



HM Revenue
& Customs

Research report

HMRC – Annual Tax Summaries Testing of web content with customers

Testing customer response to web content and exploring likely customer behaviour after visiting the web page

September 2014

Customer Insight & Knowledge Team

Tax summary – testing of web content***About Personal Tax Customer, Product & Process (PT CP&P)***

Personal Tax Customer, Product & Process works with colleagues in Personal Tax and across HMRC to help develop our approach to implementing the customer centric business strategy. We use customer insight to help PT design, deliver and operate services for individual customers which

- improve customer experience
- maximise tax yield
- ensure that those who need help get the support they need, when they need it

PT CP&P also has a corporate role, to manage the relationship with the voluntary and community sector on behalf of HMRC

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Tax summary – testing of web content***Research requirement (background to the project)***

Annual Tax Summaries were introduced in Autumn 2014 with the aim of improving the transparency of the personal tax system, so that individuals are better informed about how much direct tax they are paying and how government spends it. In their first year, the Summaries will be issued to 24 million tax payers (16m paper recipients and 8m online) who will now be able to see how their income tax and National Insurance contributions have been calculated and how the Government has spent that money. It is expected that the Summaries will increase engagement with the tax system and impact positively on HMRC's reputation.

A significant number of tax payers who will receive their Annual Tax Summaries are unlikely to have engaged in detail with HMRC and the tax system before. HMRC therefore expects that some customers may feel the need to acquire further information upon receiving their Summaries and it is expected that such increased customer interest *may* impact on the departmental performance *targets*. To ensure a good customer experience while minimising the number of contacts, HMRC has developed web content related to Tax Summaries as part of their telephone contact strategy. The web content gives further explanation about the purpose of Annual Tax Summaries and provides additional information about the personal tax system and on public spending.

To support the design of web content and implementation of Annual Tax Summaries, HMRC required research to understand customer information journeys and response to the web content. This was to ascertain whether and how the web content can meet customer information needs and how likely they were to seek further clarification from HMRC.

Main research objectives:

- To explore whether customers want to and are able to access help online and how they navigate the web content
- To identify whether the web content meets customer information needs
- To gather insight into customer behaviour after reading the web content

When the research took place

Fieldwork took place between 14th and 31st July 2014.

Who did the work (research agency)

Define Research and Insight Ltd., market research agency.

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Method, Data and Tools used, Sample

The research was qualitative in approach and also included an iterative element.

Twenty-nine in depth interviews were conducted of 75 – 90 minutes in total. Interviews took place across two phases to allow for adjustments to web content to be made in response to early findings. Fieldwork locations included Cardiff, London, Oldham and Glasgow.

The interviews began with respondents discussing an example Tax Summary, which was based on their current personal tax circumstances but not their actual taxable income figures.

Sixteen respondents were sent an example Tax Summary to consider prior to taking part in the interview. The purpose was to replicate the ‘real life’ context whereby they will receive either a paper Tax Summary by post or an invitation to access their digital Tax Summary online depending on their current tax return route (PAYE or online Self-Assessment).

Thirteen respondents were shown an example Tax Summary at the interview itself, to allow their initial spontaneous reactions towards it to be observed. Respondents were then asked to look at the web page in their own time without any direct questioning from the interviewer.

For twenty-two interviews, eye tracking technology was used to record and gain a deeper understanding of how the respondents interacted with the web page. The interviewer then directly asked the respondent about their response to and views of the web page.

After fieldwork in Cardiff and London (testing Version 1), some adjustments were made to the web page in order to address issues highlighted in these locations and in order that the changes (Version 2) could be tested in Oldham and Glasgow.

Outlined below is the sample breakdown in more detail:

Criteria		Number of people meeting criteria
Gender	Male	15
	Female	14
SEG	ABC1	14
	C2DE	15

- All were UK tax payers across a range of different tax circumstances including multiple incomes, different rates of tax paid, other taxable benefits
- The sample included 8 Pensioners and 21 respondents of working age
- A range of different tax returning/payment circumstances were also included, broadly reflecting the target audience for Annual Tax Summaries:

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- 20 x PAYE; 5 x Self-Assessment with no agent (filing own return online); 4 x Self-Assessment with agent (filing return online)
- All had online access and claimed to seek financial information on line (confident to do so)
- All open to seeking further information about tax online 'if needed' (no rejecters)
- Within each location a good spread of different life stages/ages included
 - Pre-family, family and empty nesters (majority up to aged 70)
- Included three participants from the BAME community

Main Findings

Overview

- The response to the example Tax Summary document was largely positive to neutral with only a few adjustments suggested across the sample.
- For most, any need to take action in response to receiving the Tax Summary (by seeking further information) would depend on whether the personal tax figures on the Tax Summary were felt to be inaccurate.
- In the main, unless the tax figures were considered wrong, respondents claimed they would be unlikely to contact HMRC directly; rather they were more likely to rely on third parties to help and/or use the web page.
- The second version of the web page appeared to be working well overall to meet any queries, with only a few adjustments suggested in terms of understanding and signposting.

Views of the Tax Summary

- Reading the example Tax Summary prompted a mix of initial reactions ranging from *interest to general acceptance*, to *anxiety at receiving a communication clearly marked as being from HMRC*. The wording on the Summary, '*This is for information. You do not need to contact us as this is not a demand for payment*' generally reassured them that as customers they would not have to do anything further.
- The Tax Summary was largely considered easy to understand and the information provided was generally felt to be helpful. Some felt that they already had some of this information (via a P60 or their Tax return), so called for the benefits and purpose of the Tax Summary to be made clearer.

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- The information provided in the *How your tax contributed to public spending* section, prompted a spread of interest across the sample. Most considered that this was somewhat useful information to have. A few also requested additional information to be made available on different areas of public spending.

Suggested adjustments from respondents to the Tax Summary

- A few minor suggestions were put forward to improve the format and content of the Tax Summary in future years (these were individual suggestions raised only by a minority of respondents):
 - Increase size of ‘*This is for your information*’ and or move it to the top of the text (under salutation) to increase attention
 - Provide tax code information
 - Space out the figures more
 - Give a greater breakdown of the figures on public spending
 - Include % on the public spending pie chart
 - Work clockwise around pie chart in line with the list of spends

Likely response to the Tax Summary

- Based on the example provided, most claimed that any need to take action in response to the Tax Summary (by seeking further information) would depend on whether they perceived the tax figures provided to be inaccurate.
- Most respondents said they would ‘sense check’ the figures as the next step, either from their own knowledge and awareness or comparing it to their tax return or P60.
- Nearly all claimed that if the numbers looked correct (or almost correct) then they would be unlikely to take any further action.
- However, if the figures look inaccurate, this would prompt investigation.
- Some, however, may contact HMRC for reassurance or clarification around the tax figures. For example, if their circumstances have recently changed or if they are less confident overall.
- Some may also look to resolve other information needs/queries prompted by the Tax Summary (either because receipt of the Tax Summary has reminded them of an unrelated tax query or created interest in an area of tax).
- Calling HMRC was generally not claimed to be top of mind as an immediate next step. For the range of information needs raised, alternative channels of information were often largely preferable to telephone contact with HMRC. Respondents claimed they would:
 - Go online to the web page to try and resolve their queries

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- Speak with an accountant, their employer or possibly colleagues
- Some did claim if they had a query they would prefer to call HMRC directly as it felt quicker and more straightforward
 - Others felt that if they were to contact HMRC they would prefer to do so firstly via email/online as they were reluctant to call first, particularly if they had had a previous difficulty getting through on the phone or were unsure what to expect
- There was also evidence that some may discuss their Tax Summary with friends, family or colleagues.
- Some questions were also raised around the provision and timing of information of the Tax Summary, but these queries were considered unlikely to prompt contact with HMRC.

Views of the web page

- Most of the respondents were open to being directed to the web page for queries.
- Responses to Version 1 of the web page highlighted that some sections in the web page were being overlooked. Adjustments were made to address these issues to create a Version 2 of the web page, which was then tested in Glasgow and Oldham. Specifically:
 - ***'The tax summary is only for information'*** was originally in a grey box and this was often missed by respondents. This was moved further up the page (and the grey box removed) for Version 2 which increased standout although it was not noticed by all
 - **Information about pensions** was also sometimes missed (in part due to positioning and title). This was moved to become part of the main body of the text as a link in Version 2 which appeared to increase standout for some
 - The information at the bottom of the web page was also less likely to be read in both versions (although adjustments to Version 2 improved propensity to scan this section). This was in part due to the previous heading (***'How you will get a Tax Summary'***) and the structure of the information. To help with this, a new heading ***'More information'*** was inserted in Version 2 and this appeared to be an effective way of drawing attention to the information provided there
- Some adjustments to the language and explanation were also made in Version 2 which overall worked well to add clarity. These included:
 - Adjusting language from ***'give HMRC feedback'*** to ***'if you've any queries or questions'***
 - Improving clarity on how they can opt out of Tax Summaries if they wish
- The suggestion of providing 'routing' depending if the personal tax figures were wrong or if they had another query was also welcomed.
- Eye tracking showed that both versions of the web page were read in a similar way, reflecting an 'F' pattern. However, the second version was read slightly more thoroughly

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and included the bottom of the page, demonstrating that adjustments improved overall readability and propensity to read.

- Overall, the web page (both original and revised versions) was largely considered easy to navigate. The language was also considered clear and straightforward for nearly all, although a couple were unclear about the phrase ‘taxable income’.

Additional information suggested by respondents:

- Some information gaps on the web page were highlighted by respondents. However, these were more typically areas of interest rather than essential needs. These included:
 - A telephone number to call/where to go if figures wrong (more essential for some)
 - Tax codes (as information was difficult to find on site)
 - Public spending (more detail on public spending, how it is broken down/spent)
 - More personal information versus more generic information
 - More details around taxation of pension/benefits
 - Background on the Tax Summary (e.g. why it is being provided now, will it continue)

Likely response to the web page

- Once they had looked at the web page, respondents considered that they would be unlikely to do anything further, unless they were unable to reconcile their personal tax figures.
- If respondents had an outstanding query with regard to these figures many said they would speak with their employer, an accountant or a colleague/friend. Some would contact HMRC directly, with most contact made by email/online initially although some said they would call in the first instance.