

GLOBAL FINANCIAL BEHAVIOUR EXCHANGE



A global knowledge exchange for leading behavioural and data science efforts in the financial services sector.

EXECUTIVE SUMMARY

Introduction

The financial services industry is adapting to new and complex challenges, and it is more important than ever to understand the tapestry of human behaviours that drive its success. At The Behavioural Insights Team (BIT) we have deep expertise in this area, having collaborated with over 50 leading financial services companies around the world, applying behavioural and data science to drive positive impacts for consumers, customers and employees. We are now turning our attention to cultivating a consortium of leading behavioural and data science practitioners to collaboratively deliver groundbreaking advancements in the industry. We believe that there is huge potential in bringing the fields of behavioural science and data science closer together to tackle the challenges facing the financial services sector, which is where we got the idea for a global exchange of practitioners who are wrestling with similar issues. We are looking forward to discovering and using the collective wisdom and innovation we can achieve together.

Why Have You Been Invited?

Based on our recent research and engagement with industry stakeholders, we've identified your institution as one of the top 20 financial services organisations currently pioneering behavioural science.

Global Financial Behaviour Exchange

We are launching a 12-month programme for the financial services industry to advance the fields of behavioural and data science and to deepen the impact of these fields within financial services. Our goal is to provide you with the latest cutting-edge insights, catalyse shared ideas, share exemplary implementation, and to drive further positive behaviour change across the industry. As a group, we can better harness the power of behavioural and data science for social good and commercial success.



Benefits of Participation

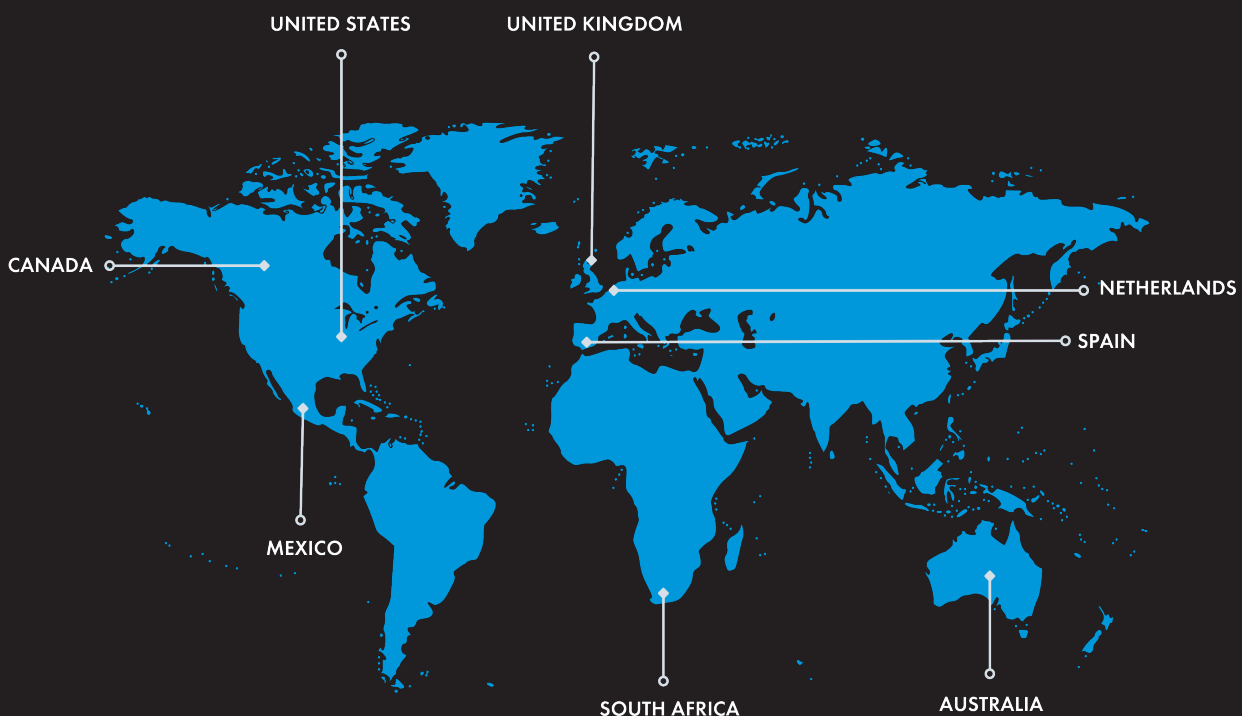
Curated monthly insights: Stay at the forefront of your field with our monthly research digest, *Financial Behaviour - The Cutting Edge*, offering groundbreaking studies, inspiring insights, and innovative applications of behavioural and data science. This will include the latest thinking and innovations from financial services but also adjacent areas, like education or sustainability, where there is an interesting or relevant application to financial services.

Exclusive workshops & seminars: Over the course of the year, members will gain exclusive access to a two-day in-person launch event in February 2024 (with virtual options for those who may not be able to travel), three virtual workshops, three virtual seminars, and an end of year reflection event.

Principal/Partner consultancy time: Each member organisation will receive up to 12 hours of dedicated support from a member of BIT's leadership team, which can be tailored to your needs - be it for idea-generation, trial design, QA, coaching wider teams or securing organisational buy-in for your projects.

Learn from and leverage a global network of leading behavioural and data science practitioners within the industry.

Ensure your teams are well positioned to support the C-suite in responding to the challenges and opportunities facing financial services.





Your Investment

The annual subscription is £12,000, which covers access to all events, reports and resources, including tailored problem identification and solution ideation workshops. The subscription covers the participation of five core members from your organisation. Core members may come from your own team or other teams across your organisation. While we'll limit active participation to those five core members, we fully expect and encourage you to share resources and outputs more widely within your organisation and will encourage you to invite colleagues from your wider business to relevant workshops and seminars. For example, you may want your HR team to attend a seminar focused on increasing Equality Diversity and Inclusion, or your business operations team to attend a seminar on building high performing teams.

The BIT Advantage

As the world's largest team of applied behavioural and data scientists, we offer unparalleled insights drawn from our extensive experience in financial services and adjacent areas. This exchange will not only keep you ahead of industry trends but also create a dynamic platform for shared growth and learning. We genuinely believe in the potential of this initiative to collectively shape the future of financial services, harnessing the power of behavioural and data science to hit ESG goals and drive commercial success. We hope you share our enthusiasm.

A note from the programme directors

As countries grapple with rising inflation and cost of living, it has rarely been more important for financial institutions to provide compelling, competitive products and services, whilst continuing to innovate and drive growth. A sophisticated understanding of consumer and employee behaviour is central to achieving this. Matched with much richer and better linked data, financial institutions can effectively understand, predict and influence consumer and employee behaviour to increase customers' financial wellbeing and achieve commercial success. We will design the Global Financial Behaviour Exchange to support and accelerate this agenda, focusing on how behavioural and data science can drive better outcomes for consumers as well as efficient, diverse and productive financial institutions.

This is an area we are passionate about. Indeed, some of BIT's most consequential work has come through open collaboration with over 50 leading financial services companies, including through the UK Financial Capability Lab launched in 2016. Many of these projects have focused on the design and evaluation of financial products and services - from increasing savings rates, to boosting credit card repayments, and preventing customers from falling into mortgage arrears. Since 2019, we've extended these collaborations to internal organisational goals, increasing the applications of women to senior positions in Zurich by 19.3% and working with Santander to boost the intentions of men to take up shared parental leave by 62%. More recently, we have begun to advise on ways to drive greater productivity and engagement amongst employees.

Yet, we feel there is still much more to do.

We do not claim to have all the answers. Financial institutions like yours have established strong in-house teams and capabilities and deep expertise. We will respect and amplify this expertise by bringing together the top 20 institutions to share insights and ideas. We can offer a unique perspective, drawing on the experience of running over 1,000 projects and applying behavioural and data science across a wide range of domestic and international policy issues over the past decade.

We are really looking forward to this global collaboration to strengthen and evolve the application of behavioural and data science in financial institutions and hope you'll join us in this initiative.



Programme Directors

Elisabeth Costa BIT UK Managing Director

David Halpern BIT President and Founding Director

The year at a glance

February 2024:
Two-day launch event



July 2024:
Virtual Seminar



November 2024:
**End of year wrap up
and reflection**



December 2023:

● **Virtual Pre-Launch**



April 2024:

● **Virtual Seminar**



September 2024:

● **Virtual Seminar**



+ Ad-hoc support from BIT year-round
+ Monthly research digest 'Behavioural
Finance - The Cutting Edge'

Programme content

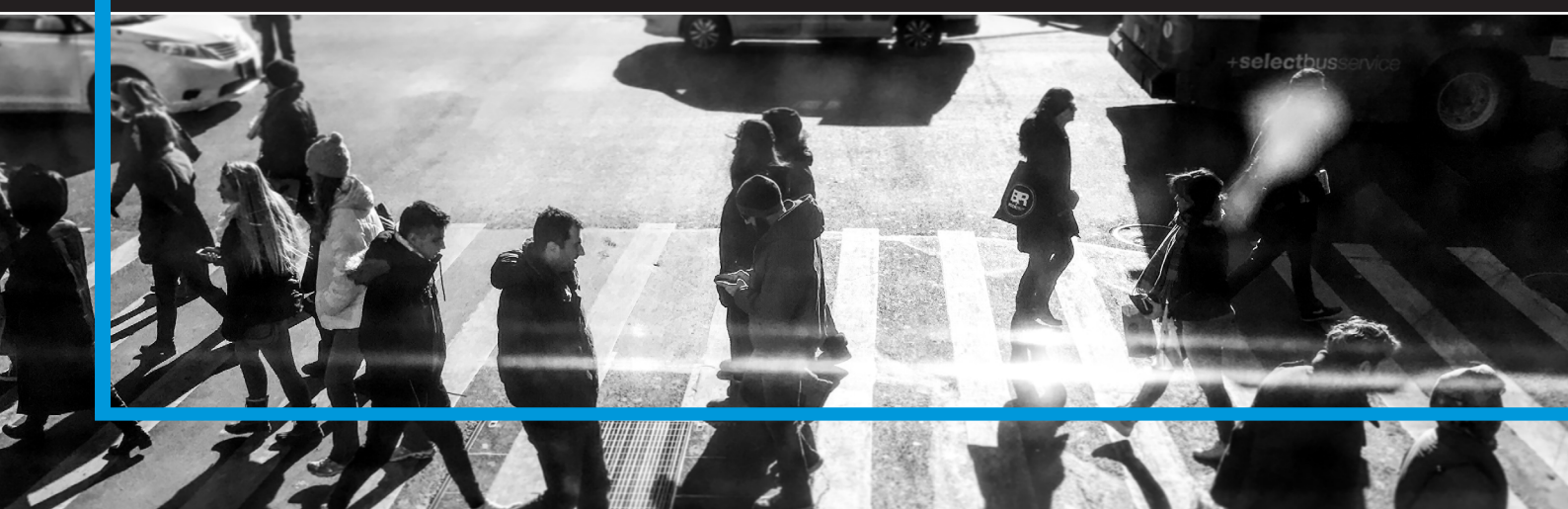
In consultation with leading behavioural and data science teams, we have designed a year-long interactive programme. We understand the intricacies of inter-organisational collaboration and will create a safe environment where professionals and expert practitioners can freely exchange insights, all while maintaining the respect for commercial boundaries. Your expertise and feedback will be invaluable in refining and elevating this programme. The objectives and agenda will be co-created based on your feedback about the areas of greatest challenge and potential for you and your organisation.

Virtual pre-launch - December 2023

We'll meet each organisation independently to further scope your core problem statements and the outcomes you want to achieve from participating in the Global Financial Behaviour Exchange.

Problem statements we've discussed with participating organisations include:

- **Diagnostics:** Using behavioural and data science methods to identify scenarios such as when customers are not choosing the right products, or when employees are under duress.
- **Targeting:** Using behavioural and data science to develop rich employee and customer personas that will help us develop customised interventions. How can we leverage behavioural science to understand the behaviour behind the data and develop testable hypotheses?
- **Testing:** How can we go beyond simple AB testing and into larger field trials that give us a deeper understanding of customers?
- **Financial wellbeing:** How can we establish the predictors of financial ill-health?
- **Organisational behaviour:** How can we drive productivity within our organisations and measure the impact of culture change interventions?
- **Trust:** How can we increase consumer acceptability around use of data for more personalised products and defaults?
- **Stakeholder management:** How can we get organisational buy-in for innovative behavioural and data science approaches?
- **Team development:** How can we nurture and grow multidisciplinary teams with the right blend of industry and functional expertise?



Two-day launch event - February 2024

Note the date and location of this event will be determined with participating organisations and a virtual option will be available for those unable to travel.

In this two-day event we will run a number of workshops where BIT will present the latest insights from behavioural finance and we'll tackle live issues facing our organisations. We'll hear from guest speakers on their recent and upcoming research. Speakers will be drawn from a pool including high profile names as well as those bringing fresh insights and energy into the field. We'll also hear from industry experts to dissect current and future challenges in financial services and help us determine how we can apply behavioural and data science to respond to these challenges.

Planned Workshops

The topics of these workshops will be updated and finalised following our pre-launch conversations with each organisation and the agenda will be shaped by participants' priorities. We may break into subgroups for some workshops based on organisation type (e.g. retail banking, investment banking, insurance) and focus (e.g. application of behavioural insights to consumer vs employee outcomes).

- **Terms of engagement:** Dedicated time to establish norms and ways of working to ensure a safe and collaborative environment for knowledge sharing within the boundaries of avoiding commercial sensitivities.
- **State of the nation:** A deep dive and honest reflection on the deployment, reach and impact of behavioural and data science across financial services.
- **Our readiness to respond to industry trends:** Analysis of key industry trends followed by an interactive discussion on how well our teams are placed to support the C-suite in responding to these trends.
- **Creating a short-list of solutions to our problem statements:** We'll run a number of dynamic workshops to create solutions to the problem statements identified in the pre-launch engagement and develop plans to implement these solutions. We anticipate working on a number of problem statements focussed on creating a better understanding of our employees and customers that will enable us to predict their behaviour and build personalised interventions.
- **Generating buy-in for behavioural and data science:** We'll discuss selling behavioural and data science and evaluation to stakeholders within your organisation, as well as explaining the social value of behavioural and data science in financial services outside your organisation.
- **Ethics & trust:** This is a space to work through regulatory challenges with legal experts. We'll consider challenges such as 'how can we build trust and consent with our customers and employees to allow us to deploy the latest innovations in behavioural and data science?'

Monthly research digest *Behavioural Finance - The Cutting Edge*

Throughout the year we will deliver a steady stream of new academic studies and practitioner insights, and innovative applications of behavioural and data science. We'll include insights specific to the financial services sector as well as applications of behavioural and data science in other sectors that could be adapted and applied within financial services. We'll also suggest ways it can be applied to your specific goals. We'll draw from established researchers and practitioners as well as up-and-coming researchers with fresh perspectives on our challenges. The content of this digest will be discussed in our workshops.

Virtual seminars (April, July, September 2024)

We will run three virtual seminars which will build on the initial launch event and include:

- Dissemination of the latest insights. An opportunity to discuss and reflect on the insights shared through the monthly research digest.
- Knowledge sharing workshops. Small private sessions where we can learn from each other's successes and challenges. This may include workshops dedicated to specific functions (e.g. Customer, Product, HR, Audit, Risk) where we will open the workshop up to invite functional leaders from your organisation.
- Guest speakers from academia and industry focusing on emerging trends in financial services and how behavioural and data science can help us respond to meta trends.

We may use breakout groups to allow members to focus on their most pressing issues. We will offer multiple options to cover all time zones. Depending on the topics we agree to cover, participating organisations will be encouraged to bring along different colleagues as a way to engage them in our efforts.

End of year wrap up and reflection (November 2024)

Note the date and location of this event will be confirmed with participating organisations and a hybrid option will be available for those unable to travel.

We will end the year with a review of what we have achieved through the Global Financial Behaviour Exchange, what has been achieved in the wider field and identifying the next most pressing issues for us to pursue.

Ad-hoc support from BIT

Each member can receive up to 12 hours dedicated support from members of BIT's leadership team throughout the year on behavioural or data science initiatives. Support may include coaching, trial design, ideation, QA, generating buy-in and sponsorship, coaching wider teams or working through implementation challenges. We will work with you to understand your requirements and recommend the most appropriate team member to support your goals.



THE
BEHAVIOURAL
INSIGHTS
TEAM



FAQs

What level of time commitment is expected?

Participation in events is expected to be four days total, spread across the year. We would encourage participants to spend an extra two days reviewing and reflecting on the monthly insights we will provide.

How will we ensure that competing organisations are comfortable and safe to openly share with each other?

There are a number of steps we will take to build a safe environment for teams from competing organisations to collaborate and share learnings and information safely including:

- **Design of overall programme and peer learning workshops:** The programme will be carefully designed so as not to cross the boundaries of commercial sensitivity nor raise any red flags regarding collusion. We will design the programme with the recognition that members will not be authorised to share anything commercially sensitive (e.g. costs, customer data, new product development and pricing).
- **Norm setting at our first launch event:** We will dedicate time to establishing Chatham House rules. We will respect cases where individual participants don't feel comfortable discussing a specific topic. We will explicitly specify what we will discuss in peer sharing sessions (e.g. how to get organisational buy-in for BI and testing) as well as what we won't discuss (e.g. pricing of new products).
- **Anti-trust statement:** Members will be asked to read and sign an anti-trust statement signalling your agreement to at all times refrain from discussing any information which is confidential to your organisation and/or which is likely to affect the commercial strategy or activities of your organisation and/or its members.

What happens if I can't attend an event?

We will provide a hybrid option for all events and record key talks and seminars.

We will share detailed summaries of outputs generated in workshops.

The annual subscription covers five core members from your organisation, and you'll be encouraged to bring additional members from across your organisation to certain virtual events as a way to help engage leaders within your organisation.

To help build a network we recommend the same people attend each event. However, we understand that life happens and that you may need to send a substitute from your team in certain circumstances.

When will my organisation be invoiced?

We would ideally invoice each partner between October and December 2023.

However, we understand that some partners may need to secure a budget from the next financial year so we will try to be as accommodating as possible.

How do I confirm my organisation's place?

Please contact training@bi.team to confirm your interest to join this exchange and we will follow up with the next steps.

