



# Nudging Digital Payments

## Case Study



**This project for Italy's largest credit card provider worked to nudge Italians to rely less on cash for everyday spending and move to card and mobile payments.**

# The behavior to change

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While nearly 70% of purchases in the UK are digital (meaning by card or mobile payment), the average in Europe is 46%. And in Italy, only 26% of purchases are made digitally. Moving towards digital payments was of course a win for our client, but also takes away the need for getting and managing cash - a win for consumers. And lastly, by processing digital payments, more transactions are captured and taxed, creating more money in government coffers to serve the public.

Currently most Italians limit usage of their credit card for large purchases or online reservations only.

We further challenged ourselves to encourage the usage of digital payments for purchases/transactions under 20 EUR.

# The behavioral diagnosis

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Despite having a credit card in their pocket and a payment mode on their phone, many default to retrieving cash from an ATM and paying for smaller purchases with cash. They simply don't have the habit of paying for daily items digitally, even if the option is available at merchants.

A photograph of an ATM machine. Above the machine is a large, illuminated sign that reads "ATM" in white capital letters on a dark background. To the left of the machine is a vertical display of credit cards, including Visa, Mastercard, and American Express. To the right of the machine is another vertical display of credit cards, including Discover, Star, and Plus. The machine itself is a standard ATM with a screen, a keypad, and a card slot. The background is a dark, textured wall.

# ATM

## The behavioral design

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# The nudges



By leveraging the ATMs that Nexi operates, they can nudge customers with a push notification after a cash withdrawal, that in future they do not need to use cash.



We created a number of nudges at the point of sale to assure customers that using card is not only acceptable but encouraged by most merchants, even for smaller purchases. The typical 'cards accepted here' messaging is no longer salient, so new ways of communicating this welcome message can be both visual and audible.



Utilizing the touchpoints Nexi can control is an easy way to not only implement nudges, but also track their impact. By reminding and rewarding customers via texts after a digital purchase, Nexi is helping to reinforce the behavior.

# The result

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Nexi selected 10 initial ideas to move forward with and divided them between working groups:

- Their digital team for nudging within their app
- Their customer experience team to nudge within existing touchpoints such as letters, invoices, etc
- External agency partner to design some physical nudges for within retail environments

The roll-out has been staggered depending on existing work streams.

We are now exploring ways to ease the client acquisition funnel for new card holders.

# About the BVA Nudge Unit

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The BVA Nudge Unit is a global behavioral change consultancy that drives successful behavior change through applied Behavioral Science to help solve challenges involving customers, employees and organizations.

Specializing in behavioral change strategies for customer experience, workplace change management and omni-channel communication, with a strong background in retail, CPG/FMCG, transport, healthcare and financial services sectors, BVA Nudge Unit's award-winning methodologies have been used by leading brands such as Reckitt Benckiser, Mondelēz, Nestlé, BNP Paribas and the United Nations.

Interested to know more about how Behavioral Science and nudge can help your organization create lasting behavior change?

Find out more at [www.bvanudgeunit.com](http://www.bvanudgeunit.com) or contact us at [contact@bvanudgeunit.com](mailto:contact@bvanudgeunit.com)