



Research report

Tax for Business Self Assessment Tracking

Pre & post evaluation of the Moira Stuart Tax for Business Self Assessment campaign 2010-11

Marketing Communications

16 March 2012

Tax for Business Self Assessment Tracking***About Marketing Communications***

Marketing Communications plan and deliver integrated campaigns and products to enhance awareness of HMRC products and services, to influence our customers' behaviours and help deliver HMRC strategic objectives.

We support our colleagues in delivering our Vision. We influence product design, distribution channels, our working environment and all other areas of our customers' experience through our work on printed material, signage, environments, intranet and internet, exhibitions and tone of voice.

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Tax for Business Self Assessment Tracking

Research requirement (background to the project)

Self-Assessment involves completing an online or paper tax return, generally once a year. Those who are required to complete a Self Assessment form submit details about income and capital gains (profits on the sale of certain assets), and/or claim tax allowances or reliefs. Those who submit returns *on paper* receive the Self Assessment tax return form by end of April and are required to file their return by 31st October. Those who submit returns *online* receive a 'Notice to File' and are required to file their return by 31st January. Penalties and interest charges are incurred for late returns.

The HMRC (and its predecessor Inland Revenue) has been running the Self Assessment communications campaign since 2002. Fronted by Moira Stuart since 2008, the main objectives of the campaign are to:

- Drive business online
- Improve awareness of the deadlines
- Encourage earlier filing of tax returns; and
- Encourage a more positive view of HM Revenue & Customs

The most recent burst of the campaign focussed on 31st January online deadline and the need to register before being able to file a tax return online. The campaign ran from 27th December 2010- 31st January 2011 and used radio, national and regional press, outdoor posters and online advertising. The campaign was based on those used in previous years, although with some changes: TV advertising was not used in 2011, the radio ads were revised to be more neutral in messaging and tone, and the tagline '*Tax doesn't have to be taxing*' was not used.

Two waves of research were conducted to evaluate the latest campaign burst; a pre-wave (wave 6) in November – December 2010 which acted as a benchmark before the 2011 campaign and a post wave (wave 7) in February 2011 after the campaign burst was complete.

In order to assess the performance of the latest campaign against the previous year, comparisons are made between the post wave of the 2010 campaign (February 2010), and the post wave of the 2011 campaign (February 2011).

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Who did the work (research agency)

The research was carried out by:

GfK NOP Social Research
Ludgate House
245 Blackfriars Road
London SE1 9UL
United Kingdom

When the research took place

Interviewing for this study took place in November – December 2010 (wave 6) and February 2011 (wave 7).

Method, Data and Tools used, Sample

Interviewing was conducted in-home by face-to-face interviewers using Computer Assisted Personal Interviewing (CAPI) technology across Britain. The sample was drawn using random location sampling, as in previous waves of research. Quotas were set on three sample types who typically complete Self Assessment tax returns: sole traders, micro businesses with 1-5 employees and high earners/individuals. The sample was unrepresented (i.e. all completed and submitted their Self Assessment tax returns themselves).

At wave 7, 306 respondents were interviewed in total, of which:

- 163 were sole traders and 69 were micro businesses: the two groups together are described in this report as small businesses
- 74 were high earners

As at previous waves, weighting was applied to re-balance the sample. The weights used were consistent with previous years:

- 66.7% small businesses, and within this 80% were sole traders and 20% micro-businesses
- 33.3% high earners

Significance testing (to 95%) has been carried out and significant differences are noted.

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Main Findings

The main findings from the research are detailed below:

Campaign Reach

Levels of spontaneous and total campaign awareness were somewhat lower than observed at previous waves, reflecting the lower spend in 2011 and the removal of TV from the media schedule:

- Around two thirds of high earners (61%) and small businesses (67%) were spontaneously aware of publicity about dealing with taxes after the 2011 campaign burst. This was somewhat lower than observed in 2010 (69% high earners, 76% small businesses)
- Total awareness stood at four in five in 2011 (78% high earners, 79% small businesses), which is similar to the level in 2010 (76% high earners, 88% small businesses).



All respondents were shown examples of campaign materials, and four fifths recognised at least one ad in 2011 (84% high earners, 78% small businesses). This is broadly similar to the levels after the 2010 burst (91% high earners, 94% small businesses), despite lower spend.

- Radio appears to have performed particularly well in driving recognition: over nine in ten of those recognising any campaign ad recognised a radio ad, and in total 77% of high earners and 75% of small businesses recognised a radio ad.

Campaign Messaging & Impressions

Messaging appears to be a little less strong than observed in relation to previous campaigns but this is not surprising given the removal of TV from the media mix.

- In 2011, fewer said that the ads were conveying the core message related to the 31st January deadline for online filing: around 6/10 of both groups said that the ads told them about this deadline in 2011, compared with 8/10 in 2010.
- Messages about penalties for late filing were also less well communicated: 1/2 in 2011 said that the ads told them about the £100 penalty for sending in your tax return late, compared with 7/10 in 2010.

In terms of tone, fewer felt that the ads were supportive and encouraging (1/2 in 2011, 7/10 in 2010), stood out as different from other ads (2/5 in 2011, 1/2 in 2010) or told them something worth knowing (2/3 in 2011, 4/5 in 2010).

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High earners were less likely than in previous years to say that they feel more positive about HMRC as a result of the ads (7% 2011, 14% 2010), and the proportion of high earners saying that they feel better about Self Assessment as a result of the ads also declined from 33% in 2010 to 24% in 2011.

Despite lower messaging scores, respondents were equally likely as in previous years to say that they had taken some action as a result of the ads. Further, a third of both groups who recognised at least one ad said they had taken some action *earlier* than they would have done if they had not seen the advertising.

Moira Stuart's influence on Self Assessment was mainly viewed neutrally, though 2/5 felt that she was a good spokesperson for Self Assessment, and 1/5 said she makes a serious subject feel less scary.

Impact of the advertising

There have been some declines in levels of awareness of deadlines for filing, notably for 31st October:

- Awareness of the 31st October paper filing deadline declined from 47% of both groups in Feb 2010 to 32% of small businesses and 24% of high earners in February 2011. There was no campaign activity in 2010 to inform people of the October deadline.
- Awareness of the 31st January online filing deadline declined slightly but not significantly: from 81% of small businesses in 2010 to 73% in 2011, and from 86% high earners in 2010 to 73% in 2011.

Conversely, levels of awareness of penalties for those making mistakes on tax returns have increased significantly, though this may be linked to other enforcement and communication activity, rather than the campaign itself. Amongst small businesses levels of awareness increased from 56% in 2010 to 76% in 2011, and amongst high earners from 60% in 2010 to 77% in 2011.

The proportions of small businesses agreeing that doing taxes is becoming easier have not changed significantly over time (48% 2010, 42% 2011), though it has declined slightly amongst high earners (54% in 2010, 41% 2011). In addition, there has been a decline in the proportion of high earners agreeing that HMRC helps them to get their tax right first time (64% 2010 to 51% 2011).

Aside from the above, perceptions of HMRC and paying taxes are broadly similar to previous years.