

August 2021

Research Report 625

**Tax Credits Communications Campaign Tracking
2020**

Written by Ipsos MORI on behalf of HMRC

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1 Summary of findings

The 2020 Tax Credits campaign had different objectives to previous years. In response to the coronavirus pandemic, the majority of customers had their Tax Credits award auto-renewed. This meant only customers with a change in circumstances needed to contact HMRC to ensure they continued to receive the correct amount of Tax Credits. This was, a change to a previously well-established campaign that asked a significant portion of customers to renew their claim each year, in order to remain in payment. The budget was significantly lower and focused on digital advertising only, compared to previous campaigns that included broadcast media – TV and radio.

In addition, Coronavirus restrictions meant we pivoted to an online survey. This meant we could not directly compare results in 2020 to previous campaigns.

The ads are clearly communicating the information about the deadline. This is shown by a third of respondents being able to correctly identify the correct deadline date, increasing to four in ten for the correct deadline month.

Ads are also communicating effectively what needs to be done before the deadline; around two thirds also felt encouraged to check the information HMRC holds about them or update HMRC of any changes, and over half of respondents believed the ads made them think about the deadline.

The renewals pack and letter from HMRC are also effective at prompting respondents to check their income and update HMRC about any changes to their circumstances.

A key learning from this campaign was that over half of respondents did not have any changes to update HMRC about.

2 Introduction

2.1 Background and objectives

HM Revenue & Customs administers Tax Credits to provide financial support to vulnerable, low income families. Each year, HMRC runs a national Tax Credits renewals advertising campaign, typically across TV, radio, VOD, digital display, social media and search. This year advertising ran on VOD, digital display, social media and search.

The process for renewing Tax Credits changed for most claimants in 2020 due to the coronavirus pandemic. Previously, advertising campaigns prompted a significant number of customers to renew their Tax Credits by 31 July, to remain in payment. However, in response to the pandemic the majority of customers were automatically renewed in 2020. This meant that customers only needed to contact HMRC if they had a change in their circumstances to report, ensuring they continued to receive the right amount of money. This was the key message of the 2020 campaign. The purpose of the research was to explore the effectiveness of the 2020 Tax Credits advertising campaign amongst Tax Credits claimants. The research therefore aimed to measure the following:

- Spontaneous and prompted awareness of the campaign and sources of awareness among tax credit customers
- Response to the campaign elements in terms of engagement, message take-out and call to action
- Pre and post-shifts in knowledge and attitudes as a result of exposure to the campaign.

2.2 Methodology and sample

Ipsos MORI's Social Research Institute carried out the research, using an online panel to complete surveys. 700 Tax Credits claimants were surveyed in the 2020 pre-wave, and another separate 700 Tax Credit claimants were surveyed in the post wave.

Tracking in previous years was carried out via face-to-face CAPI (computer-assisted personal interviewing) surveys. This approach was not possible due to the pandemic; therefore, this year data was collected using an online panel.

Two waves of research were conducted to evaluate the 2020 campaign: a pre-wave, which acted as a baseline prior to the campaign running, followed by a post-wave after the campaign ended. Interviewing for the 2020 pre-wave took place between 25 June and 17 July 2020. For the 2020 post-wave, interviews took place between 5 August to 17 August 2020. Respondents were sampled from across the UK from the Ipsos MORI online panel.

In the post wave research, each respondent was shown and played examples of the following campaign materials:

- Screenshots from the online banner ads
- A Screenshot from the online social media link ad
- Online social video
- Online video

In this report, comparisons are made between the pre and post waves of the survey. Differences in response between groups or across waves have been significance tested at a 95% level of significance.

Please note that due to the changes in campaign objectives, sampling and data collection approach means that comparisons with prior waves of campaign evaluation are not possible.

2.3 Sample profile

Quotas were set to achieve a robust sample size for each key subgroup (gender, age, parental status and household income) as shown below.

	Total	Gender - Men	Gender - Women	Age - 16-34	Age - 35+	Employment status - In work	Employment status -Out of work	Household income £0-£19,999	Household income £20,000+
Pre wave - Number of interviews	700	249	450	227	473	499	140	327	338
Pre wave - % of completes	100%	36%	64%	32%	68%	78%	20%	52%	48%
Post wave - Number of interviews	700	245	455	224	476	483	163	361	336
Post wave - % of completes	100%	24%	65%	32%	68%	74%	23%	52%	48%
Population profile	100%	30%	70%	40%	60%	71%	29%	59%	41%

N.B due to non-responses percentages will not always add up to 100%

3 Ad recognition

3.1 Recognition and channel recall

During both the pre and post wave survey, respondents were asked about whether they remembered seeing any advertising about Tax Credits in the last few months. When asked in the pre wave, over four in ten respondents (44%) could not recall receiving, hearing or seeing any information anywhere about Tax Credits. Of those who could, the letter from HMRC (18%) and information on GOV.UK (13%) were the most common sources cited. In the post wave, the proportion of respondents who could not recall seeing or hearing any information about tax credits decreased to 37%. A letter from HMRC (20%) and information on GOV.UK (15%) were still the most cited sources of information amongst claimants when prompted. Around three in ten respondents (28%) recalled receiving information about tax credits from HMRC communications.

In the post wave survey, respondents were shown the creative in different forms, and asked whether they recognised the adverts. When prompted, nearly four in ten remembered seeing the ads.

Amongst those who remembered seeing the ads, recall was strongest for the ads on social media (49%). Three in ten (30%) recalled seeing the ads on a website, and just over a tenth (13%) remembered seeing them somewhere else online. This suggests that the ads are being correctly attributed, as these answers reflect where the campaign was being shown to claimants.

3.2 Ad recogniser profile

Tax Credits claimants in the post-wave survey who could remember seeing the ads were more likely to be younger men. Over half (55%) of claimants aged 16-34 were ad recognisers, compared to three in ten (30%) of those over the age 35. Nearly half of male claimants (48%) are ad recognisers, compared to a third (33%) of female claimants.

Previous renewal campaigns targeted C2DE women with children. This year the targeting needed to expand to include C2DE women with children but were predominantly self-employed. Of the advertising reach, 70% was amongst women and 30% men. The 2020 advertising creative used was adapted from 2019, which drove higher recognition amongst women than men. However previous campaigns also included TV and radio, which was the largest source of recognition amongst C2DE females. These channels were not included in the 2020 campaign, which may explain the skew towards men in 2020.

4 Message recall and attitudinal impact

As part of the post-wave survey, claimants were shown a number of different ads from the campaign, including social media, digital display banners, and online video. They were asked to share their overall impressions and understandings of the ads.

4.1 Understanding of ad messaging

After claimants were shown the campaign assets, they were asked the unprompted question about what they thought the main message of the ads were. Over six in ten respondents (63%) believed that some sort of process or deadline information was the main message of the ads. Significantly fewer (20%) felt that the main message was to check and update their information with HMRC.

Unprompted, most claimants (67%) felt that telling HMRC about changes before the 31st July was what stood out most to them in the ads. Checking their details were correct in the letter from HMRC was the second most cited standout message of the ads, with one in ten (10%) citing this.

Overall, the campaign message was well received amongst claimants. Three quarters (74%) of them felt that the ads told them something worth knowing, and a slightly higher proportion (77%) agreed that the ads were a useful reminder to check the letter they had received from HMRC about their Tax Credits. The ads were also effective at communicating the key action customers needed to take this year, namely to tell HMRC about any changes to their individual circumstances before the deadline; 85% of claimants agreed that the ads did this.

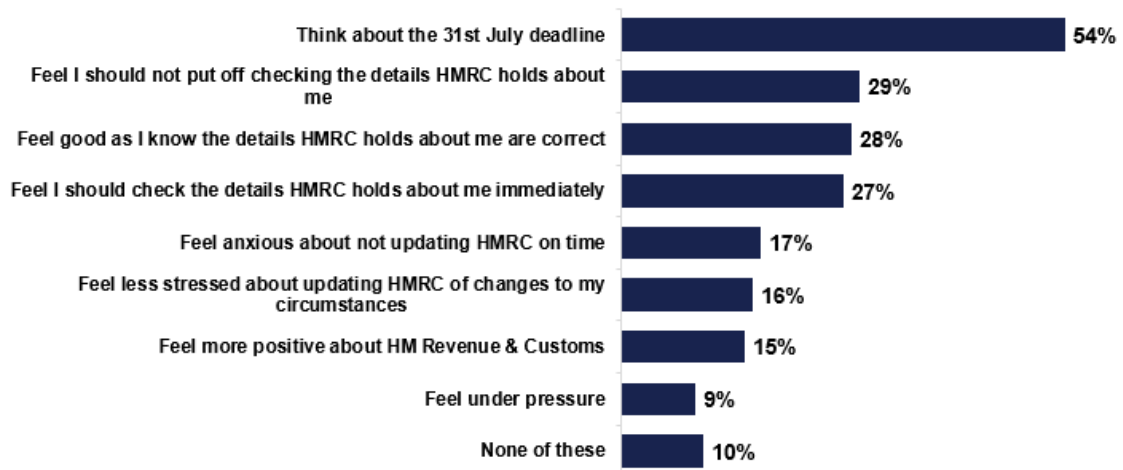
Four in ten (39%) claimants neither agreed nor disagreed that the ads made them feel more positively towards Tax Credits, and 34% felt the same way about the statement 'they told me something new'. This ambivalence is understandable given how familiar many claimants are with HMRC and the renewals process.

When asked specifically about the campaign assets that featured the baby holding balloons, nine in ten (90%) respondents agreed that these ads told them that it is important to tell HMRC about changes by 31 July, and a similar proportion (89%) felt these ads told them they need to tell HMRC about changes if they want to receive the right amount of money. These same ads were also effective at communicating that claimants needed to check the Tax Credits letter to ensure the details HMRC have on them are correct (88%) and that they should report any changes to HMRC online (76%).

4.2 Attitudinal impact of the ads

Over half of claimants (54%) agreed that the ads encouraged them to think about the deadline. Also, as in previous years, the ads generated more positivity than anxiety or stress. A smaller proportion of claimants felt the ads put them under pressure (9%) compared to those who felt the ads made them less stressed (16%), more positive about HMRC (15%).

QAD8A. Here are some phrases that describe how people might feel or think after seeing or hearing the ads. Which apply to you?



The ads also impacted claimants' attitudes to urgency around Tax Credits. Three in ten (29%) agreed that after seeing the ads they felt that they should not put off checking the details HMRC holds on them. Just over one quarter (27%) of claimants felt they should check the details HMRC holds about them immediately.

The ads also felt relatable to two thirds (67%) of claimants, and most did not find them patronising. Only a quarter (24%) agreed that they found the ads patronising, and a smaller proportion of claimants (22%) found them irritating.

4.3 Follow up actions

The survey also asked respondents in the post wave what they might do as a result of seeing or hearing the ads. Overall, six in ten (59%) felt encouraged to take action after seeing the ads.

The most common follow up action amongst claimants, cited by nearly three in ten (28%), was checking whether they or their partner needed to tell HMRC of any changes to their income or circumstances; the key follow up action in the campaign this year. One fifth (21%) of claimants felt encouraged to update HMRC of changes to their income or circumstances, and just under one fifth (18%) felt the ads made them feel compelled to take action earlier than they would have done if they had not seen or heard the ads at all.

5 The renewals experience

5.1 Awareness of changes to the renewal process

There was a lack of clarity about what was different about the renewal process this year compared with previous years. Unprompted, just under one fifth (17%) of claimants in the post-wave stated that there was no difference to the renewals process this year. One quarter (26%) were unable to remember anything about the difference this year. There was no significant difference from the pre-wave survey.

Only a small minority of claimants correctly stated what was different about the process this year. 4% identified that you only need to contact HMRC if your circumstances or income has changed, or if the information on the letter from HMRC was incorrect. This suggests the usual process is engrained for the longer-term customers who would have been seen successive tax credit renewal campaigns from as early as 2003.

5.2 Impact of the renewals pack and letter from HMRC

Amongst the claimants who believed they had received the renewals pack from HMRC, their Tax Credit amount was the most recalled piece of information from the pack. Unprompted, around one fifth of claimants (19%) remember receiving their Tax Credit amount, and 17% recall the process and deadline information. Over a third of respondents (36%) were unable to recall any information from the renewals pack.

The survey also asked claimants who had received the renewals pack from HMRC what actions they took as a result of receiving it. Checking that their Tax Credits amount was based on the correct income and circumstances was the most common action taken in response to receiving the renewals pack. In the pre wave just below half (48%) of claimants who had received the renewals pack did this, rising to 53% in the post wave. Going online to gov.uk to inform HMRC of changes was the next most common follow up action amongst this group of claimants (33% in the pre wave, and 31% in the post wave), followed by calling HMRC about their Tax Credits (20% in both pre and post wave).

Overall, over eight in ten claimants who had received the renewals pack took action. This increased in the pre wave from 82% to 86% in the post wave. In the post wave ad recognisers were more likely to take action than non-recognisers; 93% of ad recognisers took action compared to 81% of non-recognisers.

The follow-up reminder letter from HMRC had a very similar impact amongst claimants to the renewals pack. Checking that their award was based on the correct income was the most common response to receiving the letter. Exactly half of claimants (50%) did this in both the pre and post wave. Checking whether they had any change of circumstances or income to update HMRC about was the second most common (35% in the pre wave, rising to 39% in the post wave), followed by going online to gov.uk to inform HMRC of changes (24% in both the pre and post wave).

5.3 Contacting HMRC about changes

Nearly half (53%) of respondents in the post wave did not have any changes in either their circumstances or income to report to HMRC. This was a small increase from the pre wave, in which 48% did not have changes to update HMRC about, but did not represent a significant change. Around a third (31% in the pre wave and 32% in the post wave) of claimants had already updated HMRC of changes to their circumstances or income. In the post wave, ad recognisers were significantly more likely to have already updated HMRC of changes (41%) than non-recognisers (26%).

Only a small minority of claimants (3% in the pre wave and 4% in the post wave) had undergone changes to their income or circumstances but were not planning on contacting HMRC about

them. A similarly small proportion planned to contact HMRC about changes after the deadline; 2% in the pre wave and 3% in the post wave.

Amongst those who had already contacted HMRC about Tax Credits, the renewals pack and reminder letter from HMRC were the most cited prompts to do so. This activity ran in April/May and preceded the advertising in July. One third of claimants (32% in the pre wave and 33% in the post wave) were prompted to renew by the renewals pack. Slightly fewer (31%) in both the pre and post wave were prompted by the reminder letter from HMRC. Overall, one quarter of claimants (25% in the pre wave and 23% in the post wave), were prompted by any advertising source, either online, on social media, radio, or TV or VOD.

Both before (52%) and after (46%) the campaign launch, gov.uk was cited as the most popular way to contact HMRC about changes to circumstances. The second most cited method for doing this was by telephone (25% in the pre wave and 32% in the post wave). Online webchat and the HMRC app were more popular amongst those aged 16-34 than the over 35-year olds. In the post wave, 16% of 16-34 year olds used the app compared to 4% of those aged 35 and over. Amongst the claimants who have contacted HMRC, 85% found it easy to do so.

6 Deadline awareness and attitudes to HMRC

6.1 Deadline awareness

Without being prompted by a list of dates, four in ten (40%) claimants in the post wave were aware of the correct deadline month for updating HMRC of any changes to their circumstances or income, and one third (32%) identified the correct exact date. Older claimants, women and lone parents were those more likely to correctly identify the deadline.

Aware of the deadline:



Age:

16 - 34 – 20%

35+ – 38%



Gender:

Male – 18%

Female – 40%



Relationship:

Lone parent – 38%

Couple – 29%



Ad recognition:

Aware – 35%

Unaware – 44%

6.2 Understanding of the consequences of not updating HMRC

There are high levels of understanding about the consequences of not updating HMRC about changes to income or circumstances, both before and after the campaign launch. This could be a legacy of previous renewal campaigns.

Over half of claimants (57% at the pre wave and 54% at the post wave) correctly identified that they would receive the wrong amount of money if they failed to update HMRC before the deadline. Having to pay the money received back or paying a penalty were the next most identified consequences of not telling HMRC about changes, both in the pre and post wave.

6.3 Attitudes to HMRC

Attitudes to HMRC remain mostly positive both before and after the campaign launch, however agreement is lower on some of the softer elements such as informing and helping claimants. Eight in ten (78%) claimants in the post wave agreed that HMRC tells them when the Tax Credits deadlines are, and three quarters (76%) agree that HMRC is there to help them with Tax Credits. There was less agreement amongst claimants on the statements to do with HMRC dealing fairly with people who receive Tax Credits (69% agreement in the post wave), and HMRC making sure that their Tax Credits award is correct first time (69% agreement in the post wave).