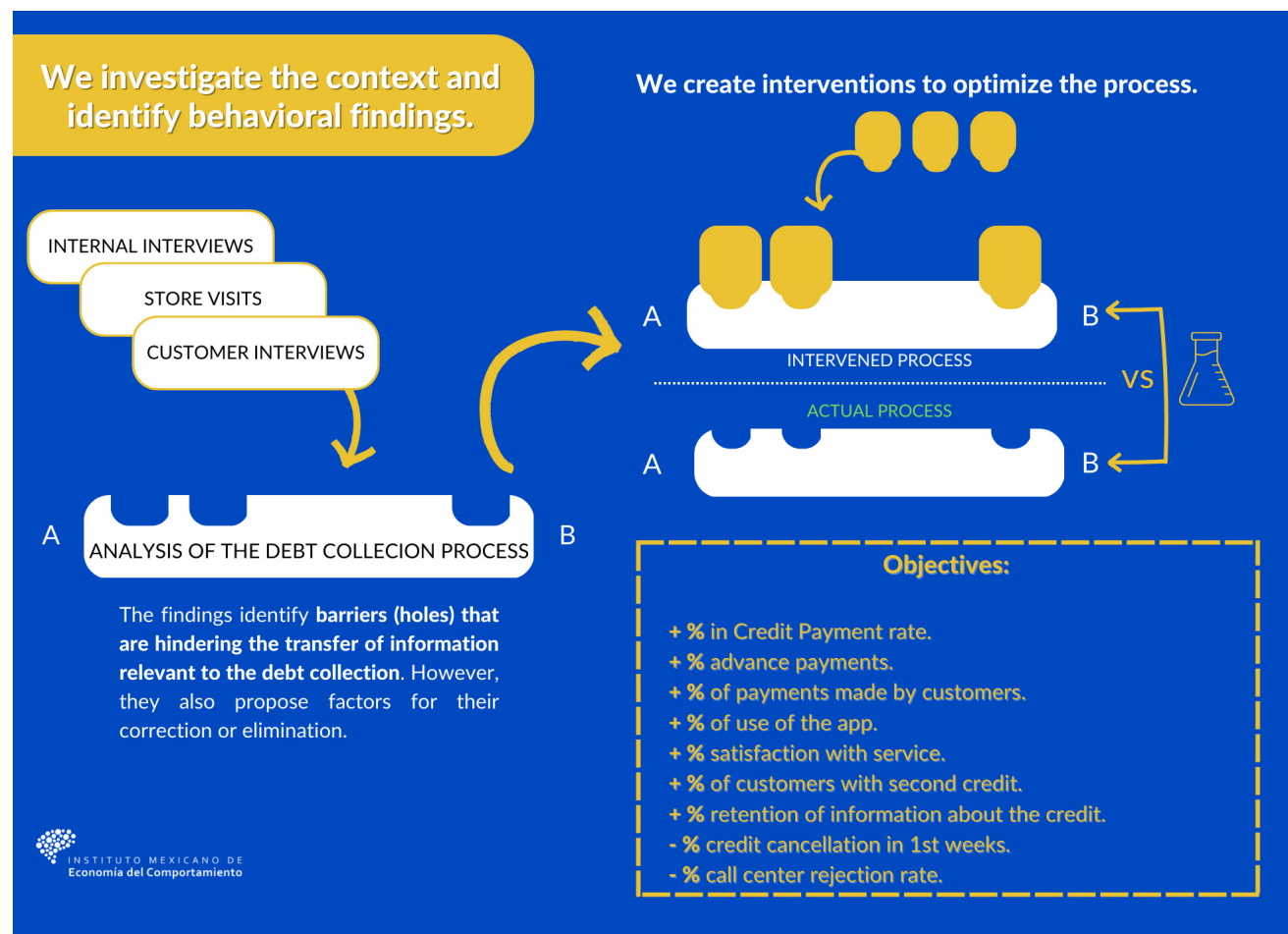
6) Finally, remote interviews were conducted with different customer profiles (punctual, delinquent, debtors) to extract findings, identify barriers, motivators, and payment practices, as well as to corroborate hypotheses generated with the results of the questionnaires, employee interviews, call center, and application audit.

07

7) Once we processed the data obtained throughout the research, we analyzed the process and decision maps to generate the final strategic solutions, materials, and practices, which we would later integrate into the collection process.

PART 3

Results and solution proposals



As a result of this behavioral research process, we identified 22 findings that positively and negatively affected Macropay's customer experience and collections process. The most relevant findings are summarized below:

- **Presence of Brand Aversions**

Customers reported invasiveness and annoyance at MacroPay's collections calls, and the call-center team's approaches were too emotionally aggressive.

- **Presence of uncertainty**

Customers distrusted alternative payment and service channels, so the preferred means of payment was the physical store. Those above had a positive element, as customers perceived the store as a "safety net," but the overcrowding of branches created operational and customer service problems.





- **Presence of Cognitive Recharge**

The context, timing, and complexity of the loans meant that crucial information was not processed or retained by clients at the time of contracting. Clients felt saturated with technical or new information (such as the concepts of arrears, credit history, etc.), which increased their lack of knowledge about the

loan. Likewise, branch contracting faces challenges such as heavy traffic and demand, scarce and noisy space, limited staff, and the rush of customers, which together complicate the optimal attention to the data provided and have a direct impact on the clarity of the credit information and thus on the collection of the loan.



- **Lack of Perceived Value**

Customers did not perceive the value or benefit of the timely payment of the Macropay financing service in a tangible way. On the other hand, they needed to be made aware of all the application's functionalities, which limited its use and facilitated the lack of payment due to the shortage generated by the pandemic.

- **Lack of support materials**

We identified a need for more materials and processes to assist clients throughout the loan process. We used industry and client best practices to encourage these in Macropay's processes.



As a result of these findings, we identified a series of barriers that we had to eliminate from the process and the motivators we had to use to facilitate the payment of loans, and this allowed us to generate lines of design that resulted in more than 12 proposals for solutions and redesign

of the company's processes. We achieved a positive impact through the entire loan journey – from the point at which customers hired Macropay's financing service at the branch office till they made their payments and interacted with the application and the call center's customer service team.

While massive in terms of scale, this redesign required very little investment and effort from the client's operations team. Most of the solutions sought to leverage existing touchpoints and elements to facilitate low-cost proposals so that the company could quickly implement and integrate the interventions within its processes.

We designed the solutions using behavioral science principles. We grouped them into three sets of experiments and control tests that allowed the Macropay team to extract the impact of the proposed solutions and assess the feasibility of scaling them to increase their reach.



[BACK TO TABLE OF CONTENTS >>](#)

A helping hand for vulnerable customers

6 MIN READ

Designing and evaluating an immersive, interactive and engaging e-learning course to help colleagues at Phoenix Group better understand and support their vulnerable customers.

CHARLIE NIXON

on behalf of COWRY CONSULTING

 LONDON, UNITED KINGDOM



PART 1

Introduction

1. THE CONTEXT

Two dramatic shifts in the world over the last two years – the COVID-19 Pandemic and the Cost-of-Living Crisis – have highlighted the impact of the vulnerability. This is shown in the Financial Conduct Authority (FCA) Financial

Lives Survey, which showed that in 2020 and 2022, just less than half of adults in the UK (46% and 47% respectively) showed one or more characteristics of vulnerability (Fig 1).

Characteristics associated with the 4 drivers of vulnerability



Figure 1: FCA, 2021., FG21/1 Guidance for firms on the fair treatment. Available at: <https://www.fca.org.uk/publication/finalised-guidance/fg21-1.pdf>

2. THE CHALLENGE

Around 13 million customers trust Phoenix Group with their long-term savings, investments, and financial protection. This means they must deliver services and enhance their propositions to support their customers in the best way possible. This includes providing compassionate support for all, especially those who need an extra helping hand.

Phoenix has been working hard over the last 2 years to support their customers. During this time, they've worked closely with Cowry to use behavioural science to understand the nuances of vulnerability and how to support customers in the right way. This led to the creation of an immersive, interactive and engaging e-learning in 2021. Since then, this course has been refreshed and adapted to reflect the ongoing developments and dynamic nature of vulnerability.

Goal

Our goal was to use Behavioural Science to design an interactive, immersive, and engaging e-learning. Building on the previous year, this would enable colleagues to understand the nuances of vulnerability, support their own well-being, and better support their customers.

Key metric

The key metric for the project was to assess our colleagues' understanding of vulnerability and confidence in supporting vulnerable customers.

Outcome

The outcome was an optimal learning experience that continues after the e-learning, providing colleagues tools to improve their skills. This includes engaging resources to help colleagues continually develop their understanding and well-being, creating a supportive and effective learning environment.

PART 2

Intervention

Using our expertise in understanding how our brains process information, we use behavioural biases to bring vulnerability to life. Working with CanStudios, a learning development company, we blend technology with Behavioural Science to help colleagues feel confident and equipped to handle tough scenarios and to understand what it feels like to be permanently or temporarily vulnerable.

In line with the previous iteration, the course begins with specifically designed questions, used to immerse colleagues in different areas of vulnerability. Using perceptual psychology and interaction design, we considered new and creative ways of mimicking the experience of being vulnerable to build on the impact last year's questions had on colleagues' perspectives.

1. COLOUR BLINDNESS

The first of three tasks presents a scenario of booking a train ticket. Your friend is in hospital, and you need to get from Edinburgh to Leeds as quickly as possible, choosing a direct train. However, the user interface is re-created as if the user is colour-blind, making it harder to choose the correct train.

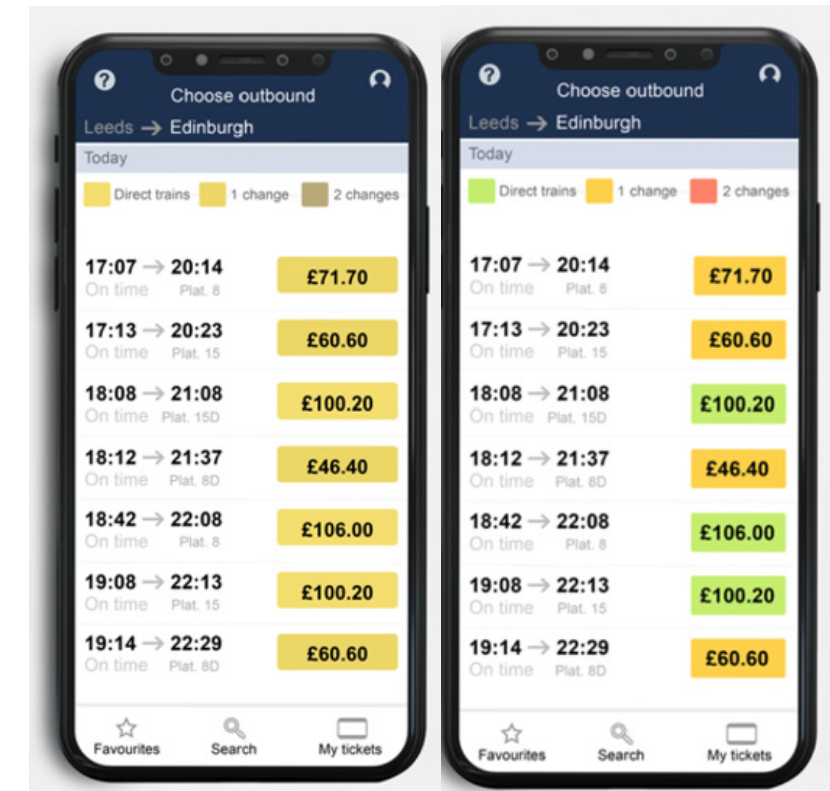


Figure 1: Task and feedback screens for the first situation, simulating colour blindness.

“You’ve just found out your friend is in hospital and need to book a train to go and see them. While you’re in the taxi on the way to the station, you open an app to buy your ticket. The first step is choosing your train time.

You’ve got quite a few bags so need to book a direct train. **Try and select one of the direct trains to book your ticket.**”

2. PHYSICAL IMPAIRMENTS

This task involves choosing a seat close to the luggage rack. Specifically, seat 26. Again, we re-created a potential vulnerability of a physical impairment making it hard for users to find the seat using a 'sticky cursor' which moves inconsistently with the mouse.

In this scenario, the lack of accessible design amplifies the difficulty. Clicking the button is already hard even before considering the small illustrations and lack of icons.

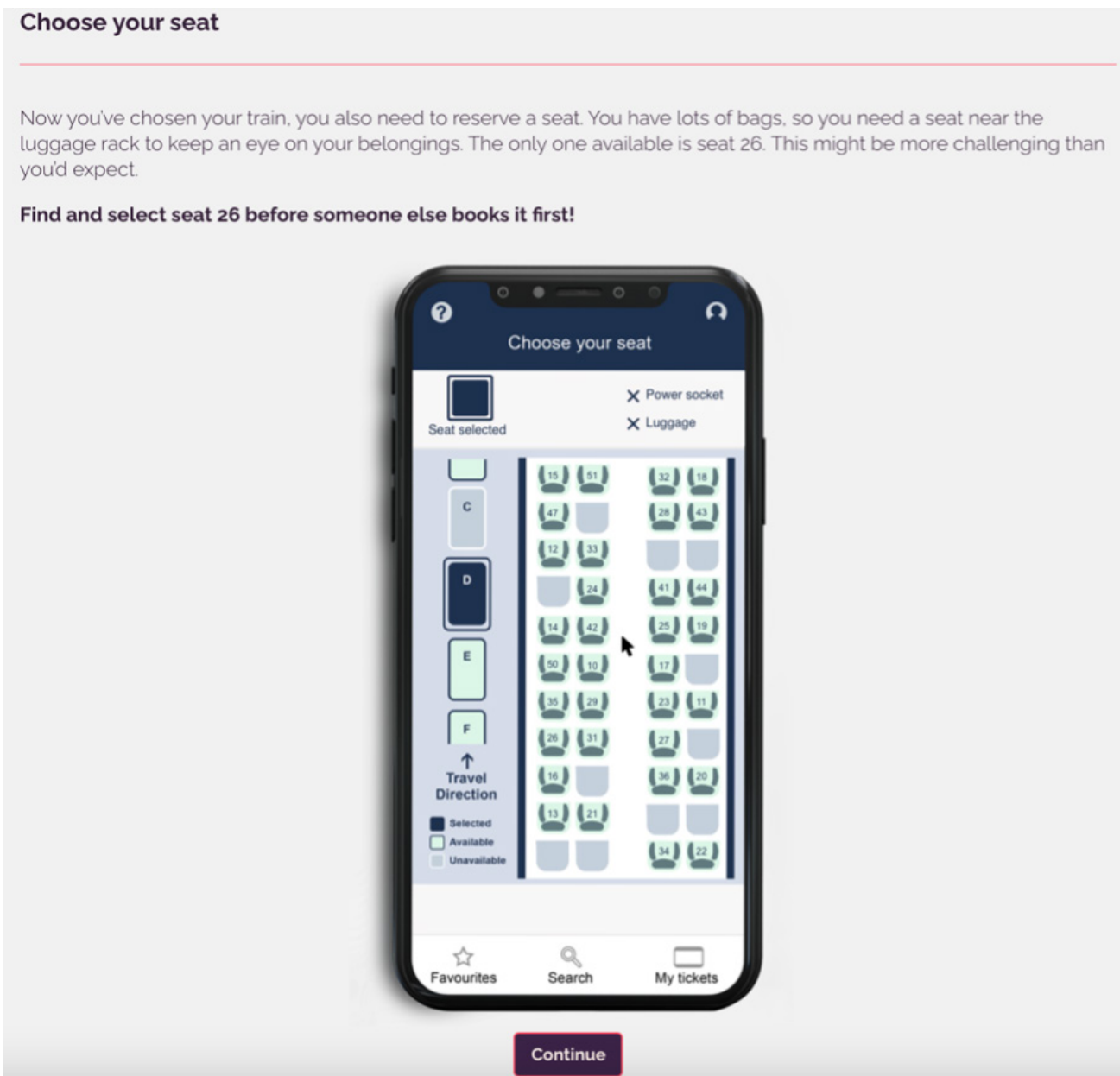


Figure 2: Instructions and feedback for the second task, simulating physical impairments.

3. FEELING THE COST OF LIVING

Another example from the course involves a budgeting task. Here, users are asked to allocate their monthly budget in 60 seconds. This seems straightforward, but there are a couple of twists:

- Firstly, the users overall budget isn't very high, which limits the choices they can make.
- Second, in the last 15 seconds, users are alerted to an increase in prices. This means that users may have to deselect some items to make it affordable, which can lead to some tough decisions under time constraints.

Once completing the task, the customer is prompted with the following option:

“After doing your monthly budget, you find £50 in an envelope at home that you'd previously set aside as a small rainy day fund. **Would you rather put this towards the essentials you couldn't afford just now, or keep the money saved for a rainy day?**”

Each of these scenarios characterises a different aspect of vulnerability, but all have a similar theme: accessibility and inclusivity. The first two examples clearly show that without experiencing these scenarios first-hand, users might not understand how seemingly straightforward tasks can be difficult for others. The third brings to life further the role of scarcity and cognitive overload.

Customers in this situation may be struggling in the present and have no cognitive bandwidth to consider their financial options for the future. By reducing the psychological distance, these scenarios set users up for the rest of the e-learning course, where they learn about the Vulnerability Framework at Phoenix, and how to apply this in their work.

PART 3

Impact

The previous e-learning course was incredibly well received and gave some positive results on colleague and customer outcomes. To measure the impact of the first iteration of the course, we designed a follow-up survey collecting both qualitative and quantitative data.

Nearly all employees (96.3%) stated that they felt more comfortable understanding the types of vulnerability and how this may impact their customers.

Almost 9 out of 10 felt that they were not only more aware of the FCA guidance around vulnerability, but as a result, also felt more equipped to support vulnerable customers with the Vulnerability Framework (both 89.3%).

1. COLLEAGUE FEEDBACK

From this year's refresh, qualitative feedback truly highlights the impact of this course.

"I just completed the new E-learning, its brilliant! So interactive and really interesting to complete... this is the best e-learning module I've done"

This positive response emphasises the renewed engagement that colleagues now feel with responding to vulnerable customers, with increased confidence and skillsets to provide the best service possible.



2. CUSTOMER FEEDBACK

Since the release of this e-learning, post-call surveys have also shown the impact this has had on the customers themselves:

“Christine and Reece we’re so kind. I am in a dreadful state due to a mid-selling of my policy. The worry and anxiety are overwhelming. Both Christine and Ross **were so kind and reassuring**”

“I spoke to a young man called Tamas, I explained I have PTSD at the moment & struggling with my memory. **He was awesome, speaking clearly, explained in detail the information I required,** so I could understand and checking that I had all the information I needed written down before I came off the phone. **The first time I have been treated with such kindness & respect in a long time.** He is a total credit to your company. Thank you”

3. RECOGNITION

Going beyond Phoenix, this e-learning course has been highly awarded. The immersive, interactive and engaging content of the course resulted in being the 2021 Best Customer and Employee Engagement Programme at the Engage Awards, in addition to being a Finalist for Excellence in People Development & Engagement and Excellence at the British Quality Foundations Awards.

Even further, this has opened more doors to supporting customers and colleagues at Phoenix. Looking into 2023, Cowry and Phoenix are looking to collaborate with the listening charity Samaritans in addition to The Money Advice Trust. Both these partnerships seek to support and train individuals in vulnerability, allowing them to have more empathetic and supportive conversations with those who may need it.



[BACK TO TABLE OF CONTENTS >>](#)

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100 STORIES

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