

BEHAVIORAL DESIGNS FOR CASH TRANSFERS

PROGRAM CHECKLIST

This is a draft of a checklist that highlights design aspects of social protection cash transfer programs that can optimize beneficiary outcomes. The insights from this checklist have been uncovered incorporating behavioral designs into cash transfer programs in sub-Saharan Africa. An updated draft of this checklist will eventually be available as an interactive online tool on the B-HUB (www.bhub.org). For more information about those projects and their results, please see our policy brief.

BENEFICIARY COMMUNICATIONS

Are beneficiaries prompted to make realistic productive goals?

Use a goal setting activity to create a moment of choice for beneficiaries to think through goals they could reach in a realistic timeline that would help them in the future. In both Kenya and Tanzania, we found that a goal-setting activity increased incidence of having a productive goal more than one month later.

Key Considerations: Our tests thus far have only measured the prevalence of these goals after one month. Further testing is necessary to understand if these goals persist in the long term.

Evidence From: Kenya, Tanzania



Relevant Literature:

- ▶ Poverty and aspirations failure [\[PDF\]](#)
- ▶ The future in mind: Aspirations and forward-looking behaviour in rural Ethiopia [\[PDF\]](#)
- ▶ Applying behavioral economics to improve microsavings outcomes [\[PDF\]](#)

Do beneficiaries have a chance to affirm their skills and values?

An identity of being poor can make beneficiaries feel disempowered. To combat this, having beneficiaries recall positive attributes may prime them to set goals and plans that align with their values. Beneficiaries in Tanzania completed such an activity, and after a month we found increases in saving and having a productive goal.

Key Considerations: In some contexts, user-testing has found that beneficiaries sometimes feel uncomfortable sharing things they are good at. Additionally, gender norms may be inadvertently reinforced if the activities are not carefully framed (e.g. women are good at taking care of children), and it is important to pay attention to these nuances during user-testing. Further testing is necessary to come up with additional designs.

Evidence From: Tanzania



Do beneficiaries have plan for how they intend to use the payment before they receive it?

Have beneficiaries participate in a plan-making activity where they determine how much of the transfer they intend to spend on consumption and how much they intend to save toward their goal before receiving the cash. In both Tanzania and Madagascar, such an activity was tested and results suggested significant increases in incidence of saving.

Key Considerations: When creating such an activity, it is important to make it easy for beneficiaries to determine what denominations of the cash to save. Customization to the context and user-testing is necessary to determine this.

Evidence From: Kenya, Tanzania, Madagascar



ACCOMPANYING MATERIALS

Are the materials easy to understand for a low literacy population?

The more explanation is needed to understand the materials, the less likely beneficiaries are to interact with them at home. Try adding more self-explanatory images so that the materials will make more sense to beneficiaries without having to read numerous instructions.

Key Considerations: When adding images or symbols, they should be tested with beneficiaries to ensure they have the intended associations for the population.

Evidence From: Kenya, Tanzania, Madagascar



Do interventions require minimal explanation and facilitation?

The more facilitation is required for beneficiaries to understand, the more likely it is that the intended message will not be received because of human error. Make the materials as simple and self-explanatory as possible so the success of the intervention doesn't depend on the facilitation.

Key Considerations: The skill levels of facilitators vary between countries, because the groups that are available to facilitate may be different. It is important to adjust facilitation guides to the ability of the facilitators in each context.

Evidence From: Kenya, Tanzania, Madagascar





PAYMENT DAY

Are goals and savings plans top-of-mind for beneficiaries when they receive the transfer?

One simple way to keep this top-of-mind is to have beneficiaries complete the activities at the payment site, just before receiving the cash. If that isn't possible, providing a reminder such as an SMS when they can receive the money can also be used.

Relevant Literature:

- ▶ Mobile text messaging for health: a systematic review of reviews [\[PDF\]](#)
- ▶ Cash-Plus: Variants and Components of Transfer-Based Anti-Poverty Programming [\[PDF\]](#)

Key Considerations: When beneficiaries receive their cash through mobile or account-based systems, it may be difficult to find the exact moment they receive their cash to remind them of their goals and plans. With more experience and resources, it may be possible to build this reminder into the payment process.

Evidence From: Kenya, Tanzania, Madagascar



Do beneficiaries have a tool they can use to separate their cash when they receive it?

During plan-making activities, beneficiaries create 'mental accounts' of what they wish to save and spend, but a tool is necessary to turn that mental accounting into physical separation. A small pouch can be a simple way for beneficiaries to separate the money they plan to use for consumption from the money they plan to save immediately upon receipt.

Key Considerations: For cash transfers that are disbursed using a mobile or account-based system, understanding the savings habits of the target population is crucial to designing a useful tool.

Evidence From: Kenya, Tanzania, Madagascar



 **Relevant Literature:**

- ▶ Turning a Shove into a Nudge? A “Labeled Cash Transfer” for Education [\[PDF\]](#)

 Are there methods to describe norms about saving in the community?

Visual aids, such as posters or pamphlets, can reinforce social norms that beneficiaries of cash transfers and others in their community use the money to save and make productive investments. These materials can be placed around the community, and can expand beneficiary’s perceptions of how they can use their payment. Where mobile phone usage is widespread, SMS messages that give examples of other beneficiaries with productive goals.

Key Considerations: Posters or pamphlets need to be tested in each context to ensure that beneficiaries can relate to the images and goals. Additionally, while literature suggests similar interventions that work to ‘label’ the purpose of the transfer work in domains such as education, there is a lack of rigorous statistical evidence that this works for outcomes such as saving and investment.

Evidence From: Madagascar


 Are beneficiaries reminded of and empowered to keep track of their plans?

If beneficiaries are reminded of their plans and are empowered to keep track of their progress, they will be more likely to follow through. An exercise where beneficiaries can note if they have saved their planned amount each month and share with a group can be useful to help track progress.

Key Considerations: In some cash transfer programs, particularly those with mobile or account-based systems, there is no moment beneficiaries must convene to hold each other accountable. Further research and testing are required to investigate efficient ways to track progress and accountability.

Evidence From: Madagascar



Citations of Relevant Literature:

- Benhassine, N., Devoto, F., Duflo, E., Dupas, P., & Pouliquen, V. (2015). Turning a Shove into a Nudge? A “Labeled Cash Transfer” for Education. *American Economic Journal: Economic Policy*, 7(3), 86-125. doi:10.3386/w19227. [\[PDF\]](#)
- Bernard, T., Dercon, S., Orkin, K., & Taffesse, A. (2014). *The future in mind: Aspirations and forward-looking behaviour in rural Ethiopia*. London: Centre for Economic Policy Research. [\[PDF\]](#)
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- Fiorillo, A., Potok, L., Wright, J., Peachey, J., & Davies, K. (2014, February). Applying behavioral economics to improve microsavings outcomes. *In Ideas* (Vol. 42, pp. 1-29). [\[PDF\]](#)
- Hall, A. K., Cole-Lewis, H., & Bernhardt, J. M. (2015). Mobile text messaging for health: a systematic review of reviews. *Annual review of public health*, 36, 393-415. [\[PDF\]](#)
- Sedlmayr, R., Shah, A., & Sulaiman, M. (2017). *Cash-Plus: Variants and Components of Transfer-Based Anti-Poverty Programming* (No. 2017-15). Centre for the Study of African Economies, University of Oxford. [\[PDF\]](#)