



Good Things Foundation



Changing behaviour around online transactions

Dr Laurence Piercy

February 2018

Funded by



**the Money
Advice Service**



Good Things
Foundation



**Online Centres
Network**

TOYNBEE
HALL



The
University
Of
Sheffield.



Executive Summary

Contextual summary of project

This project was run by Good Things Foundation and Toynbee Hall. It ran between November 2016 and December 2017. The project was delivered to struggling¹ working-age adults. It was delivered by member organisations of the Online Centres Network.²

Digital exclusion compounds the poverty premium. Individuals who do not make use of online retail and digital financial services are more subject to inflated prices, less able to compare prices, and unable to take advantage of online-only savings.

Community financial inclusion interventions are impactful but rarely focus resource on digital inclusion. Conversely, the fintech sector creates digital tools for financial inclusion without supporting the skills that are needed to use those tools. This project sought to create evidence around how to embed digital skills in a financial capability intervention.

This project has created new evidence in the sector. The Adult Financial Capability Outcomes Framework showed that there have been no studies of the link between digital literacy and financial capability.³

Summary of evaluation approach

This project was evaluated as an RCT, using a cluster stepped-wedge design. Data was analysed by Michael Campbell, Emeritus Professor of Medical Statistics at the University of Sheffield. This quantitative study was supplemented with semi-structured qualitative interviews of project participants.

The evaluation sought to create evidence in the community financial inclusion sector. Specifically, the evaluation sought to ascertain change in transactional behaviour. The financial capability strategy for the UK shows that financial capability in working-age life is dependent on being able to access and use financial products and services with confidence. As financial inclusion and digital skills become increasingly entangled, access to services is determined by the ability to use the internet.

The project tested the efficacy of an **assisted digital transaction**. Project participants were supported to conduct a live online transaction. They used their own money and

¹ The Money Advice Service, Market Segmentation: An Overview, 2016. Available at: <https://www.moneyadviceservice.org.uk/en/corporate/research>. Accessed 29.01.2018.

² The Online Centres Network is an affiliated network of 5000 community and grassroots organisations in the UK. More information can be found at: <https://www.onlinecentresnetwork.org/>.

³ NPC, Financial Capability Outcome Frameworks, 2014. Available at: <https://www.thinknpc.org/publications/financial-capability-outcome-frameworks/>. Accessed 26.01.2018.

chose their transaction. We measured outcomes against this intervention. This answered the following research question:

The ability to transact online can reduce the poverty premium. Are individuals receiving financial capability support better able to transact online if they are also supported to undertake a live transaction online?

The project answered this question by collecting data against the following outcomes:

- Ability to transact online independently
- Use of online financial products and information
- Ability to exercise judgement in financial decisions
- Ability to maximise income

Data was generated through a question-set using the following indicators:

- Self-assessment of financial capability
- Budgeting
- Consumer behaviour
- Financial outlook
- Self-assessment of financial wellbeing
- Digital inclusion

Summary of key findings

- Assisted digital transactions improve self-rating of financial capability

Participation in the assisted digital transaction improved scores across six key indicators. The combined score across these indicators increased by 8.9% (p value, <0.001) from baseline through to post-intervention. This is a statistically significant effect.

- Assisted digital transactions change transactional behaviour

People who were part of the intervention were 6.5 times (p value, <0.005) more likely to transact again if they were supported to transact through the intervention. This is a statistically significant effect.

Summary of methodological limitations, relevance, transferability and applicability

This project was a successful large scale Randomised Control Trial. It was the first trial of its kind, and the first to create evidence in the digital financial capability space. As a trial, it produced outcomes within a tightly controlled delivery context. This context was important to the success of the trial. Two factors were particularly important:

- The assisted digital transaction took place in the context of a financial capability intervention

- Participants were given open-ended support around the transaction. This wasn't limited to the point of transaction, but extended beyond the transaction to meet any additional support needs. For example, to allay anxiety before an individual's goods arrived; or to support an individual to return unwanted goods.

The context of a financial inclusion transaction was important. It provided a structure which created conversation around financial capability. This created peer-learning opportunities which led to successful transactions. The course also provided ethical surety; we knew that participants had at least basic financial capability before completing a transaction.

Open ended support was guaranteed by the project delivery model. To make the assisted digital transaction transferable, other agencies need to be aware of the additional support needs that the transaction creates.

Even with these limitations, we believe that the central component of the project - the assisted digital transaction - is a highly valuable and transferable component.

Additional information required by MAS

Year of publication: 2018

Contact details of author: laurence.piercy@goodthingsfoundation.org

Programme delivered by: Good Things Foundation & Toynbee Hall

Overview sentence:

An RCT testing the efficacy of live assisted digital transactions. Developed by Good Things Foundation and Toynbee Hall and delivered by 18 community organisations to struggling working-age people.

Type of organisation: Charity

Project Location: England-wide

Type of intervention: Piloting a new approach

Life stage: Working age

Segmentation: Struggling

Topic Addressed: Financial education

Type of intervention: Workshops, group training / one-to-one advice

Is the intervention delivered by volunteers: Yes - mix of paid staff and volunteers

What types of evaluation have you conducted: Outcome evaluation

FinCap outcomes measured by the project: Mind-set (Attitudes and Motivation) / Ability (Skills and Knowledge)

What types of evaluation design did you use? Randomised control trial

Nesta standard of evidence: Level 3

Overview of Project

Digital exclusion is a compounding factor of the poverty premium.⁴ There is consensus that goods and services are cheaper online. Those unable to access the internet do not have access to these savings. The number of people in the UK without basic digital skills is currently 11.5 million.⁵ In 2016, the Lloyds Consumer Digital Index suggested that low-income individuals could save up to £516 each year by being online.⁶

Digital and financial capability are increasingly entangled. Financial capability interventions may recognise this by including digital skills or introducing participants to digital tools. They very rarely ask participants to undertake live transactions. As a result, digital transactive skills may be taught but they are rarely consolidated through experience. For this reason, financial capability interventions rarely enable digitally excluded participants to transact independently.

This project is the first to create robust evidence in this space. It is the first to postulate and measure the specific positive effect of an assisted digital transaction. To do this, it tested the following research question:

The ability to transact online can reduce the poverty premium. Are individuals receiving financial capability support better able to transact online if they are also supported to undertake a live transaction online?

We tested this question by measuring improvement against the following outcomes:

- Ability to transact online independently
- Use of online financial products and information
- Ability to exercise judgement in financial decisions
- Ability to maximise income

For the following target population:

- Struggling middle-aged adults and families (many of them single parents) who are finding life difficult.

They find life difficult because:

- They have a household income of less than £21,000.

⁴ Sara Davies, Andrea Finney and Yvette Hartfree, 'Paying to be Poor', 2016. Available at: <http://www.bristol.ac.uk/geography/research/pfrc/themes/finexc/poverty-premium/>. Accessed 11.01.18.

⁵ The number of people in the UK without basic digital skills is currently 11.5 million. Lloyds Bank UK Consumer Digital Index, 2017. Available at: <https://www.lloydsbank.com/banking-with-us/whats-happening/consumer-digital-index.asp>

⁶ Lloyds Bank Consumer Digital Index, 2016. Available at: <https://www.accenture.com/us-en/insight-lloyds-bank-uk-consumer-digital-index-2016>. Accessed 11.01.18.

- They have savings of around £50.
- They are likely to be in debt.
- They are unlikely to be able to keep up with bills without difficulty.

This demographic was developed from the Money Advice Service’s market segmentation.⁷ This target population was chosen because:

- A. They are representative of the working-age population, but outside the group of young adults for whom a range of interventions already exist, and the retired, whom the segmentation suggests are ‘just about getting by’.
- B. Good Things Foundation are well placed to support this group because they are typical of the audience groups already helped by the Online Centres Network.
- C. They have specific characteristics which digital services could help to address. They are likely to be good at budgeting, and are already doing everything they can to manage their money well. However, they still have a very low income. Only an increase in income will make a difference to their financial resilience. Financial capability can therefore maximise their disposable income by teaching them to save money through the use of digital services.

Geography

Good Things Foundation deliver all projects through an affiliated network of community and grassroots organisations called the Online Centres Network. Online Centres are independent organisations. Good Things Foundation support Online Centres as part of the network. Members of the network also have the opportunity to be part of funded project delivery.

Our project was delivered through 18 Online Centres. They were recruited through an open funding call. Because of the geographical distribution of the Online Centres Network, we were confident that the majority of applicants would deliver the project in deprived wards.

The following table lists the delivery centres, the ward in which they deliver, and the poverty risk associated with that ward:

Centre name	Postcode	Ward	Poverty Risk ⁸
Choices (London) C.I.C Ltd	N19 3RQ	Islington North	368
Citizens Advice Manchester	M9 5UX	Blackley & Broughton	7

⁷ The Money Advice Service, *Market Segmentation - Segment Infographics - Revised 2016*. Available at: <https://www.moneyadviceservice.org.uk/en/corporate/research>. Accessed 17.01.18.

⁸ Risk ranking and heatmap data has been drawn from the Joseph Rowntree Foundation, ‘Poverty Risk by Parliamentary Constituency’. Available at <https://app.polimapper.co.uk/?dataSetKey=72bc86358fc244dfb1135cc1205436de>, accessed 11.01.18.

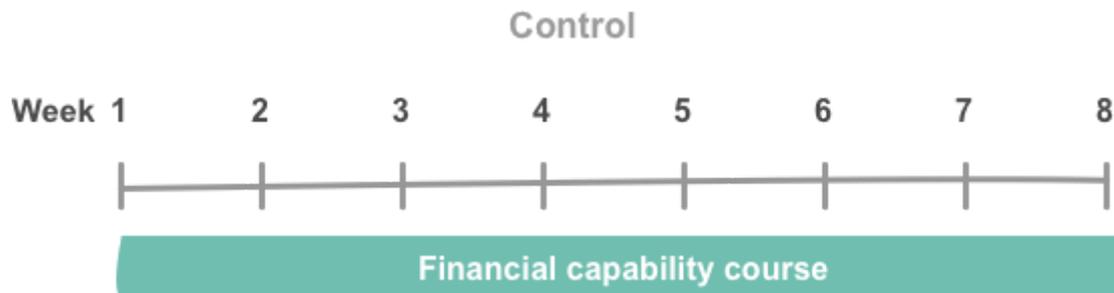
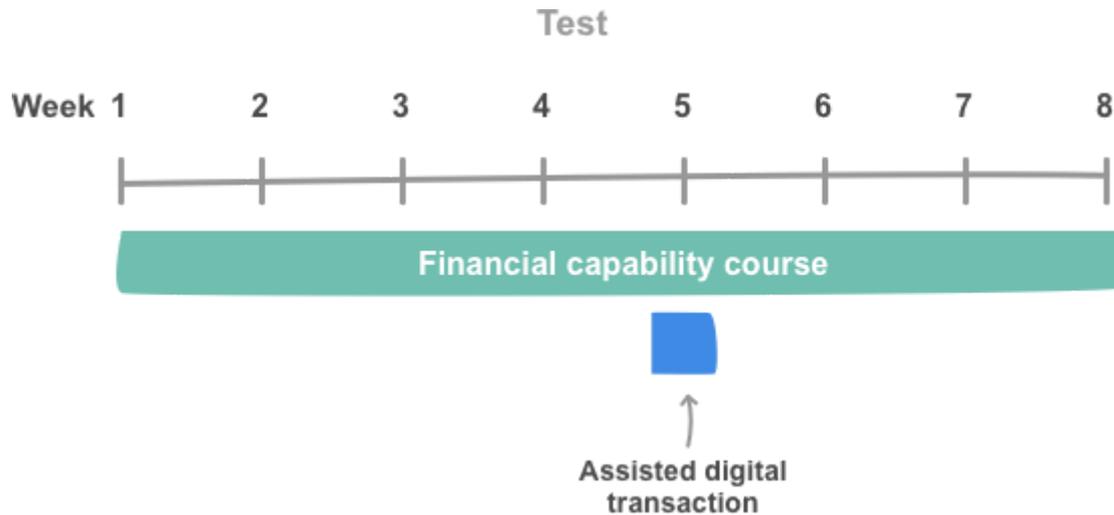
E2 Online	LE4 1EF	Leicester West	57
Disability First	FY3 9JL	Blackpool South	9
Citizens Advice Mid Staffordshire	DE14 1NG	Burton	299
Electronic Village Ltd	WF12 8DJ	Dewsbury	93
Emmanuel Westly Foundation Manchester	L1 0AB	Liverpool	179
Food & Education Enterprise	DE1 2GD	Derby South	39
Impetro CIC	WA9 3ZA	St Helens South	130
Learn for Life Enterprise	S2 4NF	Sheffield Central	443
Lincs Training	LN9 5ER	Louth & Horncastle	159
Newcastle City Library	NE1 8AX	Newcastle Upon Tyne	84
Questions & Answers CIC	TR15 2AB	Camborne & Redruth	84
Shotton IT	DH6 2PA	Easington	73
Skills Enterprise	E6 6BT	East Ham	68
Golden Centre of Opportunities	M16 8PJ	Manchester, Gorton	62
JC Ready 4 Work	HU2 8PX	Hull West & Hessle	46
Zest For Work	S6 3NA	Sheffield Central	443

Outputs

The project tested the efficacy of an assisted digital transaction. The intervention was structured in the following way:

1. Learners attend financial capability classes for 8 weeks at one of the Online Centres listed above
2. After 4 weeks, participants choose a transaction which they would like to complete. The transaction should save them money on something which they would have bought anyway
3. Someone in the Online Centre helps them to go through the transaction, one-to-one.

The **test** group did this supported transaction in week 5 of an 8 week financial capability course. The **control** group did not do a transaction, but they did do the same 8 week financial capability course.



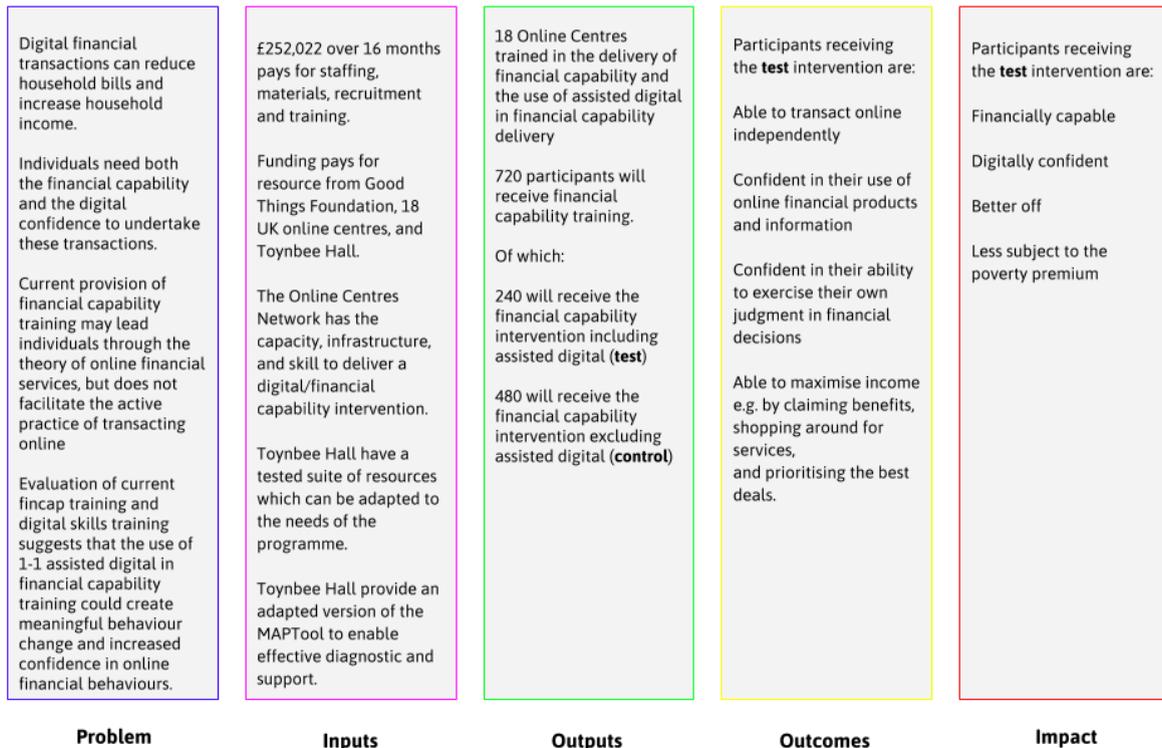
The financial capability course was developed by Toynbee Hall. In part, it used content that had been proven to be effective through their Community Money Mentors programme. The course was developed with two goals in mind:

- The course should be of tangible value as a financial capability intervention
- The course should be a preparation for the supported transaction. Our ambition was to provide adequate training for those participants in the **test** group. We developed the course to cover key concepts which we felt were necessary for participants making an online transaction for the first time.

This provided us with surety that we had provided enough information for users to be able to transact safely.

The 8 week financial capability course provided continuity between the **test** and **control** interventions. By providing the same course to both groups, we were able to isolate the assisted digital component in the test group. This limited the variety between the test and control groups and made the intervention easier to manage. Limiting the scope of the test intervention allowed us to attribute and measure specific outcomes.

The following Theory of Change was created at the start of the project. It details the structural elements of the project and shows how we expected it to generate impact:



Delivery context

Our project was delivered through Online Centres. Good Things Foundation support, manage, and fund the Online Centres Network. This is an affiliated network of 5000 community organisations across the UK. Online Centres work to tackle digital and social exclusion by providing people with the skills and confidence they need to access digital technology.

Typically, an Online Centre is an independent community or grassroots organisation. They provide a range of support which includes informal education and development. Often this is offered alongside advocacy and crisis support.

Overview of the evaluation approach

The financial capability strategy for the UK shows that “financial capability in working-age life is dependent on being able to access and use financial products and services with confidence.”⁹ The evaluation of this project sought to create evidence that an assisted digital transaction could change transactive behaviours. We hypothesised a link between transactive behaviour and a range of financial capability outcomes. These outcomes were mapped against indicators in the Toynbee Hall validated question-set, MapTool.

Outcomes and key indicators

Outcome	Indicator ¹⁰
Ability to transact online independently	Independent transaction completed after assisted digital transaction* Qualitative self-assessment of confidence
Use of online financial products and information	Improved consumer behaviour* Improved digital inclusion*
Ability to exercise judgement in financial decisions	Improved budgeting* Improved self-assessment in financial capability*
Ability to maximise income	Improved consumer behaviour* Improved digital inclusion* Improved financial outlook*

Description of evaluation methodology

We evaluated our project by structuring it as a Randomised Control Trial (RCT). An RCT compares two sets of data, the test and control groups.

- Test: the group of people who received the intervention
- Control: the group of people who did not receive the intervention.

An RCT is the gold standard for data comparison, because it randomises which participants will be in the test group, and which will be in the control. By randomising, the model tries to remove bias. These are the factors which are not contained in the intervention, but which might have an effect on how effective it is.

⁹ Financial Capability: Strategy for the UK, Evidence and Analysis, October 2015, p.43. Available at: https://prismic-io.s3.amazonaws.com/fincap-two%2Fa7749148-1272-4ceb-843f-36f01c9ea934_uk+financial+capability+strategy+-+with+supplementary+evidence+and+analysis.pdf, accessed 26.01.2018.

¹⁰ Indicators marked with a * demand a statistically significant increase.

An RCT might randomise individuals or groups. The most powerful data comes from randomising individuals. However, we chose to randomise groups of individuals. In the context of our intervention, we felt that this design would create the best results.

In RCT terminology a group of individuals is called a 'cluster'. For this reason, an RCT which randomises groups of individuals is known as a Cluster Randomised Trial (CRT). We did this because a **cluster design**:

1. Reduces the perception of unfairness

Online Centres will always try to give their learners the best, most beneficial support that they can. We felt that Online Centres would not be comfortable supporting some clients in one way and others in another way. For this reason, we felt that a cluster design would be a fairer way of providing support.

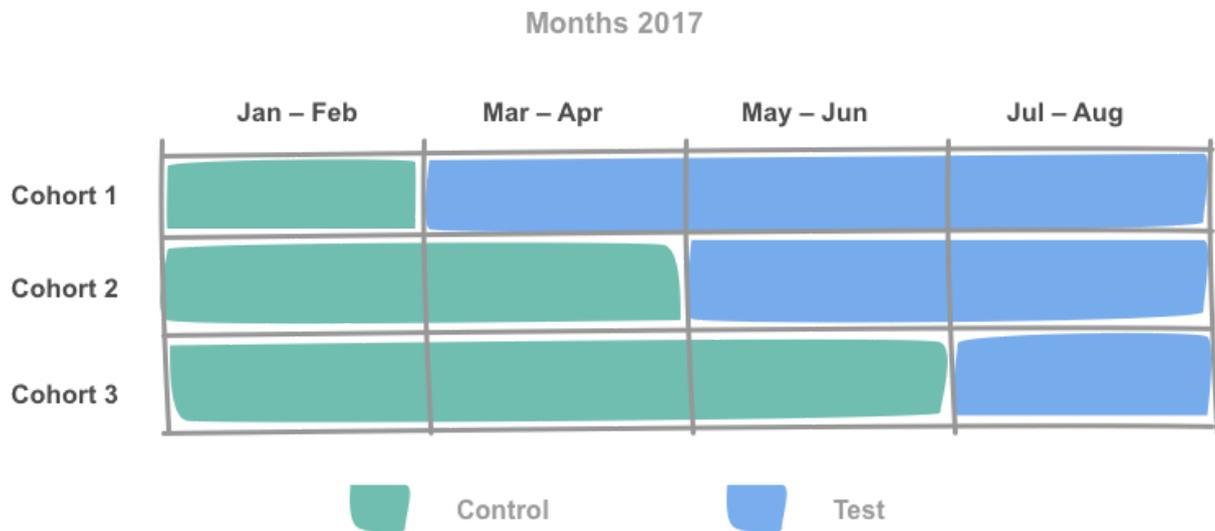
2. Is easier to implement

A cluster randomisation is relatively simple. We knew which centres (clusters) would be taking part in the intervention. Our statistician, Prof. Mike Campbell from the University of Sheffield, then randomly allocated each centre to a delivery cohort. If we had randomised at an individual level, centres would have had to randomise participants as they accessed the service. This would have placed an excessive burden on centres.

3. Reduces contamination

Online Centres assist, guide and teach within the socially supportive context of a community group. If we had randomised individuals to different comparison groups, it is very likely that participants would talk to each other about the intervention. This could have had an effect on how participants behaved and confused the results of our study. A cluster design reduces the likelihood of this happening by giving everyone in a group the same intervention.

We used a kind of RCT design called a **stepped wedge**. A stepped wedge is a kind of Cluster Control Trial. The term 'stepped wedge' refers to the way in which the test intervention is rolled out. In a stepped wedge design the intervention is rolled out sequentially. The following table shows how we did this:



Centres were randomly allocated to either cohort 1, 2 or 3. Their delivery profile was determined by which cohort they were in. Each centre supported 10 learners in each 8 week block. For example, centres in Cohort 1 each supported a class of 10 learners through the control intervention in January and February 2017. They then supported 10 learners through the test intervention in each subsequent 8 week block.

We chose a stepped wedge design because we thought that it would have more power in this delivery context than a traditional parallel cluster model. In a traditional parallel design, the intervention is delivered in only half of the clusters for the entirety of the project. The remaining clusters act as controls for the whole project.

Stepped wedge designs are more statistically powerful than parallel designs when intracluster correlation is high. Intracluster correlation means that responses within a particular cluster are more similar to one another than they are to responses of the whole group.

This effect can be brought about by big differences between each cluster. At the outset, we expected there to be some cluster-level effects that were outside our control: each delivery centre (cluster) would take a different approach to teaching the material, would teach the material to different demographic groups, and would recruit learners in different ways. This led us to think that intra-class correlation would be high. For this reason, we chose to use a stepped wedge design.

We also mitigated the cluster-level effects by using a technique called stratification. This occurs at the point of randomising clusters to a delivery schedule. Stratification is the process through which you ensure equal representation of particular groups across all of the delivery cohorts. We stratified centres who specialise in supporting ethnic minority groups. This ensured that we had at least one in each delivery cohort.

Had we not done this, we would have run the risk that the randomisation placed all ethnic minority specialists in the same delivery cohort. If the test intervention had been

particularly successful or unsuccessful in this delivery cohort, we would not have known whether or not this was because of factors that were specific to that group of centres.

The table below lists participating centres against their assigned cohort. The stratified centres are highlighted. Some centres dropped out in the first two months of the project. In these cases, the table lists the centre that replaced them. In the case of a stratified centre dropping out, they were replaced with another ethnic minority specialist centre.

Centre name	Replacement Centre	Cohort
Food & Education Enterprise		1
Citizens Advice Manchester		2
Citizens Advice Mid Staffordshire		3
E2 Online		2
Disability First		3
Skills Enterprise		1
Questions & Answers CIC		2
Choices (London) C.I.C Ltd		1
Impetro CIC		3
Binoh Community Centre	Zest For Work	3
Airedale Enterprises	JC Ready 4 Work	2
Emmanuel Westly Foundation Manchester		1
Golden Centre of Opportunities		2
Newcastle City Library		3
Lincs Training		1
Citizens Advice Milton Keynes	Shotton IT	2
Electronic Village Ltd		3
Learn for Life Enterprise		1

Data Collection

Data was collected by Online Centres. Good Things Foundation ensured high quality data by project managing against survey returns.

Surveys predominantly comprised of a question set selected from Toynbee Hall's MapTool. This is a validated financial inclusion question set. This was supplemented with a digital inclusion question, drawn from the Government Digital Service's Evaluate IT Toolkit. We also added two questions which we composed for this project. These asked participants about their online transacting behaviour.

We supplemented quantitative data with participant interviews. These were conducted with participants at 10 centres between May and September 2017.

Key Findings

Background

Pre- and post-intervention surveys created comparative data. These were administered by centres. Survey returns were high and data was mostly complete. These surveys looked at six key measures. Each measure was fed by one or more survey question:

Measure	Question content
Self-assessment of financial capability	Ability to manage finances
Consumer behaviour	Time spent comparing different products
	Checks to make sure they are getting the best deal
	Ability to understand technical terms in contracts
	Reads the small print
Budgeting	Regularly plans how much to spend on what
Self-assessment of financial wellbeing	Assessment of how well participant is managing financially
Financial outlook	Confidence about financial future
Digital inclusion	Confidence using the internet
	Independent access to the internet
	Assessment of whether or not the internet makes life easier

The study was 8 months long. 18 Online Centres contributed data to the study. In total 645 participants registered on the course, but we only have complete outcome data for 630 participants.

345 participants took part in the control intervention. 285 participants took part in the test intervention. This disparity is due to recruitment difficulties later in the project. We describe the reasons for this in Section 7 of this report.

Attendance on the course was generally good. 87% of learners attended 7 or 8 sessions in the 8 week course.

Our stepped wedge design was calculated to have a power of 86% to detect an increase

from 25% to 50% in survey responses of 'doing alright' or better.¹¹

This power was calculated assuming a design of 10 subjects per centre per step, 6 centres per step, and 3 steps. The calculation assumes an intraclass correlation of 0.05 and a significance level of 5%. The power of the model was calculated using the programme 'Stepped Wedge'¹² in the package Stata.

Statistical results: Regression Coefficient and Mean Change

Looking across the six key measures as a whole, we saw a statistically significant positive effect. Specifically, the data produced a regression coefficient of 8.9 (CI of 95%: 5.1 - 12.7, $p < 0.001$).

This figure was modelled from mean change values. To calculate this value we used the Hussey and Hughes method of analysing stepped wedge trials.¹³

The mean values that this calculation used are listed in the table below. These were generated from survey data, collected at the start and at the end of the project. Through these surveys, participants rated themselves against a range of skills and attitudes.

We looked at six key measures. There was improvement across all of these measures, but the intervention created a bigger effect than the control:

Group	Mean before intervention	Mean after intervention	Difference
Self-assessment of financial capability			
Control	46.2	59.2	12.2
Test	34.0	58.2	22.4
Budgeting			
Control	37.9	64.0	24.7

¹¹ This calculation assumed that a change from 25% to 50% in reports of 'doing alright' or better. We believe that this change is positive and comparable to other successful financial capability interventions. There was little data in this space to benchmark our project outcomes against, so we drew on the evaluation of The Money Mentors Programme. In this report, 65% of respondents experienced a positive change in confidence in their financial future. It shows that before the Money Mentors programme, just 25% of respondents were 'Doing alright or living comfortably'. This went up to 59% after the programme. Our model assumed that this was a meaningful change, and modelled against it. For further results, see: The Money Mentors Programme: An evaluation report by Toynbee Hall, January 2015. Available at: <http://www.toynbeehall.org.uk/data/files/Reports/MoneyMentorsSR01report-Jan2015.pdf>. Accessed 24.01.2018.

¹² K Hemming and A Girling, 'A menu-driven facility for power and detectable-difference calculations in stepped-wedge cluster-randomized trials', *Stata Journal*, 14, 363-80.

¹³ M.A. Hussey and J.P. Hughes, 'Design and analysis of stepped wedge cluster randomized trials', *Contemp Clin Trials*, 2007 Feb;28(2):182-91. "the loss in power due to a delay in the treatment effect generally cannot be fully recovered."

Test	20.0	62.5	38.1
Consumer behaviour			
Control	54.0	67.7	13.3
Test	60.2	76.0	18.8
Financial outlook			
Control	44.5	67.8	22.5
Test	42.8	74.4	29.2
Self-Assessment of financial well-being			
Control	41.3	50.1	8.8
Test	28.9	50.5	21.6
Digital inclusion			
Control	67.1	75.7	12.3
Test	63.4	79.5	22.4

This table of raw data shows the mean value of the scores before and after treatment. It is of some concern that the scores before treatment differ to quite an extent by treatment and control, despite randomisation. With this in mind, it was important to model the data using a method that takes account of time. The Hussey and Hughes model accounts for both time and clustering. This reassures us that, despite discrepancies in the raw mean values, the modelled results are still robust.

Statistical results: Odds Ratio

The following table shows the likelihood of participants transacting again after the supported transaction. This effect was modelled against those participants who had not transacted online before, at the point of the pre-survey. This result feeds the project outcome 'independent transaction completed after assisted digital transaction'.

	Control (%)	Test (%)
No further transaction	54.8	15.5
Further transaction(s)	45.2	84.5

This table means that 45.2% of participants in the control group went on to transact online. In contrast, 84.5% of participants in the test group went on to transact.

This gave an odds ratio of 6.5 (CI of 95%: 1.7 - 24.6, $p < 0.005$).

This means that people who were part of the intervention were 6.5 times more likely to transact again if they were supported to transact through the intervention.

Covariates: Gender and Ethnicity

We analysed the data to understand the effect of the intervention of different demographic groups. A covariate is a variable that may have an effect on the result of the study. For the purposes of this analysis, we analysed ethnicity and gender as covariates.

Gender

Our statistical analysis showed that the intervention was not more or less successful with any gender.

Ethnicity

Our statistical analysis showed that the intervention effect varied across ethnic group.

The majority ethnic group of course participants was white/British. This group made up 51.6% of all participants. Many other ethnicities were represented in the data, but none in enough numbers to analyse independently. For this reason, we grouped all non-white participants.

The effect of ethnicity varied across different measures:

- In the self-assessment of financial well-being, non-white participants scored 7.1 (p: 0.004) percentage points lower than white/British participants
- In the combined score for consumer behaviour, non-white participants scored 5.2 (p: 0.005) percentage points higher than white/British participants.

These results are interesting. In some ways, they corroborate the findings of our parallel qualitative study. In that, we found that recent migrants approached the intervention quite differently to white/British participants. Migrants seemed more accepting of the supported online transaction. They accepted it as part of what their centre was teaching them about financial inclusion. This may be because the project provided their first overview of UK commerce and financial infrastructure. They accepted online transactions as a natural part of life in the UK. They linked their non-use of the internet to contextual factors, rather than to their own ability:

In the country I was in before we didn't buy anything online so I wasn't familiar with buying anything online.

White/British participants framed their non-use of online transactions in a different way. They frequently rejected the idea of internet use, emphasised their preference for habitual ways of transacting, emphasised their security fears, and exhibited low confidence in their own ability to learn:

Altering stuff is quite hard for me. I would probably just read it and leave things as they were. Changing gas and electric seems to be quite complicated from what I've read.

These attitudes are similar to those recorded in a number of reports, including the

Ofcom Communications Report 2017.¹⁴ This observed difference may be linked to other demographic factors. In the UK, 78.3% of non-users of the internet left education at aged 16 or under and 49.5% of non-users are in DE social class. These indicators are independent to age.¹⁵

Confidence

Test participants showed a marked increase in confidence about their financial future. Our quantitative study showed that test participants were 7.8 percentage points more confident about this financial future than participants in the control group.

Our qualitative study suggests that this confidence came from building financial skills, practically embedding those skills by transacting, and building financial communication skills. Participants like Misha and Mike feel more confident because they have more control over their money. For Misha, this is related to how she can track her money on her mobile phone:

I feel more confident and in control. I check my balance on my phone. I use my internet banking to look at how much money I have. Sometimes I feel like I can't do things on my own because I don't speak English well.

For Mike, new confidence comes from the basic budgeting skills that he learnt as part of the course:

The course has been brilliant because I've learnt lots of different things. I try and put what I spend on a spreadsheet. I'm more confident that I can save up now if I budget. I've change what I'm eating a lot of and I'm saving up for a new electric cooker.

Anxiety, Risk & Control

Our qualitative study suggested that participants were often quite anxious at the point of transaction. This is a complex response which relates to behavioural and environmental factors.

As we expected, participants were often anxious about taking part in a live transaction. This is partly because anxiety is associated with the risk of transacting online, and risk was proportionally high for test participants because they had tightly controlled budgets and minimal disposable income.

For some participants the step was too far. Some said that they did not have the right digital skills to transact. Others rejected the necessity of transacting online. In several cases this was because they had a proxy who transacted on their behalf.

¹⁴ Ofcom Communications Market Report 2017, p.181. Available at: https://www.ofcom.org.uk/___data/assets/pdf_file/0017/105074/cmr-2017-uk.pdf. Accessed 25.01.2018.

¹⁵ Good Things Foundation and Simeon Yates, The Real Digital Divide: Understanding the demographics of non-users and limited users of the internet: an analysis of Ofcom data, June 2017. Available at: https://www.goodthingsfoundation.org/sites/default/files/research-publications/ofcom_report_v4_links.pdf. Accessed 25.01.2018.

Transacting for the first time is anxiety-provoking. Participants described their anxiety at the point of transaction. Participants often found the transaction anticlimactic. They felt that the anxiety felt prior to the transaction was significantly reduced by the transaction itself:

I was nervous, I was very nervous about it. When I did it, I was like OK, is this it?

In some cases, this effect was immediate. However, when participants had to wait for their goods to arrive, the transaction cycle was extended. Participants were only confident that the transaction had worked at the point that their goods arrived. This extended the period of necessary support.

In some cases, Online Centres supported participants to mitigate this anxiety by buying through trusted suppliers. This was particularly successful when participants could collect in store, rather than have the item delivered. Online Centres also supported participants to return items when they were unsuitable.

Structural factors

As part of the programme, we collected qualitative data about the implementation of the programme. The following sections discuss insights about the implementation of the project, by both Good Things Foundation and Online Centres.

Financial Inclusion

The assisted digital transaction was embedded within a financial capability course. This context was important for the success of the programme.

Participants were positive about the course. Test participants situated their transaction within the context of what they had learned. The course also provided opportunities for discussion of financial matters. In turn, this provided the space for participants to think about the transactions that they currently make and helped them to think about possibilities for transacting online.

The content of the course was important. The course took learners through eight weeks of financial capability. Some weeks developed generic financial capability skills while other weeks had a digital finance focus. Content for weeks 1-8 was as follows:

1. Introduction to financial capability
2. Banking and internet banking
3. Choosing new financial products
4. Buying online
5. Making your voice heard /or/ live transaction
6. Understanding financial services
7. Tracking finances
8. Long-term planning and saving

Online comparison was built into the content for weeks 2-4. Participants were actively encouraged to compare prices and contracts for each of these activities. Week 4 covered these actions for a range of products, including white goods, small goods, and utilities.

Weeks 7 and 8 discussed the use of digital tools to track spending to support saving behaviours.

The course attempted to naturalise use of the internet. Participants were regularly directed to specific online activities, like price comparison. Use of the internet was also woven into course delivery as the default source of information. Participants were encouraged to find information on their own, and read supplementary material on the internet.

Peer support

Peer support was a key element of the course. This was largely unplanned but emerged naturally through the classroom structure of the course.

Although the course could be completed individually, Online Centres generally capitalised on the classroom setting to facilitate conversation among the whole group.

Participant interviews suggested that this peer support was crucial. When participants shared their understanding or experience of saving money, this helped to provide

avenues for their peers to save money. In turn, this made the live transaction relevant in a way that it may not have been without this.

One example of this was told to us by Mark at Electronic Village, Dewsbury. In the processes of completing the budgeting element of the course, a classmate questioned the amount that Mark was spending on council tax. Mark then found out about the single occupancy discount, and reduced his council tax bill online. Mark saved £125.

Relevance of Online Transactions

The assisted online transaction was entirely voluntary. For ethical and practical reasons, Online Centres engaged participants to help them choose a relevant transaction. This is practical because, without personal relevance, participants would not find the impetus to transact online.

Relevance is particular to the needs, interests, and value judgements of the participant. Some participants found particular value in the transaction, because it gave them more choice and control over what they bought. This allowed them to think beyond their immediate needs:

I'm struggling for money. Buying items from a website can make some things easier. They cannot change your life, but they can make it a little bit easier. I bought a football t-shirt even though I have no money because I needed to do something to make myself feel happier.

Relevance is context specific. Participants in Shotton wanted to shop for groceries online because of the difficulties they had buying fresh food locally. Participants in Newcastle learnt to use online banking so that they can keep track of their money. This had become particularly relevant for them in recent months. The roll out of Universal Credit had created gaps in individuals' income. They met the shortfall by borrowing from friends and family. Online access to their bank accounts allowed them to keep track of these payments and pay them back.

Relevance does not always translate into a transaction. On several occasions, participants actively engaged in the process of transacting, even if they did not follow through with payment. James spent two weeks comparing different insurance providers online. He was trying to work out whether house insurance would be right for him. After doing lots of research, he decided that it wasn't worth him getting house insurance. It was an active choice which used preliminary transactional skills even if it did not translate into a live transaction.

Surfacing the Online Transaction

The design of the trial meant that Good Things Foundation strongly communicated the difference between the test and control interventions to the Online Centres who participated in the project.

This led to an unintended consequence. When centres delivered the test intervention, they began to strongly surface the term 'transaction' in their discussions with learners. This happened at the beginning of the course because centres started to prepare learners straight away for online transaction that would take place in week 5.

The emphasis that centres placed on the term 'transaction' also inadvertently established 'transaction' as a skill-set. When learners completed a transaction, their skill was endorsed. We believe that this endorsement has increased the likelihood of future transactions.

Limitations of the Evaluation

The What Works Fund provided the opportunity and impetus for Good Things Foundation and Toynbee Hall to provide robust evidence in digital financial capability. We did this by designing an intervention which we could deliver as a Randomised Control Trial.

Randomised Control Trials are exceptionally rare in the communities sector. In part, this is because community interventions prioritise relationships over structure. Community organisations may be funded to support people in a number of different ways and are likely to supplement more structured support with informal advocacy, support, confidence building and guidance.

In practice, this is likely to result in an individual receiving a range of interventions as part of their support journey. The content of these interventions changes according to the support needs of an individual. Community interventions are non-linear. They are flexible and non-standard. They bring about a range of outcomes and are unlikely to trace a simple causal line between intervention and outcome. For this reason, they should be seen as complex.

RCTs are designed to test interventions against pre-defined outcomes. Because they test the efficacy of an intervention, RCTs have to trace a linear causal link between the intervention and outcome(s). Because of this, they work best when the intervention is managed to some degree. For this reason, non-standard, nonlinear complex interventions are often unsuitable for RCTs.

A challenge for Good Things Foundation and Toynbee Hall was to develop an intervention simple enough to test through an RCT. A further challenge was to develop a simple intervention which would produce useful results for the community sector.

How we might have improved the evaluation

The project ran to strict time limits. The total duration of the project was defined and each cohort was time limited. For this reason we had little power to extend the delivery period. This reduced our ability to mitigate non-recruitment and poor attendance.

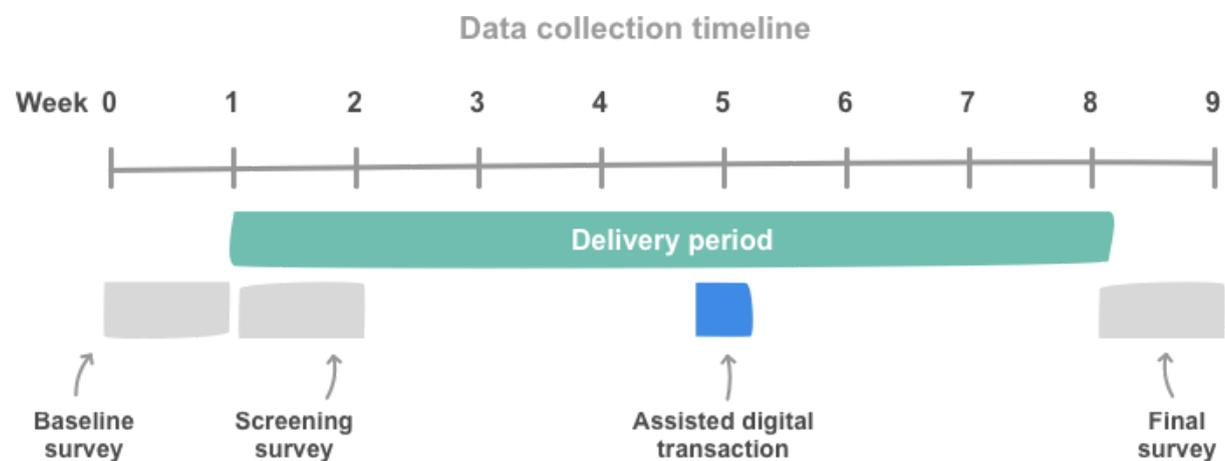
Recruitment was generally very consistent. Centres only experienced problems with recruitment for the final cohort. Our target for that period was 180 learners. Centres were only able to recruit 111. Environmental factors, including Ramadan, Eid, and the school summer break, prevented learners from joining classes. If we ran the same project again, we could try to mitigate this through either **experimental** means or through **project design**.

Experimentally: we could have explored a different cluster RCT design. As described in Section 3, we used a stepped-wedge design. At project inception we believed a stepped-wedge design to be best. At that time we did not explore the possibility of a crossover cluster design. This may have better accounted for drop-off towards the end of the project.

Project design can account for periods of poor attendance by structuring delivery to avoid quiet periods. The periods are easy to predict and avoid. In this case, we did not have the freedom to extend or adapt delivery to mitigate poor attendance. This was expected. From a project design perspective, we traded flexibility in delivery against the rigour of implementing an RCT.

Time constraints

The project design focussed final data collection across two two weeks. All final data collection occurred after the end of the intervention. Guidance was to collect final data between the end of the final class in week 8 and the end of week 9. All final data collection was done during this period. This included qualitative data collection as well as all final surveys.



This choice was made for three reasons:

1. Pragmatically, it ensured that participants would be present to collect data from because they were still engaged in the project. Participants might attend the centre regularly for the duration of the project, but attend less frequently after the intervention.
2. For the purposes of the RCT, we wanted to measure the effect of the assisted digital transaction. This took place in week 5 of the delivery period. The interviews and survey were primarily designed to record the behaviour change that may have taken place between week 5 and week 9. This time limit was set to ensure that any effect was attributable to the intervention. A longer period is likely to have resulted in a larger effect because participants would have had a longer time period in which to independently transact. However, a longer time period would have increased the risk of other circumstantial factors contributing to any projected outcomes.

Some survey questions specifically referred to the time period between the assisted digital transaction and the point of data collection. In these cases, centres were given strong guidance around survey administration. Participants were advised that the questions referred to the time period following the transaction.

3. The power of our statistical modelling relied on prompt data collection. We might expect a delayed effect. Participants might be more likely to transact independently after a period following the full intervention. However, we could not model for this without compromising the power of the study.¹⁶

¹⁶ M.A. Hussey and J.P. Hughes, 'Design and analysis of stepped wedge cluster randomized trials', Contemp Clin Trials. 2007 Feb;28(2):182-91. "the loss in power due to a delay in the treatment effect generally cannot be fully recovered."

Implications and Recommendations for Policy and Practice

This project proved the impact of support to transact online on future transactional behaviour. In turn, this generated real financial savings for participants.

This project comes at the intersection of financial capability and digital inclusion. It was the first to generate evidence of digital inclusion within the financial inclusion sector. The evidence points to further potential areas of work. Two are of particular interest:

- White/British and ethnic minority groups appeared to respond differently to the intervention. More work needs to be done to understand the different financial capability needs of these groups.
- This project produced evidence around behaviour change from not-transacting online to transacting online. It did not produce robust evidence around the kinds of transactions that people choose, the future transactions that these people do, and the level of skill between applied to different kinds of online transaction. This is an area for potential further study.

The project highlighted the efficacy of practical digital skills within a financial inclusion intervention. In doing this, the project also highlighted as a potential issue the absence of digital skills support within most mainstream financial inclusion.

This project has created evidence around a particular solution, but it also highlights the need to take digital inclusion seriously within the context of financial inclusion. Digital skills are increasingly necessary for financial resilience and capability. This link has been underrepresented in the sector and hope that financial inclusion providers take inspiration from the evidence that this report presents.

In this project, we funded Online Centres to deliver a financial inclusion intervention with an additional digital skills component. Online Centres are digital inclusion experts and generalists in a range of other support activities. The evidence from this project suggests that there could be a bigger role for digital inclusion practitioners in financial capability in the future.

Recommendations for practice

- Deliver financial inclusion through independent community support

This project allowed us to fund and resource financial inclusion through the Online Centres Network. By doing this it tested the desire and capacity of community centres to deliver financial inclusion.

Community centres are able to reach people who do not access other services. They typically have strong relationships with the people they serve. This allows them to offer support that is deeper and more effective than many mainstream services.

- Deliver digital financial inclusion

This project supported financial capability by changing online behaviours. It did this by developing an understanding of how to use digital tools to improve financial capability. This happened both through information and practice; through modules that introduced learners to digital financial services as well as the actual practice of transacting online.

Outcomes from this project suggest strongly that there is a real opportunity for the financial capability sector to build their capacity to deliver digital understanding.

- Prioritise support that helps people to transact online

The ability to transact online changes the financial prospects of people in poverty. It allows them to save money on basic goods by changing the way that they interact with services. Financial capability interventions should therefore prioritise support that develops the ability to transact online.

Outcomes of this project suggest that assisted digital transaction support is an effective, appropriate and scaleable way of building financially capable behaviours.

- Create trust

This intervention tested in this project was effective because the practitioners who delivered the intervention were able to quickly create relationships of trust with their clients. They are able to do this through informality and open-ended support.

Community centres do not set targets for their clients or stop supporting them when it is no longer financially viable. As we saw in this intervention, open ended support was important in mitigating anxiety around the transaction. Support needed to be present in the days that came after the assisted transactions. Financial capability providers have the opportunity to learn from this insight.

Recommendations for communication and training

- Change the risk-averseness of the financial inclusion sector

Financial inclusion is only effective if it changes behaviour. Behaviour change happens through practising and empowerment.

Assisted digital transactions provide a practical route to sustained behaviour change. However, at the moment, the perceived risks in providing assisted transactions inhibit the impact of mainstream financial capability.

This project proved that assisted digital support can be delivered ethically and in a way that minimises risk. Assisted digital transactions are not a regulated activity. It is not a risk-free activity but practitioners can mitigate a lot of this risk by providing appropriate support to empower their clients.

Best practice from this project was to allow participants to identify a transaction for themselves; give time for them to choose the transaction by setting a date for support four weeks in advance; give 1-1 support to undertake the transaction; provide open-ended support in the days after the transaction.

- Train frontline financial capability practitioners to deliver assisted digital support

Many sectors struggle to engage with the cultural changes precipitated by digital technology. Adoption and embedding new practice depends on the provision of digital support within the context of mainstream financial inclusion. To do this, we would need to mobilise the financial inclusion sector by using evidence that has traction with practitioners and commissioners within that sector.

Recommendations for further research

This project worked because it utilised the expertise of Online Centres in providing informal, person-centred support. To build a complete case for sustaining this model through mainstream financial inclusion provision, further research would be required:

- Understand the overlap between digital exclusion and financial capability

11.5 million people in the UK are without basic digital skills. It is very unlikely that those people without basic digital skills are able to transact online. Digital behaviours are complex. Even individuals who self-identify as regular internet users may use the internet in a limited way.

Currently, we don't know how the digitally excluded population overlaps with MAS's market segmentation. For this project we assumed overlap between the struggling segment and digital exclusion. This was borne out to the extent that we successfully recruited from this segment. However, we need to understand more about the digital

behaviours of other groups, particularly the squeezed segment. This could be leveraged through other research, like the Lloyds Consumer Digital Index which currently leads the sector.

- Fund a 'test case' for assisted digital support in the financial inclusion sector

We have produced evidence that an assisted digital transaction works. However, we have done this in controlled circumstances. To produce evidence that will speak to mainstream financial capability providers we need to test the ways in which an assisted digital transaction can be embedded in mainstream support. A project of this kind would produce the following evidence:

- Outcomes produced by the assisted digital transaction across a range of financial capability interventions
 - An assessment of the assets which would need to be in place in order to scale the assisted digital transaction
 - A process evaluation which would identify the necessary conditions for scaling
- Understand the long term effects of transacting online

This project identified the transactional behaviour changes within a short time period. To understand the full impact of assisted digital support, we would need to measure long term behaviour change through an ethnographic or longitudinal study.



Good Things
Foundation

Improving lives through digital

www.goodthingsfoundation.org