

Switching to Safer Payments: Applying BI to Increase E-Payment Adoption Among Social Assistance Clients

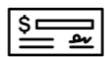
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Objective

Can behaviourally-informed (BI) emails and letters encourage social assistance (SA) clients to switch from cheque payments to e-payments?

Background

Ontario SA clients receive their payments as either:



traditional cheques



direct bank deposit (DBD)



reloadable payment card (RPC)

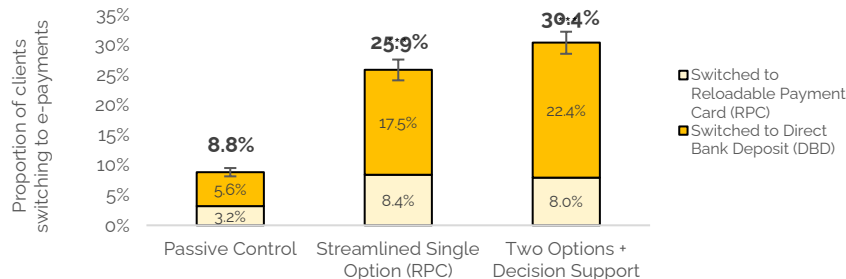
Cheque payments can be delayed by mail disruptions, or involve in-person pick-ups and additional fees to cash. Although e-payments are more secure and convenient, over 35,000 SA clients (7%) were being paid by cheque in 2020.

Methods

- A **Randomized Control Trial** assigned 12,710 SA clients to a passive control group receiving no communications (7,159) or treatment group (5,551) receiving an email or letter which promoted (1) one e-payment option or (2) an active choice between both options. Some clients were also sent a reminder.
- Letters/emails were sent in April 2021, with reminders sent in May 2021; data was extracted for analysis in July 2021.

Results

- BI messages **nearly tripled** clients' likelihood of switching from cheques, compared to the control (OR = 2.67, $p < .001$).
- The best-performing message encouraged an **active choice** between two e-payment options (OR = 3.60, $p < .001$).



Conclusion

- 558 more clients switched to e-payments** over the trial period than could be expected through business-as-usual approaches, leading to:



Enhanced security



Avoidance of costly cheque cashing fees



Reliable delivery without disruptions



Fewer unnecessary interactions

- MCCSS and BIU are working to scale the best-performing trial messaging to over 13,000 SA clients still receiving cheques, making it easier for more people to switch to safer and convenient e-payment methods.

References

Keller, P. A., Harlam, B., Loewenstein, G., & Volpp, K. G. (2011). Enhanced active choice: A new method to motivate behavior change. *Journal of Consumer psychology, 21*(4), 376-383.