CREATING NUDGES: A PROCESS BY AIM & BVA



NUDGING FOR GOOD

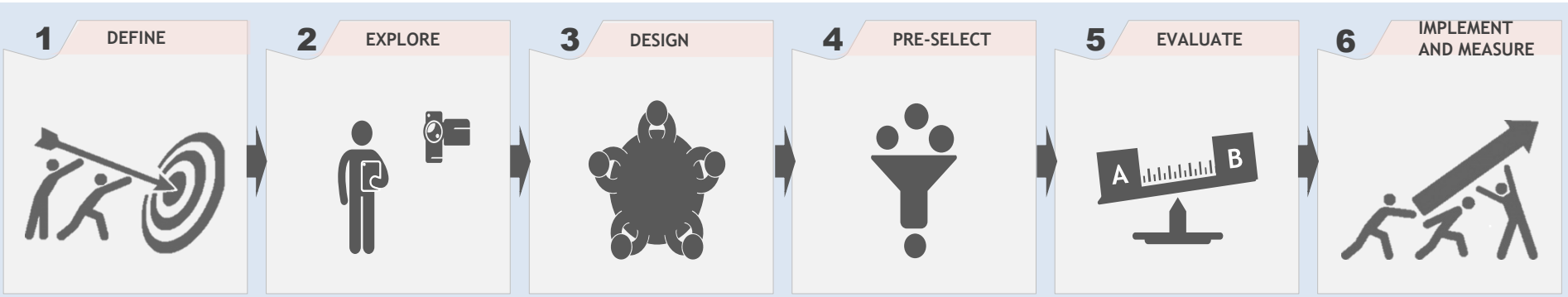
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INTRODUCTION TO CREATING NUDGES

The BVA/AIM "Creating Nudges" process is a 6-step methodology to help you design Nudges for good. It was inspired by BVA's Nudge Unit experiences and practices, and received input from the AIM members (and soon advisory committee.)



Why Nudging for good? Because we believe that brands too can change things, help people engage in healthier and more sustainable lifestyles (see details in AIM manifesto) . Nudging for good can help in many areas. This AIM project focuses on the areas of healthier balanced diets and active lifestyles, responsible drinking, producing less waste and litter, resource efficiency (water and energy savings), good hygiene and appropriate product use, and self-care.



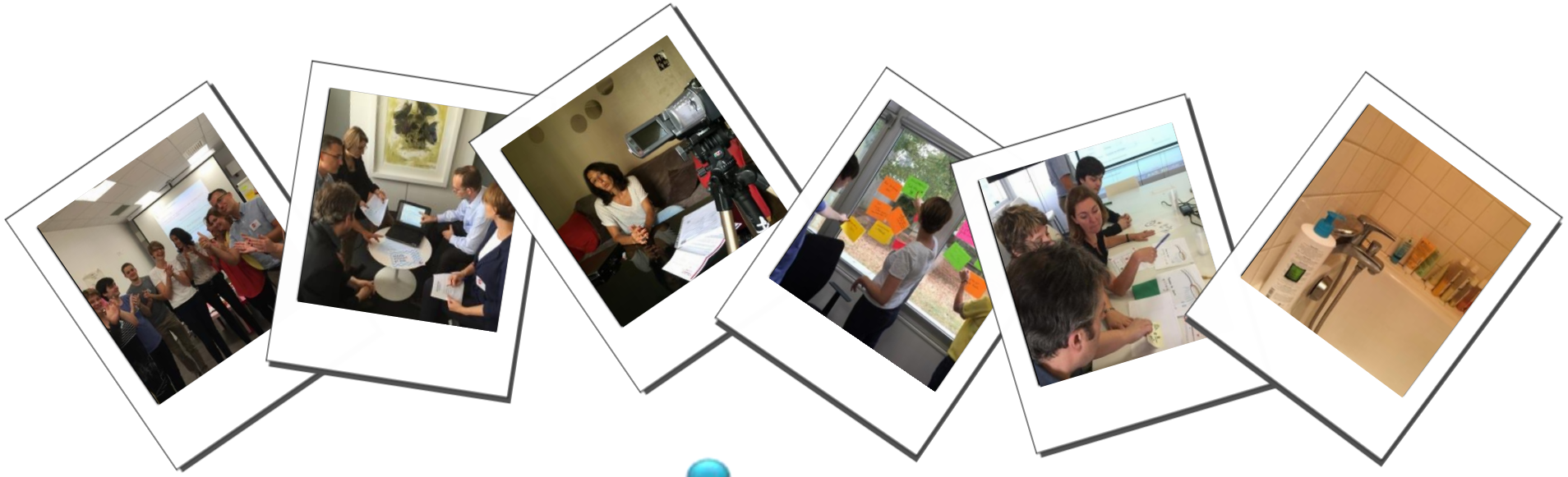
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THE STORY OF FRESH'HAIR

At the end of each step you will find the development of Fresh'Hair's Nudge case. Fresh'Hair is a fictional family shampoo brand that has used our "Creating Nudges" tool in a Nudging for good project.

Please note! The development of this document is an ongoing process and it can be enhanced with your suggestions.



FRESH' HAIR



1. DEFINE

A problem well stated is a problem half solved

- Charles Kettering



INTRODUCTION

Nudging isn't just a new process. It is a new way of thinking about behaviours and the solutions to influence them in daily life situations. Of course, nudging has been around since well before the word “Nudge” was coined by Thaler & Sunstein! Actually, in numerous ways, marketers were the first Nudgers, since many advertising or promotional tactics play on concepts similar to Nudges. However, beware! The belief that nudging equals marketing may prevent you from seeing new opportunities for your brand.

WHAT IS NUDGING FOR GOOD ?

Nudging for good is driven by a fundamentally different purpose than marketing. And yet those two fields aren’t conflicting: they complement each other. Nudging for good is about helping humans (not just consumers) adopt healthier and more sustainable behaviours on a daily basis by taking into account their mental shortcuts, the role of their emotions and the environment.

It is a modest contribution to global challenges that offer brands an opportunity to play a social role beyond their traditional commercial connections with consumers.

INVOLVING THE RIGHT TEAM

This is why Nudging involves multiple experts beyond marketing and consumer insight teams: R&D, CSR, corporate affairs executives also play an essential role in creating successful Nudges for your brand.

But nudging requires everyone to go through a preliminary learning phase, to understand the newest behavioural-sciences derived consumer insights. It also requires great care in mastering the concepts to make sure that all potential issues (ethics, measures..) are discussed upfront with your stakeholders and rightfully made consistent with your company's other CSR activities.



This Step 1 presents guidelines inspired from our BVA Nudge Unit experience and best practices that will help you Nudging for good, starting with understanding all the challenges attached to it.

YOUR PRELIMINARY STEPS



Prior to the kick-off meeting:

- ❑ Build a multi-skilled core team

  Involve the Marketing, CSR, Sustainability, R&D, Trade Marketing and Corporate Affairs departments. You may add other stakeholders in the next phase.

- ❑ Get your core team familiar with the Nudge concepts

  Have them read the many real-life examples included in the AIM case studies section.

- ❑ Look for complimentary inspiration and share it with the participants

  In the public domain: check out Nudges designed by academics or public organizations.

- ❑ Learn the basics of behavioural sciences

  See the Consumer Insights section!

- ❑ Gather existing behavioural data (from Usage and Attitude studies, consumption data)

  Actual facts will help you draw a bigger picture and prioritize your challenges

THE KICK-OFF MEETING



Running the kick-off meeting:

1. Choose a topic where your brand is legitimate (see the introduction)
2. Boil it down into a behavioural challenge
3. Discuss ethical matters and other possibly-challenging issues
4. Identify potential behavioural change KPIs.
5. Fill in the “Nudge challenge” template with your team
6. Anticipate feedback from other stakeholders on the chosen topic

COMPLETE THE TEMPLATE WITH YOUR TEAM!



The definition of a clear and specific objective is the key to the success of the Nudge process. In this first step, you must describe as precisely as possible what you want to achieve.

Here is a series of questions that will guide you through the first step of the process. Write down your answers in the space available below each question.

1. Choose a challenge your consumers are willing to overcome or a commonly accepted desirable goal xxx.
Find facts to support your claim.

2. State the ideal behaviour you would like to help your consumers achieve.
Be specific. Make sure the ideal behaviour leads to a more sustainable lifestyle.

3. State the current behaviour that you would like to help your consumers refrain from.
Explain why this behaviour is not sustainable.

4. Describe the consumers concerned by your Nudge in behavioural and socio-demographic terms.
Make sure that the number of people concerned is large enough.

5. Define the KPI you will use to measure the behavioural change.
Keep feasibility in mind.

6. List the possible ethical challenges that may be attached to your Nudge and determine which stakeholders to involve for discussion.
Is your brand legitimate? Should you work with partners?

TIPS!

02

Become an expert at driving your team! Read books, visit the Consumer Insights and Nudge Project sections of the website.

01

Nudging will generate questions.

To address them prior the meeting, invite your team to watch the "Nudge for good" videos as an introduction.

04

Search for impact and stay ambitious! For measurable change, you should aim big. Pick a serious challenge.

05

Try to avoid challenges where you could be suspected of designing Nudges the purpose of which isn't helping the consumer reach his/her own goals.
Be prepared to answer questions on ethics.

03

Building trust with stakeholders is a must: communication about your intentions should be crystal clear to everyone.
Any hidden agenda will backfire on you!

06

Ensure that the elected behavioural challenge generates enthusiasm and is supported by both internal and external stakeholders.

FRESH'HAIR: A (FICTITIOUS) NUDGING FOR GOOD STORY

Imagine: you are an executive at Fresh'Hair, a leading brand on the European shampoo market. The marketing and CSR managers have decided to Nudge for good. In their task, they are helped by an agency and its Behavioural Economics experts. Throughout the "Creating Nudges" toolkit, you'll be able to follow Fresh'Hair's Nudge project!



PREPARING THE LAB





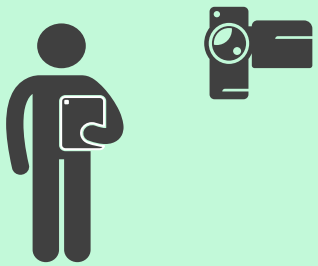
2. EXPLORE

I hear and I forget

I see and I remember

I do and I understand

-Confucius



INTRODUCTION

This second step is based on a Behavioural Economics ethnography : unlike traditional ethnography, Behavioural Economics ethnography focuses as much on explicit factors as on implicit ones impacting behaviours, current or desired. There are many ways to observe behaviour: recording in situ, self-ethnography, eye-tracking… Choose the best method based on your specific constraints (feasibility, observer bias), preferably with the assistance of your insight director and research agency.

UNCOVER WHAT YOU DON'T KNOW YOU DON'T KNOW

"Observe" is the key word here: there is a gap between what your consumers declare and what they actually do. Nudging relies on the explicit and implicit levers, on the role of context on our behaviour, and consumers are often unaware of these influences. This is why you should observe them in a real situation whenever possible before asking formal questions! You can rely on experts to interpret the gaps between what users say and do.

GET BEHAVIOURAL INSIGHTS USING ETHNOGRAPHY



- To properly explore, go beyond what consumers say and decipher behaviours through the lenses of new insights from Behavioural Sciences. There are many ways to observe consumers and get insights. Discuss with your market research Director and agency partners to determine which technique will be the best fit, depending on the factual information you already have: Who, What, Where, When, How.
- During the exploration it is essential avoiding research biases that may impact on behaviours. Your goal here is to get as close as possible to a "natural" environment. Avoid priming the researched topic. Whenever possible, mix it with other topics and metrics! The exploration is a passive process, be careful regarding the presence of your observers.
- Self ethnography can provide relevant secondary observation.
- Pick an agency that masters numerous techniques: video-recorded experiments with retrospective interviews, subjective recording tools (like eye-tracking), in situ non-stop recording, mobile self-ethnography, diaries, online bulletin boards. Most of those techniques involve individual observation, which makes these very different from focus groups. Take pictures, record videos and audio bits. You may collect explicit answers by asking questions formally, but do it only after the observation phase!

ETHNOGRAPHIC, PASSIVE RECORDING AND SELF-REPORTING TOOLS EXAMPLES FROM BVA STUDIO



The SOCIAL point of view

As seen by an « OBSERVER »

SUBJECTIVE observation



Eye-tracking



Camera glasses



Diary & self ethnography





Recorded interview



Video chat



Passive video recording



Blog/forum



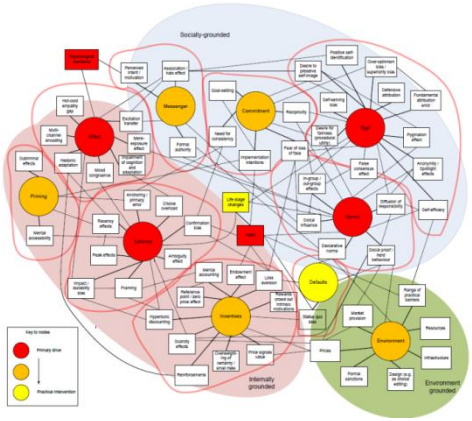
On-line communities



IRL communities

UNDERSTANDING BIASES AND RULES OF THUMB

- Our decisions are influenced by approximately a hundred biases and rules of thumb (also know as heuristics, principles and procedures that are widely applied even though they aren't strictly accurate for every specific situation)!
- Those heuristics are mental shortcuts used by everyone, approaches that aren't perfect, but good enough to provide for a short term solution. Fortunately, they can be summarized into three key areas of behavioural influence: situational, social and personal.
- Keep this in mind: you are looking for implicit and explicit factors that could be leveraged or that could hamper the expected behaviour. Consumer Science insights (see Section 3) reveal the true reasons your consumers do what they do, and it is only by uncovering and understanding them that you can generate a change.



From hundreds of biases to 3 key domains!



Dolan, P., Hallsworth, M., Halpern, D., King, D., & Vlaev, D. MINDSPACE; 2010,

USE ETHNOGRAPHY TO MAP THE USER JOURNEY

Observe the user journey at each Moment Of Truth, identify:

- The barriers that prevent consumers from adopting the desired behaviour.
- The triggers that would encourage consumers to adopt the desired behaviour.

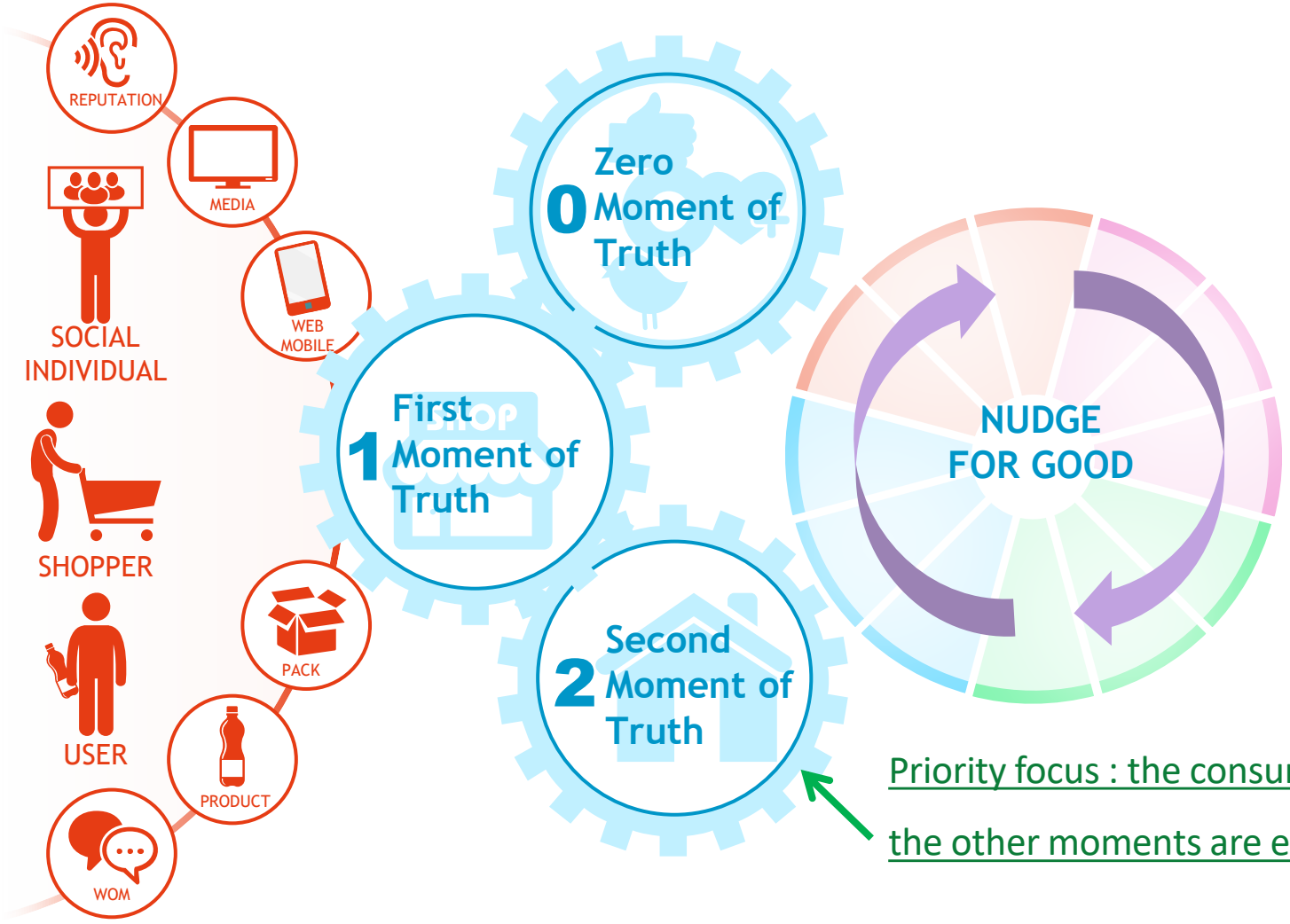
Observe different types of consumers, according to their behaviour…

- People who already have the desired behaviour.
- People who stick to the current behaviour.
- People who try to adopt the desired behaviour but fail to do so.

Focus your exploration on interactions taking place at home!



USE ETHNOGRAPHY TO MAP THE USER JOURNEY



Priority focus : the consumption moment,

the other moments are enablers

COMPLETE THE TEMPLATE!



Behaviour A | Current



Behaviour B | Desired



WHAT BARRIERS ?



WHAT TRIGGERS ?

	Explicit	*Implicit*
Barriers		
Triggers		

Evaluation grid

TIPS!

01

Focus groups aren't enough!

Observe the behaviours in situ. Observational insights are a lot more valuable than articulated ones.

You can even observe the behaviours on your own, be the detective!

02

Remember: if you do your market research the same way you always have, you'll get the same results you always got.

03

Train your observers

and interviewers to Behavioural Economics biases and heuristics. If they aren't familiar with them, they won't be able to see them!

04

Using data, you can frame the right user category to observe. This is necessary to **investigate the relevant behaviours.**

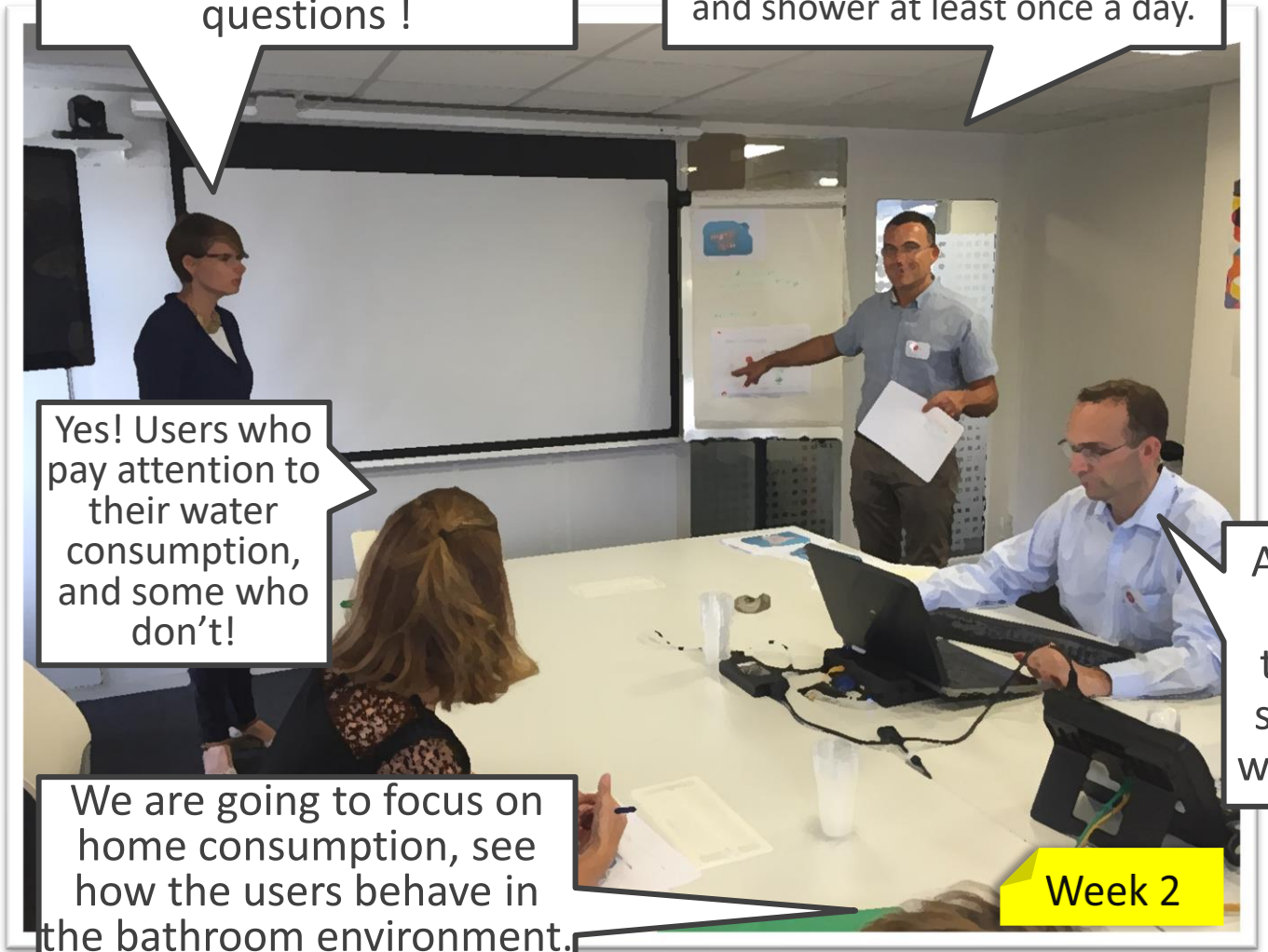
05

Interviewing remains a good way to get insight a long as they are conducted **in situ**, so you can know what is the influence of the context!

06

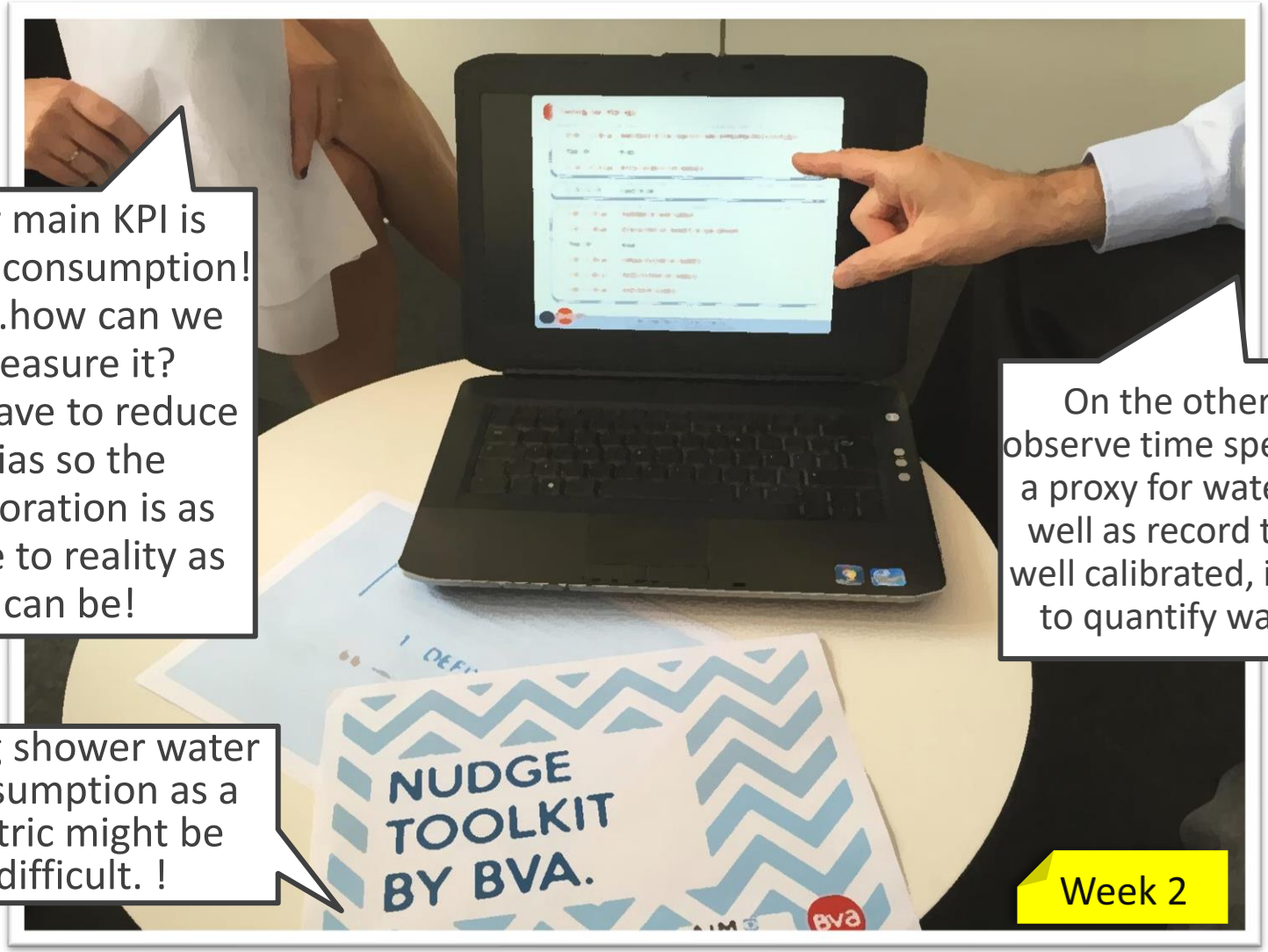
Study all three moments of truth: the zero moment (**social person**), the first moment (**shopper**), and the second moment (**user**).

FRESH'HAIR'S EXPLORATION



Just like you, Fresh'Hair is now going to run an ethnography to explore the users' behaviours! They wonder: which methodology should they pick?

OBSERVATION METHODOLOGY AND KPIs

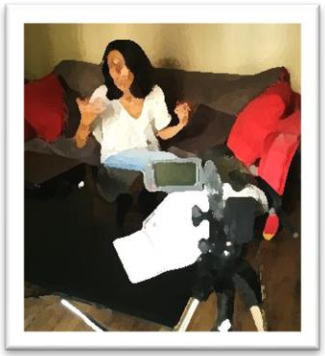


THE AGENCY'S METHODOLOGY

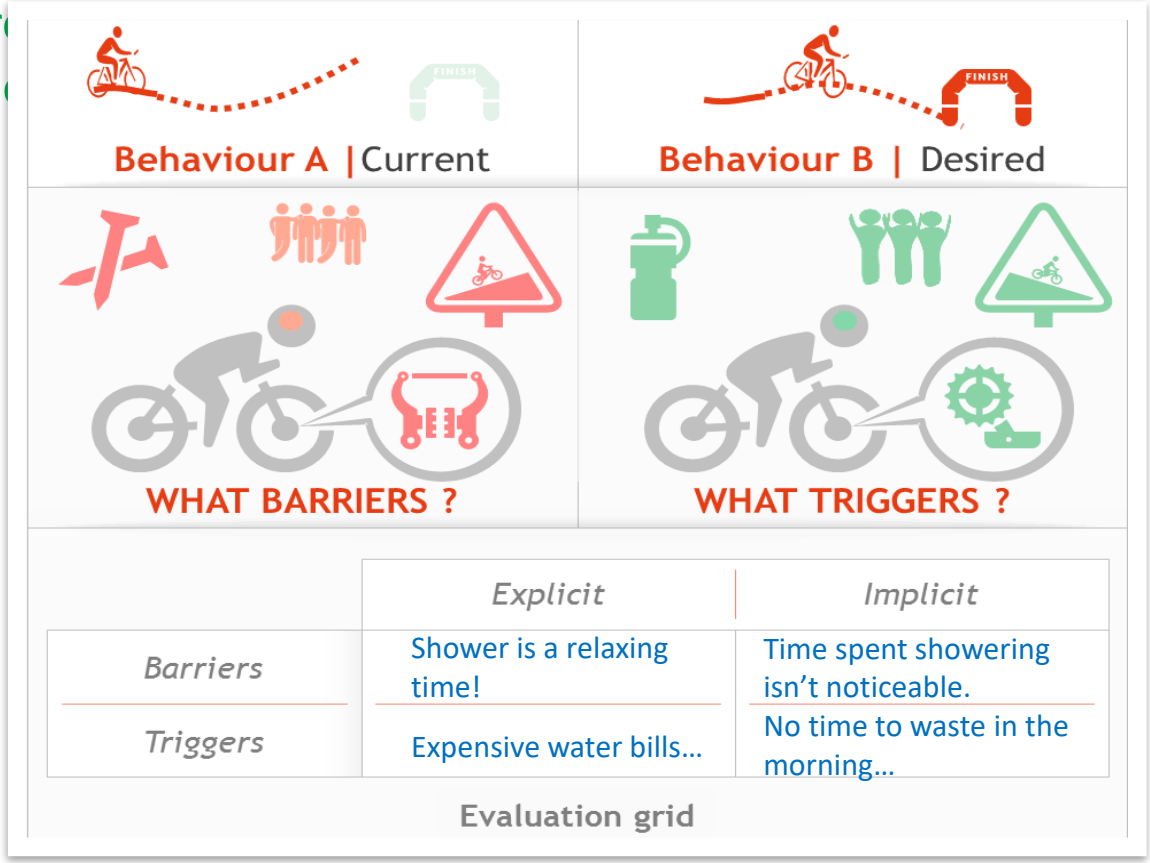
Fresh'Hair has received the agency's offer. It includes:

- An ethnographic report at the users' home, based on observation and retroactive interviews.
- In-situ self-reporting (pictures & texts) in the pr
th









	Explicit	Implicit
Barriers	Shower is a relaxing time!	Time spent showering isn't noticeable.
Triggers	Expensive water bills…	No time to waste in the morning…

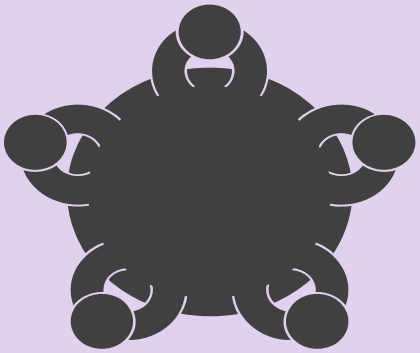
Evaluation grid



3. DESIGN

“The whole is other than the sum of its parts.”

Kurt Koffka



INTRODUCTION

The Nudge workshop is *not* a typical creative phase. Its originality and its strength lie in the unique way to harness collective intelligence: put together your core stakeholders and involve wider audience, focalize your creativity on quick wins and operational solutions, and focus as much on implicit levers than on explicit ones using Behavioural Economics lenses.

THE NUDGELAB IS NOT A TYPICAL CREATIVE WORKSHOP



The workshop (BVA NudgeLab® type) is a the central step of a method that attempts to answer the collective challenge defined in step 1. It is organized as a one-day co-working session including internal stakeholders, market research agency behavioural sciences experts, external experts, and some creative consumers. The choice of participants is critical for its success, both in terms of output but also in terms of operability of solutions.

YOUR PRELIMINARY STEPS



- Find a place away from your office, large enough to work in groups and create a positive mindset.
- Select people who will participate: executives from your company, your partner agency's experts (moderators, ethnography researcher, Behavioural Economics specialists), and creative users. About 15 to 20 people should participate.
- Send a motivating invite, use toolkit videos
- Illustrate most striking insights from behavioural research/ ethnography with an illustrated story (video, pictures, verbatim…)
- Define the objective of the co-working session through a question to clarify the behavioural challenge for all participants : what behaviour is expected where from who?
- Break down the behavioural challenge into more specific questions for your group: what barriers are we trying to overcome, how to facilitate new behaviour, how to refrain from the former one, where are the biggest bottlenecks, what drivers could be activated…
- Be sure you have co-working session material : paperboards, markers, sticky notes, pens, and specific Behavioural Economics material (build your own or ask for help from your agency partners!)

PROMOTE COLLECTIVE INTELLIGENCE WITH MIXED PROFILES



The variety of profiles included in the group will drive collective intelligence to produce "ready to go" solutions: insights of users, inspiration from behavioural experts, consumers asking for feasibility and convenience… We recommend no more than 15-20 people to be manageable (and work in sub-groups).

- From your company: here critical stakeholders are invited. These are the people in charge of the touchpoints that intervene at each moment of truth (Marketing, Package Designer, Product Manager…).
- From the research agency: involve professional moderators trained in methodology, ethnologists who conducted the research that served as an input, Behavioural Economics experts from your partner agency's Nudge-unit and industry experts, to inspire their groups to use proprietary Behavioural Economics tools.
- From the consumers category: recruit creative consumers who have a specific interest in the challenge at stake and whose job can be a source of inspiration during the Nudge ideation.
- External stakeholders: possibly NGOs, public organizations, etc.

DURING THE NUDGE WORKSHOP

Morning:

1. Immerse your team in ethnographic results
2. Remind everyone of the goal of the co-working session: the behavioural challenge
3. Also remind everyone of what a “Nudge” is
4. Share the user journey drawn by your research partners, explain the drivers of influence
5. Use active listening, start generating Nudge ideas, use sticky notes
6. Output from the morning session = quantity! Get as many ideas as possible
7. As in most creative tasks, evaluation isn’t allowed at this stage. We are primarily seeking for quantity rather than quality!



THE 21 DRIVERS OF INFLUENCE



TRANSMITTER — Choose the right messenger to reinforce the message



HABITS — Promote the development of new habits through new triggers and appropriate rewards



EGO — Give value to the action by rewarding with recognition



DEFAULT — Create a default choice sequence that leads to the desired behaviour



RECIPROCITY — Engage in a logic of reciprocity by creating a social debt



INCENTIVES — Encourage a behaviour with money, goodies or social reward



VALUE — Highlight the scope of work realised to justify the price



EMOTION — Generate an emotional response through images, visuals and embodied stories



REWARDS — Reward with positive feedback



SALIENCE — Attract attention by making an item salient



ONE STEP AT A TIME — Make the task seem easier by going on step at time



FRAMING — Create a choice context that encourages the desired behaviour



IMMEDIACY — Postpone constraints and efforts in the future while immediately providing advantages



NOSTALGIA — Activate the feeling of nostalgia



FAIRNESS — Show the fairness of the targeted behaviour



LOSS AVERSION — Mention the loss provoked by not adopting the desired behaviour



UPPER /LOWER ANCHORING — Generate favourable associations and reference points



EASINESS — Simplify the desired behaviour



NORMS — Encourage the need for conformity



COMPARTMENTALIZE — Materialise invisible flows (like efforts, expenses) with objects you can visually handle

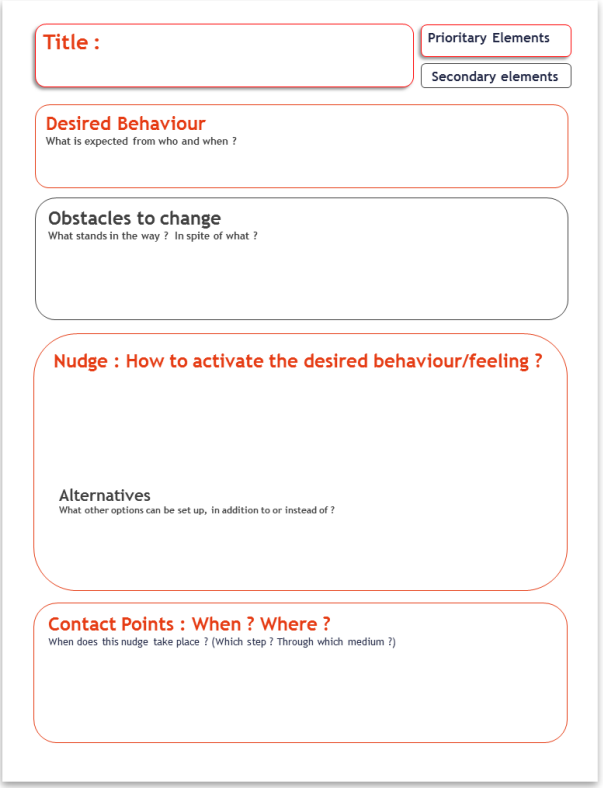


ENGAGEMENT — Generate commitments to promote consistency

DURING THE NUDGE WORKSHOP

Afternoon:

1. Split up the workshop participants into different sub-groups. Each will work on a specific Moment Of Truth using the "behaviour change wheel" (explained further on) and use the Drivers of Influence as a source of insight
2. Cross-pollinate between groups
3. Select the most engaging ideas by voting!
4. Use the templates and frameworks to put the Nudge ideas in shape
5. The output here is enhancing the quality of your ideas by framing them. Your agency partners will put together a reference document gathering all the finalized ideas along with illustrations. It will be used to share the designed Nudge ideas with people joining the project later. BVA calls it the NudgeBook®.



COMPLETE THE NUDGE TEMPLATE!

Title:

Desired Behaviour:
What is expected from whom, and when?

Priority Elements

Secondary elements

Obstacles to change
What stands in the way? In spite of what?

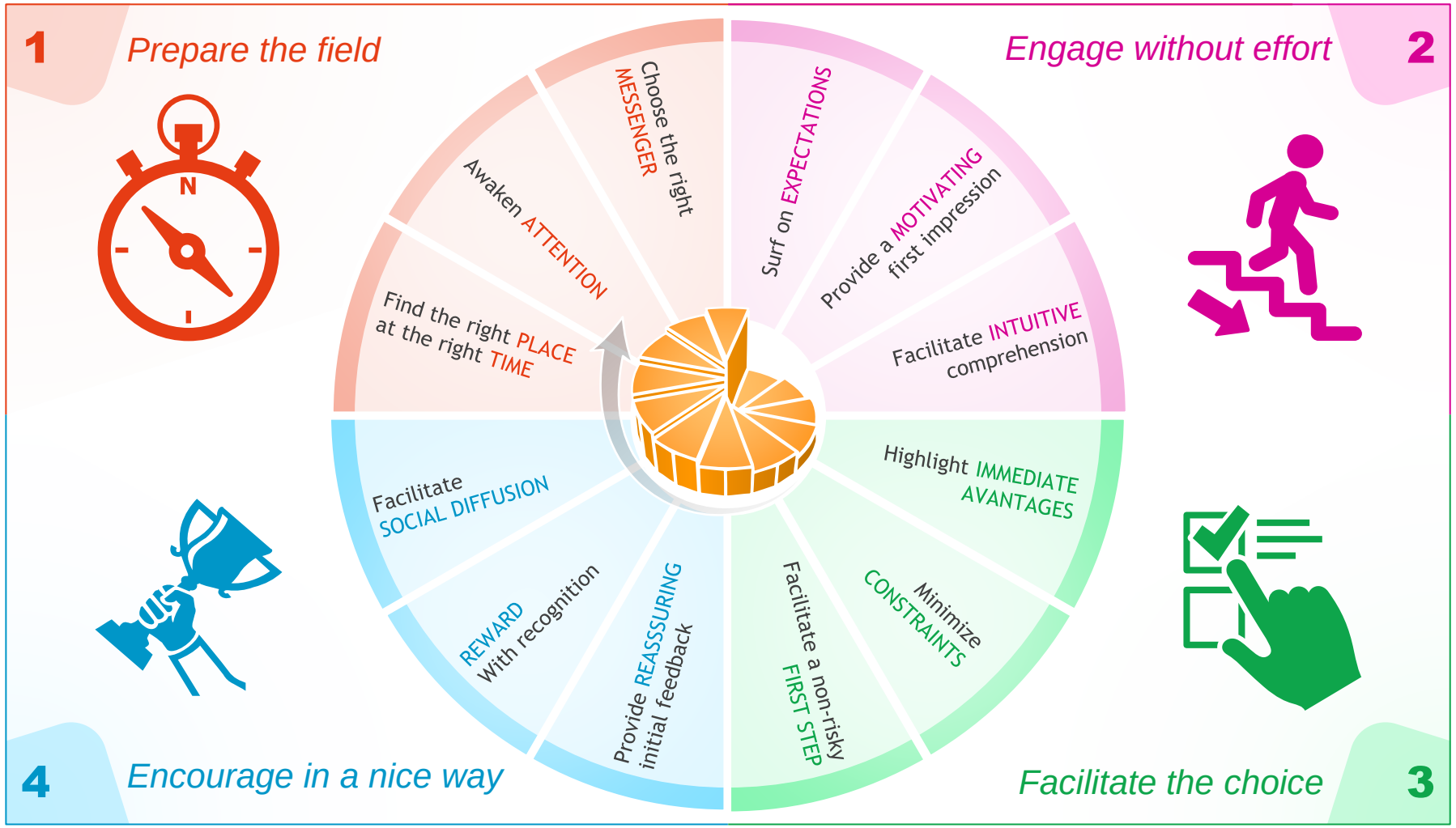
Nudge: How to activate the desired behaviour?

Alternatives
What other options can be set up, in addition to or instead of?

Contact Points: When? Where?
When does this Nudge take place? (Which step ? Through which medium?)

USE THE WHEEL OF CHANGE DURING YOUR WORKSHOP!

Groups are split between the four different parts and put up their ideas on it.



TIPS!

02

Make sure the workshop participants have fun! Having the right mindset is critical . Create activities that put people in a «positive » mood: icebreakers, energizers,…

04

Promote collective intelligence: Build on each other's ideas. Listen, avoid expert debates. Stay focused on the behavioural challenge.

01

Make the workshop participants comfortable:

organize the session in a nice place, prepare a warm welcome for your participants (why not some breakfast?), set up a good lunch and some breaks during the day to allow people to breathe.

03

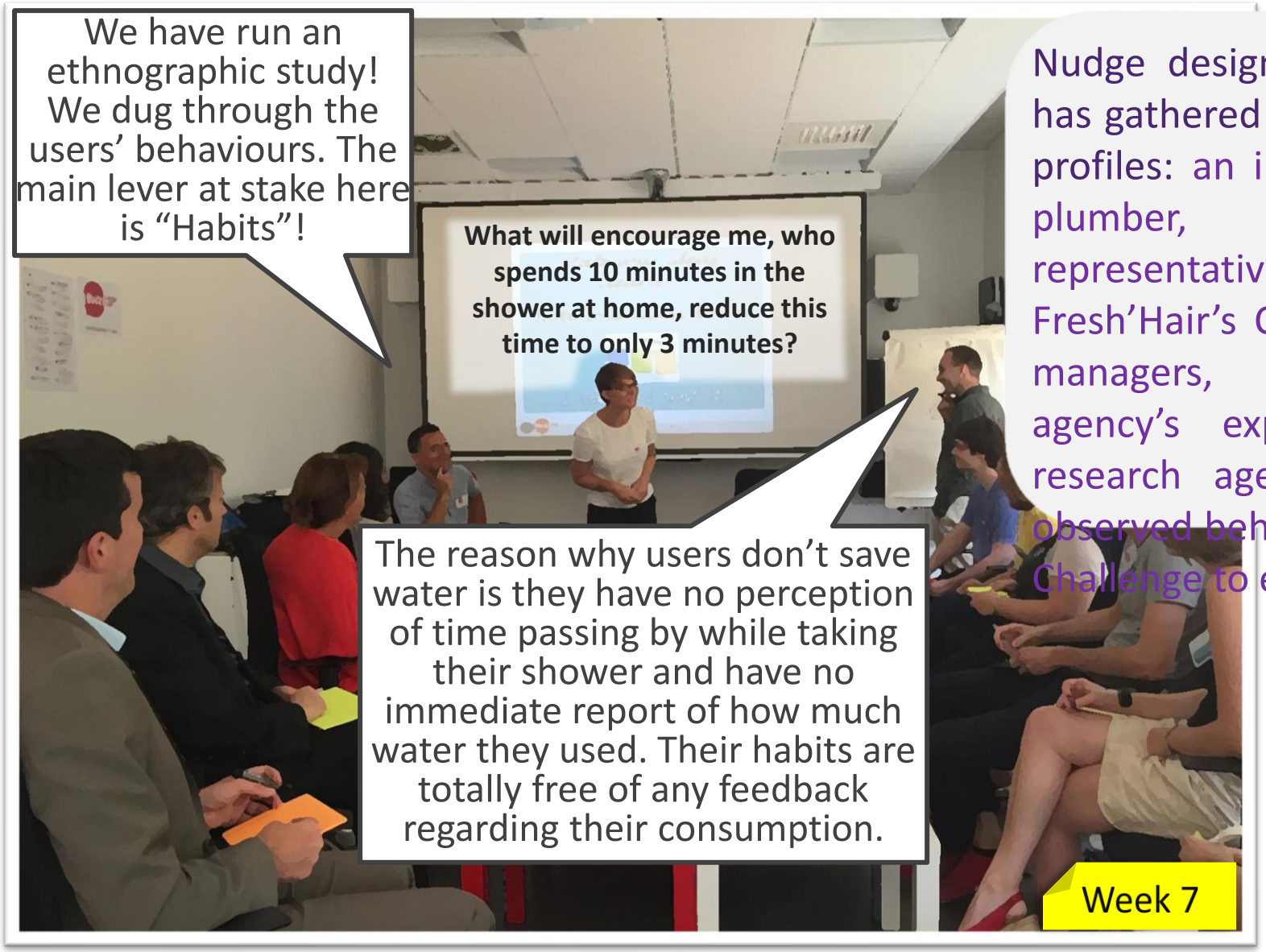
Encourage wild creativity: Set the room in a "Nudge way" (elements hanging on the wall). Curiosity and open-mindedness are essential. Avoid self-censorship, promote spontaneity, self confidence, say what you have to say. Free your imagination and take risks.

05

Regarding the output of the ideation session, a good moderation should produce 20 to 30 ideas.

The emphasis is put on quantity in the morning, and then quality during the afternoon session.

FRESH' HAIR'S NUDGE WORKSHOP



Nudge design time! Fresh'Hair has gathered a group of various profiles: an interior designer, a plumber, an NGO representative, a handful of Fresh'Hair's CSR and marketing managers, the research agency's experts. First, The research agency exposes the observed behaviours and Nudge Challenge to everybody.

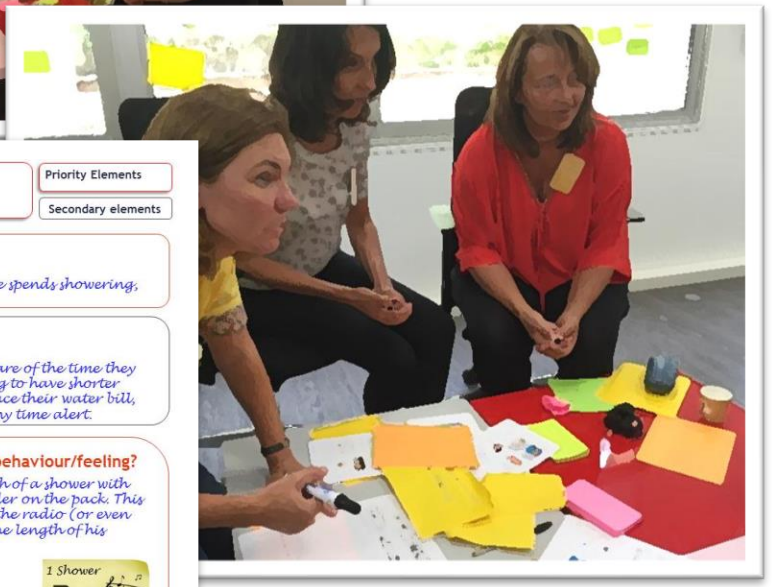
FRESH' HAIR'S NUDGE WORKSHOP

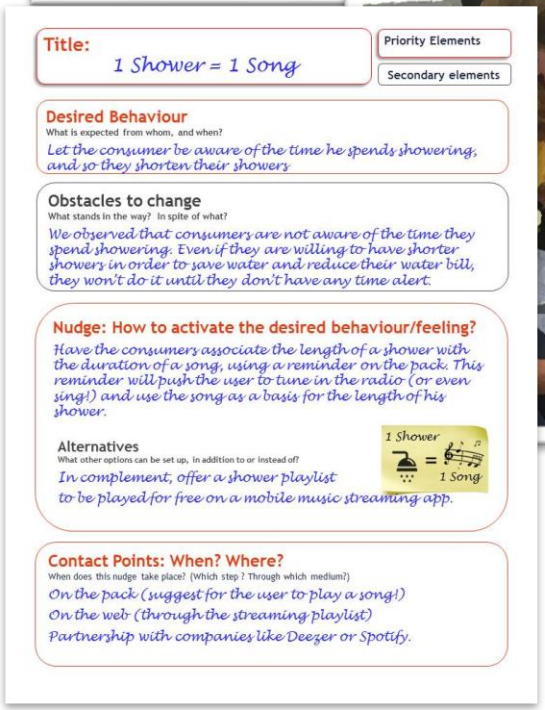
I think some good triggers here could be Ego (the user feels valorized from switching the water off)



And Salience! By materializing the time spent showering you can create a feedback loop.







Using the Wheel of change and referring to the Drivers of influence, the participants work on their Nudge ideas. Different groups are producing ideas specific to each Moment of Truth.

FRESH' HAIR'S NUDGE IDEAS

Title:
1 Shower = 1 Song

Week 7

Desired Behaviour
What is expected from whom, and when?
Let the consumer be aware of the time he spends showering, and so they shorten their showers

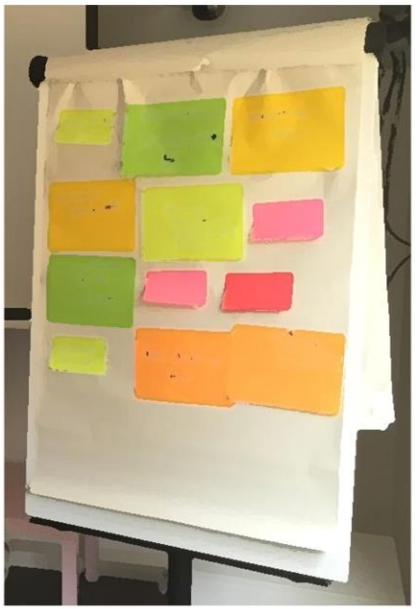
Obstacles to change
What stands in the way? In spite of what?
We observed that consumers are not aware of the time they spend showering. Even if they are willing to have shorter showers in order to save water and reduce their water bill, they won't do it until they don't have any time alert.

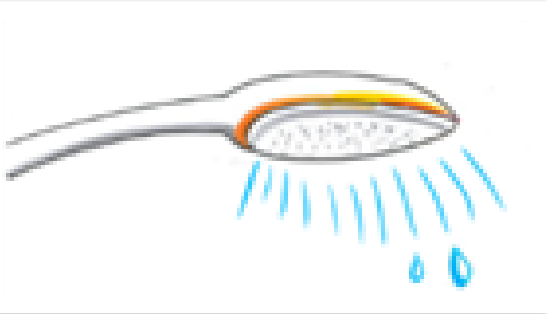
Nudge: How to activate the desired behaviour/feeling?
Have the consumers associate the length of a shower with the duration of a song, using a reminder on the pack. This reminder will push the user to tune in the radio (or even sing!) and use the song as a basis for the length of his shower.

Alternatives
What other options can be set up, in addition to or instead of?
In complement, offer a shower playlist to be played for free on a mobile music streaming app.

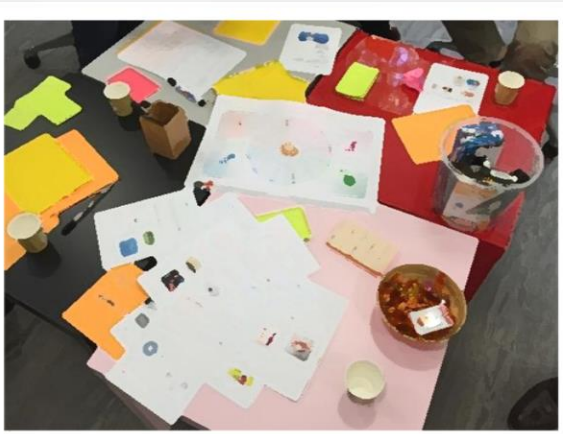


Contact Points: When? Where?
When does this nudge take place? (Which step ? Through which medium?)
On the pack (suggest for the user to play a song!)
On the web (through the streaming playlist)
Partnership with companies like Deezer or Spotify.











4. PRE-SELECT

« When all think alike, then no one is thinking »

Walter Lippman

INTRODUCTION

The output of the pre-select step is to create alignment. Along with your team, you must challenge ideas to improve them, while taking into account everybody's objections and constraints.

By "improving", we mean that some Nudges are going to be refined, maybe merged with other ideas. Stay open and remember your goal still is to solve a problem!

The mindset isn't to criticize but find solutions, make it work, channel the discussion with objective arguments. If you do this right and come to an agreement, you'll initiate a feel of "ownership" from your team for the Nudges they selected.

There are going to be two biases you'll want to avoid: loss aversion (nobody wants their idea to be ruled out), and the "Not Invented Here" bias, which implies that people tend to overvalue their own ideas. Make sure you remind your teammates of those concepts before launching the pre-select phase. Even experts are human beings, prone to biases!

PRELIMINARY STEPS



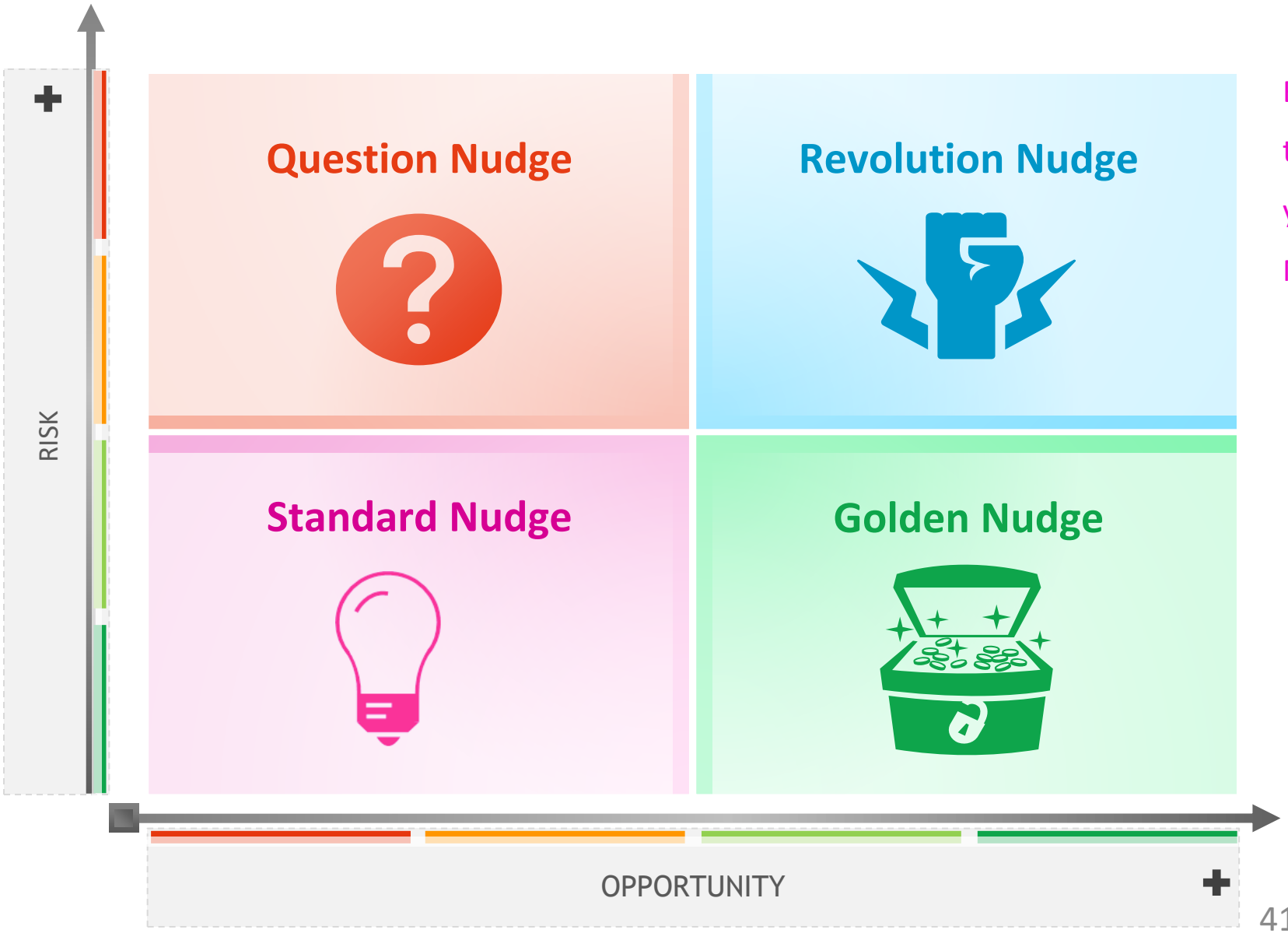
- Choose the participants to this pre-selection step, up to 10 people. At BVA we usually invite the same people who were in the creative co-working session, except for the consumers: involve the marketers, CSR executives, key decision makers, and the different Nudge sponsors. A right selection will accelerate decision making! Of course, if a key colleague was not there, he can join now.

- Send your participants the NudgeBook® you have edited from the Designing phase. This document is a pre-read to the individual selection. Make sure that people who haven't participated in the Design phase are able to understand the Nudge ideas just by reading them.

- Ask the participants to individually evaluate each Nudge idea and position them on a Matrix (see next page) according to their opportunity and risk levels.

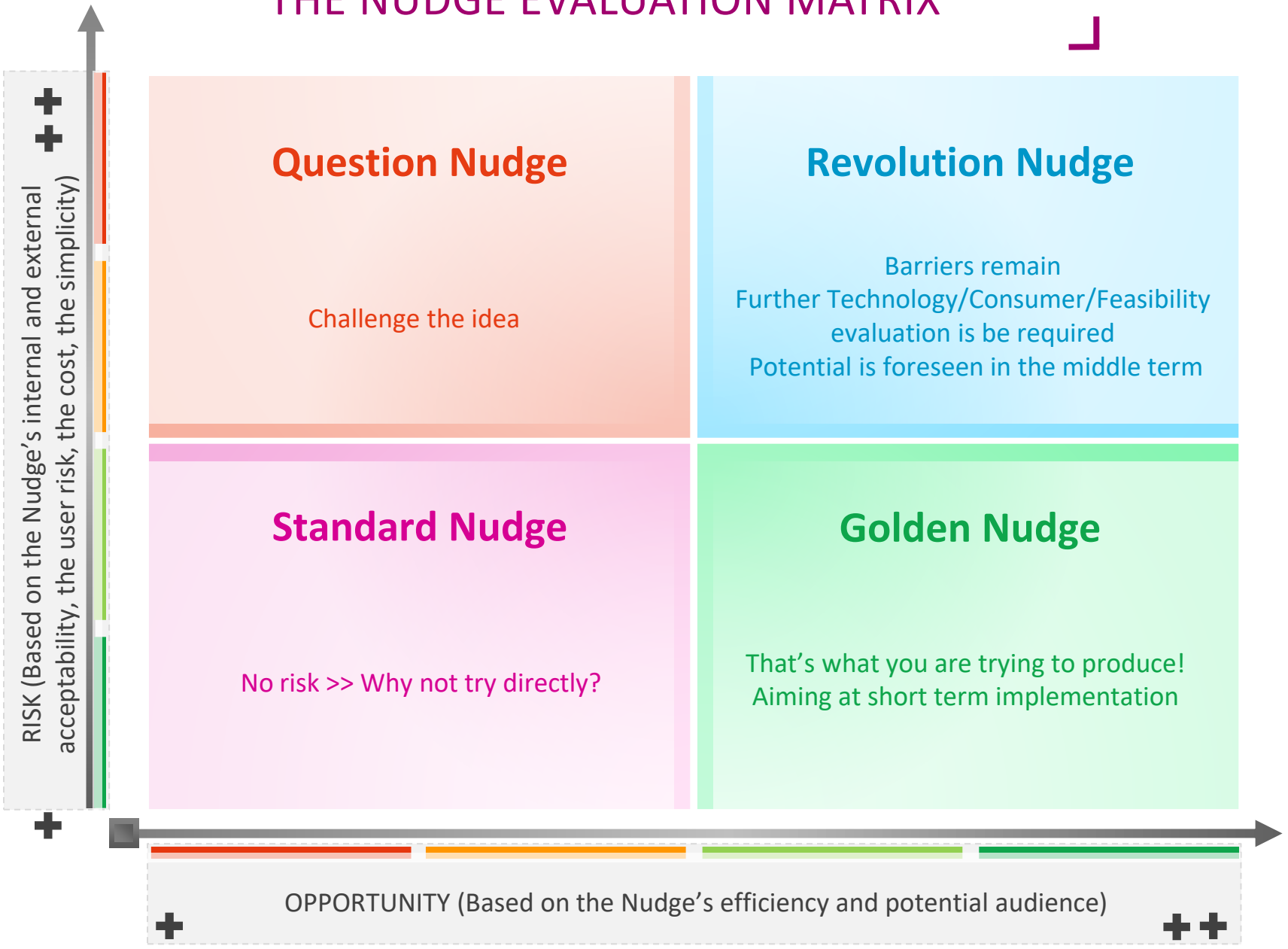
- Collect the feedback from your participants before the meeting and prepare a synthesis showing how many participants classified each Nudge in each category.

THE NUDGE EVALUATION MATRIX



BVA has designed this matrix to help you evaluate Nudges.

THE NUDGE EVALUATION MATRIX



THE INDIVIDUAL EVALUATION

Preparing the individual evaluation:

- The individual evaluation can be done either before or on the day-of the pre-selection process. The BVA Nudge Unit uses an online tool to run those.
- Plan the pre-selection meeting (half a day).
- Re-write properly the Nudge templates that have been filled in during the creative co-working session so that every participant is able to understand the Nudge it contains, just by reading it.

Running the individual evaluation:

- Send those templates to the participants and have them read each Nudge in order to individually evaluate and position them on the Matrix according to their opportunity and risk/cost level.
- Ask them to send back the evaluation to you before the pre-selection meeting.

PRE-SELECTING MEETING

1. Assess each Nudge collectively

- Read the first Nudge
- Share the results of the individual evaluation: indicate how many classified the Nudge in the "Golden / Revolution / Standard / Question" category
- Ask for discussion to channel the group
- Reach a group consensus on where to position this Nudge on the Matrix (you can display it on a wall) to summarize the discussion and the group's opinion
- Repeat the exercise for each Nudge

2. Establish the final ranking

- When each Nudge has been positioned, ask everyone (including yourself) to rank their Top 10 Nudge ideas, individually
- Compute the ranking and establish the final ranking that summarizes all the opinions
- To manage this part in a short and efficient time frame, seek help from agency moderators who have the specific tools and skills to support you.
- Share the final ranking



➢ Go around the table to ask each participant his/her preferred Nudge, then ask them to become sponsor of at least one Nudge, so that each concept is backed up throughout the next steps. It is really better if each Nudge is sponsored!

NUDGING FOR GOOD

Remind the participants what is a Nudge for good:

- It is a smart and simple initiative that influences consumers' behaviour in order to help them achieve their own goals
- It is ethically designed (means-end goal / legitimate originator)
- It acts in favour of people's own interest and that of the community (or the planet)
- It preserves freedom of choice and existing options
- It is based on observational insights of individuals, recorded in their local environment and community
- It leverages unconventional factors revealed by Behavioural Economics, neuroscience and cognitive psychology, along with more conventional concepts (education, information, marketing, communication…)
- It uses a creative re-design of some situations and interaction points (including branded touchpoints)
- It doesn't activate any economic incentive: you shouldn't pay people to change their behaviours, although you may offer them a symbolic reward

➢ The output here is to pinpoint which ideas are potential Golden/Revolution Nudges!





TIPS!

01

Respect timing and separation of individual evaluation and collective evaluation/discussion. Otherwise the first who talks will influence the rest of the group.

02

Put the Matrix on the wall and post each Nudge on it in order to let everyone see the result of the group discussion and be aligned.

03

Be aware and tell participants that the matrix is there for helping discussion and fine tuning the Nudge. Priorization will be done after positioning. They will be less frustrated if they do not agree with the matrix positioning given by the group consensus.

04

This step is an opportunity to rework and fine-tune your Nudges, address any comments and encourage the group to find solutions.

05

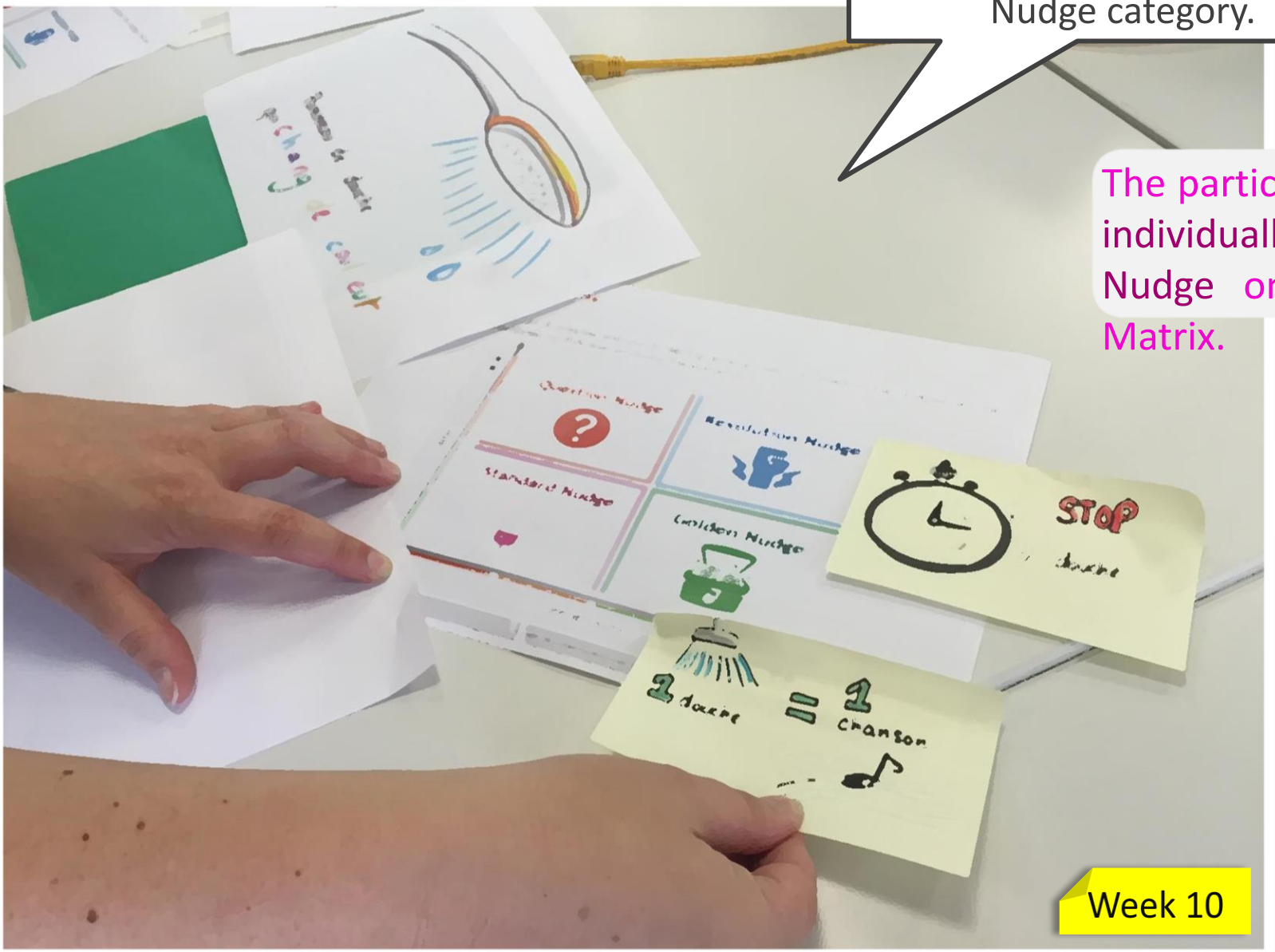
Tell participants that the end of the pre-selection meeting is not the end of the process, but the beginning of implementation which is a new challenge.

06

Beware the Not Invented Here bias! Listen to all and don't overvalue your own ideas.

INDIVIDUAL SELECTION

My favourite idea is the “Shower Song”. I’ll put it the Golden Nudge category.

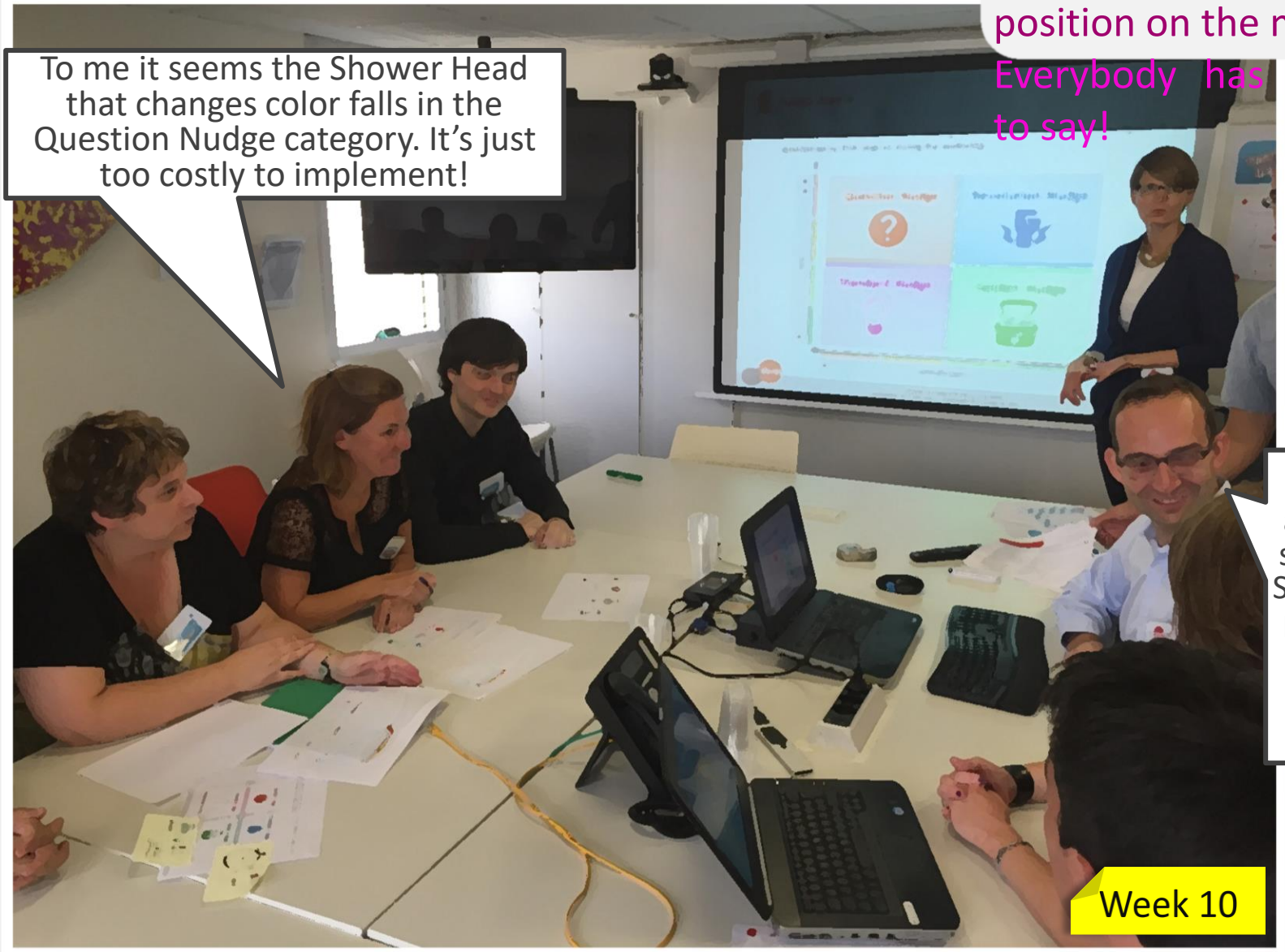


The participants proceed to individually position each Nudge on the Evaluation Matrix.

Week 10

CHANNELING THE DISCUSSION

The participants will eventually come to a consensus on each Nudge's position on the matrix. Everybody has something to say!

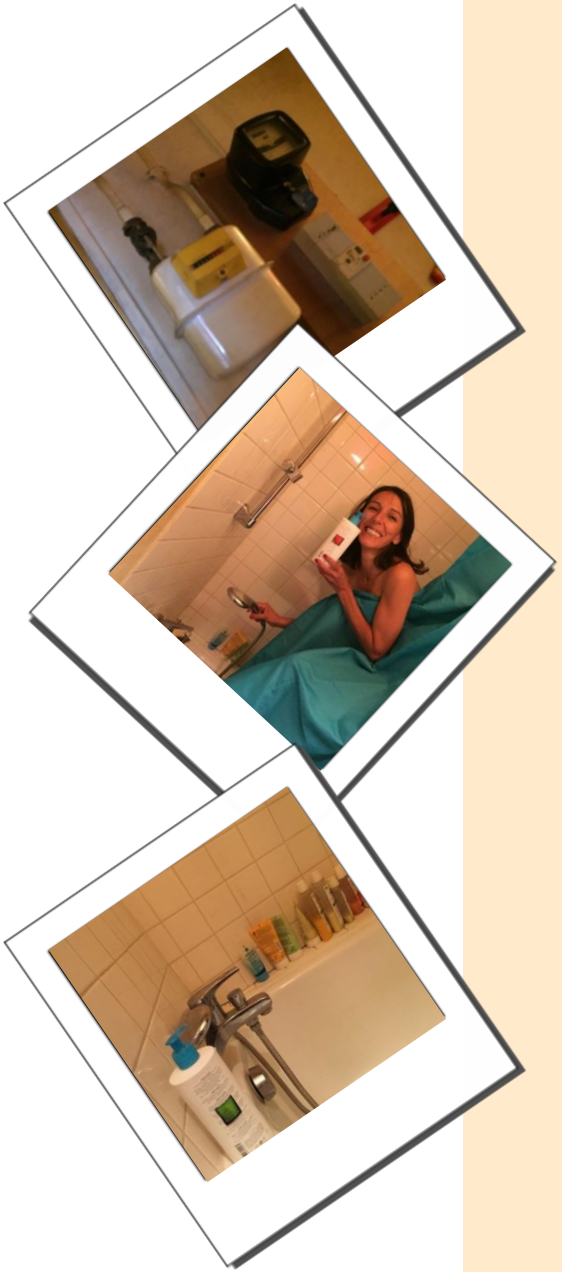


FINDING THE GOLDEN NUDGE

A “Shower timer” is a good idea, but more difficult to implement: it’s a Revolution Nudge!



The “Shower Sticker”, a sticker which changes colour after a while… Golden Nudge!
Anyone from the Packaging department willing to sponsor this one? We’re going to need people to back it up until implementation!



5. EVALUATE

Whenever we come up with some idea, we test it because without evidence, all they are is ideas.

Richard Thaler



BVA AIM® EUROPEAN BRANDS ASSOCIATION

INTRODUCTION

In the previous phase, you selected 4 or 5 of your best Nudge ideas. The purpose of this phase is to confront these ideas with some field or lab reality by conducting a pre-test. Learn from the observed behaviour if your Nudge triggers the intended behaviour, if there are opportunities to optimize it, and if the results are positive enough to qualify for the roll-out phase or if, on the contrary, there are unexpected backlash effects.

In the end, the aim is to reduce risks in the deployment phase and select the best opportunity, based on the results of this pre-test.

CONDUCT A PRE-TEST

There are many ways to conduct this pre-test. You could do a qualitative lab study, a quantitative lab study or a field study. Whatever you choose, it should give you enough consumer feedback to make an informed choice about the most efficient Nudge to deploy.

The evaluation phase is very useful in that it provides practical evidence you can show to prove your Nudge's efficiency to the stakeholders.

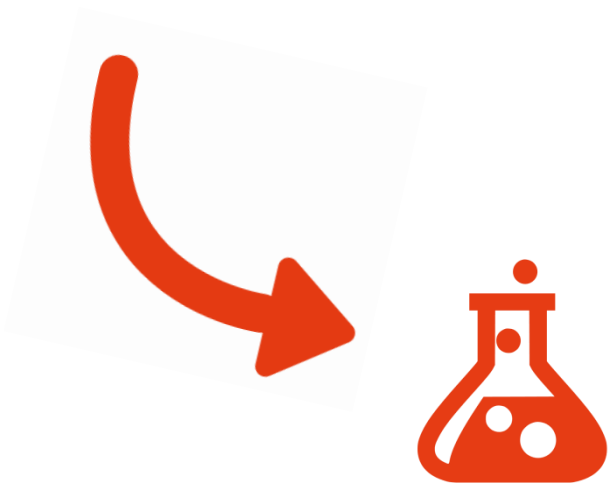
YOUR PRELIMINARY STEPS



- Make sure some Touch and Feel prototypes are available, and can be used in situ
- Discuss with your insight Director what methodology best suits your situation and find the right metric for your KPI.
- Use the field testing as an opportunity to invite your core team get a direct contact and a deeper understanding of the situation. Experiencing a more intuitive knowledge of the consumers will help them believe in your project!
- Use the field testing as a an opportunity to also test your communication plan! See how the consumers react if you reveal your Nudge's mechanism and effects. As a matter of integrity, explain your Nudge to the testers, and see if they think your brand has any legitimacy in this project. Verify that the consumers don't feel like they have been manipulated for wrong purposes, test the level of Nudge acceptance. Going further you can test if the synergy between you Nudge and the external stakeholders and partners works or not.
- This "communication testing" will accompany the deployment of your Nudge by helping you determine the best touchpoints to use when sharing the mechanic of your Nudge. Depending on the results you obtain, ask yourself how you will communicate about the Nudge: use advertisements? Change the packaging?

HOW TO PRE-TEST NUDGES?
LAB AND FIELD TESTING

Depending on your Nudge ideas, two options are possible : field testing (quantitative), or lab testing (qualitative or quantitative). Pre-tests can also trial the communication plan and check if the brand has legitimacy on the selected topic. Testing can be an opportunity for academic publications on your company's project.





HOW TO PRE-TEST NUDGES?

Lab test is recommended when:

1. There are strong uncertainties
2. The material is limited or many variants are possible
3. Other context variables may hide the effect of the Nudge if it is directly implemented (size of household, temperature,…).

In the last case, you should recruit the user category with the easiest readability and create a scenario which will help you observe both situations (with or without the Nudge) while controlling the other variables. Quantitative measures are ideal, but in that phase even qualitative observations can help fine-tune your prototype.

Field test (based on city, area…) is recommended when:

1. It is cost accessible
2. There are no risks foreseen
3. Usable products are available in small quantities
4. The KPI is easy to isolate from other variables by using large samples.

Ideally, the experiment should be conducted on a large scale. This is ideal for a quick scale-up.

In qualitative testing you can investigate at the same time the Nudge's execution, acceptability and legitimacy.

TYPICAL DESIGN

The test aims at assessing the efficiency of the Nudge: by measuring before/after and with/without the selected Nudge, we can make the change salient, and reveal its effects. It can be based upon different methodologies depending on the type of Nudge selected and field constraints. Make sure the change comes from the Nudge and not some sample or environment variations!

1. You can run a BEFORE /AFTER methodology

BEFORE NUDGE IMPLEMENTATION

AFTER NUDGE IMPLEMENTATION

2. You can run a WITH/WITHOUT methodology

AREA WITH NUDGE IMPLEMENTATION

AREA WITHOUT NUDGE IMPLEMENTATION

Measurement of significant differences (quantitative)

Measurement of minor/major gap (qualitative)

→ Nudge efficiency assessment

USE TEST/CONTROL GROUP



To run your Field and Lab tests, you can try your Nudge on a test group and compare its influence on behavioural KPIs to a control group. The simplest way to evaluate a Nudge is the one used by behavioural Economists in their academic research: a quantitative test methodology known as the Randomized Controlled Trial (RCT). It has three steps:

1. Design your experimental groups: a control group (a group that won't be nudged) and one group for each Nudge you want to test (the test groups). In all, about 100 to 120 people are going to be tested. This sample size allows you to have results that can be trusted

2. Randomly allocate your participants into each of the different groups

3. Compare your behavioural KPI for the control group and the treatment groups: the difference is the effect of your Nudge

You can also involve academics in this testing phase to prove the relevance of your Nudge case.
At the end of this pre-testing phase you should have a strong confidence level in your Nudge efficiency to plan for the last phase : implement and measure (post test).

TIPS!

02

After spontaneous observation, you may want to involve your consumers in co-building the ideal solution with you. Of course, make sure the Nudge does not harm the consumer experience.

04

Be humble!

Consumers often react differently than you might think. use observation gaps to create new opportunities.

05

Do not mix this pre-test phase (where agility is needed to optimize) with the final step “implement and measure" which requires real-life results and proof.

01

Do not communicate at this phase unless you have significant results. External communication isn’t a priority unless you have exceptional or outstanding results backed up by external stakeholders. Adapt the message you convey proportionally to the results you have recorded! Don’t oversell your project.

Beware Nudgewashing!

03

Watch out : do not expose your intentions too early. Avoid pointing specifically at your Nudge in test design, but include it into a natural journey with an everyday mission.

06

These early test results can be reported in the Nudge Case Study template box "evidence path" as well as the conclusions of any other similar experiment that can reinforce confidence in mechanic efficiency.

EVALUATION DESIGN

The participants are now discussing. They'll eventually come to a consensus on each Nudge's position on the matrix. Everybody has something to say!



Nudge 1: Shower Timer
Some risk/cost involved.
50 consumers in a test leg (free "nudged" pack given), 50 in a control leg (brand users).

Nudge 2: Shower Sticker
Cheap, simple.
We compare the test area (the "nudged" pack is distributed in 1 town), to the control area (use the classical pack).

EVALUATING THE NUDGES

Our KPIs: time spent showering as well as sounds recorded in the bathroom. For both metrics we record data in the field over 3-month periods with/without the modified packs. Thirty households were tes

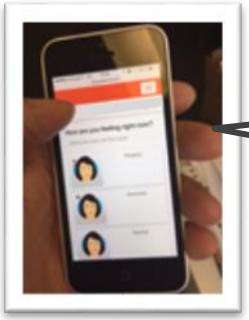




Passive measure of the shower's duration via sound and time. The system automatically records whenever someone is showering.

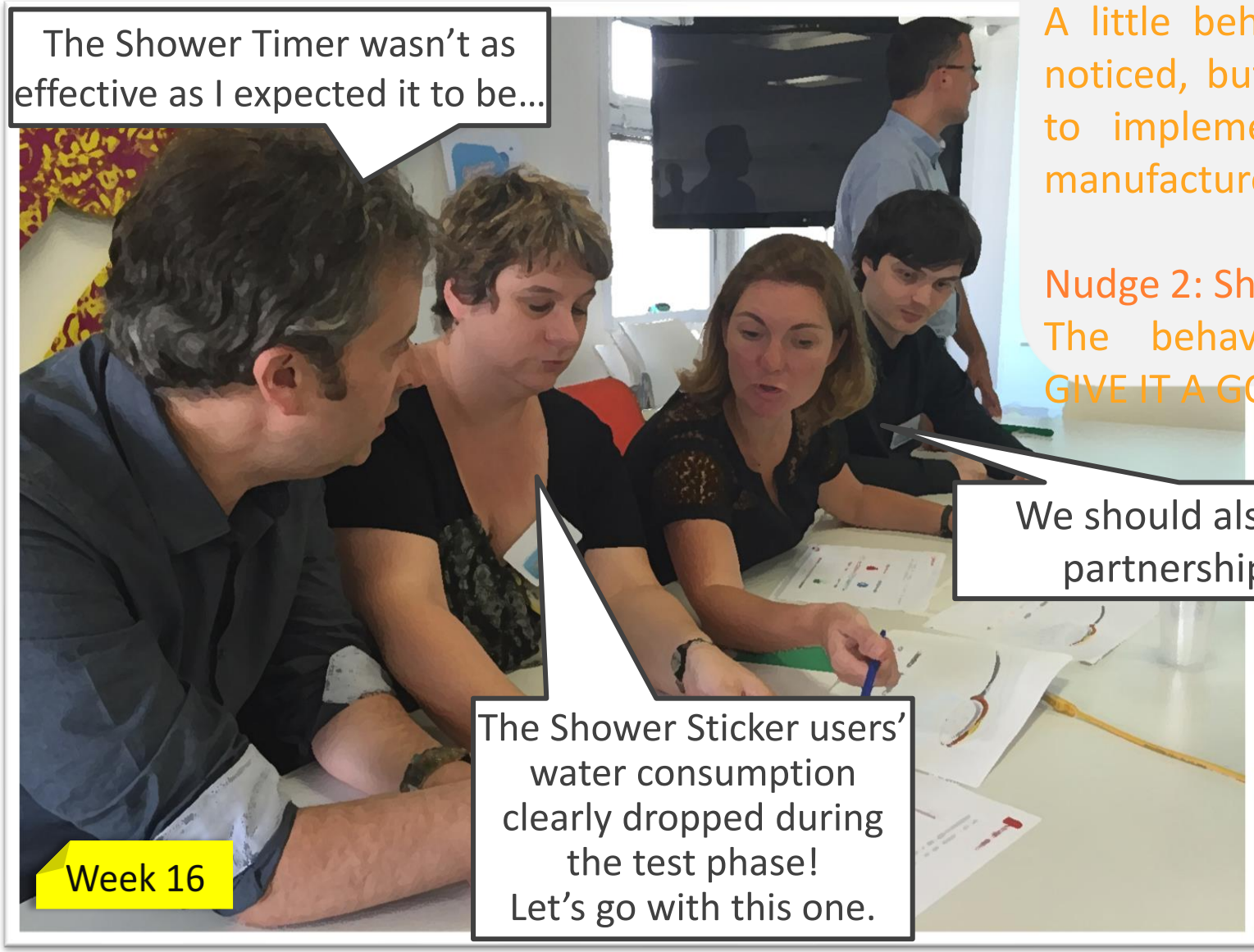


Self-reported weekly water consumption,



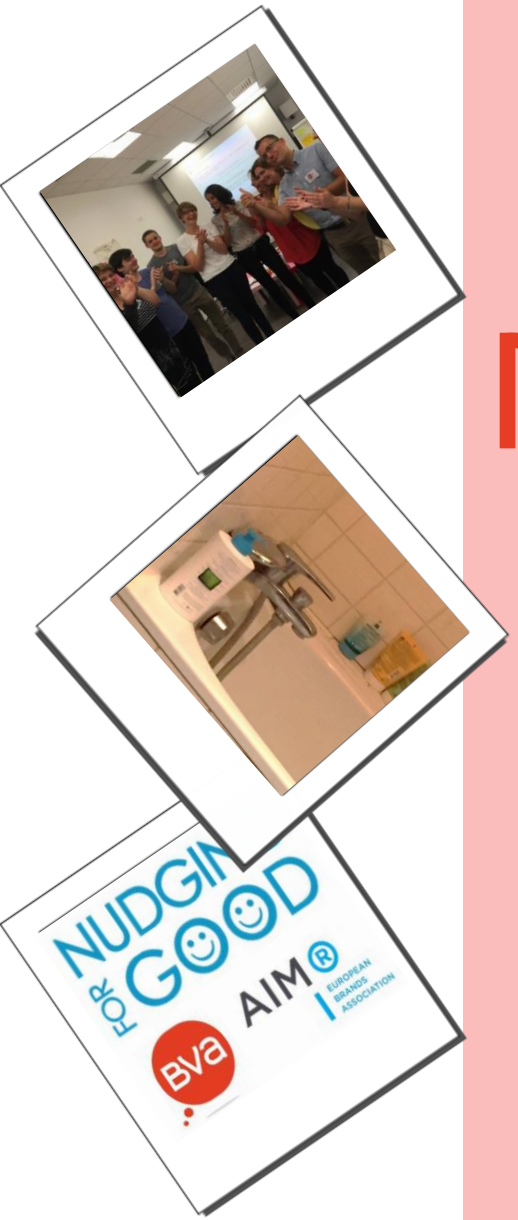
Self-ethnography tool. The tester uses it to transmit text and picture content.

CONCLUDING THE EVALUATION



Nudge 1: Shower Timer
A little behavioural change was noticed, but the Nudge is costly to implement and difficult to manufacture: REWORK is needed

Nudge 2: Shower Sticker
The behaviour was changed: GIVE IT A GO!



6. IMPLEMENT AND MEASURE

"Ideas are easy. Implementation is hard"

Guy Kawasaki



BVA AIM® EUROPEAN BRANDS ASSOCIATION

INTRODUCTION

The aim here is to help you succeed at implementation and provide relevant behavioural results on the Nudge side. Transparency on Nudge is of utmost importance, so that the choice of type of results to be shared and media to be used requires careful thinking. This will also encourage other brands to follow your path.

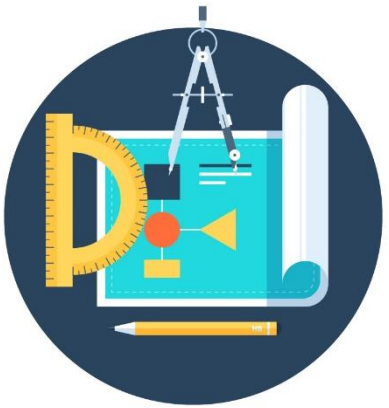
GO REAL! AND PREPARE FOR POST-TESTING

You will be brought to determine which metrics allow you to measure your KPIs in real life. Those metrics will measure the behavioural change and control the effect of your Nudge on brand equity and business. It should be a Win/Win scenario! The consumer wins with a healthier and more sustainable lifestyle, and your company wins with a more sustainable business. But you'll have to be able to prove that you have this Win/Win case. To do it you will check the impact levels of your initiative.

The final purpose of this step is to build your « Best Case », the Golden Nudge you are going to deploy, and carefully design your roll-out plan.

STEPS FOR IMPLEMENTATION

- Make sure your implemented Nudge matches the ones you tested
- Consult key stakeholders and academics to choose the best KPIs and metrics, as well as ways to assess transparency issues
- Involve key stakeholders and academics in the post-test design and offer them full transparency
- Plan your communication carefully, starting with the most credible sources (academic reviews,…) and involve all the necessary stakeholders: CSR, marketing, corporate affairs, internal and external communication
- Anticipate unexpected effects from public communication in certain types of media (ex: public/efficiency, political/bashing...)



POST-TEST MEASUREMENT



Measure real-life effectiveness

You should use the same design as for the evaluation step… but on the entire perimeter! (see the Evaluate step).

The before/after methodology is the most used. Your KPI should be both informative and feasible in real life. You can ask for external advice on this : academics and market research agencies, for example, can assist you in choosing the best measure.

Even though behavioural change is the primary purpose of the Nudge, it can also impact your business positively. Ideally, your Nudge will create a Win-Win situation, benefiting the consumer (measured in behavioural KPIs) and your company (measured through marketing and brand equity KPIs).

Do not hesitate to start small and then progressively scale up (as an example, from 1 city to 1 retailer to 1 entire brand). Good initial results will engage your stakeholders to invest more in your Nudge, helping you scale up more countries and brands.

THE TRUST EQUATION

As a project leader you will have to manage interactions with a wide ecosystem. Trust is a key ingredient of success, and this process will give you an opportunity to build it with every stakeholder . The Trust Equation exposes the basic components of trust.

Trust is not a given : it relies on the effort you invest to build with each stakeholder (internal or external) a certain level of intimacy, provide proof of credibility and show you are reliable.

$$TRUST = \frac{Credibility\ x\ Reliability\ x\ Intimacy}{Self-orientation}$$

Source: The Trusted Advisor by David Maister, Charles Green, Robert Galford

CREDIBILITY, RELIABILITY, INTIMACY VS SELF-ORIENTATION



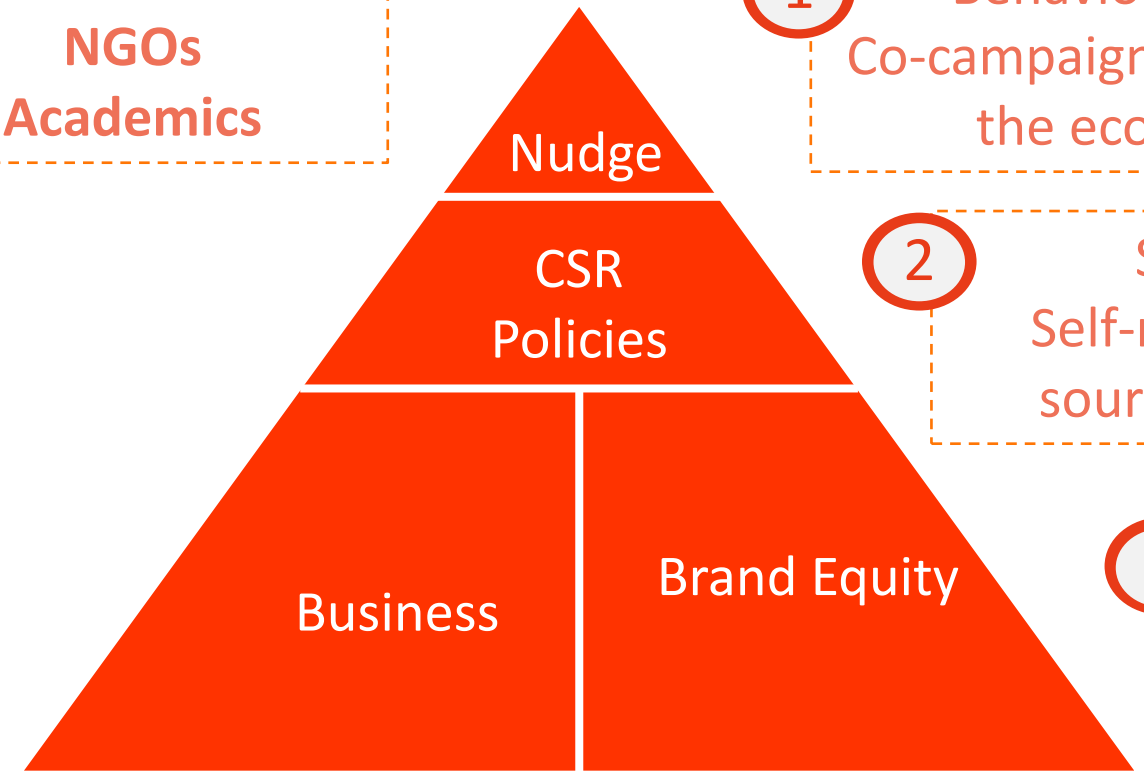
Keep in mind that if a single numerator's value is at zero, the whole equation will be zero:

- Credibility: the quality of your credentials and the relevance of what you do. This will work only if you are somehow knowledgeable about the issue, and use intelligible wording
- Reliability: how your partners perceive the consistency of your actions and how those actions connect with words. Do what you say, say what you do, do not over-claim
- Intimacy: how safe the partners feel sharing information with you. Start with getting in touch in a more informal way, invest in listening and understanding the others' concerns
- Self-orientation: the degree to which you act for your own ends and success. Lead from behind: your project should be a collective achievement. Take time to inform why you do things and reassure: there's no threat to anyone.

A high numerator value will help you build trust. On the other hand, if your Nudge project participants perceive a high level of Self-orientation in you, that will certainly undermine the level of trust!

THREE LEVELS OF KPIs TO BUILD A SUCCESSFUL NUDGE BEST-CASE

Public authorities
NGOs
Academics



1 Behavioural KPIs
Co-campaigning: act with the ecosystem

2 Sustainability KPIs
Self-regulation / Impact on sourcing & process mainly

3 Marketing KPIs
Compliance with laws and regulations

Each level has its own KPIs.

The Nudge level is the one that engages the most with stakeholders.

TIPS!

01

Watch your tone of voice. Marketing can sound top down! Ensure all stakeholders perceive themselves as partners of the initiative.

02

Remain modest!

Do not claim anything too early, never overclaim.

03

Make your stakeholders and advisors your best advocates: involve them both in measurement and communication.

04

If results generate broad enthusiasm, share them via traditional media and across social networks.

05

Be creative in finding the best metric for the behaviour change KPI. Getting behavioural results can be very tricky in real life and on a large scale. There is one KPI per Nudge. Don't hesitate to get expert help to come with innovative solutions for the measurement.

IMPLEMENTING THE SHOWER STICKER



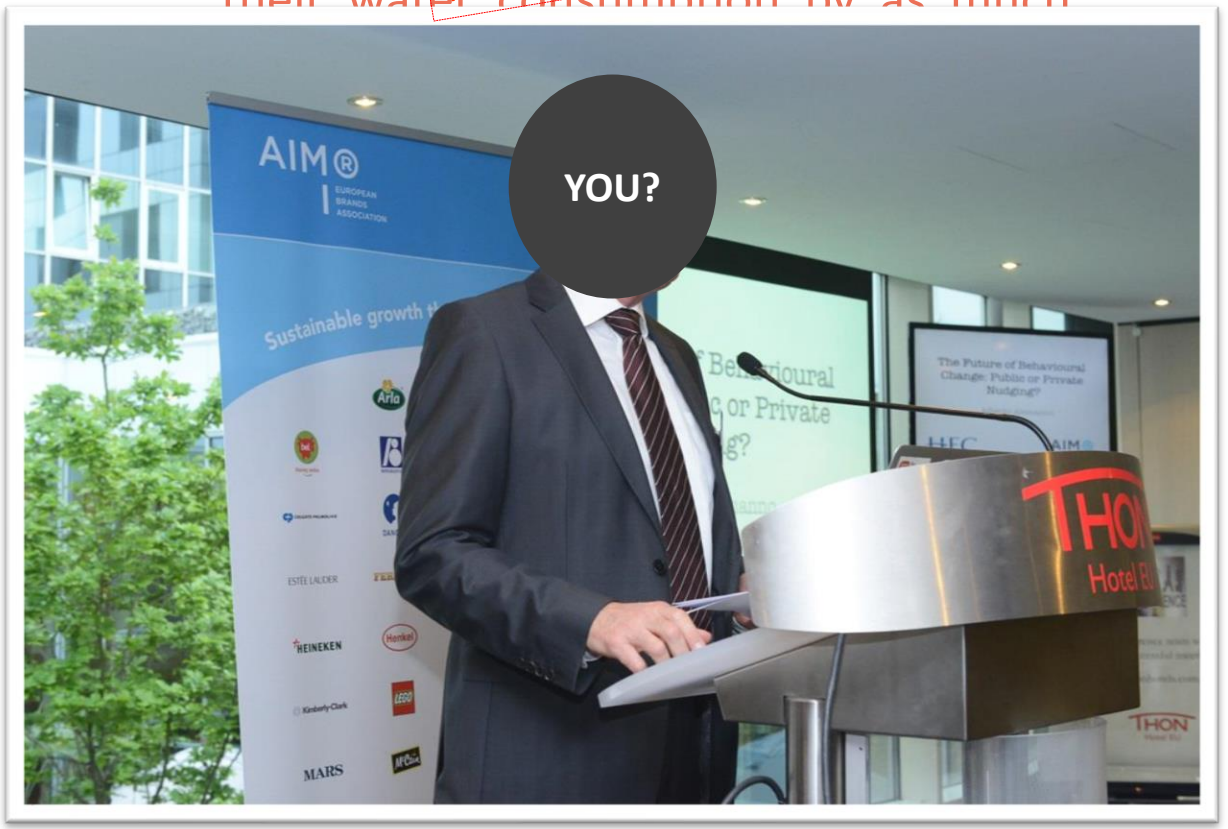
A few weeks later…
The Fresh'Hair Nudge team celebrates!

IMPLEMENTATION AND COMMUNICATION

FRESH'HAIR has now launched its new pack with the Shower Sticker integrated on it.

"This Nudge, designed hand-in-hand with our consumer community, helped more than 10 000 people in reducing their water consumption by as much





CONCLUSION TO CREATING NUDGES

What to do after the sixth step?

You may whish to involve AIM in the promotion of your Nudge case in order to get visibility and enrich the database.

Don’t forget to involve different parties with your communication: contact academics, partner with non-profit organizations and consumer associations. **Natural advocacy is the best communication!**

This 6-step methodology has been explained to help you Nudging for good. Above all, we have put this together to support your thought process. Of course you may go faster, skip some parts. **Creating Nudges should remain a flexible and adaptable project!**

That being said, there are a couple of things you should always keep in mind: **stay close to the users**, understand them, don’t forget that what you are doing is primarily for them! You should also have a thorough understanding of the context.

Finally, **always measure the effects of your Nudge**, using the right metrics for it.

CONCLUSION TO CREATING NUDGES

Your key points to Nudging success!



Ethics:
End purpose of Nudge, "good" behaviour guidelines and respect of individual freedom



In-situ knowledge:
No ready-made solution without understanding the user's experience first



Openness and humility:
Know how to imagine and borrow from other fields before judging or thinking about the details of feasibility, question your own intuition!



Behavioural evaluation:
Test the Nudge’s impact in a context that is as close to reality as possible



Involve your ecosystem :
Know how to engage beforehand with all those involved and communicate on experimentation results

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