

FRENCH GOVERNMENT: NUDGE ME TENDER

HOW TO TURN ETHNOGRAPHIC INSIGHT INTO MORE EFFICIENT POLICY-MAKING

Eric Singler • Françoise Waintrop • Richard Bordenave • Etienne Bressoud

ESOMAR
ESOMAR Office:
Atlas Arena, Azië Gebouw
Hoogoorddreef 5
1101 BA Amsterdam
Phone: +31 20 664 21 41
Fax: +31 20 664 29 22

Email: customerservice@esomar.org
Website: www.esomar.org

Publication Date: September 2014
ESOMAR Publication Series Volume C14 Congress
ISBN 92-831-0276-2

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Published by ESOMAR, Amsterdam,
The Netherlands
Edited by: Deborah S. Fellow

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CONTACT US

ESOMAR
ESOMAR Office:
Atlas Arena, Azië Gebouw
Hoogoorddreef 5
1101 BA Amsterdam
The Netherlands
Tel.: +31 20 589 7800

Email: customerservice@esomar.org
Website: www.esomar.org

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INTRODUCTION

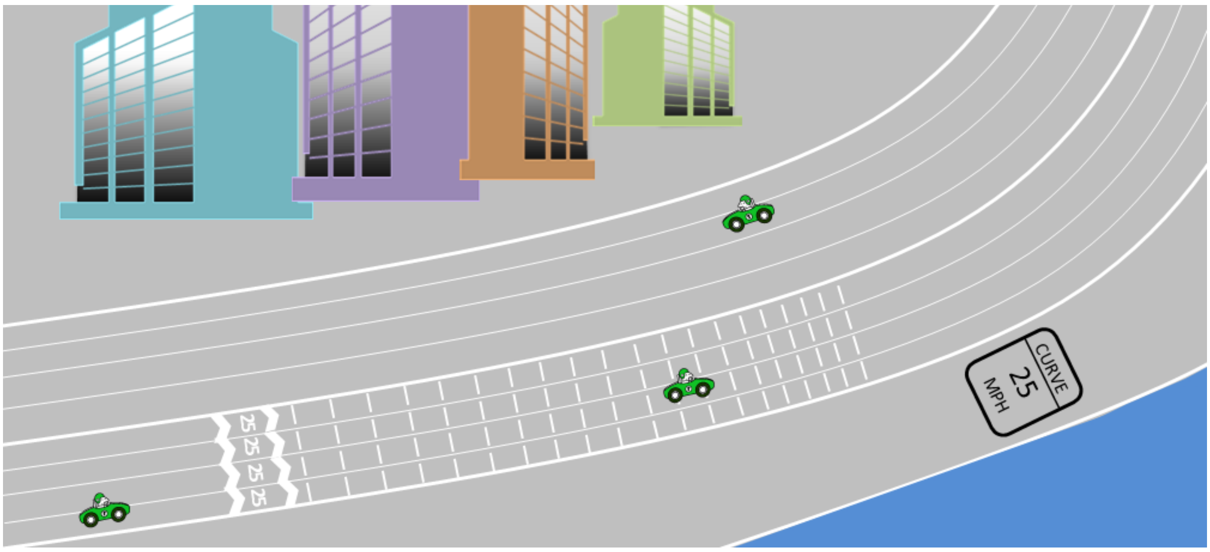
Lake Shore Drive, Chicago, is a curved road alongside Lake Michigan. Despite a speed limit of 25mph, many drivers are distracted by the extraordinary views and drive too fast and crash, with sometimes fatal results.

Nudge: small details for big impact

In 2006, painted signs were introduced, directing drivers to slow down. These were followed by a series of white lines (see figure 1) that progressively narrow as drivers approach the dangerous curve, giving the impression that their speed is increasing (Thaler and Sunstein, 2008). This encouraged drivers to slow down in such an effective way that car crashes decreased by 36% (nudge.org, 2010). This minor environmental modification is a nudge: a twist in the way things are presented that modifies behavior in a desired way without involving rational decision-making (such as that prompted by a "speed limit" warning panel).

A nudge is defined as "any aspect of the choice architecture that alters people's behavior in a predictable way, without forbidding any options or significantly changing their economic incentives. To count as a mere nudge, the intervention must be easy and cheap to avoid." (Thaler and Sunstein, 2008).

FIGURE 1. LAKE SHORE DRIVE NUDGE FOR SPEED REDUCTION



The irresistible rise of Nudge around the world

In 2008, Richard Thaler and Cass Sunstein published Nudge, a work that revolutionized the vision of rational man. Based on 30 years of research in behavioral economics, the book provides better understanding of how people reach their day-to-day decisions, and thus identifies factors that can incite them to modify their behavior: to favour compliance, limit fraud, encourage sustainable practices, create preferences. This marks a major turning point in the understanding of the levers of behavioral change of individuals, whether citizens, users or consumers.

Behavioral economics takes the opposing view to the classical theory of decision-making: we are not beings of pure rationality whose behavior is guided by a simple calculation of cost benefit. Our decisions are influenced by many other factors such as our emotions, context, social interactions, or the way in which choices are presented to us. Our choices are thus as much the products of mental shortcuts and cognitive biases linked to our mental wiring (the famous System 1 of Kahneman) as of implicit factors linked to our physical or social environment, and of which we are mostly unaware.

In their Guide to Nudging, Ly et al. (2013) presented a list of 13 behavioral influences and heuristics that have an impact on our choices. A popular shortlist using the MINDSPACE acronym has been published by the UK Cabinet Office (see table 1).

TABLE 1. EXAMPLES OF IMPLICIT BEHAVIORAL DRIVERS (MINDSPACE)

M-essenger	We are heavily influenced by who communicates information
I-ncentives	Our responses to incentives are shaped by predictable mental shortcuts such as strongly avoiding losses
N-orms	We are strongly influenced by what others do
D-efaults	We "go with the flow" of pre-set options
S-alience	Our attention is drawn to what is novel and seems relevant to us
P-riming	Our acts are often influenced by sub-conscious cues
A-ffect	Our emotional associations can powerfully shape our actions
C-ommitments	We seek to be consistent with our public promises, and reciprocate acts
E-go	We act in ways that make us feel better about ourselves

Source: Dolan P. et al., 2010

The award to Daniel Kahneman in 2002 of the Nobel Prize for Economics recognizes the fundamental contribution of behavioral economics to the understanding of the processes of decision-making. The work of Thaler et Sustein marks the passage of theory to action, i.e. how to use the teaching of behavioral economics as a basis for reinforcing the effectiveness of public policy and for enabling desired behavioral changes by individuals and society as a whole.

From 2010 onwards, practitioners adopted this new approach: David Cameron created the Nudge Unit in the UK in 2010. This team of researchers is tasked with improving the effectiveness of government campaigns through the introduction and testing of nudges. Using the same model, Barack Obama created the Nudge Squad in the US in 2013 and now many governments around the globe are showing increased interest (such as those of Australia, France, and Denmark). Publication of these units' results has given credence to their actions, demonstrating the efficacy of their intervention. For example, the UK Nudge Unit led by David Halpern showed how the modification of a phrase in the text of an internet page and the inclusion of a logo using the lever of social norms and salience (see figure 2) resulted in 96,000 additional potential organ donors for the NHS (Cabinet Office et al., 2013).

FIGURE 2. NORMS AND SALIENCE AS NUDGES

When this same Nudge Unit altered the messages sent in letters to encourage tax debtors to pay tax owed (Cabinet Office, 2011), the payment rate rose from 33.6% to 39%. When American employees were offered the opportunity to join a retirement savings plan by contributing more at the time of their next salary increase (Richard Thaler's Smart Plan), 80% took up the offer. Three years later, their savings rate had tripled, enabling them to improve their retirement planning (Thaler and Benartzi, 2004).

The nudge and behavioral economics movement is gathering steam and becoming mainstream. In 2013 Shiller received the 2013 Nobel Memorial Prize in Economic Sciences for his work in behavioral finance, which challenged the standard economy and the rationality of stock markets. Even the most famous universities are now proposing behavioral economics-related educational programs and MOOC (Massive Open Online Courses). These include one on Coursera entitled "A Beginner's Guide to Irrational Behavior", led by the renowned Dan Ariely of Duke University. Today nudge databases are expanding all over the world and are available online (Stirling Behavioural Science Blog, inudgeyou).

Nudge: an additional solution in policy makers' toolboxes

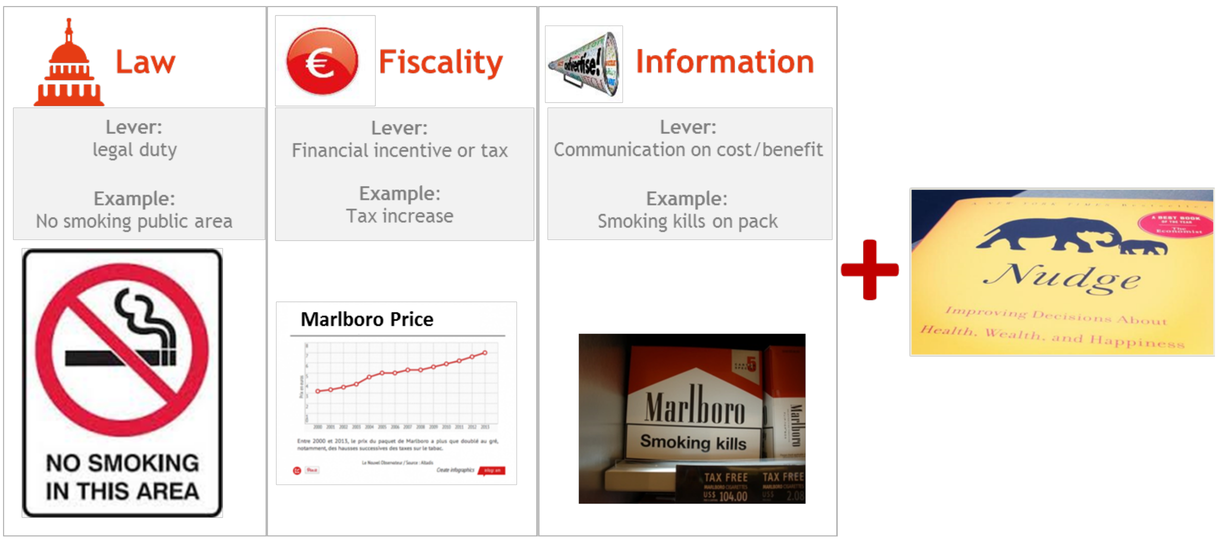
Most public policy aims to change or tailor our behavior to generate "good" decisions for the individual or society. The administration has three principal tools at its disposal:

1. The law (e.g. smoking in public places is forbidden).
2. Financial incentives, i.e. subsidies or taxes (e.g. increased taxes on cigarette prices).
3. Information ("smoking kills" warnings and a campaign to raise public awareness of the damaging effects of tobacco).

The nudge approach consists of proposing messages or "choice architectures" (a way of presenting choices) that are based on behavioral economics principles in order to incite targeted individuals to modify their existing behavior to a desired one, without constraints of rules or monetary incentive. People keep their entire freedom of choice, but the re-designed environment creates a natural slope leading toward the option that best serves the long-term interest of individuals and society.

A nudge can be seen as a fourth, complementary course of action available to public policy decision makers (see figure 3).

FIGURE 3. NUDGE, AN ADDITIONAL TOOL FOR POLICY MAKERS



This paper aims to show how market research insights can inspire operational and efficient nudges using an analytical framework inspired by behavioral economics.

To renew inspiration, market research tends to design methodologies to collect insights in a variety of ways. We illustrate two of these and their respective added values in the following case study (on user/co-creation and ethnography). However, we believe that a major added value of market research agencies also lies in methodologies to transform insights into inspiration. The example of the nudging process designed to answer the French government challenge illustrates how science-based frameworks supported productive co-working sessions (agency/client), and helped produce cheap and operational levers in record time, creating momentum across the French administration and aiding development of a user-centric culture.

THE FRENCH GOVERNMENT CHALLENGE

Restoring simplicity

A few years ago the French administration looked at improving accessibility of their services. They proposed a multichannel offer with the use of internet, email, phone, and a reception counter in order to facilitate contact with users. Paradoxically, this multichannel offer has generated more difficulties than it has offered solutions. Why? Because users first turn to the internet then, unsure of what to do, they seek reassurance by phoning customer services and finally turn up at the reception counter to seek information directly from administration employees and to ensure that the answer given is correct! This generates a flow of users going to reception services without any added value from the employee.

These repeated contacts have two consequences:

1. Dissatisfaction from the user increased by the impression that information from the different channels is unclear and sometimes incoherent and that completing the overall administrative process is difficult.
2. Costs for the government are high. It costs forty times more to handle a request face-to-face than to handle the same request through email (Sage, 2011).

The multichannel offer that should have brought simplicity leads to more complexity. One challenge to the French government was to restore simplicity and to guide citizens towards the appropriate channel for their request. A new French directive sets a goal of increasing the number of e-services by 20% by 2016. This is part of a government modernization programme that is seen as essential in order to build a new French social model combining both solidarity and competitiveness. In response to this roadmap for government modernization, the Secretariat-General for Government Modernization (SGMAP) was set up by the decree of 30 October 2012. It falls under the direct authority of the Prime Minister and reports to the Minister for Decentralization, State Reform and Civil service. It was designed in such a way as to serve three ambitious objectives: contributing to maintaining the French social model, restoring public finances and making the economy competitive.

Seeking a user-centric vs. policy-centric approach:

Within the SGMAP, the Innovation and User Services Department develops strategies and modernization programmes based on consultation with users, i.e. to determine their needs and expectations regarding public services. It stops focusing on the internal limitations of government agencies and starts seeing things from the user's point of view to design policies and actions that have an impact and improve citizens' satisfaction.

For example: Why do users call upon governmental agencies? To obtain a form? To open a case file? No, users take a radically different view. They are motivated by a change or a new event in their personal lives such as marriage, birth, tax returns, etc. So, thinking in terms of "life events" rather than, as in the past, forms and administrative actions, allows us to speak the user's language and make use of their "expertise" in dealing with governmental agencies or departments.

Those sorts of questions were posed by the tax administration, which has the same multichannel offering as other French government units. To contact the tax authorities, citizens use mail, phone, counter and sometimes all three channels for the same request! Thus one of the challenges was to guide people to the most appropriate channel for their needs and, more specifically, to encourage them to use the internet whenever possible, notably for standard requests, in order to dedicate counter contact for complex, personalized requests. In 2012, 36.4 million tax returns were filed but only 13 million of these were filed online.

The results of a first ethnographic research project including counter interaction between users and employees, showed that tax administration is seen as the archetype of "state administration". The relationship with that administration seems to be a constraint and based on a feeling of fear and sanction in case of error. "When tax administration fails I must pay the penalty". This relationship is perceived as a sort of captive relationship, an unequal balance of power and a one-way relationship. This generates the fear of getting it wrong and a need for reassurance through speaking with an employee at the counter who will stamp the document. This means people return to old habits rooted in handing in deposits or documents at a counter.

This learning led to two decisions being taken by the French tax administration:

1. To redesign the website taking into account "life events" search entries. Throughout 2014, online and offline workshops are being organized with 20 tax administration users and employees to test the accessibility and clarity of online and mobile services.
2. To use the nudge methodology to allay user's concerns and encourage them to use the internet in low added-value procedures.

The following case study presents the innovative nudge generation methodology (Nudge Lab) and illustrates the process of turning a research insight into an efficient nudge for one of the most important challenges for the tax administration: increasing online tax returns instead of paper returns. This increase is expected to be significant since the level of online tax returns is very low in France (33%) compared to the average observed among OECD (Organisation for Economic Co-operation and Development) members (65%). Prior to testing the nudge approach, SGMAP and BVA have had the opportunity to run another methodology, exploring co-creation with users in order to generate ideas for the future. This enables us to compare the respective benefits and outputs of co-creation workshop with users and Nudge Lab methodology.

CASE STUDY: TURNING INSIGHT INTO EFFICIENT NUDGES

The behavior change challenge
The challenge faced here by the SGMAP is: how to encourage taxpayers to use more online services for their tax returns in seeking answers for low added-value requests, without duplicating contact through the other various channels. As a consequence, agents can devote more quality time to physical contacts (desk/phone) for higher added-value requests.

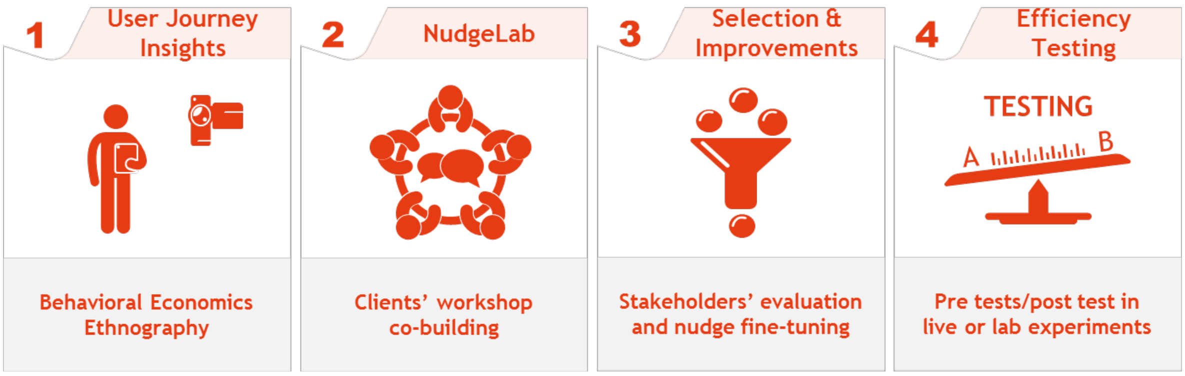
A preliminary approach: co-creation with users
Prior to testing the Nudge Lab approach, SGMAP first explored ways to answer this challenge using a traditional user/co-creation methodology. A mixed group of users (taxpayers) and agents (civil servants) were given the task of designing projects during creative workshop sessions. Output resulted in co-created concepts such as creating a new internet site with personal space, creating a virtual agent to answer FAQs, and installing self-service tax return terminals.

The major benefit of this approach was to help front-office staff to understand the challenges facing users in their tax-filing process through open conversations with them. This co-creation method also enabled representatives of members of the public to participate actively in public service improvement. Creating a basis for more trust via workshop moderation helped identify major routes for improvement in current processes and create ideas for the future. However, the outcome of this approach led to action plans that could not be considered as nudges: most of them were not cheap and were rather long-term projects with big changes, and they mainly echoed users' and agents' rational insights.

The next stage: the NudgeLab approach, turning ethnographic insights into effective nudges in four steps
This end-to-end process starting with research and ending with research was designed to infuse all the science-based knowledge across the various steps through research and co-working with the client. Most participants did not need to master the theory since the use of purposeful templates and idea-building tools made these breakthrough insights directly accessible to all. Specifically designed science-based frameworks also allowed participants' implicit learning and cultural change on the go within the public finance organization.

Designing this original process required two previous years of method refinement and optimization, in order to incorporate all academic knowledge into simple and usable tools and capitalize on agency behavioral and ethnographic expertise already shared during a previous ESOMAR Innovate conference (Bordenave and Ten Donkelaar, 2010). These now consist of a four-step methodology starting with the user journey ethnography and ending with effectiveness testing (lab or live), all conceived through the lens of behavioral economics. Figure 4 shows the key steps illustrated using the French government case study.

FIGURE 4. THE FOUR STEPS OF THE NUDGE LAB (© BVA) APPROACH

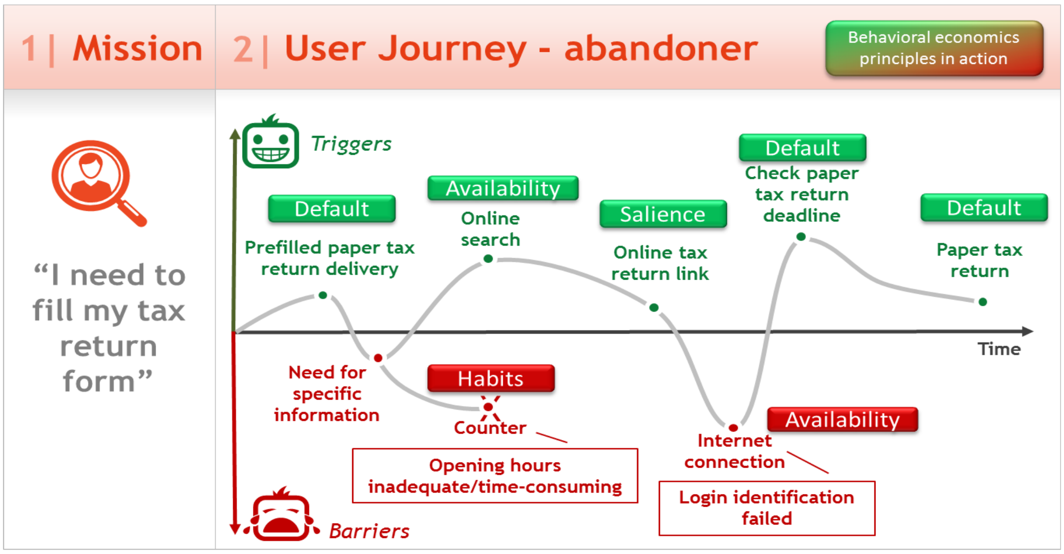


Step 1: User Journey Insights

This user journey is based on a behavioral economics ethnography. Unlike traditional ethnography, behavioral economics ethnography focuses more on implicit factors that can influence behaviors: current behaviors or desired ones. Exploring various behavioral user profiles such as internet users, abandoners, or paper return users, behavioral ethnography uses in situ observation (where people file, how they organize their tasks, what documents they use) as well as interviews to systematically review the three key areas of behavioral influence: personal mindset, physical context, and social environment to decode situational perceptions. It systematically covers all touchpoints (interfaces) that can influence users and choice architecture.

For each typical behavior (whether using online services or not), both triggers and barriers are explored, and the user journey is mapped to identify critical moments of truth where nudges could have significant effects (see figure 5). It is only when you know the real reasons why people do what they do, when, and how, that you can find clever levers of change. By mapping all these factors at each moment of truth across the journey, we can provide key inspiration as to where effectively to introduce nudges to address sometimes unexpected factors or blindspots affecting user's and agent's rationality.

FIGURE 5. USER EXPERIENCE JOURNEY THROUGH BEHAVIORAL ECO LENS



Examples of natural barriers to online tax returns revealed by ethnography:

- *Individual* barriers: habits, salience (I didn't even think about it), perceived complexity of technology, fear of risks of a costly mistake, or a trust issue (I feel more confident speaking to someone), empathetic gap on the internet, emotional proof (a physical stamp on the document makes it feel authentic).
- *Situational* barriers: the way documents are designed make paper a default option (deadline for paper tax returns is Monday 27 May 2013, but file online later!), the ease of use perception is also paper (I just need to sign!), the connection process is too complex (too many codes).
- *Social barriers*: parents/friends use paper tax returns (I do as they do), people want documentary proof to meet other official requests.

Step 2: NudgeLab

The NudgeLab is the central step of a method that attempts to answer the collective challenge: how to encourage taxpayers to use more online services for their tax returns and in seeking answers for low added-value requests, without duplicating contact through the other various channels. Organized as a one-day co-working session including client, agency and some lead users, the choice of participants appears critical to its success, both in terms of output but also operationality of solutions:

- *On the client side*: unlike previous approaches only involving agents, here critical decision makers were invited (e.g. internet site designers, policy brochure creators, communications, tax campaign coordinators) including SGMAP that coordinated the approach across administrations. Top-level participants from public finance were also involved, particularly in the selection phase for final endorsement.

- *On the agency side*: were professional moderators trained in methodology, ethnologists who conducted the research that served as an input, and behavioral experts (including academics) from the agency nudge-unit to inspire their groups using proprietary behavioral economics tools (see process below).

- *On the lead user side*: three external people were specifically recruited to ensure user representation within groups. These were recruited for their creative profiles which could add inspiration from their own fields (implicitly related to our topics). In this aim, we recruited a game designer, an online shopping specialist, and an interior designer.

As an input: participants were reminded of the learnings of previous research (user journeys, triggers and barriers), and participated in the exercise in the role of users rather than wearing their usual functional 'hats'. Previous ideas from co-creation groups and examples from other countries were also shared to train participants to recognize what is a nudge, and what is not.

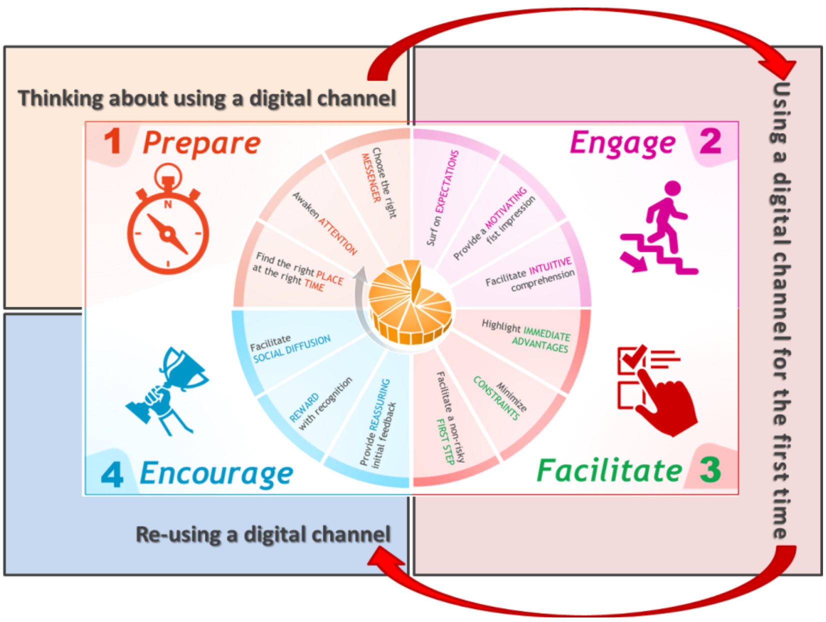
As an output: working in groups, using divergent and convergent exercises, participants were expected to produce as many nudges as possible. They were also trained via story-telling templates describing nudge mechanics. Groups mixed participant profiles to ensure collective intelligence activated all drivers to produce "ready to go" solutions: i.e. insights of users, inspiration from behavioral experts, embedded feasibility knowledge of client. As in most creative tasks, no evaluation was allowed at this stage.

As a process: the agency designed a proprietary framework (behavior change stairs) to inspire solutions at each moment of truth. The "behavior change stairs" were designed to operationalize academic learning and provide a systematic checklist of potential levers. The framework is based on existing models developed by academics (Dolan et al., 2010; Heath and Heath, 2011; Patterson et al., 2012) and designers (Design Incubation Center, 2013). The objective was to stimulate creativity under constraint, with a problem-solving animation design, including inspirational material along the mains steps (see figure 6):

- At an early stage: how do you help people consider going online (availability, salience)?
- During the process: how do you engage and facilitate online use?
- Finally: how do you keep users online and encourage return?

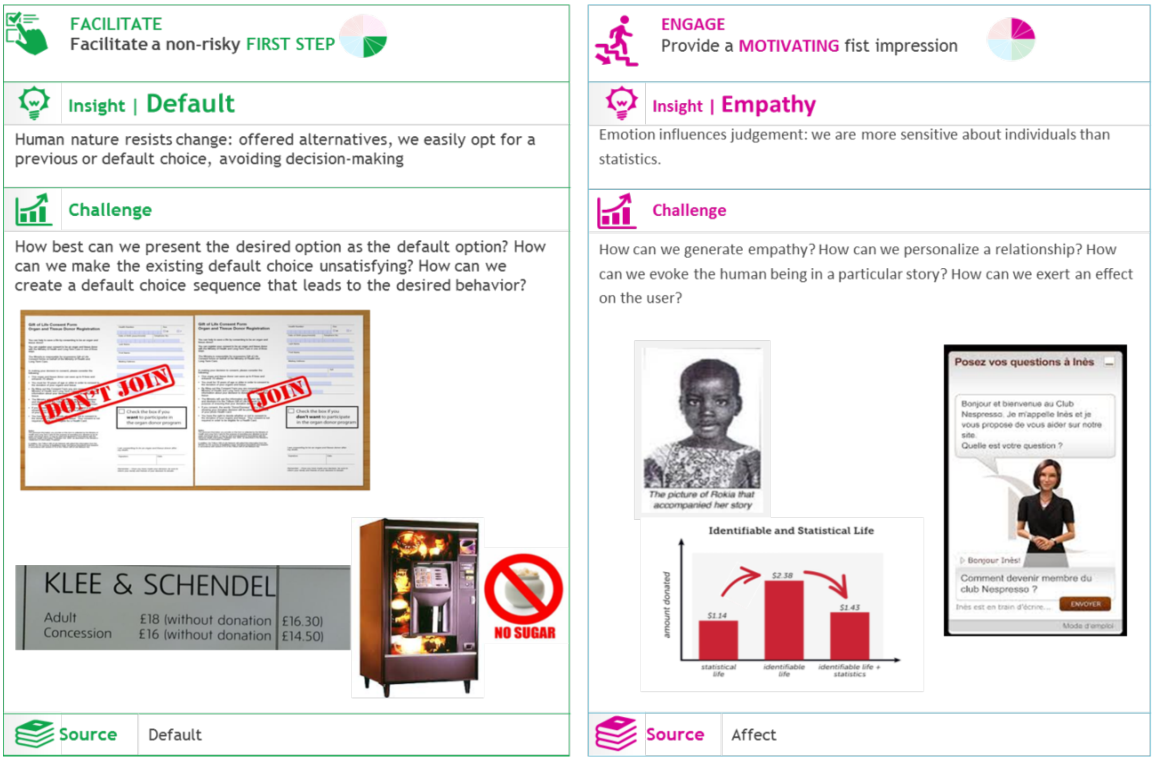
For each step we listed three key drivers, and for each driver two or three inspiration cards outlining how to activate the driver. Only the critical steps in drivers identified during ethnography were reviewed during group work in the NudgeLab.

FIGURE 6. BEHAVIOR CHANGE STAIRS (© BVA) APPLIED TO THE DIGITAL PATH



The group was split into subgroups to overcome each of these challenges, using inspiration cards illustrating examples of existing nudges in related fields. They were used during the workshop to help participants apply behavioral drivers such as "default" and "empathy", in order to achieve the expected behavior change (see figure 7).

FIGURE 7. INSPIRATION CARD, 2 EXAMPLES: DEFAULT AND EMPATHY



Source: Inspired by MINDSPACE, Nudges Database, Dan Ariely and Dilip Soman.

To ensure the exercise was down to earth and tangible as well as cost-conscious, all groups had at their disposal all the typical documents and interface material (including access to the website, forms, and communications) that users are exposed to. In this way groups were encouraged to produce clearly intelligible "how to" ideas by illustrating how they would change current material to ensure everyone could envision the modifications.

The combined use of research insights (implicit triggers and barriers) with behavioral insights from science (behavioral drivers), mixed with relevant material and clever moderation helped create more than 36 nudges, using a specific template.

Step 3: Selection and Improvements

At the end of the NudgeLab stage, which produced the design of the 36 nudges, stage three uniquely involved key stakeholders (no lead users) to enable:

- selection of the nudges to apply according to priority;
- precise description of the conditions of execution and determination of success;
- identification of nudges that would be the subject of a later pre test prior to generalized application to the population as a whole.

Stage three consisted of a half-day workshop including client interlocutors (SGMAP and the tax administration) in addition to behavioral economics experts responsible for the project.

The workshop was divided into three principal parts:

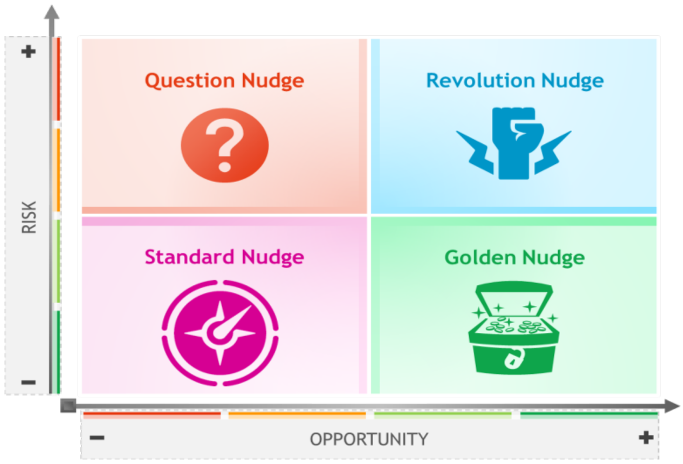
- the evaluation, by each participant, of each pre-selected nudge;
- a discussion allowing all participants to put forward their points of view within the framework of the description of the conditions of execution and success;
- a final selection of nudges to be implemented and of those to be tested prior to implementation.

Nudges were effectively classified on their capacity to generate the desired change and evaluated on the simplicity/ease of introduction while there was also consideration of potential ethical questions. They were evaluated based on an expert grid comprising several criteria:

- its anticipated capacity to change behaviors;
- as well as the risks entailed in implementation, the financial and social risks taking into account the specific interests of agents and users, including simplicity of execution.

The different nudges were then positioned on the "Nudge Matrix" (see figure 8) which focused on these dimensions based on the average results obtained. This matrix provides a clear and synthetic vision of the nudge portfolio.

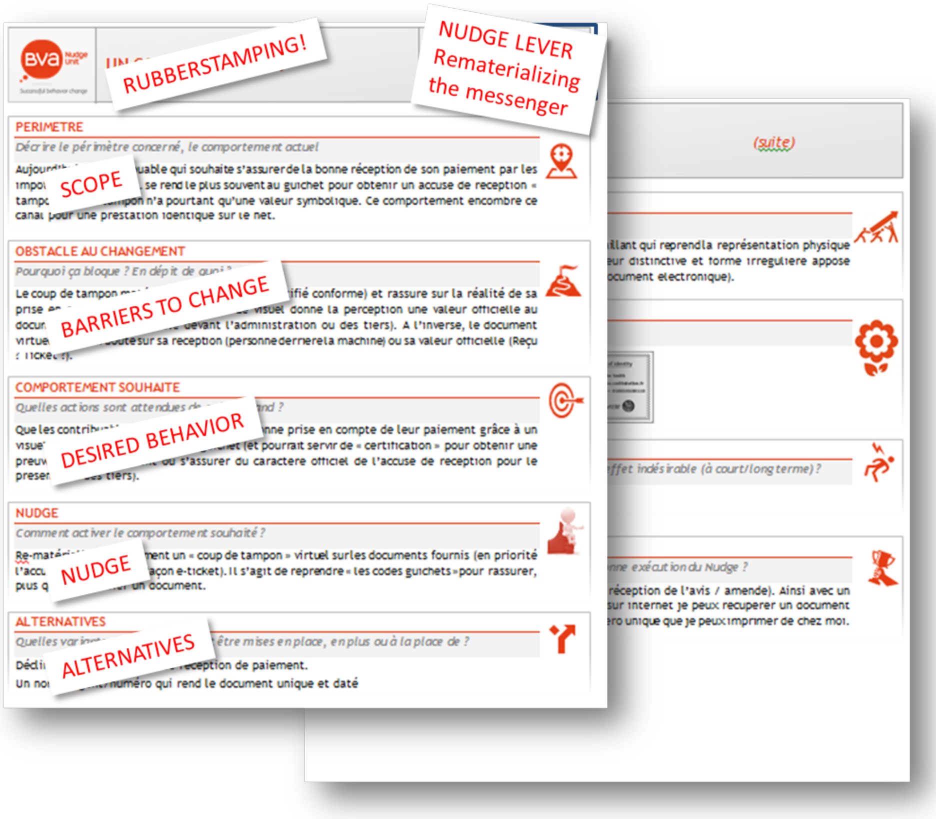
FIGURE 8. THE NUDGE MATRIX (© BVA)



A final selection of eight nudges was made by participants: some for testing, some for direct implementation. This selection is the subject of the Nudge Book (see figure 9): a self-contained storytelling format that could be understood by anyone who has not yet participated. This aims to facilitate appropriation across state organizations, but also to serve as a briefing base for external partners designing interfaces. It precisely but synthetically describes all the nudges, including:

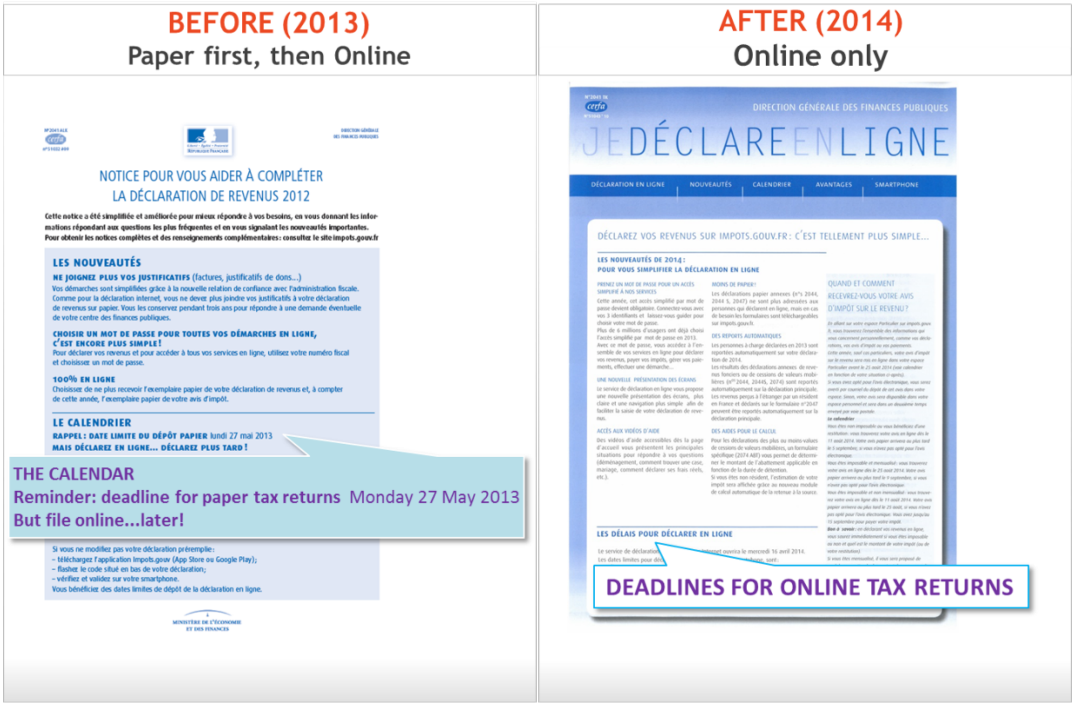
- the target and the behavior each nudge attempts to change;
- the behavioral economics principle on which it relies;
- the way to implement it;
- the potential risks to avoid;
- and the conditions required for the nudge to be successful.

FIGURE 9. NUDGE BOOK EXAMPLE



Example: because the current tax form (2013) was implicitly designed with paper as a default (deadline for paper returns… except if completed online), the team revised messages and choice architecture (see figure 10), the online return becoming the n°1 option, with salience reverting to deadline and messages to suggest online as the default and an extended online filing deadline (vs. paper deadline), as the previous year. A media campaign was also orchestrated to drive online filing as the default (although paper remained an option of course).

FIGURE 10. NUDGE BOOK EXAMPLE



The overall communication material aims at systematic prioritization of online rather than paper tax returns, adding some simple existing nudges that could be implemented without testing: e.g. a text sent to those who used an online tax return the previous year (see figure 11):

- Social norms (last year 13.6 million people filed online tax returns).
- Choice architecture presenting online as a default option.
- Call to action with salient link to the impot.gouv.fr website and Smartphone App.
- Individual contribution to government savings and environmental preservation (Ego valorization).
- Suggest use of social network to gain visibility
- Not forgetting to thank people for submitting online tax returns!

FIGURE 11. NUDGE COMMUNICATION BY MAIL

All those changes immediately applied to 2014 campaign already generated a 10% increase in online tax return vs. the same 2013 period. This is considered a big success by the French government. This behavior change generated 400 tons of paper saved, doubling last year's figure (Ministère des finances et des comptes publics, 2014)

Step 4: Effectiveness Testing
While some nudges were implemented straight away on the 2014 campaign (like new default = online), some alternative nudges were considered as requiring effectiveness evaluation prior to roll out.

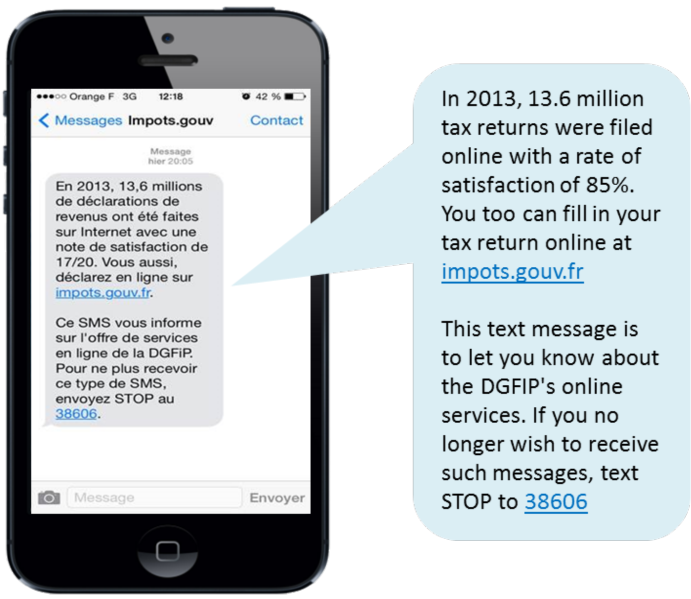
Given the major financial stake in the problem addressed, the Ministry of Finance adopted the recommendations arising from our approach and allowed implementation of a field trial in a real situation on a major scale.

During the May/June 2014 government tax return campaign, seven different messages were sent to users who had the internet but did not use it for their tax returns. In this experiment, the tax administration provided us with a very big sample: 2.5 million people. The sample was divided into five equal parts (see table 2) in line with a randomised controlled trial (Ly and Soman, 2013). Each sample was exposed to a different message through different channels to test effectiveness on behaviors (tracked by the administration).

TABLE 2. EXPERIMENTAL DESIGN

Leg	Status	Sample size	Media	Message (lever)
1	Control	500.000	None	None
2	Test	500.000	email	"last year 13.6 million people used online tax returns" (Social Norms)
3	Test	500.000	email	"last year 13.6 million people used online tax returns" (Social Norms) AND "you too can save time – submit your tax return online" (loss aversion)
4	Test	500.000	email	"last year 13.6 million people used online tax returns" (Social Norms) AND "As a result, 200 tons of paper were saved" (Ego)
5	Test	500.000	Text messages	"last year 13.6 million people used online tax returns" (Social norms) AND "you too can save time – submit your tax return online" (loss aversion). See figure 12.

FIGURE 12. TESTING TEXT MESSAGE NUDGE



Results are expected in July, at the end of the tax return campaign.

DISCUSSION: BEYOND PUBLIC SERVICES IS THE NUDGE PROCESS TURNING ALL INSIGHTS INTO GOLD?

Behavioral insight as an inspiration – nudge as an effective solution
A nudge is a twist, inspired by behavioral insights, that limits failures in new trials of service or product usability. Good nudge design is what accelerates adoption of new behaviors, and that catches on among target groups for an existing product or service. Nudge is the "last yard" detail that helps transform all previous efforts invested in research, development, communication and so on into expected behavior... It increases the odds of success by first dealing with our

human limitations: factors that drive our everyday behaviors that are often far removed from rationality. Nudges close the gap between what is intended (the strategy) and what is actually perceived (the execution in context), addressing the "soft barriers" (habits, attention, context factors, etc.) and activating alternative behavior drivers (social, emotional, intuitive) beyond rationality or self-control.

But a nudge does not aim to fully re-invent a product or service: it aims to improve an existing base, "adding lubricant to the relevant pipes", when changing all the pipes is not an option. More dramatic changes that are often explored in creativity sessions, e.g. redesigning an offer or expanding into new channels, are costly solutions and excluded from the scope of nudging which seeks low-cost and accessible changes for significant impact. Because nudge is not working miracles, if your pipes are clogged (e.g. if major structural barriers such as availability or quality issues are preventing the prospects of adopting your solution), adding a nudge will not help. Nudges will not fix major flaws in the marketing mix such as undue pricing or undifferentiated offers vs. competition. These can explicitly be highlighted by consumers and should be solved beforehand: nudge is not the solution to all types of problems and some objectives are unachievable via nudging.

NudgeLab compared with other co-creation approaches

Even if following similar divergent/convergent thinking, a NudgeLab approach differs from a classical co-creation approach both in terms of participants, input and output.

Using behavioral economics insights as a springboard for solving the creative challenge focuses on levers that individuals often don't know that they don't know: they most often refer to mindless vs. mindful drivers, and context-based vs. motivation-based solutions. Hence creative efforts are used to address new problems that participants are often unaware of prior to presentation of ethnographic results. Early briefing on what a "nudge" is constrains their creativity in solving limited problems at critical moments of truth. The storytelling used to bring insights alive (both scientific and ethnographic) turns it into an interesting and achievable challenge to take up as a group: most created solutions are then perceived as accessible and rather easy to implement because participants have the implementation end in mind from start. The sum of small things can exert major change.

Co-creation approaches, on the other hand, produce far more breakthroughs or ambitious ideas. Based on inspiring insights (i.e. marketing-based: a tension between contradicting needs and wants, or consumer truth) it frequently tries to answer unmet needs with some extra serendipity from diverging exercises. Participants may then create what they would dream about, and mad ideas are sought (no technical constraint is involved here). By experience, co-creation workshops, while entertaining, often end up with solutions that, although seductive, require complete organizational redesign or heavy R&D efforts to develop the required functionalities. They frequently generate frustration on the client's side if insufficient quick wins emerge, while most projects are abandoned later on due to feasibility issues.

As a result, output clearly differs between classical co-creation workshops and a NudgeLab: the first is more appropriate to generate breakthrough ideas of new product or services, ensuring higher customer acceptance (as they are involved in early design), but often with longer-term accessibility. Meanwhile NudgeLabs are more appropriate to renovate or improve current product or services by addressing behavioral barriers and adding low-cost twists that drive implicit choice and behaviors toward the desired outcome. Accessibility and acceptance of nudges are also evaluated in a second step, but by definition creativity under constraints leads to solutions that have the elegance of simplicity and often prove more accessible.

Using nudges as quick wins for renovation rather than innovation

The nudge approach focuses on quick wins at low cost and is particularly adapted for renovation or adoption of existing products or services. Meanwhile co-creation shows more potential for innovation to create new concepts and can also help a client's organization to understand directly from the voice of the customer what is working or what is not (with explicit reasons), accelerating the need for change (see table 3). Although the nudge design method is shown to have innovative strengths, depending on where clients focus their expectations, none of these will be able to fix major flaws in the marketing mix such as quality issues or undue pricing vs. competition. A preliminary diagnosis with the client to identify the problem to address and the behavioral target to select is then highly recommended. This also ensures ROI tracking, avoiding wasted effort geared towards unachievable goals. If the client's objectives cannot be translated into a desired behavior by an identified customer base that is worthwhile and accessible, the nudge approach is not recommended.

TABLE 3. WHEN TO USE A CO-CREATION WORKSHOP OR A NUDGELAB

	Co-creation workshop	NudgeLab
Objective	Early design of new product/service (innovation)	Optimize touchpoint behavioral influence on existing product/service (renovation)
Participants	End users, front-office, clients	Lead users, behavioral experts, clients decision makers
Input	User needs & wants, insights (explicit)	User journey insight (implicit) Science insight and nudge inspiration (behavioral economics)
Process	Ideation (open exploration)	Problem solving (moment of truth oriented)
Output	New concept of product/services (breakthrough)	New choice architecture for message/ touchpoint (quick win)

CONCLUSION

Nudging: Five critical key success factors
Through our experience with various clients (public and private) we have identified five key success factors for the nudge approach:

1. Ethics
The agency has a role here in reiterating that a nudge should always be respectful of an individual's freedom of choice. We usually bring to a client's attention that there will always be a backlash to unethical intentions in the same way as forced sales generate no long-term engagement and can be counterproductive (or illegal). However the referential of the "desired behavior" can sometimes be debated (who should decide what is good or bad for individuals and general interest)? To question the ethics of nudge as a means of desired behavior, Thaler and Sunstein (2008) suggest testing whether individuals who are fully informed of the purpose of the nudge would feel cheated ending up making a different choice. This is an easy rule of thumb that can also be tested. For more references, his latest book (Sunstein, 2014) is a good source of insights.

2. User experience in situ
It is often tempting to consider nudge as a pool of ready-made solutions that could be "cut and pasted" into various situations without prior diagnosis. Experience shows that, while some nudges may appear appropriate for a particular business, when transplanted they often do not work because minor details in the context are changed. Inspiration from an existing nudge is helpful, but only an in-depth understanding of an in situ experience (from observation as well as indirect open questions) can help in the choice of interventions with the best lever effect. Effectiveness requires solutions adapted to the bias and heuristics at play in a particular case. Nudge starts with decoding, i.e. discovering what you don't know you don't know.

3. Openness and humility
Just like any other innovation process, nudge is inspired shamelessly by other domains such as neurosciences, gamification, e-commerce, change management, etc. and builds on your creative lead user's perspective, even if this is not the conventional way of doing things in your business. Fight the not-invented-here syndrome and always separate the creative process from evaluation. Having said that, you should always doubt your intuition because your end users never act in the way you imagine: test, learn, and adapt is the BE researcher's motto.

4. Behavioral evaluation
Again, as nudges address implicit and unconscious factors, only lab or live AB/testing can provide you with the answer, i.e. which nudge is a truly efficient solution on behaviors (rather than attitudes)? Focus groups or question-based research is often inappropriate to test real effectiveness Testing remains a critical step to ensure that the proposed nudge does not create any unexpected backlash effects. So testing is not only key to avoid major unanticipated public risks, but it is also needed to provide research facts as a way to accelerate change and adoption within a client's organization, i.e. relevance and ROI of nudges.

5. Engaging stakeholders
Similarly to any change management project, early engagement of critical decision makers is part of the success of the approach. In addition to helping the organization to accept the point of view of its users at all levels (policy designers, internet site managers, communications, top managers), it also allows extremely rapid implementation of quick wins through full endorsement of a co-created solution. All stakeholders can then become advocates of their collective achievements, promoting their nudges across the organization using agency documents (Nudge book).

A science-based methodology to transform insights into actions offers new perspectives for the market research industry

Beyond revitalizing customer journeys and ethnographical research, we could successfully investigate how implementing a formalized workshop methodology based on solid academically-explored and validated principles could help generate rapid, unexpected and relevant solutions. We believe that it is the role of a market research agency to provide consulting knowledge and share the latest academic insights in a way that is accessible to clients. But stopping there is not enough: agency added value comes from the solutions it helps design and implement, not just creating inspiration and bewilderment by how human nature works.

Unlike most post-research creative workshops, there is little room for luck left in this NudgeLab design process: selected insights, challenge formulation, creative inspiration all infuse academic knowledge, but also the implicit knowledge from a client's organization. This integrated approach, with research at the start (inspiration) and at the end (validation) and the full involvement of internal client stakeholders during the process, combined with academic partnerships, seems in retrospect to have been transformational both for the agency and the clients. This study culminated in the creation of a nudge-unit both on the agency and the client side to develop further collaboration across different administrations and train both organizations in "how to use" this new knowledge and method.

Unexpectedly for a public service, the very first initiative with SGMAP was awarded the Golden Marketing Trophy in France (Market Research Category, May 2014), creating a flurry of interest in much of the media, proving that the research industry can also gain new clients within the public arena who are keen to make their initiatives simpler and more effective. It is only recently that the private sector has started to show an interest in nudge benefits. As usual P&G was one of the first to adopt behavioral economics principles within its market research teams. It seems that, at a time when media-based marketing ROI is strongly challenged, looking at nudges as a way to make every touchpoint behaviorally effective is an interesting, alternative route to explore for brands. We have started adapting the tools to answer this challenge.

Next steps for the French government

This first experiment took place at a time when significant constraints reduced the ability of the state to engage additional expenditure. Proven success in other countries has inspired alternatives as to how to design and implement public policies. Nudge is starting to be applied by the French government to public health or safety, because these policies tend to be faced with risky public behavior that neither legislation, taxation nor information have managed to reduce. Consequently, the SGMAP is currently participating in assessments of public policies for which recommendations related to changes of behavior (nudge) are expected:

- The first of these concerns the policy of promotion of generic medicines with a view to enhancing their use. Some 90 million € in prescription savings are expected, according to the Ministry of Health (Department of Social Insurance). The department aims to define actions for prescribers (doctors, specialists) and also for patients in order to improve confidence in generic medicinal products. SGMAP will carry out a survey and use a NudgeLab to identify the triggers and barriers to use of generic medicines and to identify the appropriate nudges and communications campaigns to improve confidence in these products.
- The second key policy assessment concerns road safety. The aim is to better understand the behavior of road users and limit risk-taking behaviour (especially that by young people aged 18-25 years who account for 21% of deaths on the road, and also those who use their phone while driving), and to identify good levers to improve the social acceptance of road safety policy.

The experiments concerning these two policies will be conducted in autumn 2014. Their aims are to find some more tender nudges to be applied by the French government. To be followed up…

ACKNOWLEDGEMENTS

The authors gratefully acknowledge Celine Pelletier, Secrétariat Général à la Modernisation de l'Action Publique (SGMAP), Jean-Luc Jacquet, Direction Générale des Finances Publiques (DGFiP), and Beltrande Bakoula, BVA, for supporting this innovative MR approach. They also offer special thanks to Dan Ariely and Paul Dolan for sharing knowledge through joint experimentations.

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THE AUTHORS

Eric Singler is General Manager, BVA, France.

Françoise Waintrop is Head of Mission, SGMAP, France.

Richard Bordenave is Innovation & Marketing Director, BVA, France.

Etienne Bressoud is Innovation & Marketing Sciences Manager, BVA, France.