CommBank's Behavioural Science team launches first Experimental Design Hackathon

CommBank and UTS join forces to build new ways to explore financial decision making

The last weekend in April saw CommBank and the University of Technology Sydney (UTS) launch their first joint experimental design hackathon. Organised by CommBank's Behavioural Science team and UTS Business School, the event was attended by students from the UTS and the University of New South Wales (UNSW). During the hackathon, the students – with support from researchers from UTS and Behavioural Scientists from CommBank - proposed behavioural lab experiments to generate financial decision-making insights that can be applied to CommBank's products, services and features to support CommBank customers and improve their financial wellbeing.

Experimental Design Hackathon

"What is a hackathon?" you may ask. Good question! A hackathon is an event where individuals come together to solve a specific objective. People of all different backgrounds and capabilities come together to "hack" a problem. Hackathons are very commonly used in fast paced, agile software development.

The CommBank-UTS Experimental Design Hackathon was slightly different. CommBank did not join forces with UTS to solve a single issue; no, we joined forces to allow several bright minds to bend their brains over a multitude of issues related to financial wellbeing that are becoming increasingly interesting, both from an academic as well as a financial services perspective.

Day One

On the first day, Saturday, students presented their original research proposals as designed with the support of their academic supervisors. Topics ranged from young adults' preferences for credit cards or buy-now-pay-later products, over trust in AI product recommendations to visual representation of goal achievement using progress bars in digital platforms.

Once students had presented their work, both academic and CommBank staff asked clarifying questions and made suggestions aiding the further development of the studies proposed. Students retreated into breakout rooms to hack away on their projects to find academic sound proposals that would be feasible to execute within a short 3 to 4 month timeframe and generate insights useful enough for CommBank to sponsor the experimental research.

Day Two

The second day saw students present back their proposed studies incorporating the feedback and ideas generated the day before. Research designs were refined, the focus was sharpened and some studies even benefitted from being split into several smaller studies. At the end of the day, after careful deliberation from the judging panel, two projects were selected for immediate implementation and received funding:

- **Project 1** focusses on how different visual representations change customers' financial goal adherence, as well as perceptions of how feasible a goal is to reach.
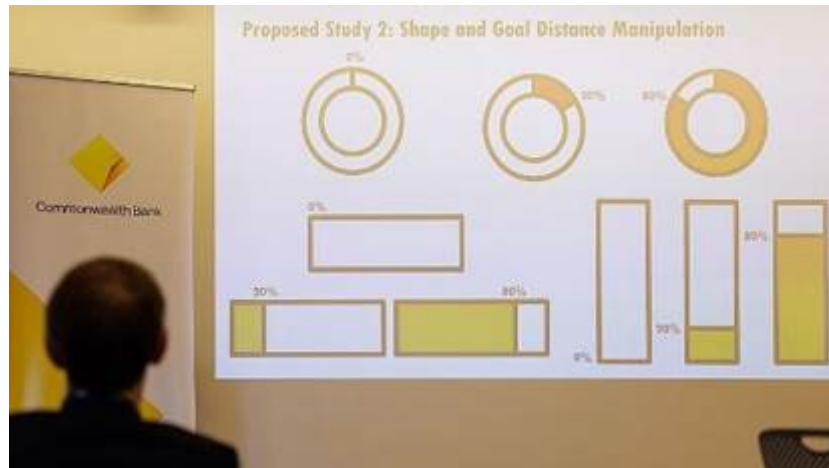
Image: Details of project 1 including design considerations

- **Project 2** focusses on how customers repay debt; whether they act economically and rationally and focus on paying back a credit card with the highest interest rate, or employ behavioural heuristics like paying the credit card with the lowest balance first (also referred to as "debt-snowballing").

Image: Discussing project 2

These two projects were not the only projects proposed and not the only projects that will be taken forward. All the ideas proposed by participating students were of such high quality and interest that CommBank's Behavioural Advisory and Experimentation team and UTS Business School will work with the students and take on these projects in adapted forms, to allow for maximum impact as well as academic rigour. Stay tuned for more updates on those!

What's next?

As this first rendition of the CommBank-UTS Experimental Design Hackathon was a great success, CBA is looking forward to both continuing and expanding the series. The event will likely become bi-annual, occurring every 6 months, and will be expanded to allow more academic collaborators to participate. The Behavioural Advisory and Experimentation team is likely to focus on a specific topic in customer wellbeing or climate action in the next hackathon. Ideas include trust in AI, managing algorithm aversion and bridging intention action gaps in climate action.

Especially in the last direction, CBA has already garnered interest of Harvard Business School to join the hackathon series. Thus, the next Experimental Hackathon will be going global!