CBA Behavioural Experimentation Hackathon on Climate Action

March 14/15, 2024

Behavioural Science to support Australian homeowners to take climate action

Behavioural Science Centre of Excellence

In collaboration with UTS, STAR Sustainability Transparency Accountability Research Lab, UNSW Institute for Climate Risk and Response

Behavioural Science for Climate Action

Human behaviour is the principal contributor to changes in the weather and climate extremes that we are all now experiencing. Given the central importance of human judgment, decision making and choice in driving climate change, it is essential to consider how behavioural science can help address the climate crisis.

CBA can capitalize on recent advances in behavioural science to understand and motivate customers, implement initiatives, and create opportunities for positive environmental outcomes. In a behavioural experimentation hackathon, we will jointly develop experiments towards behaviorally optimized products and messages that can engage people and drive new behaviour.

This work is crucial if we are to take the urgent steps necessary for reducing our reliance on fossil-fuels and achieving national and international targets on emissions reductions.

There is an overwhelming desire in the community for action on climate change. The majority of individuals want to reduce their carbon footprint, but many do not know how best to achieve this important goal.

This is where the Behavioural Science Centre of Excellence in partnership with academia plays a pivotal role. Together we can develop the evidence-base via large scale trials, surveys, field and lab-based experiments to determine the optimal combination of factors to help people realize their pro-environmental goals. The hackathon on March 14 and 15 takes the first steps with young academics affiliated to leading Australian and US universities to develop lab experiments that identify the most effective way to help CBA customers close the gap between intention and action to address climate change.

CBA is uniquely positioned to help its customers reduce energy bills and carbon emissions. As Australia's leading home lender, CBA also has a vital interest to support its customers to protect their homes against the impact of extreme weather events and increase resilience against climate change.

We know that there are many impediments to achieving these reductions from the cognitive overload induced by too many choices, to the financial, structural and regulatory frameworks that must be navigated. By bringing a behavioural science lens to this multifaceted problem we can map out the decision processes of customers and guide people to more sustainable and climate-friendly solutions.

We all know that the climate crisis will not be solved in isolation. It requires multidisciplinary, multi-institutional collaboration, at scale.

Ben R. Newell
Director, UNSW Institute for Climate Risk & Response

What is a Climate Action Experimentation Hackathon?

Three challenges

- Twice as many green loans for solar panels
- Twice as many electric stove tops financed
- Trust created for CBA to talk to customers on how to protect their home against extreme weather damage

Two days and six months

- Hackathon event on March 14/15, 2024 to gather input and define the experiment
- Deadline to conduct experiments and present results: September 2024

In the heart of Sydney, NSW, Australia

- Commonwealth Bank Place - South Building (CBP South)
- 11 Harbour St, Sydney, NSW 2000, Australia

Multiple student teams competing

- Teams and individuals with behavioural science & experimentation background

Students from five Universities slated to participate

UTS UNIVERSITY OF TECHNOLOGY SYDNEY

STAR SUSTAINABILITY TRANSPARENCY ACCOUNTABILITY RESEARCH LAB

UNSW SYDNEY

THE UNIVERSITY OF QUEENSLAND AUSTRALIA

THE UNIVERSITY OF MELBOURNE

Three times funding of AUD 5,000 to win!

- At least three teams win funding for their research proposals
- Up to AUD 5,000 to pay for experimental participants

Agenda

Thursday, March 14, 2024 – CBP South

9:00 **Welcome and opening**
Andreas Ludwig, PhD – CBA Behavioural Advisory and Experimentation

9:30 **The case for behavioural science in climate action**
Prof Michael J Hiscox – Founding director at Harvard STAR lab

10:00 **CBA's comprehensive climate action agenda**
Alex Matthews – CBA Executive General Manager Environmental and Social

10:20 **Driving climate action as Australia's largest home lender**
Dr Michael Baumann – CBA Executive General Manager Home Buying

10:45 **Supporting climate action – trends in science & business**
Panel discussion – thought leaders in business and academia

12:00 Student team work on behavioural interventions

16:20 **Student lightning talks – day one hypotheses**

16:50 Wrap up, dinner and drinks @ CBP

Friday, March 15, 2024 – CBP South

9:00 Student team work on behavioural interventions

15:30 **Student team pitches for research funding**

16:30 Judge panel deliberation and **people's choice vote**

16:50 **Winner announcement and celebration**
Andreas Ludwig, PhD – CBA Behavioural Advisory and Experimentation

Past behavioural experimentation hackathons

(1) Financial decision making

- What can behavioural science do for efficient product design? How can it support customers in financial decision making and wellbeing?
- 3 winning topics:
  - The effect of progress tracker shapes on achieving savings goals
  - Delegation of credit card choice to your bank
  - Sub-optimal credit card repayment with multiple cards and a buy now pay later product

(2) Scams

- How can behavioural interventions help to convince customers quickly that they have been scammed?
- 2 winning topics:
  - Similarity effect to increase reaction to scam information messages
  - Messenger and channel effect on trust and reaction to scam information

(3) The smarter screen – junior hackathon

- Replication of behavioural experiments on changing behaviour due to our interaction on digital screens with junior students
- 4 buckets explored:
  - Perception – Middle and upper left bias
  - Aesthetics – Halo effect of comms design
  - Attention – Effects of harder to read fonts
  - Choice overload – Multi round decisions

Our senior contributors

Keynote speakers

Prof Michael J. Hiscox

Founding Director of the Harvard **Sustainability, Transparency, Accountability Research (STAR) Lab**

Clarence Dillon Professor of International Affairs, Harvard University

Behavioral Insights Group at Harvard's Center for Public Leadership

Dr Michael Baumann

Executive General Manager Home Buying at Commonwealth Bank

Alex Matthews

Executive General Manager Environmental & Social at Commonwealth Bank

Panel participants

Dr Adrian Camilleri

Ass. Professor of Marketing & Director Behavioural Lab at UTS Business School

Anna Vincent

Home Loans – Product Owner Specialty Products and Simplification at CBA

Prof Benjamin R. Newell

Professor of Behavioural Science & Director Institute for Climate Risk & Response (ICRR) at UNSW

Nathan Robertson-Ball

Senior Environment & Social Impact Manager at CBA

Tim Burdon

Consumer Finance – Product Owner Auto Lending Solutions at CBA

RSVP now!

Seats are limited!

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Thank you!

Andreas Ludwig, PhD

Executive Manager – Behavioural Advisory and Experimentation

Madhurima Biswas

Manager – Behavioural Research and Innovation – Climate Action Focus

Daniel Campbell

Manager – Behavioural Advisory – Climate Action Focus

Robert Zeidan

Behavioural Scientist – Behavioural Experimentation

Behavioural Science Centre of Excellence

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