

HMRC HTS Project – Summary of key findings of a research project exploring possible developments for the HTS App and Website

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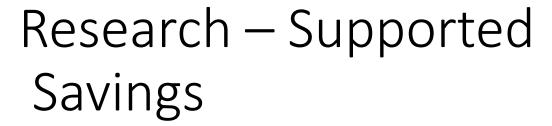
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The Centre on Household Assets and Savings Management (CHASM) is a research centre based jointly in the School of Social Policy and Birmingham Business School. The aim of CHASM is to provide a focus for world-class research on financial inclusion, financial transfers and tax, financial capability and financial assets.

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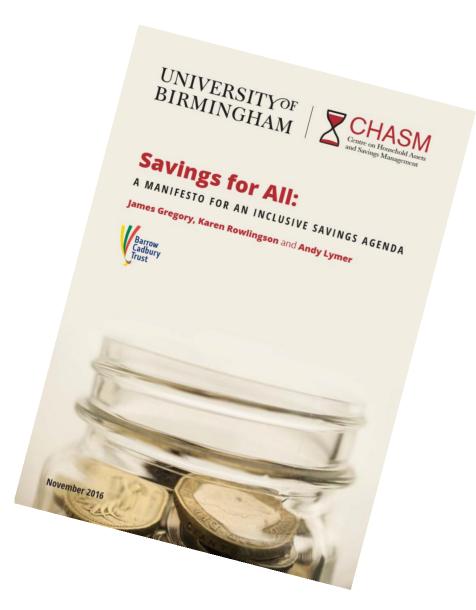
Positive savings goals

Rewards sensitive to fund access needs

Employer linked savings schemes

Involvement of trusted partners like Local authorities





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Agree project aims

 To assist HMRC with its positioning and contextualising of its HTS Scheme app and related services

....as related to savings and savings habit forming approaches, to -

- 1. explore related products and services as part of a systematic review of closely related savings services
- 2. examine near a future likely fintech and related developments in the field that may impact on this domain of interest
- Approach = desk based and interviews



Target/goal setting as motivation for saving growth

- Target visualisation very likely to motivate habit forming behaviour
- People more motivated to save more towards positive things than 'for a rainy day'
- BUT FOR THE HTS TARGET GROUP motivation for savings AGAINST stuff not just FOR stuff may be important too



Budgeting and role of general financial capability development help

- Can HTS app be linked to suitable 'white labelled' services to help budgeting/cost management in clients to help release funds for savings?
- Link to Single Finance Guidance Body/Money and Pensions Service tools as non-commercial provider?



Need to have clear successor account plans during next 12 – 18 months

- Habit forming behaviours gained in service could be lost
- Link to longer term savings such as pensions? (or via NEST's 'Side-car savings' type initiatives?)
- Possibility of 'white labelling' service to maintain trust links now established?



Nudges and personalisation possibilities

- Can we collect more information from users to aid bespoking of service?
- What is a suitable level of basic data capture?
- In-use nudges can provide positive messages/reduce instances of poor decisions making (e.g. impulse buy withdrawals)



Suitable 'friction' strategy for interactions going forward

 Frictionless activity may not be suitable goal for all – particularly if seeking to form savings habits which require conscious action to embed habit in user

- What we DIDN'T hear in this research
 - Gamification (particularly if of 'competition' style) is not likely to be important (beyond basic 'well done you met the target you set yourself' i.e. competing with yourself stuff)
 - Do we have the 'jam tomorrow' aspect right? People very likely to be motivated better by instant reward for sign up than unknown bonus down the line





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