The Key is **OPTIMIZATION**

Optimizing the digital presence of the Hungarian Tax Administration.

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Table of Contents

1.INTRODUCTION

This Bachelor Thesis is a final project of the Digital Concept Development course. Its authors have different backgrounds within Concept Development, therefore Daniel focused on Digital Design while Adam worked on the project from the perspective of Digital Commerce. However still both parties had an overview of the entire work. The project is mainly based on and was inspired by authors' internships. Although they spent their internship at different companies - Daniel in Hungary and Adam in Denmark -, since both of these companies were relatively small, they could have a closer insight of the financial department as well. Here they saw how difficult or easy it can be to declare taxes, depending on the simplicity of the system and the user interface. Therefore, both parties concluded that it is very important and there is a great need to simplify the platform of taxation in Hungary. The key activities to reach this aim is to examine the Business Model of the Hungarian Tax Administration and to optimize its entire platform based on different researches and analyzeRemark: During the time of working on this project an unexpected event has happened:
the Hungarian Tax Administration launched its new platform on the 11-05-2017.
Please note, that our concept is not affected by this new version.

1.1. Problem Area

We all know how complicated the taxation systems are in every country. Residents are struggling with understanding their duties in regards of their personal tax payments. In Hungary the National Tax Administration is not the most popular institution in the country, therefore the tendency of reporting and paying taxes is really low. Relatively high percentage of Hungarians try to avoid the payment on their own way.

However, lately the Hungarian government introduced some changes and tried to make it easier to report the yearly tax, still many people are confused about and unfamiliar with the complicated system. It is difficult to know all the rules and laws, how and what should be reported and even if people could finally calculate their taxes, they still need to face the abstruse online Java-based system with a not-well-optimized user interface, where they have to report the result.

Both of us believe that optimizing these basic factors generates a bigger willingness of reporting and therefore paying taxes.[1]

For this reason, it is aimed to find a way to make this complex system along with its platform easier for users and at the same time to change the image of the institution, which makes people release their current, supposedly negative preconception.

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[1] Delmestri, Giuseppe,Administrative Science Quarterly. Dec2016, Vol. 61 Issue 4, p507-550. 44p. 4 Color Photographs, 2 Diagrams, 3 Charts, 2

1.2. Goal of the report

The goal of this project is to create a better User Experience for the online platform of the Hungarian National Tax Administration.

1.3. Problem Formulation

Can a more user-friendly interface of the online Hungarian Tax platform and a targeted marketing make people willing to report their yearly tax in Hungary?

- What is the perception of the Hungarian Tax Administration in the country?
- What is the current rate of the tax payments from taxable Hungarian residents?
- How can a governmental institution increase their development in the digital area?
- How can we make people realize that it is worth to report taxes?
- What elements of the Danish Tax Administration's digital platform can be converted into the Hungarian model?
- What are the similarities and differences between the two countries in terms of culture and taxation?

1.4. Hypothesis

- By a more user-friendly interface and a responsive solution the willingness to fill out the tax report is going to increase, especially among Millennials.
- The mentality towards the Tax Administration of Hungary will change, by creating a better user experience and a well-targeted marketing plan.
- If the group of younger people is addressed well, it will result a new generation, that is more familiar with the taxation system and willing to report and pay their taxes.
- By implementing our solution, as a result of our concept the State Revenue will rise.

1.5. Limitations

Since the examined institution is part of the National Hungarian authorities, the project focuses only on the Hungarian market, also including Hungarian culture in depth. Therefore, there might appear Hungarian text in the graphics and the analyzes might reflect on such attitude which might be unfamiliar for people coming from another country.

The problem is too wide and complex, it cannot be solved within 7 weeks. Due to the fact the project has a time limitation, the opportunity to go in depth of every aspect of the problem is not given. Therefore, the focus is narrowed down to the private sector.

For the same reason this report is not expanded to the topic of security questions or detailed marketing strategy.

In regards to the survey, there might appear some differences between the numbers in the section of sub conclusion and the number on the diagrams in the Appendixes, because during the time of writing this report new responds have arrived.

1.6. Methodology

1.6.1. QISH

As a structural framework the QISH model has been used. Since the Handover part will not happen for the client, it is excluded from the four main steps. For this reason, the focus is primarily on the Questioning, Insight and the Solution.

The first step in the model is the Questioning. In this phase followings sections take place: Client Brief, Problem area, Client goal and the Problem formulation. During the investigation its hypothesis in the second step, it is important to gather the relevant information through research and analysis. From the past many conducted studies are available such as annual report with high complexity about the taxation of the country. Nonetheless radically less information is available about the user's satisfaction regarding their platform. Every Solution starts with idea generation, there are many techniques for that such as Mind Mapping or Reverse Brainstorming. For this project it was decided to use classic Brainstorming with one twist, the session had time limitation and everyone had to write down their ideas individually.

1.6.2. User Survey

For this reason, user survey was necessary in order to get information about the users and about their perception. The conducted survey contains 13 questions, shared among internal network and 94 answers were received until the moment the final conclusion was made (Appendix 1).

1.6.3. BMG / BMC

The Business Model Canvas of the Hungarian Tax Administration has been made to map out and have a better overview of entire organization and see if there are any crucial points that needs to be changed.

1.6.4. Benchmarking (competitor)

The tool of Competitor Benchmarking was used to trace all features and ideas, which are used by others. In lack of real competitor, the Danish Tax Administration was chosen as a great example to be compared to and to get inspired by.

1.6.5. Cultural (Hofstede's)

Both Hungary and Denmark were investigated in regards to cultural differences though Hofstede's culture dimensions.

v1.6.6. Service Design

The service of Hungarian Tax Administration was analyzed in order to investigate it touchpoints and find the mistakes in the user journey.

1.6.7. SWOT/TOWS

The SWOT Model was used to summarize our findings and highlight the strengths and weaknesses of The Hungarian Tax Administration, along with the opportunities and possible threats. These key results assisted to find the right solution.[2]

2. INSIGHT

2.1. The Company

In order to ensure, that there is a consistent relationship between the project and the company, it is indispensable to know the firm itself to investigate its Business Model and to map out its current BMC.

2.1.1. The National Tax and Customs Administration (NTCA)

The National Tax and Customs Administration (NTCA, in Hungarian known as 'Nemzeti Adó- és Vámhivatal' - hereinafter referred to as NAV) is a Hungarian central office providing administrative and armed law enforcement tasks. Established on the 1st of January, 2011 by centralizing two institutions, the Hungarian Tax and Financial Control Office with approx. 15,000 employees and the Hungarian Customs and Finance Guard of about 7,000 people. [3]
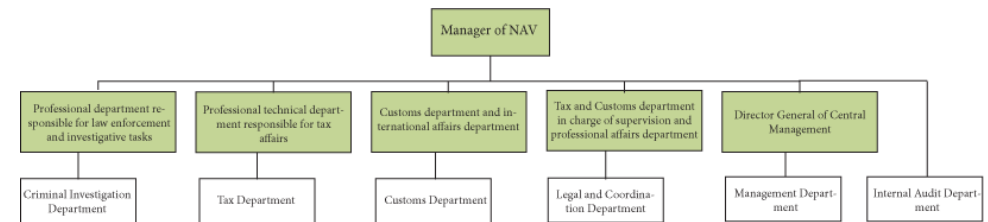
4

This report has its main focus on Professional technical department responsible for tax affairs, and within that on Tax Department responsible for private customers.

2.1.2. Business Model

In the last years there were some changes in the structure of tax authorities - for example the centralization of the two main departments in 2011 or the draft tax return previously prepared by the NAV from 15 March 2017 -, still there were no remarkable changes made in its Business Model yet.[5]

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[2] https://www.linkedin.com/pulse/whats-difference-between-swot-tows-leo-boulton

[3] http://nav.gov.hu/

[4] https://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A15U0026.NGM&timeshift=ffffff4&txtreferer=00000001.TXT

[5] http://en.nav.gov.hu/taxation/eSZJA/ePIT.html

Busniess Model Canvas

Key Partners

- Legal representative
- Government
- Factoring

Key Activities

- Coverage of public costs
- Informing about current deadlines
- Sending reminder in case of unpaid taxes
- Debt collection

Key Resources

- Employees:
- Legal
- Administrator
- Revisor, accountant
- Offices
- E xchequer

Value Proposition

- Online platform to report tax
- Showing current status of tax
- Option to donwload documents

Customer Relationship

- Unpleasant atmosphere
- Unfriendly and polite customer service
- Unprofessional customer service via phone
- Personal assistance in tax offices

Channels

- Website
- Hungary.hu - customer portal
- Flyers
- Letters sent via post
- Tax offices
- Customer service via phone

Customer Segments

- Residents of Hungary who have taxable income

Cost Structure

- Salaries
- Coverage of unpaid taxes
- Maintenance of tax offices
- Online platform
- Customer service via phone

Revenue Streams

- Income from reported and paid taxes
- Exchequer

2.1.3. The taxation rules and the online platform

If someone resides and works in Hungary, he is obligated to pay taxes in Hungary.
Since 2017 the National Tax and Customs Administration prepares a draft personal income tax return for everyone, who has been working as an employee.
In case someone is registered at the Client Gate, he can check and modify the draft tax return prepared by NAV on the online platform, available from www.nav.gov.hu or www.magyarorszag.hu. If someone has income from other sources (for example private entrepreneurship), then he has to prepare his tax return individually [6]

2.2. The Market

This chapter contains analysis of the current habits of taxpayers in Hungary based on a desktop research. Subsequently it describes the Danish Tax Administration and its online solutions and examines the platforms from 4 different angles. And in the end it looks into the cultural differences between the two countries.

2.2.1. Desktop research of The Hungarian Taxation habits

In order to have the possibility to discover any changes or development in taxation habits of residents in Hungary during the last years, 5 remarkable years were examined: 2004, the year when Hungary joined the European Union, 2007 an intermediate date,

where some changes are already observable, and finally 2011, 2012 and 2014, the years where the latest researches were available from.

In 2004, the extent of undeclared work varied significantly around the EU, "ranging from 1.5% of GDP in Austria to between 16% and 17% in Hungary, 18% in Latvia and more than 20% in Greece", meaning, that the extent of undeclared work was higher in the new EU member states in general, including Hungary.

Participation in undeclared work was experienced from men in age group of 25-45, who have a regular job and are skilled workers; furthermore, women, students and unemployed people who worked in less favorable positions, earned less and worked longer hours.

"In terms of sectors, the construction industry had the highest incidence of informal working." It was also prevalent in the agricultural sector, the hotel and restaurant sector and in personal and domestic services.

"In general, there is no universal causes for the existence and development of an informal economy, meaning that it is rather caused by a complex interplay between a range of variables and differs between countries. "Issues such as tax burdens or labour market rigidity and the trust in and quality of the government all play a role in this."
Besides these, the role of culture is also an important factor in shaping an informal economy.

Although all EU member states are taking action to reduce their informal economy, for example by reducing the administrative burden

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[6] http://en.nav.gov.hu/taxation/eSZJA/ePIT.html

for employers, combating labour market rigidity and tightening control, either by creating new control bodies or strengthening existing bodies, in countries with a long history of an informal economy, such as Poland, Hungary and Slovenia "the present level of undeclared work is tolerated by politics and politicians, who see it as a measure against mass unemployment, preventing socio-economic tensions, and no serious action is launched against it."" [7]

It was reported in 2007, that in Hungary big proportion of respondents were thinking that it is 'unacceptable' for someone to receive welfare benefits without entitlement is +7 points, as a good tendency, that could be continued. Besides this a notable increase in the proportion of respondents thinking that it is 'unacceptable' for someone to be hired by a private household and not report the payment received can be observed with +9 points.

However, still 5% believed, it is 'acceptable' for a firm hired by another firm to not report this work activity for the relevant authorities.
The view that it is 'acceptable' for someone to evade taxes by not or only partially declaring income is relatively high in Hungary, 9%. [8]

Based on a research from 2011 from the group of active workers, between the age of 15 and 64 only 65 out of 100 people reported taxes, and only 51 of them actually paid it. [9]

In 2014 a report from Eurobarometer on undeclared payment of all or part of wages shows that the under-the-table transacting slightly decreased but still remained significant in Hungary. [10]

This article reveals how many formal employees in the European Union receive from their formal employer not only a declared wage but also an undeclared "envelope wage". [11]
In Hungary a substantial amount of citizens receives wages off-book with its 6%.

The topic in terms of different reasons of choosing goods or services involving under-the-table transacting was also investigated. 21% of customers are ready to use services in the hope of a better quality, even if they know, that it might involve undeclared work.

As a reason for not paying taxes, because taxes and/or social security contributions are too high was given in Hungary by 37%.

Based on a research from 2012, that was aiming to receive responses from customers in respect of their satisfaction of the services of NAV, it has been concluded that most of the respondents are dissatisfied with:
- the waiting time in the office
- information in the customer area (newsflash, booklets, projectors, posters, etc.)
- the opening hours of the customer service
- and the complexity of administration.

[7] COMMISSION: Report on undeclared work, European Industrial Relations Review. Aug2004, Issue 367, p2-2. 1/2p.
http://web.b.ebscohost.com/ehost/detail/detail?vid=11&sid=138c7d9b-8ce0-41ad-9ff4-4427674b3537%40sessionmgr120&bdata=JnNpdGU9ZWhvc3QtbGl2ZQ%3d%3d#AN=14110882&db=bth

[8] http://ec.europa.eu/commfrontoffice/publicopinion/archives/ebs/ebs_402_en.pdf

[9] http://privatbankar.hu/ado/igy-nehez-elorelepni-mindossze-35-millioan-fizetnek-adot-magyarorszagon-242134
[10] http://web.b.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=16&sid=138c7d9b-8ce0-41ad-9ff4-4427674b3537%40sessionmgr120

[11] http://onlinelibrary.wiley.com/doi/10.1111/j.1564-913X.2013.00186.x/abstract

Here the following group was rather dissatisfied: men in age of 21-35, with a higher education degree.

There were also some suggestions on how to expand the internet services:
- "Regular e-mail and explanation of what are the new happenings." - Newsletters
- "Direct e-mail contact to customer support, extending administration to multiple services."
- "Expanding electronic administration."
- "More accurate information available on the internet."
- "Faster email responses"[12]

2.2.2. Denmark as a competitor

Since there is no real competition, Denmark was chosen fictitiously as a competitor.

This section is investigating the taxation system and its online platform in Denmark to have a better insight and to see what functions of the Danish system could be integrated in the Hungarian version and / or developed further.

When living in Denmark, residents need to get a CPR number (civil registration number) or a personal tax number depending on how long a person intend to stay, to get a tax card, to get a bank account and to get a NemID - a single login for Danish Internet banks and government websites. When a person has received his NemID, he needs to log in to self-service online on the interface of the Danish Tax Authority (hereinafter referred to as SKAT), skat.dk and complete his preliminary income assessment. SKAT will use this information in the preliminary income assessment to determine how much tax a person should pay. During the year all taxes are reported by the employer. If someone has income from other sources than that, then it is required to report it manually. In case someone is self-employed, he needs to report his taxes individually. [13]

Denmark has launched a mobile application where you get a number of options to check and fix your taxes on your mobile. This app is for private persons and businesses both.[14]

2.2.3. Benchmarking

Benchmarking analysis has been made to have an overview of NAV's online presence compared to its "competitor", SKAT. This model is used to illustrate how easy the Hungarian Tax Administration's online platform's usage, how good the customer support is on the platform, how comfortable it is to use it, and what the perception of people is compared to the Danish institution and its platform. Since there is no real competition between the two platforms, instead of creating a competitive advantage, the purpose is to improve the Hungarian platform and being inspired by its competitor.

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[12] https://www.google.hu/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0ahUKEwiP5I34hPzTAhWEhywKHerg AzcQFggyMAI&url=https%3A%2F%2Fnav.gov.hu%2Fdata%2Fcms104874%2FAPEH_ugyfelszolgalat_elemzes.pdf&u sg=AFQjCNE9rFmb7E_k84_nPi9InbkgaMgQCQ&sig2=oustXMsOxV7JkdNeJHVxMA&cad=rja

[13] https://www.skat.dk/SKAT.aspx?oId=2246935&vId=0
[14] https://play.google.com/store/apps/details?id=dk.skat.skat

Competitor Benchmarking		
	NAV	**SKAT**
Simplicity	1	4
Customer support	2	5
Convenience	2	5
Perception	2	4
Total	7	18

There is a big difference in Simplicity, where NAV received a score of 2 out of 5, SKAT scored 4. First, is it very difficult to find the platform itself from NAV's website, even through its own search motor. Then people need to go to another website, Magyarorszag.hu, where they can log in with their Client Gate login, then it is again difficult to find the way back to NAV's website, where people need to find and download the program to fill out the tax report

form with JAVA support, where the JAVA driver also needs to be downloaded. And after all these people still need to face the program's complicated user interface. It is very difficult to find this program and the form, even by searching for the link on Google, NAV's website appears only on the third place. While at SKAT people just go to the website, log in with their NemID and by few clicks on the same

platform they can report their taxes. Here it is very easy to find the way to the required page.

At NAV's website there are two ways to reach Customer support, via or phone and via e-mail (via e-mail only the customs office is available). Here the support via phone functions really undemanding, and besides that each time a form for personal data needs to be filled out, when sending an e-mail. While at SKAT, people can easily call them and receive answer, and on SKAT's website, when someone is already logged in, by only two clicks they can send an e-mail to the support, with no need to fill out a form for personal data again. Therefore, Nav scored 2 and SKAT scored 5 points here.

Under Convenience NAV scored 2 with its very complicated and uncomfortable platform, SKAT scored 5. All the complicated parts of NAV's platform makes it inconvenient to use: each year it needs to be updated, each time user switches computer, it needs to be installed again, all data might be lost, since there is no or difficult way to save data beforehand in. SKAT's platform makes it easy to fill out, to save and then to send the form.

NAV has a score of 2 under the section of Perception, since people dislike the entire system because of its complicity and inconvenient user interface, while SKAT has reached a better score here, 4 because of its constantly up-to-date and following-the-trend attitude.

2.3. Hofstede's culture dimensions

Since two different countries are examined, there might occur some basic cultural differences between Hungary and Denmark, which essentially determines the habits of reporting and paying taxes. In order to analyze these differences, the theory of Geert Hofstede's cultural dimensions was used.

Hungary*
in comparison with Denmark

Power Distance: Hungary 46, Denmark 18
Individualism: Hungary 80, Denmark 74
Masculinity: Hungary 88, Denmark 16
Uncertainty Avoidance: Hungary 82, Denmark 23
Long Term Orientation: Hungary 58, Denmark 35
Indulgence: Hungary 31, Denmark 70

■ Hungary* ■ Denmark
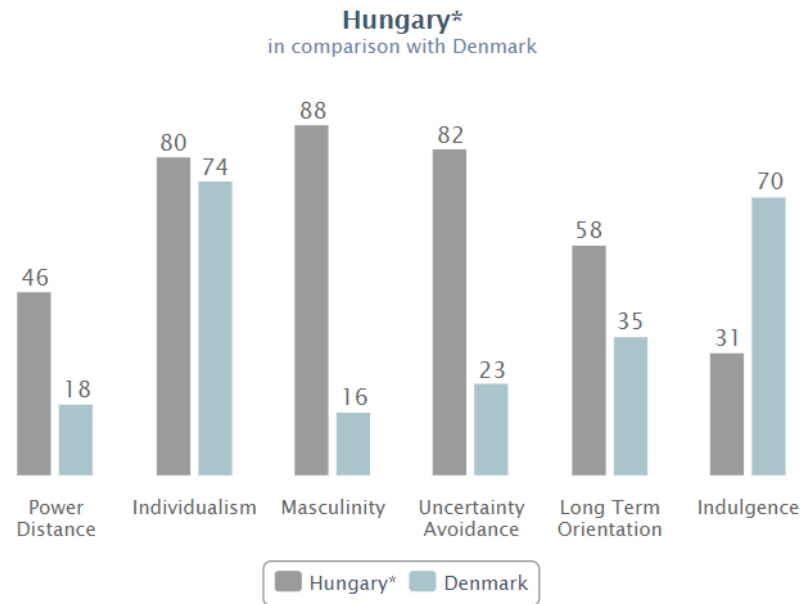
2.3.1. Power Distance

As the diagram shows, there is a relatively big difference between the two countries in sense of Power Distance, meaning that in Hungary someone with a better workplace or financial position might have a bit better chance of expressing himself and being heard, while in Denmark independently from these factors people are being heard by others. Still the score of 46 in case of Hungary is low, which means, that the Hungarian style characterized by the followings: independence, equal rights, superiors accessible, managers count on the experience of their team members, employees expect to be consulted, control is disliked.

2.3.2. Individualism

In both countries individualism has a high level, so in both countries people think that they are an independent part of the society, "I" is more important, than "We", where individuals are responsible for themselves. Employer and employee relationships are based on mutual benefits, decision made are based on merit. People should be targeted rather individually than as a member of a group.

2.3.3. Masculinity

With a high score in masculinity Hungarian society is very much motivated by competition and being "the best in field" unlike Denmark, where rather the quality of life is determinative.

2.3.4. Uncertainty Avoidance

There is a big significant difference in this section as well. It is important for Hungarians to prevent and be prepared for any unexpected challenges in the future, compared to Denmark, where Danes are rather on a lower level of uncertainty avoidance. Hungarians' attitude could be rather considered conservative than liberal considering newborn social and political issues. There is an emotional need for rules, which makes them inflexible and people have an inner urge to be busy and work hard, however people in Denmark are rather open-minded for new things and more leisure. Security is one of the most important motivating elements, for Hungarians.

2.3.5. Long Term Orientation

According to the scores, Hungarians have a pragmatic attitude, meaning that people seek for the most appropriate use, correspond to the prescribed regulations, while Danes are more normative and controlling. In Hungary, people believe that situation, context and

time are decisive. They show an ability to adapt traditions easily to changed conditions, a strong propensity to save and invest. Thrift and perseverance in achieving results.

2.3.6. Indulgence

Significant differences appear between the two countries in indulgence. In this sense Hungarians has a restrained nature, where people try to control their desires and impulses, while in Denmark people are rather indulgent. The Hungarian society with a low score in this dimension have a tendency to be cynical and pessimistic. People with this orientation have the perception that their actions are restrained by social norms and feel that indulging themselves is something wrong.[15]

2.3.7. Sub Conclusion

Considering the gathered information from these analyzes it can be concluded, that the level of undeclared work is still relatively high and hasn't shown any notable changes during the years.

It also introduces a group that should be targeted. It is not only enough to reach, that people report their taxes, but also to show them what are the benefits of paying it.

The main issue of unreported taxes cannot be influenced significantly since it is a very complex economic, cultural and political question. So the solution needs to focus on the existing taxpayers. Nevertheless even in the hope that it is possible to reach new people willing to report and pay taxes in the future as a result of an operative concept.

Hints for suggested changes were also concluded, which can be used in creating a new Business Model.

It seems to be clear, that all the 4 investigated points under Benchmarking need to be improved. It is profitable to build a platform, which is optimized well. This analysis also shows, that it is worth to be inspired by SKAT's online platform, since it has a much higher score in total.

Based on Hofstede's culture dimensions, cultural differences were discovered between the two countries, which significantly influence tax reporting and paying habits.

According to these cultural dimensions Hungarians are independent and prefer to have equal rights, just like Danish people. Both countries are characterized by individualism, where people identify themselves rather as an individual than a group member. Competition and preventing unusual happenings or refusing new ideas or changes motivates Hungarians the most, while Danes rather focus on quality of life and are more leisure in regards prevention. Hungarians have a strong propensity to save and invest. They have negative perception of indulging themselves.

2.4. Service Design

Service design is really important nowadays, it draws on many fields such as user experience, marketing, and project management in order to enhance and optimize new services.

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[15] https://geert-hofstede.com/hungary.html

"Service design is all about making the service you deliver useful, usable, efficient, effective and desirable."

- UK Design Council, 2010

In the developed countries the public sector has already realized the potential of the quality service design. Technologies open up new possibilities such as, mobile pay, e-post via internet and smartphone. All these can easily change the relationship between the service provider and the customer for the greater good.

A good service is based on many aspects of the user journey. It needs to be user-centered, co-creative, sequencing, evidencing and holistic. The designer has to to empathies with his potential customers in order to create the best possible service, depending on context and situation everyone has different needs from the same service. It is really challenging to focus and estimate on every individual needs.

Through this project the goal is to trigger the memory of positive moments by an emotional association, which would be followed by an enhanced perception of the service. The aim is to create a solution, which is based on a deep ethnographic research about the target area. In order to give a well-planned service, Touch Points have big importance in the Customer Journey mapping, which is documented in the Service Blueprint.

2.5. Digital Trends

To find the right digital solution the current digital trends need to be analyzed. These trends are changing year by year, that is why it is important to always research about the latest ones. Digitalization has

big part of the public sector development. Countries are about to realize the importance of the digital system. It is already acknowledged that by implementing digital solutions into the workflow they increase the effectiveness and decrease the time.

When people talk about Digital Trends they often mention Big Data which is really important in today's Digital World, since with analyzed data every aspect of the service can be optimized. "...Big Data shows why this is a key trend selected by many, who have experienced the increase in volume, real-time data and data formats in their business…" [16]

2.5.1. Mobile

In 2012 one third of the Hungarian population had smartphone, after 4 years the tendency raised to 70%. This means, the mobile usage in Hungary has almost 200% growth, which indicates most of the platforms need to exist on mobile version as well.[17]

Almost every age group is being affected by this radical growth, especially the younger generation under 25.

- 93% of the youth uses smartphone.
- 75% of them use any sort of search engine
- 76% of them getting informed of a product online
- 67% of them watching videos in a weekly basis

Globally one third of the internet users utilizes

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[16] http://www.smartinsights.com/managing-digital-marketing/marketing-innovation/digital-marketing-trends-2016-2017/

[17] http://24.hu/belfold/2017/03/01/el-sem-hinned-hany-magyar-engedheti-meg-maganak-az-okostelefont/

mostly their mobile phone for browsing instead of their computers. In Hungary this rate is 52%, which is almost double than the average around the world.

2.5.2. User Experience Design

"User experience design (UXD or UED) is the process of enhancing customer satisfaction and loyalty by improving the usability, ease of use, and pleasure provided in the interaction between the customer and the product."[18] User Experience design is human first way of designing products, platforms, websites etc. Great UX Design comes from insight analysis where they scientifically analyze the human nature, psychologically, cognitive reactions and the limitation of the body.

A website with a brilliant product worth nothing if their webpage is not usable. UX Design can endorse the usage of the particular product. In order to reach that every step of the user journey needs to be deliberate.

2.5.3 User Interface Design

UI Design focuses on creating the interface based on what users might need to do and ensuring that the interface is easy to understand and the elements are accessible. If they can facilitate those actions, then the platform is made well. Great User Interface design is a bridge between visual design, information architecture and interaction design.

User Interface Design has many principles which needs to be followed, such as structure principle, simplicity principle, visibility principle, feedback principle, tolerance principle and reuse principle. [19] There are many different sources about this topic, they have a few principles in common, but mostly each of them mentions different ones.

2.5.4. Big Data

Big data - with targeted marketing - is one of the most important digital tool, which helps companies to gather relevant information and to ensure that the marketing team follows the right path and it prevents to make big mistakes.

"The basic Idea behind 'Big Data' is that everything we do is increasingly leaving a digital trace (or data), which we (or others) can use and analyze"[20]

For instance, information can be gathered from GPS data or cookies, where customers are visiting the current website from. Information from social media can be collected, which age group visits the website most often.
Big Data can also give a feedback whether the marketing was done correctly and therefore the targeted group was the most susceptible for using the platform.

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[18] http://snip.ly/98d16#https://en.wikipedia.org/wiki/User_experience_design
[19] https://en.wikipedia.org/wiki/Principles_of_user_interface_design
[20] https://www.slideshare.net/BernardMarr/140228-big-data-slide-share/3-The_basic_idea_behind_the

Whether it is worth to use social media to inform users about any changes made in regulations or about general information for usage. How many of the visitors are using their mobile to browse? What is worth to invest and develop further?

For all these questions to be answered, there is no need to actively ask the customers. Big Data is just collected anonymously and all this information's can be analyzed.

2.10. The target Group

This section is going to focus on whom to target for the future solution. It will explain the reason of the choice of the potential target group. It is done in order to find the most appropriate segment to target and with the gained insights create a concept, which fully covers their needs through a functional and aesthetically satisfying solution.

2.10.1. Definition

The National Hungarian Tax Administration officially targets everyone who is obligated to pay taxes, which is relatively a high number. The current rate is from ~10.000.000 people around 40% of the population declares its tax. A person can legally work from age of 15 in Hungary, therefore make earning. Even though if we look strictly, the active working years which is (15)-64 in Hungary the number is 6.453.923 people. The deficit is approximately 2.450.000 people. The solution is

directly not tend to attract new users since who resides in Hungary is obligated to declare its tax, therefore the concept primary focus to improve the online digital platform and to increase the positive feedback of the current users.[21]
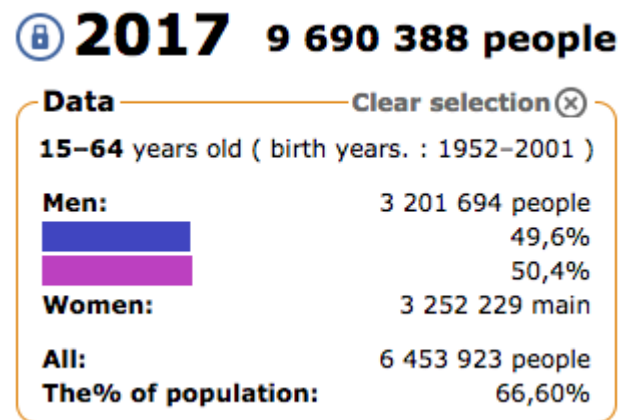
If this age group is looked as a generation it could be divided to two main segments, the Millennials (today the age of 22-40) and Generation Z (today the age of 15-21).[22] This two generation takes 40% of the Hungarian population. Therefore, the primary focus relies on them, furthermore they are the ones in the society who are the most familiar with technology. Since the younger generation perception can be easily influenced through technology, it is a good strategy to educate a younger generation who has better opinion about the Hungarian National Tax Administration.

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[21] https://www.ksh.hu/interaktiv/korfak/orszag.html

[22] http://genhq.com/faq-info-about-generations/

2.10.2. Millennials

In 2017 there are around 2.2 million Millennials in Hungary. "There are no precise dates for when this cohort starts or ends; demographers and researchers typically use the early 1980s as starting birth years and the mid-1990s to early 2000s as ending birth years."[23]

"Millennials grew up with computers, the Internet and the graphical user interface (GUI). This familiarity makes them adept at understanding interfaces and visual languages. They tend to adjust readily to new programs, operating systems (OS) and devices and to perform computer-based tasks more quickly than older generations. Although it's been proven that multitasking is not usually an effective way to work, Millennials may be the employees that are most likely to pull it off."[24]

Facts:
- 50 percent of Millennials consider themselves politically unaffiliated.
- 29 percent consider themselves religiously unaffiliated.
- They have the highest average number of Facebook friends, with an average of 250 friends vs. Generations X's 200.
- 55 percent have posted a selfie or more to social media sites versus 20 percent of Generation X.
- They send a median of 50 texts a day.
- Millennials are the last generation born in the 20th century.

2.10.3. Generation Z

The population of this generation in Hungary is around 1.9 million people. There are no precise dates for when this cohort starts or ends, approximately who born around 1996-2010. This generation is relatively too young to make any impact yet, even though sometimes they refer for them as "Millennials on steroids"[25]. Which might be totally accurate, since in some ways they are more radical, for example in consuming. From the Hungarian National Tax Administration perspective, they are the next generation of taxable residents who needs to be educated of the system. They are really adaptable for every new technology, due to the fact they are native users towards technology.

2.10.4. Sub Conclusion

The target group was originally too broad for this project; it has needed a segmentation which helps to create a more focused solution. The Millennials and Generation Z are described as a generation who is tech savvy and easily adapting. Hence they are the best option to target with this project.

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[23] https://en.wikipedia.org/wiki/Millennials#Date_and_age_range_defining
[24] http://whatis.techtarget.com/definition/millennials-millennial-generation
[25] http://www.businessinsider.com/millennials-vs-gen-z-2016-2/#teens-are-even-more-frugal-than-millennials-but-in-a-different-way-1

2.11. The Situation

By analyzing the taxable residents' perception of the current platform through a survey and the National Tax Administration's actual situation through a summarizing model, it gives the opportunity to identify its situation internally and externally as well. The SWOT model is a great tool where key findings can be set and it can give a better overview of the strengths, weaknesses, opportunities and threats. The results of the analysis are evaluated on the TOWS to assess what aspects to focus on when developing the digital solution. In an ideal situation this analysis can be really beneficial for the National Tax Administration.

2.11.1. Survey

A User survey was initiated among Facebook users from various age groups (Appendix 1) to verify the previous assumptions and analyzes.

Based on this survey it was found, that:
- 73% would use their mobile to declare their taxes, 18% on tablet and only 9% on their computers
- the biggest percentage of respondents were from the age group of the Millennials and from Generation Z, men and women equally
- About 40% was unsatisfied, 30% was satisfied with the current platform, 30% gave neutral answer
- Most of them finished their report within 10-20 minutes
- 43% said it was manageable, 37% said it was complicated, 20% gave neutral answer

- Most of them found answers for their questions easily, but still big percentage could hardly find answers
- 40% could not make correction and 40% found the way to make corrections
- 27% was satisfied or had good emotion during the reporting their taxes, 20% was tired, 16% was angry and 37% gave neutral answer
- 48% said the current platform is useable, 27% said it is perfectly usable and 25% said it is necessary to change

2.11.2 SWOT / TOWS

The SWOT-analysis shows that NAV has an unusual position with its monopoly, strong capital and with its possible persuasive power on governmental legislation and telecommunication for the common good of the society. Because the company itself is well-known, there is a big chance that any change on the platform will go viral even with minimal marketing activities. However, still in the current version there are many out-points, with a very well-designed, more user-friendly and optimized solution and with a well-directed and well-managed marketing a good result can be achieved.

Strengths

- Monopoly
- Strong capital from the exchequer
- Contact with legislation
- Contact with telecommunication
- Known by all residents in the active working age
- Great attention from the public
- Digital and Physical presence

Weaknesses

- Hard-to-use interface
- No marketing strategy
- Little room for maneuver
- Big consequences in case of making mistakes
- No strategy for managing subscribers
- Lack of possibilities for contact
- Insufficient perception

SWOT

Opportunities

- Target group is open for new trends
- Building new branding
- Improving perception, popularity
- Data collection and analysis
- Platform optimization
- Social media optimization
- Satisfied customers
- New customers
- Constant new digital opportunities

Threats

- Failed marketing
- Negative feedback
- Crucial mistakes:
  spelling mistakes, illogical, not working system
- Wrong targeting
- No shares
- Complicacy for other groups

External

TOWS

Opportunities

- Target group is open for new trends
- Building new branding
- Improving perception, popularity
- Data collection and analysis
- Platform optimization
- Social media optimization
- Satisfied customers
- New customers
- Constant new digital opportunities

Threats

- Failed marketing
- Negative feedback
- Crucial mistakes:
  spelling mistakes, illogical, not working system
- Wrong targeting
- No shares
- Complicacy for other groups

Internal

Strengths

- Monopoly
- Strong capital from the exchequer
- Contact with legislation
- Contact with telecommunication
- Known by all residents in the active working age
- Great attention from the public
- Digital and Physical presence

New, well-optimized platform can be created based on collected and analyzed data. All changes made can be easily communicated towards people via tv-channels or in the news.

Based on data gathered and an analysis made, the risk of failing with the new digital solution and with marketing will decrease.

Weaknesses

- Hard-to-use interface
- No marketing strategy
- Little room for maneuver
- Big consequences in case of making mistakes
- No strategy for managing subscribers
- Lack of possibilities for contact
- Insufficient perception

Take advantage of having strong capital, possibilities to invest in development of a new platform. In order to simplify the taxation system, recommendations for making changes in law can be sent to the government.

Prepare with a marketing strategy within the regulatory framework. Manage subscribers and communicate directly towards them. Make it easy to get in contact with Customer service in case of any doubt. Ensure that the old version is also available for those, who don't want to change. Communicate all these well.

The TOWS model was made to highlight the objectives that needs to be improved in order to reach the aimed goal. Here the following points were combined and questions were taken:

- Strengths and Opportunities (SO) – How can you use your strengths to take advantage of the opportunities?
- Strengths and Threats (ST) – How can you take advantage of your strengths to avoid real and potential threats?
- Weaknesses and Opportunities (WO) – How can you use your opportunities to overcome the weaknesses you are experiencing?
- Weaknesses and Threats (WT) – How can you minimize your weaknesses and avoid threats?[26]

2.11.3 Sub Conclusion

The findings of the user survey show that if people had the opportunity to confirm their premade tax return or declare their tax via mobile phones, they would definitely be interested in this option. It also confirms, that the assumption of the target group is also correct. In overall the same number of respondents are unsatisfied with the current solution as many they are satisfied with it, the rest is neutral. For most of them it was easy to find answers, but still there were some, who couldn't, so it is worth to make it easier for users to find answers for their questions. Moreover, it is necessary to have the option for making corrections or modifications on a well-marked place, where they can easily find it.

The SWOT model with a further investigation in TOWS structure gives a clear overview of the current situation and a basic insight into the possible future development.

It was concluded that NAV has the opportunity to invest into a new, well-optimized user interface, which would be very much beneficial in regards to reporting taxes. To ensure success, it is necessary to communicate all changes, the implementation and the exact date of launching the new platform towards the public on all possible channels.

2.12. Conclusion

The perception of the Hungarian Tax platform is relatively low and also big percent of the users are unsatisfied with it. This means, that if NAV is willing to have more satisfied taxpayers who report their taxes, the apprehension definitely needs to be increased by a well-optimized user interface and a good branding.

The rate of tax payments from taxable Hungarian residents are around 50%. There are many factors influencing this result, the solution has to assist to convince taxable residents to report and pay their taxes.

Through the modern technology there are many ways for NAV to have a better presence online, for instance implementing a responsive online solution for mobile phones and tablets.

By implementing a solution, that helps taxpayers to see where their actual paid tax was spent, might make people realize, that it is worth to pay tax, but it is still a complex problem influenced by many factors.

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[26] https://www.mindtools.com/pages/article/newSTR_89.htm

After the analyzation of the Danish platform, inspiration has been drawn for specific elements, such as displaying the currently paid taxes and option of direct payment through the website. The system's user journey is built up logically.

As it is concluded from the Hofstede's culture dimensions, there appear some significant differences between the two countries, still the main characteristics are common such as equal rights, individualism. The main difference is that one of the most important motivation for Hungarians is to prevent any unpredictability and that they are very rigid about the rules. Therefore, it might be a relevant feature to ensure them that they declared their taxes correctly, according to the current regulations and to send them a feedback, that their tax return is all correct.

3. SOLUTION

3.1. Concept Description

Based on our overall finding from the insight, the concept is a digital solution that covers optimized version of every aspect of the analyzed segments and the final conclusion. The concept is a new, responsible platform, where users can easily confirm and declare their tax return. It is more user-friendly, with a better appearance of the main sections, refusing any unnecessary clicks.

The main focus is on simplicity, where the optimized platform is combined with an overall better customer service.
The entire implementation of the concept requires a well targeted marketing strategy as well, which assists to build a better perception.

The concept also includes a new business model along with its improved value proposition.

Since the rate of taxable residents who pay taxes is low, the concept also aims to find a solution for this issue.

3.2. Functions

Based on the elements of the new Value Proposition Canvas, the following features are added in the solution, as the new values of NAV's platform:

- *receiving e-mail about new regulations - newsletters*
- *receiving e-mail about deadlines*
- *step by step graphics*
- *live chat support option in case of any question occurs*
- *easy way to contact Customer service, direct e-mail to them*
- *professional Customer service via phone*
- *long opening hours of Customer support*
- *option to give feedback for Customer support*

- *easy way to find answers for any questions*
- *chance to release fine of wrongly reported taxes*
- *make sure, that the system is always up to date against hacker-attacks and ensure users about it*
- *option to see where and how your 1% donation is spent*
- *option to see what kind of tax benefits you can have and recommending which ones may be relevant for you*
- *in case you fill out the form yourself, simple way to do it*
- *in case any question occurs, easy way to find answers*
- *automatic saving while editing*
- *line, where you can follow how far you are from finishing the report*
- *see where your taxes went last year by an infographic*
- *have an option to pay less, if you pay before deadline*
- *have an option to pay tax directly from the online platform*
- *offer different options for payment methods*
- *have an option to see the data after it has been successfully reported*
- *easy way to save reported data in PDF, CSV or other normally used formats*
- *easy way to deliver document on the online platform directly to other authorities or institutions*
- *easy way to correct wrongly reported tax*
- *message, which ensures the user, that it has been reported and confirmed now, and he will be connected by the authorities, if there is any problem occurred*

- *with the report, all these with an exact date, until when they will be connected*
- *customer service via Facebook and other social medias, where all general questions are answered by experts*
- *vlog, where all new regulations are mentioned in a short video*

.

3.3. User Journey Mapping

To see the problem well the previous user journey has been examined with the newly created version. For detailed version see it in the Appendix 2.

3.4. Visual design language

During this chapter the visual design language is going to be explained through the main aspects such as the graphic style, colors, font and shapes. The design procedure has been done by the design principles.

Design is essential, since everyone makes snap judgement of everything the visual packaging is really important. Through our vision it is the first impression of humans, it has huge influence. In order to draw attention, the design has to communicate immediately.

The goal is to create a purposeful simplicity in visual design language and do not have any unnecessary elements. (Appendix 3)

Graphic style
It is always hard to define the graphic style of the design since it is hard to put into any category. Even though there is a general design trend, in the past years it has been mentioned as flat design. "Flat design is a style of interface design emphasizing minimum use of stylistic elements that give the illusion of three dimensions (such as the use of drop shadows, gradients or textures) and is focused on a minimalist use of simple elements, typography and flat colors."[27] Since its popularity users can easily understand and decode how and object should be used. A design language is created well if it fulfils it functionality.

Colors
In regards of colors there were two main option, the first was to choose a new color for the platform as the previous version has done or pick a color scheme from the main website. The second option is the right one and the logical choice, due the fact the colors should be coherent with the official site. The color scheme comes from the Hungarian flag, since the red and green are really strong colors they are used slightly with the mix of white, grey and black.

Font

To be consistent towards the flat design graphic style the font-family needs to be minimalistic and sans-serif. This is the reason why Open Sans has been chosen throughout the application. It gives great options for design with it diverse font styles, it can fit perfectly for every situation for this solution

"Open Sans is a sans-serif typeface designed by Steve Matteson and commissioned by Google. According to Google, it was developed with an "upright stress, open forms and a neutral, yet friendly appearance" and is "optimized for legibility across print, web, and mobile interfaces."[28]

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[27] https://en.wikipedia.org/wiki/Flat_design

[28]
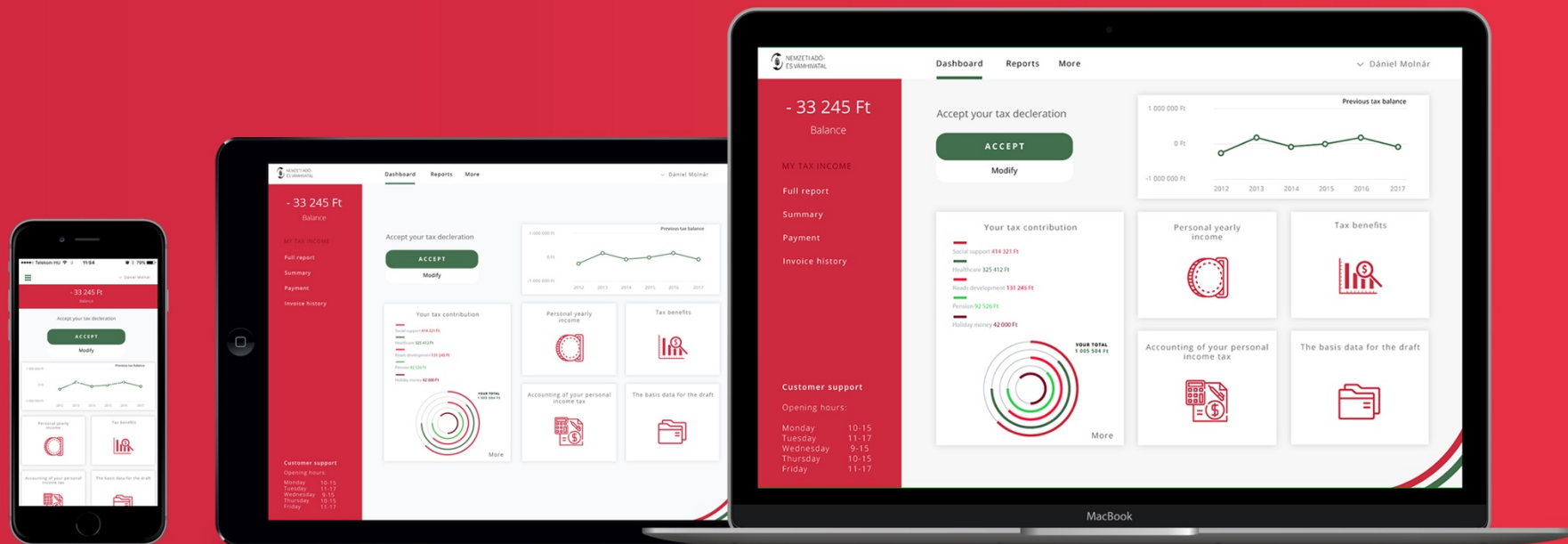
3.5. Launch plan

Since the time of reporting taxes is predetermined by the authorities and it takes place only once a year, therefore it does not cause difficulties to see, when the new platform will be launched. "Deadlines for the declaration of income in 2017:

- By January 31 you must declare in the workplace whether you are applying for premade tax return
- By 15 February you must report which tax benefits you were entitled to in the last year, like for example health funds, pension funds and financial institutions
- By 20 May you must confirm your premade tax return and report your tax individually"[29]

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[29] http://adobevallas.news7.hu/

Based on these dates, the new solution will be launched in the beginning of next year, in 2018, following the same deadlines. Of course the news of the new method for reporting taxes will be released and communicated on different channels before the platform is launched to obtain the possible users' attention in advance. These channels are flyers, brochures, projectors and posters in the physical offices, and besides these of course in TV news and on NAV's or on other relevant websites. It is important to inform all users about the new system, but still keep the option of using the old version for those who got used to it and are not willing to change.

To develop and implement the entire project will take 9 months: 3 months for developing, testing and branding it and 6 months to run the new platform.
Starting from the 1st of September 2017 and finish it on the 31st of May 2018.

3.6. Budget Cost and Effect

Under Budget section all expected expenses are summarized. Since it is a long term investment, therefore the costs initially might not increase income.
Implementing this project will be profitable in a long run.
 Developing and implementing this project include the following expenses:

A project manager is needed to manage the entire project. The expected time spent on it takes 9 months with 8 hours per day, with 20 days per month, meaning 1.440 hours it total.
A graphic designer will work about one month to create the graphics, along with a photographer, who it needed only for about 2 days to take photos.
The development will take about 2 months, so during this period we need a Web developer and UI / UX designers for one month in total, when the development got to the point of optimizing the system. For monitoring the context in the perspective of legal issues, legal assistance is also necessary for about two days. And finally the price of printing flyers and brochures about the new platform was also calculated. So the project in the first phase will cost 299.200 DKK in total.

Marketing team for building a better branding, professional customer care and courses held about taxation will imply additional costs.

Expenses	Price / hour	Amount (hours or pieces)	In total
Project manager	150 DKK	1.440 h	216.000 DKK
Graphic Designer	75 DKK	160 h	12.000 DKK
Photographer	100 DKK	16 h	1.600 DKK
Web Developer	100 DKK	320 h	32.000 DKK
UI and UX designers	120 DKK	160 h	19.200 DKK
Legal assistance	150 DKK	16 h	2.400 DKK
Flyers	0.2 DKK	30.000 pcs	6.000 DKK
Brochures	10 DKK	10.000 pcs	10.000 DKK
Price of the Project			**299.200 DKK**

3.7. Value Proposition Canvas

Customer segment:

As a part of the solution a new Value Proposition Canvas was created, where the current model's Customer Segment and the values that NAV represents were mapped out. Along with the current situation new gains and pains were also set based on the previous analysis.
These gains and pains are set in an order of priority, but since all of them have a major role in the optimization, solutions were found for each one of them.

The main goal was to find a solution where user can declare tax report online. On the same platform user should also be able to pay it, see the current status, download documents and reach all necessary

The Value Proposition Canvas

NEMZETI ADÓ- ÉS VÁMHIVATAL

Value Proposition

Customer Segments

Gain Creators

1. Simplified platform, very easy to use and finish quick
2. Smooth answering questions option
3. Possibility to pay reduced tax in case of paying before deadline
4. Chance to release fines in some cases
5. Latest versions of safe system - well protected from hacker attacks
6. Features that insure user about safety
7. Different options of integrated payment methods
8. Showing the flow of the paid tax
9. Free of charge
10. Good conversion between the platform and social media

Products & Services

1. Online platform to report and follow taxes for private users
2. Support online, via phone or via social media
3. Option to deliver authorized documents directly towards other institutions
4. Friendly atmosphere
5. Option to decide about 1% of your tax, and to follow where it is spent

Pain Relievers

1. Simplified system, platform very easy to use, report tax quickly
2. Easy to navigate and see through
3. Design easy to use and follows new trends
4. Very good and easy way of explaining how the platform works
5. Easy path to reach all personal and reported data
6. Automatic savings of the document during editing
7. Support online, via phone or via social media with long opening hours
8. Option to pay taxes via the online platform
9. Very good and quick customer service - answers quickly
10. Very good and easy way of explaining how the taxation system works
11. Answering questions in 24 hours
12. Polite and happy attitude from customer service
13. Option to give feedback for customer service
14. Easy management of and saving files
15. Chance to release fines in some cases
16. Easy way to make corrections in the report
17. Latest versions of safe system - well protected from hacker attacks
18. Easy to follow how far the user is from finishing the report
19. Being able to follow the flow where the paid tax is used
20. All necessary features included

Gains

1. Report tax as soon as possible
2. Get answer quickly
3. Save money
4. Chance to release fines in some cases
5. Feel safe
6. Easy payment
7. Feel trust
8. Usage for free
9. Being informed about any changes

Customer Job(s)

1. Report taxes online
2. Pay taxes
3. See current status
4. Download documents
5. Gather information

Pains

1. Confusing and complicated surface
2. Feeling incompetent while using complicated surface
3. Inexperienced in using online applications
4. Difficult to find the reported and/or paid taxes
5. Loss of unsaved documents
6. Not able to ask anyone in doubt
7. Not able to pay taxes via online platform
8. Difficult to find answer quickly
9. Unfamiliar with taxation system
10. Long waiting time for receiving answer
11. Impolite customer service
12. No option for saving files in pdf or any readable format
13. Unexpected fine to pay due to incorrectly reported taxes
14. No option to correct mistakes
15. Feeling bad for unethical behaviour
16. Fear of the threat of being hacked
17. Unable to follow, not knowing how far user is from finishing the report
18. Untransparent / untraceable flow of the paid taxes
19. Missing basic features.

3.8. New Business Model

In the current Business Model Canvas there were discovered some crucial points under Customer Relationship section, which needed to be optimized.

These outpoints are changed to:
• Good atmosphere
• Friendly and polite customer service
• Professional customer service via phone

In the new model new Channels were added:
• Contact option via e-mail
• Social Media
• Mobile App

The new values are:
• Friendly and helpful environment
• Access via mobile

The added new key activities consist the following recommendations:
• Constant customer care
• Courses about taxation free of charge - including English
The recommended building a new branding requires a Marketing agency a new Key partner.

Of course by following these changes new costs will occur:
• Marketing team

• Costs of professional customer care and courses

And in the end it will lead to the following new Revenue Streams:
• Better perception
• Extra income from newly reported and paid taxes

New Busniess Model Canvas

Key Partners

- Legal representative
- Government
- Factoring
- **Marketing agency**

Key Activities

- Coverage of public costs
- Informing about current deadlines
- Sending reminder in case of unpaid taxes
- Debt collection
- **Constant customer care**
- **Courses about taxation free of charge - including English**

Key Resources

- Employees:
- Legal
- Administrator
- Revisor, accountant
- Offices
- E xchequer

Value Proposition

- Online platform to report tax
- Showing current status of tax
- Option to donwload documents
- **Friendly and helpful environment**
- **Access via mobile**

Customer Relationship

- **Good atmosphere**
- **Friendly and polite customer service**
- **Professional customer service via phone**
- Personal assistance in tax offices

Channels

- Website
- Hungary.hu - customer portal
- Flyers
- Letters sent via post
- Tax offices
- Customer service via phone
- **Contact option via e-mail**
- **Social Media**
- **Mobile App**

Customer Segments

- Residents of Hungary who have taxable income

Cost Structure

- Salaries
- Coverage of unpaid taxes
- Maintenance of tax offices
- Online platform
- Customer service via phone
- **Marketing team**
- **Costs of professional customer care and courses**

Revenue Streams

- Income from reported and paid taxes
- Exchequer
- **Better perception**
- **Extra income from newly reported and paid taxes**

3.9. Project management

In the beginning of the process of creating this project a group contract was written and signed first in order to agree on basic guidelines. This contract also ensured that members of the group deliver the tasks they were given to and that the agreed deadlines were kept.
Since there were only two members in the group, no project manager was appointed. Both parties were fully responsible for their own tasks and for the entire project at the same time.

The project was split into small tasks, which were divided between members. In the beginning of each day a short meeting was held to talk through the previously finished tasks and to set the tasks for the current day. Similar short meetings were also held when a bigger task was finished.

The following tools were used to assist the flow of the work:
The model of QISH was chosen as a comprehensive framework over the entire project: Questioning, Insight, Solution and Hand in in the end.[30] Furthermore Google calendar helped authors to follow the work process and keep the previously set deadlines of each sections.
It was decided to use Trello, to have be able to follow the progress online (Appendix 4). Here four columns were set: "To do", "Doing", "Feedback" and "Done". A task could get into the "Done" section, when it was read through and approved by both members. For daily online communication Facebook chat was chosen, while for editing and uploading documents Google Docs was used. For a better overview over the process, Gantt Chart was also generated (Appendix 4).

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[30] KEA slides

3.10. Conclusion

To answer the main problem formulation of the project "Can a more user-friendly interface of the online Hungarian Tax platform and a targeted marketing make people willing to report their yearly tax in Hungary?" were created and answered through this document.

It can be concluded that through a better user experience and platform the perception might change, although this problem is also political and cultural, which is hard to effect. Hence the rate of people filling out their tax declaration would increase and the younger generation perception is easily effectible by good digital service.

The concept was created by the results of the analysis, desktop research and theories. It is assumed, that according to the insight chapter the proposed solution will be successful in Hungary.

In order to increase the effectiveness and the volume of the satisfied users, the Hungarian National Tax Office should take advantage of digitalization and bring their platform to the next level.

Next to the offered solution, many future opportunities are not covered in this report, due the size and the complexity of the company. The focus of the project was only on one segment of the company; however, the rest of the digital platform is also in need of development.

3.11. Reflection

We chose this topic for our final thesis because we both have willingness to change for the good our country of origin. Of course we can only do that in our level, which is implementing the newly gained knowledge from Denmark. This has been the core idea behind this project. However, we knew this is a huge topic and not the easiest one, nevertheless since this is our last project we wanted to challenge ourselves.

Through this project we have found many interesting data and information of Hungarian Taxation, what we have not known before.

We both have become more confident in project work and writing academically about a topic such as tax system.

Overall it was great to work on this thesis.
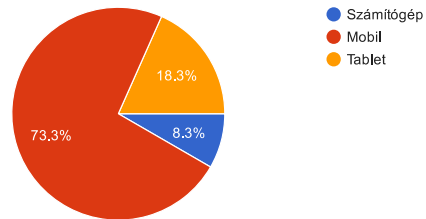
Adam and Daniel

4. APPENDIX

Questionnaire NAV platform for optimization

119 responses

If you had any choice, how to create a platform of tax returns?
(60 responses)

- Számítógép
- Mobil
- Tablet

73.3%   18.3%   8.3%

Age (59 responses)

- 15-21
- 22-40
- 41-52
- 53-71

64.4%   25.4%
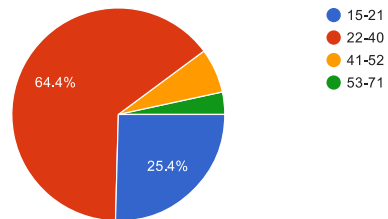
Gender (60 responses)

- Nő
- Férfi

55%

Appendix 2

	NAV SZJA 2016 USER JOURNEY MAPPING
1	Have been asked to declare their yearly personal income tax
2	Register for appointment in any governmental office
3	Go for the appointment and register
4	Receive the personal code which let you enter the platform
5	Visit the website
6	Find the panel
7	At nav.gov.hu find and download "ANYK ABEVJava software program"
8	Download the actual year's form, "1553NY"
9	Download the newest JAVA driver
10	Find the program on your computer
11	Install the framework program
12	Install and then open the actual year's form
13	Fill out your personal data
14	Click on "Connect to Client Gate" button - "Are you ready to connect?"
15	Click "Yes" - Your form has been saved on your computer
16	Click "OK" - The form will be checked, if everything filled out correctly
17	Click "OK" - The form will be saved as a secret file
18	Click "OK"
19	Click on "Connect to Client Gate" button again
20	Click on "Send in the form directly through Client Gate" button
21	Fill out your login and password to your Client Gate and then Click "Okay"
22	"The form has been uploaded"
23	Click "Okay"
24	
25	
26	
27	
28	

NAV 2018 USER JOURNEY MAPPING
Have been asked to declare their yearly personal income tax
Receive an e-mail
Register for appointment in any governmental office
Go for the appointment and register
Receive the personal code which let you enter the platform
Visit the website
Find the panel
At the landing page you need watch an explainer video + step by step graphics
Click again on the E-SZJA button
Enter your Client Gate username and password
You can choose between two options (tax declare or donation of 1+1% of your tax)
You can check the premade tax declare document
To see the entire detailed report you can check it
Fill out the form
Ask the customer service with any questions, then give feedback about the customer support
Automatic saving during editing
Option to correct wrongly reported tax
You can see the what you need to do pay/receive/ do nothing
Receive discount if you pay before the (soon) deadline
Pay tax directly from the online platform
See where your taxes went last year by an infographic
If the details and the amount is correct you need to click on the ACCEPT button
The process was successful
Message, which ensures the user, that the report has been reported and confirmed now
You can save reported data in PDF, CSV or other normally used formats
Deliver your document on the online platform directly to other authorities or institutions
Easy option to correct wrongly reported tax

Appendix 3

☰ ⌄ Dániel Molnár

- 33 245 Ft
Balance

12●● ●●●● ●●●● ●●●●

VISA

Your Name EXP DATE ●●/●●

Post code

City

Street

Country

◉ Link card

PAY

≡   ⌄ Dániel Molnár

- 33 245 Ft
Balance

Accept your tax decleration

ACCEPT

Modify

Previous tax balance

1 000 000 Ft

0 Ft

-1 000 000 Ft
        2012 2013 2014 2015 2016 2017

Personal yearly income	Tax benefits

Accounting of your personal income tax	The basis data for the draft

Összetett keresés
Keresés
Utolsó módosítás: 2017.05.23. kedd

Nemzeti Adó-
és Vámhivatal

e-SZJA
2018

Click for details

KIEMELT TÉMÁK

- Online pénztárgépek friss
- EKÁER
- KATA, KIVA 2017

SZJA

Fontos

Változások az elektronikusan beadható helyi iparűzési adóbevallást érintően

Adózással kapcsolatos számlaszámok

2017. január 1-től a NAV-hoz is benyújtható az iparűzési adóbevallás

Dohánygyártmányok kiskereskedelmi eladási ára

Friss információk

Az ADÓVILÁG 2017/7. száma 2017.05.29.

Határidők

2017. május

H	K	Sz	Cs	P	Sz	V
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

ADÓtraffipax

Appendix 4

TO DO

Add a card…

DOING

Methodology
17 May — DANI

Focus on reporting tax, not paying tax
18 May — 1 — DANI

All parts should be relevant in the analysis part
25 May — 1 — DANI

Small introduction to all Methods
18 May — 1 — DANI

Technical elements
30 May — DANI

Survey
25 May — 3 — DANI

Add a card…

FEEDBACK

Target Group
25 May — DANI

Extend the problem area
24 May — 1 — DANI

Technologies
29 May — DANI

Graphic style
29 May — DANI

Add a card…

DONE

22 May — 1

Wireframing the concept
24 May — DANI

Benchmark the two versions on the presentation
31 May — 1 — DANI

Sceernshots for all user journeys
29 May

App functions
30 May — DANI

Visual design
29 May — DANI

User Journey mapping
29 May — DANI

Add a card…

Add a list…

Card	Label(s)	Member(s)	Description	Start	End		May 2017																	June 2017																	
							08	09	10	11	12	15	16	17	18	19	22	23	24	25	26	29	30	31	01	02	05	06	07	08	09	12	13	14	15	16	19	20	21	22	23	26	27	28	29	30
TO DO																																															
DOING				17-05-17	30-05-17																																									
Validate why are we referrin…				27-05-17	27-05-17																	✔																								
Mention security issues				27-05-17	27-05-17																	✔																								
More facts about the issue				25-05-17	25-05-17															✔																										
Limitation - We don't go in d…		Adam Mezei		25-05-17	25-05-17															✔																										
Problem Area		Adam Mezei		17-05-17	17-05-17									✔																																
Methodology		Daniel Molnar		17-05-17	17-05-17									✔																																
Focus on reporting tax, not …		Adam Mezei,…		18-05-17	18-05-17										✔																															
All parts should be relevant…		Adam Mezei,…		25-05-17	25-05-17															✔																										
Small introduction to all Met…		Adam Mezei,…		18-05-17	18-05-17										✔																															
Technical elements		Daniel Molnar		30-05-17	30-05-17																		✔																						
Survey		Adam Mezei,…		25-05-17	25-05-17															✔																										
FEEDBACK				24-05-17	29-05-17																✔																									
Target Group		Daniel Molnar		25-05-17	25-05-17															✔																										
Extend the problem area		Daniel Molnar		24-05-17	24-05-17														✔																												
Technologies		Daniel Molnar		29-05-17	29-05-17																	✔																								
Graphic style		Daniel Molnar		29-05-17	29-05-17																	✔																								
DONE				18-05-17	31-05-17																✔																									
BRAINSTORMING!!		Daniel Molna…		26-05-17	26-05-17																✔																									
Simplify the goal		Daniel Molnar		18-05-17	18-05-17										✔																															
Rephrase introduction		Adam Mezei		22-05-17	22-05-17												✔																													
Wireframing the concept		Daniel Molnar		24-05-17	24-05-17														✔																												
Benchmark the two version…		Adam Mezei,…		31-05-17	31-05-17																		✔																						
Sceernshots for all user jou…		Adam Mezei		29-05-17	29-05-17																	✔																								
App functions		Daniel Molnar		30-05-17	30-05-17																		✔																						
Visual design		Daniel Molnar		29-05-17	29-05-17																	✔																								
User Journey mapping		Daniel Molnar		29-05-17	29-05-17																	✔																								

project: BA Project

last update:

Activity ✔ Due date