



**ACT**  
Government

# ChooseCBR Digital Voucher Program:

Internal Assessment

# Contents

Background .....	3
Approach.....	3
Risks, Controls and Mitigations .....	3
Business Eligibility.....	4
Customer Eligibility .....	5
Total Program costs.....	5
Program Development: The Trial .....	5
June 2021 Rollout.....	6
Program Changes.....	6
Communications.....	7
Customer Insights .....	7
Business Registrations .....	7
Customer Registrations.....	7
Voucher Values.....	8
Key Program Delivery and Implementation Data for June 2021 Rollout.....	9
Business Registrations Across Suburbs .....	10
Voucher Redemption Across Suburbs.....	10
Program Interruption.....	12
Technical Issues.....	12
Manual Redemptions .....	12
Communications.....	13
Compliance – Spot Checking.....	13
Conclusion.....	14

# Background

ChooseCBR provided a stimulus in the form of subsidised digital discounts, that could be redeemed by customers at participating registered businesses which then received the discounted amount from the ACT Government. Initially \$0.5million was announced for a trial of the program. A further \$2.0million was announced for the June 2021 rollout.

The dual aims of the scheme were:

- to encourage people to shop locally at COVID-19 affected businesses, and
- to stimulate sectors of the economy heavily affected by the COVID-19 pandemic.

## Approach

A cross directorate Governance Committee was established, chaired by the Executive Group Manager, Economic Development (Project Owner) to oversee the trial and June 2021 rollout of ChooseCBR.

To meet timeframes, a number of processes needed to be developed in parallel. The Committee was established to coordinate activity, track progress and provide guidance to inform policy, governance and operational settings. Members included senior officers from Economic Development, Digital, Data and Technology Solutions (including the Chief Digital Officer), Shared Services Finance Services, CMTEDD Corporate, Communications and Access Canberra.

At various times, advice was also sought from the ACT Government Solicitor and external expertise and stakeholders as required. The Project Manager was responsible for developing and maintaining the Program's Risk Register and provided logistical support.

The ACT Government risk assessment, consequence and likelihood ratings were used to determine the level of risk of the program and the effectiveness of control measures.

Key project documentation included:

1. Project Implementation Plan
2. Project Initiative Schedule
3. Privacy Impact Assessment (Darwin), and
4. Threat and Risk Assessment

Key decisions regarding eligibility, funding, risk and design elements of ChooseCBR were escalated to the Minister when required.

## Risks, Controls and Mitigations

A number of risks were identified that could result in unauthorised or illegal use of confidential information or access to bank account and financial details.

In September 2020, PwC were engaged to provide a high level threat and risk assessment of the technology that would be deployed to manage the voucher issuance, taking into account

how the technology worked, how it would be integrated into the ACT Government environment and with consideration of the business and governance processes that would support the Program rollout.

In the report PwC identified one high level risk and five medium level risks, with proposed mitigation options. Risks identified by PwC centred around malicious actors compromising merchant credentials and personal details. These risks were recorded and actioned through the Program's Risk Register and associated mitigations and treatments.

Further controls included system and security controls, personnel training and records management.

Controls were embedded in the design of the scheme, such as verification for participant registration via unique mobile numbers and limitations on the number of vouchers that could be redeemed at businesses per day by participants. Built-in controls also exist within Oracle eBS together to reduce the potential of fraud.

A number of processes were automated where suitable, however manual processes were maintained to limit the integration of the systems following findings from the PwC report.

Finally, additional compliance controls included random spot-checks of voucher redemptions, and Terms and Conditions requiring businesses to retain transaction receipts and internal reviews.

ICT and technical performance were identified as a key source of risk. All reasonable testing was carried out on the site. Tests included a suite of functional testing including account registration, voucher redemption and feedback submission. In addition, following the Trial experience, server capacity was increased, and additional Developer support was arranged.

## Business Eligibility

To be eligible to participate in the Program, businesses needed to:

- be registered with a valid Australian Business Number (ABN) - one business per ABN
- be within a list of prescribed Australian and New Zealand Standard Industrial Classification (ANZSIC) codes covering the retail, tourism, hospitality, accommodation and personal services sectors
- have a physical presence in the ACT
- have an annual turnover of under \$10 million, and
- have received a JobKeeper payment (this criterion applied to the Trial only).

At application stage, businesses were required to provide proof of address and a recent bank statement. This evidence was reviewed as part of the approval process.

Proof of address ensured that the application matched the participating business, and provision of a bank statement ensured that any payments would be made into the correct bank account.

## Customer Eligibility

Customers needed to be over the age of 18 years and visiting, or living in, the ACT. People created a login at the ChooseCBR portal at [choosecbr.act.gov.au](https://choosecbr.act.gov.au).<sup>1</sup>

To register, customers needed an email address and a valid mobile phone number. Customers were required to validate their phone number through registration by entering a one-time PIN that was sent to their phone via SMS.

Measures were put in place to ensure that Canberrans who were not digitally connected could still participate in ChooseCBR. In most cases, Economic Development officials were able to create accounts for customers and provide them with advice on how they could redeem discounts without a smartphone, if required. In addition, paper vouchers were available through Libraries ACT for those who could not otherwise access the Program.

## Total Program costs

Table 1: The total cost of the Program was \$2,547,706. This comprised:

ChooseCBR Expense Breakdown	
Redeemed vouchers	\$2,338,448
ICT - including system modifications, server hosting, SMS one-time-pin service and risk report	\$106,375
Communications & Marketing (including advertising and promotion, translated materials, business toolkits, SMS notifications to businesses and consumers)	\$97,883
Licence fees	\$5,000
<b>Total</b>	<b>\$2,547,706</b>

## Program Development: The Trial

The ChooseCBR Digital Voucher Trial (the Trial) was undertaken from 23 November-24 December 2020.

During the Trial some technical issues were experienced by customers when trying to register. While ultimately diagnosed as relating to the one-time PIN, load capacity was increased across servers during the Trial. There were no further technical issues throughout the Trial.

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<sup>1</sup> The portal was decommissioned on 1 February 2022.

The Trial assessment indicated that the Program met its aims:

- a. to encourage people to shop locally at COVID-19 affected businesses, and
- b. to stimulate sectors of the economy heavily affected by the COVID-19 pandemic.

Key Trial results highlighted that:

- a. with a total of \$310,078 in discounts redeemed, \$1,940,661 in spending occurred in 336 businesses affected by COVID-19, with a \$6.30 direct injection to business for every \$1 government dollar spent
- b. nearly two-thirds of respondents would be more likely to shop at Canberra businesses because they were participating in the ChooseCBR program
- c. marketing and promotion could be improved to include increased visibility and broader appeal, specifically a desire for a greater range of businesses at which to use vouchers and greater searchability or visual cues that a business was participating in the scheme
- d. the experience with technology was mixed, however, 70 per cent of those surveyed found it very or somewhat easy to use, and
- e. the larger discount amounts were more popular.

## June 2021 Rollout

The Program was conducted 9-19 June 2021 and designed to cease when the \$2 million funding had been fully utilised.

The Program was designed to allow businesses several weeks to register, receive approval, and better understand details before the opening on 9 June 2021.

## Program Changes

Results from the Trial informed key changes for the Program. Changes were agreed in April 2021 including:

- a. the removal of the JobKeeper eligibility criterion, to increase the number of eligible businesses, enabling the participation of more businesses that had sustained COVID-19-related hardship and businesses that had formed in the previous six months
- b. the reduction in the number of vouchers and the increase in their values, to simplify the program for both customers and businesses, and to further incentivise new discretionary spending rather than displacing existing expenditure
- c. the reduction in minimum transaction value from four times the value of the voucher to twice the value of the voucher, and
- d. a more comprehensive marketing, media and community engagement campaign to encourage maximum participation and website interface changes to create an improved user experience.

## Communications

The Program was supported by a multi-pronged communications approach (in direct response to the learnings from the Trial) that employed campaign advertising, direct stakeholder engagement and education, owned and earned traditional and digital channels.

The approach included: improvements to the website; information being available to customers and businesses prior to sign up; and greater visibility for participating businesses.

The communications approach was resource intensive, with two full-time staff contributing as much as 80 per cent of their time to the Program. Four staff were involved in delivering campaign assets, media buying, production coordination and photography and video coordination. Additional staff assisted in the distribution of business kits and other collateral. While resource intensive, this communications approach to businesses was successful and demonstrated the need to use multiple channels to reach business.

## Customer Insights

More than 12,000 customers responded to the survey and more than 100 businesses.

At the time of writing, feedback from the customer survey has not been fully analysed due to competing priorities. Analysis of a sample of responses identified that not all businesses received the information in a timely manner. Improvements could also have been made to the frequency of information available to the Access Canberra Contact Centre.

## Business Registrations

At the conclusion of the June 2021 Rollout there were 979 businesses registered (almost three times more than at the end of the Trial) and the range of business participation expanded with strong representation across the range of sectors.

There were 336 registered businesses at the end of the Trial. Of these, 278 opted back in to participate in the June 2021 Rollout program.

New businesses could register from 18 May 2021. By 9 June 2021, when voucher redemptions commenced, an additional 422 businesses had been approved to participate.

Business registrations continued while the program was active. On 18 June alone 126 businesses registrations were approved.

## Customer Registrations

47,733 customer registrations remained at the end of the Trial. An additional 24,038 customers registered between the June 2021 rollout's announcement and voucher redemptions commencing on 9 June 2021, bringing the total to 71,775 registrations.

At the Program's end on 19 June 2021, there were 100,300 total customer registrations. Included in this number, were 22,813 customer registrations between 17-19 June 2021.

## Cumulative total of daily user registrations

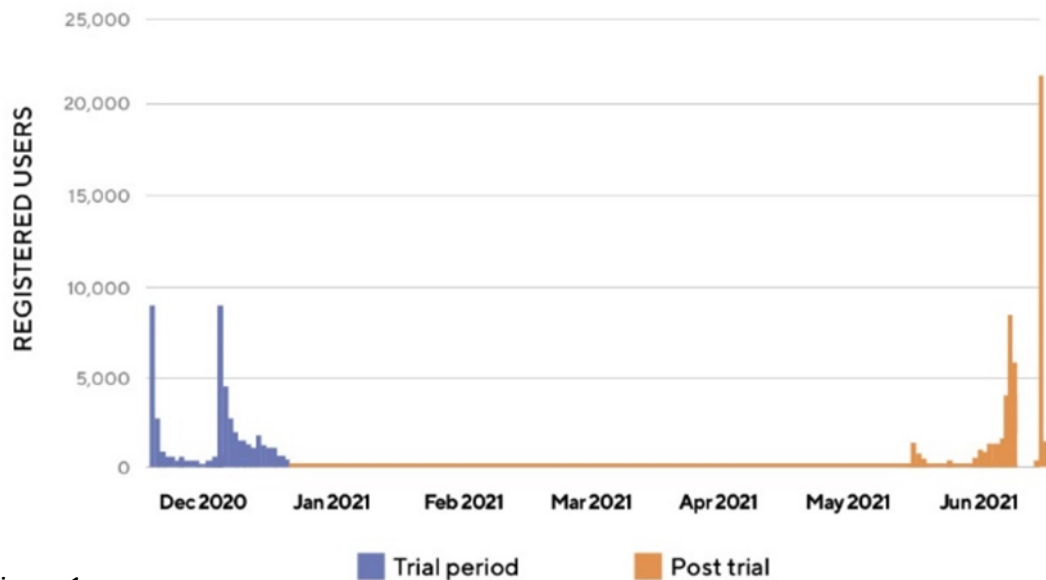


Figure 1

## Voucher Values

Each customer could initially receive the value of \$80 to spend at participating businesses, in the form of a discount code applied at the checkout, in the amounts of \$10, \$20 and \$50. Customers could access up to \$80 worth of discounts per day. The minimum transaction value was twice the value of the voucher.

### Usage of each voucher by voucher class

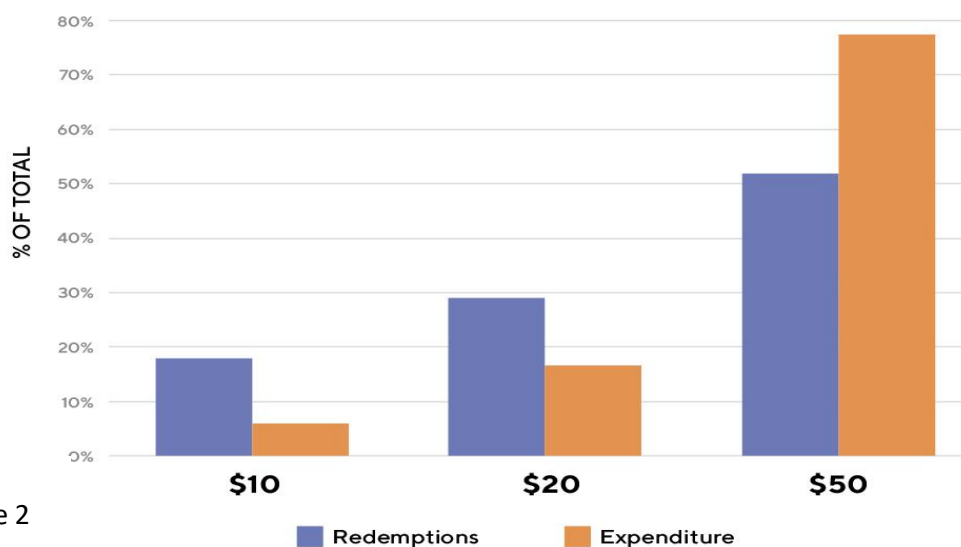


Figure 2



# Key Program Delivery and Implementation Data for June 2021 Rollout

Table 2: Key Voucher Discount Data – June 2021 Rollout

<b>Total discount subsidies</b>	<b>\$2,028,370</b>
<b>Average discount amount</b>	\$33.95
<b>Average transaction value</b>	\$84
<b>Discounts redeemed</b>	59,742
<b>Spending</b>	\$5,179,162
<b>Average Multiplier</b>	2.6
<b>\$10 vouchers</b>	18% of usage by volume; 1% of usage by value
<b>\$20 vouchers</b>	29% by volume, 5% by value
<b>\$50 vouchers</b>	53% by volume 94% by value
<b>Registered Businesses</b>	979 (797 of which redeemed vouchers)
<b>Registered Customers</b>	100,300

## Business Registrations Across Suburbs

Count of All Participating Merchants by LGA and Suburb (Tooltip)

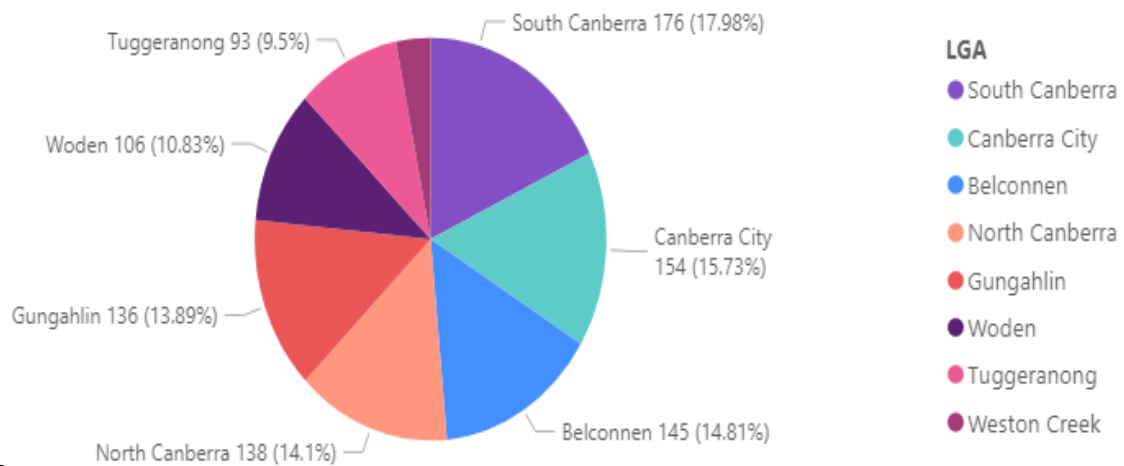


Figure 3

## Voucher Redemption Across Suburbs

Amount and Count of Redeemed Vouchers by LGA and Suburb (Tooltip)

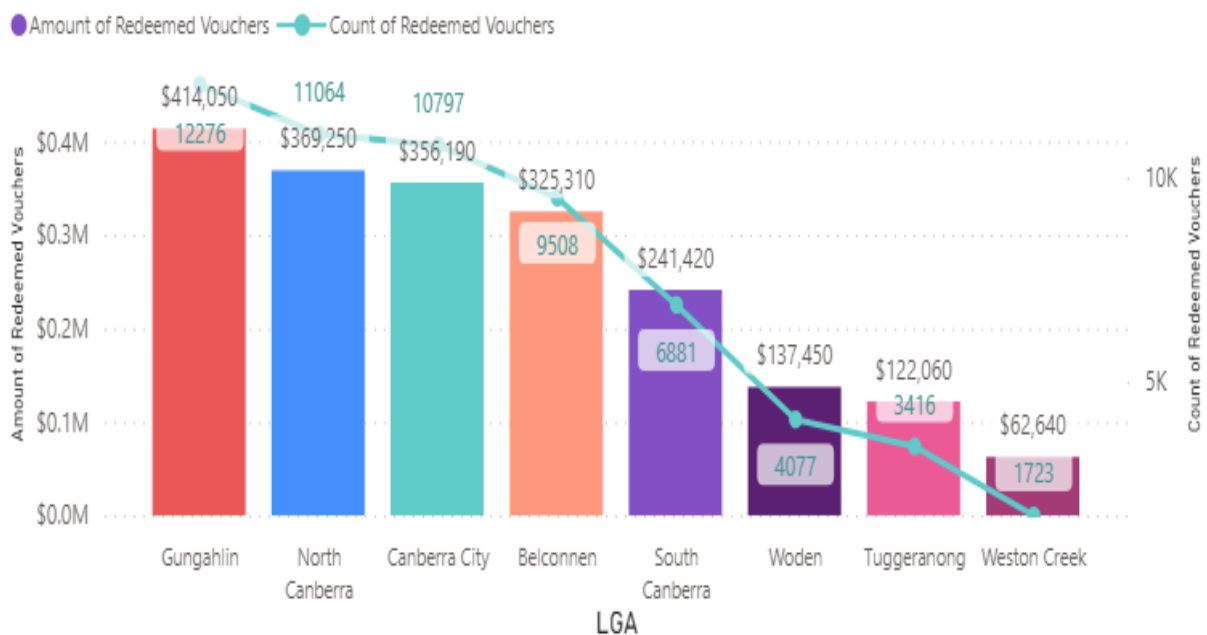


Figure 4

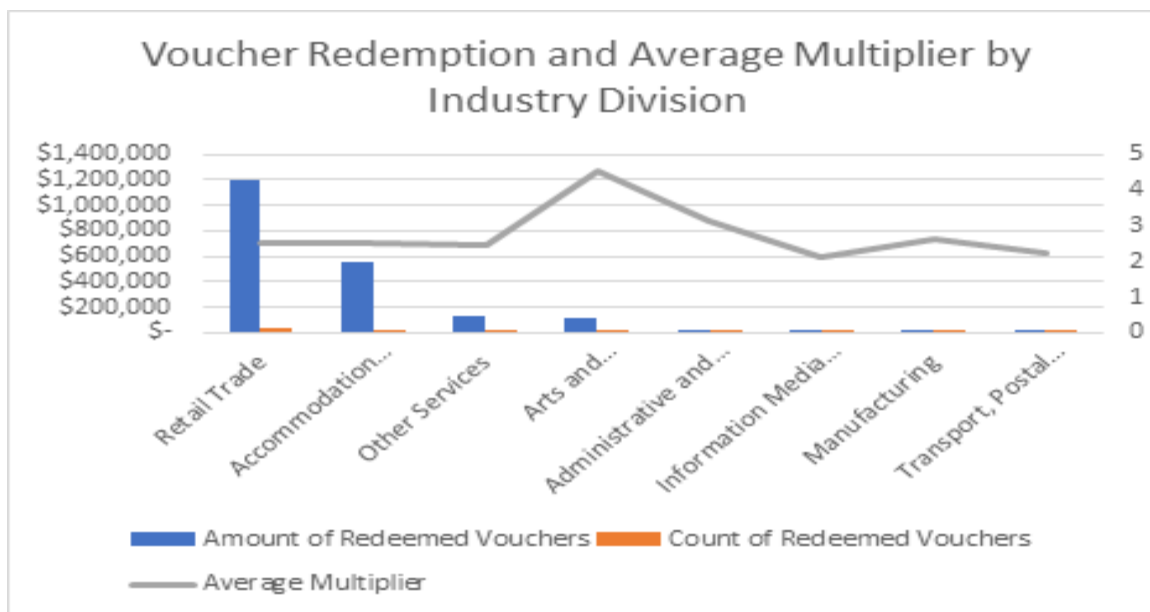


Figure 5

#### Voucher redemption by ANZSIC division

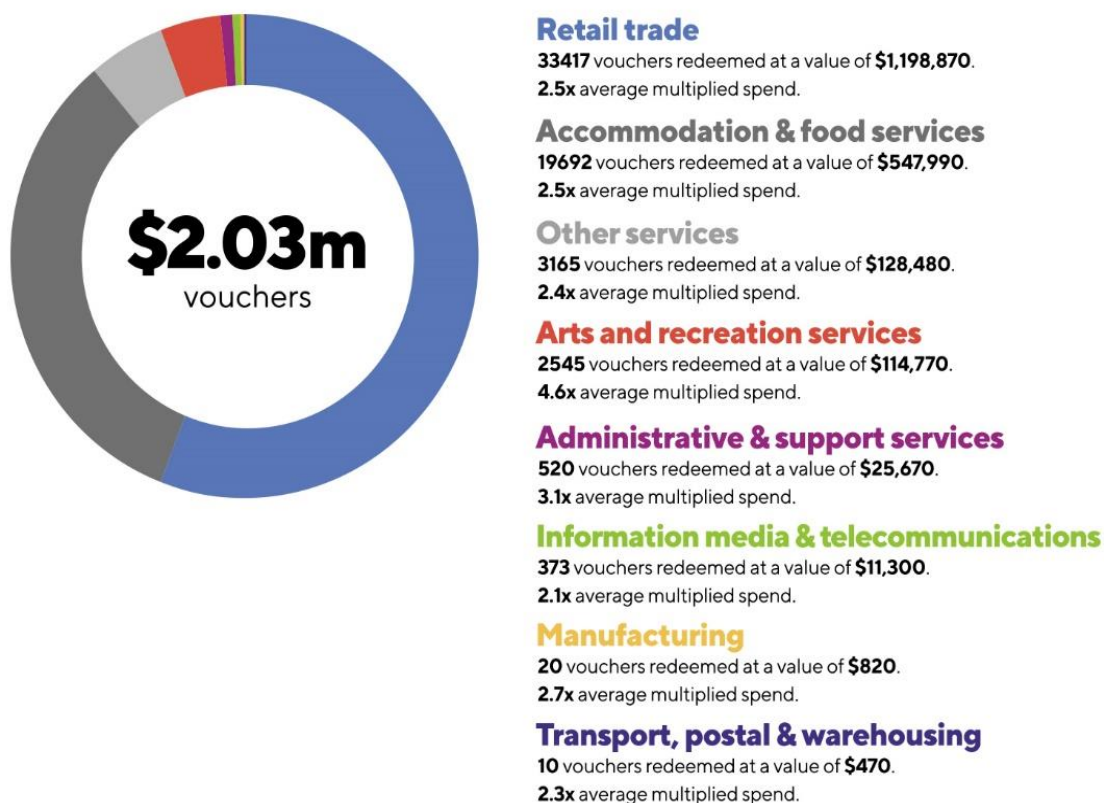


Figure 6

The major expenditure of \$1,198,870 (59 per cent of voucher expenditure) was in Retail. This was followed by \$547,990 (27 per cent of voucher expenditure) in Accommodation and Food Services. The remaining expenditure of \$281,510 was spread across the other eligible sectors.

## Program Interruption

### Technical Issues

Ahead of the June 2021 rollout reasonable testing was carried out on the site. Tests included a suite of functional testing including account registration, voucher redemption and feedback submission.

On Wednesday 9 June, (after the Program was live and operational from 10pm the night before) the system experienced difficulty from around 10.15am. The Developer attempted to implement solutions with a focus on database capacity and streamlining processes to reduce demand on the server.

It became apparent the cause of technical issues was not capacity related, but the structure and design of the data base was causing considerable inefficiency and slowness in the system. This inefficiency was exacerbated by the large number of concurrent transactions that were experienced immediately.

Further analysis was undertaken with Digital, Data and Technology Solutions. The Chief Digital Officer arranged for the assistance of the Web Services provider which hosted the ChooseCBR system. While the system performed smoothly on the morning of Thursday 10 June it started to slow considerably later that afternoon. The decision was taken to pause the website for maintenance until 7am, Friday 11 June.

By the evening of Thursday 10 June, it became clear that more time was required to fully investigate the issues. The decision was made to keep the system offline for an additional seven days, until Friday 18 June.

It became clear in the following days that the key issue was not server capacity but related to the system architecture and how the application logic was communicating with the database. This required the data base to be restructured. A simulated test environment was facilitated by the web service company which provided a strong level of confidence that the system would cope with high numbers of transactions when relaunched.

ChooseCBR resumed on schedule, on the morning of Friday 18 June.

### Manual Redemptions

As a result of the technical issues experienced on 9 and 10 June 2021, businesses had been able to redeem vouchers to varying degrees of success. After ChooseCBR was taken offline for maintenance, businesses were advised that if they were unable to redeem vouchers in the system, but if they had honoured the discount, they would be able to submit these vouchers to the ACT Government for manual processing through a smart form.

Approximately 158 businesses submitted approximately 1,578 vouchers. While it was intended that these manual payments would be processed prior to the program's conclusion, this was not possible. On 16 June 2021, it was agreed that the vouchers that were not manually processed before the program closed would still be honoured, which would incur expenditure over and above the initially allocated \$2 million worth of vouchers. In total, 829 vouchers across 104 merchants were manually redeemed after the program had closed. These vouchers had a total value of \$28,080.

## Communications

Significant resources were applied to issues management during the Program interruption, where a proactive approach was taken to informing businesses in the fastest, efficient method.

Direct email was used, particularly in the beginning when it was unclear exactly how the issues were impacting customers and businesses differently. As the issues became clearer, more frequent targeted emails were issued, as were text messages which reached approximately a third of businesses.

Talking points were prepared for staff for reference with businesses and customers to address concerns. Resources were also directed to addressing comments in social media and responding to feedback via email.

## Compliance – Spot Checking

In registering, Merchants agree to be audited by the Territory if required by presenting proof of Transaction showing the matching total sale value, ChooseCBR Discount value applied, and time and date of Transaction. The proof can be in the form of a POS report or tax invoice.

A spot check of 52 businesses, which equates to around 5 per cent of all business participants, was undertaken and focused on businesses which:

- redeemed the most vouchers in terms of value or volume;
- had questionable patterns identified in their redemption data; and,
- members of the public had identified as potentially non-compliant with the Terms and Conditions.

The check involved asking for a sample of ten receipts and ensuring they matched with the vouchers. From the evidence provided, the vast majority of businesses were compliant with the scheme Terms and Conditions. A very small number of voucher redemptions were not consistent with the Program Terms and Conditions. In these instances, vouchers were used towards alcohol purchases, redeemed after the transaction took place, or used for transactions below the qualifying expenditure. The Canberra COVID-19 lockdown impeded finalisation of the spot-checking process, which will be finalised in the first half of 2022.

# Conclusion

The 2021 Program and its 2020 Trial were instigated to encourage people to shop locally at COVID-19 affected businesses and to stimulate sectors of the economy heavily affected by the COVID-19 pandemic.

The scheme was developed and implemented quickly while striving to make it easy to use, yet robust. On the whole, the scheme was well received by participants who responded to the survey and a number of small businesses saw it as a real opportunity to increase their sales. There was a comprehensive information and education program used to promote ChooseCBR which was successful based on the outcomes of the program.

Overall, there is no evidence of any systemic misuse of the scheme. Key design features of the ChooseCBR program related to limits on the number of vouchers available for each participant, the ability to use one voucher only in a store, the use of verified unique mobile numbers for participant registration, all added to the integrity of the scheme.

The Technical issues were disappointing; however people were encouraged to shop locally at COVID-19 affected businesses, with the June Rollout resulting in \$2,028,370 in vouchers being utilised for 59,742 discounts, producing \$5,179,162 in expenditure in 797 businesses.

From the original trial, 278 businesses opted back in to participate in the full program and an additional 422 businesses choosing to register. Business registrations continued while the program was active, and an additional 240 businesses were approved to participate by the time the program concluded on 19 June 2021. This included 126 businesses approved on 18 June, many of which applied that same day.

47,733 customer registrations remained at the end of the Trial with an additional 24,038 customers registered between the full rollout's announcement and voucher redemptions commencing on 9 June 2021, bringing the total to 71,775 registrations. At the Program's end on 18 June 2021, there were 100,300 total customer registrations.

There was a reasonably even geographical spread of business registrations ranging from:

- South Canberra- 176 (17.98%) business registrations to
- Tuggeranong with 93 business registered (9.5%).

The highest number of vouchers were redeemed at Gungahlin, then North Canberra and the Canberra City.

The major expenditure of \$1,198,870 (59 per cent of voucher expenditure) was in Retail. This was followed by \$547,990 (27 per cent of voucher expenditure) in Accommodation and Food Services. The remaining expenditure of \$281,510 was spread across the other eligible sectors.