



Paying More or Hassling Less? Experimental Evidence on Administrative Burdens, Incentives, and Grant Take-Up

Lades et al. (2026)

Context

Grant and benefit take-up is often far lower than eligibility suggests, because applying is hard, not because people don't want the support. "Administrative burden" captures the learning, compliance, and psychological costs of dealing with a bureaucracy. Firms and policymakers typically raise the reward or simplify the process to lift take-up; which lever works has been an open empirical question.

This study answers it with a controlled experiment: 1,002 UK adults extracted key details from realistic grant descriptions to earn lottery-based rewards, with administrative burden (language/structure) and incentive size (£200 vs. £5 prize) varied independently.

Key Insights

Friction is the dominant driver

High vs. low admin burden cut correct completion by ~23% (3.60 → 2.76 of 4); quadrupling the prize (£5→£200) improved it by <3%. "Raise the grant" is weak versus simplifying the process.

Burden hits lowest-capacity people hardest

Lower admin/computer literacy and current tiredness predicted sharper declines specifically under high burden. Those most in need are least equipped to navigate the process.

The mechanism is concrete and fixable

Difficulty locating information explained up to two-thirds of the decline under high burden; language complexity up to 39%; frustration up to 39%. All of these are addressable through design, not "care and attention."

Burden compounds over a journey

Resilience to a burdensome document eroded with repeated exposure; multi-step processes may be more punishing in total than any single hard form suggests.

Implications

- How does friction affect customers with low administrative literacy differently from your average customer?
- Where are you relying on bigger incentives to lift take-up when simplification would work better?
- Which multi-step journeys let early friction quietly erode customers' ability to complete a later step?
- What methods beyond surveys could surface frictions customers experience but don't think to report?