



Plain Numbers

Clear. Fair. Never misleading.

How Plain Numbers
transforms the
understanding of
credit costs



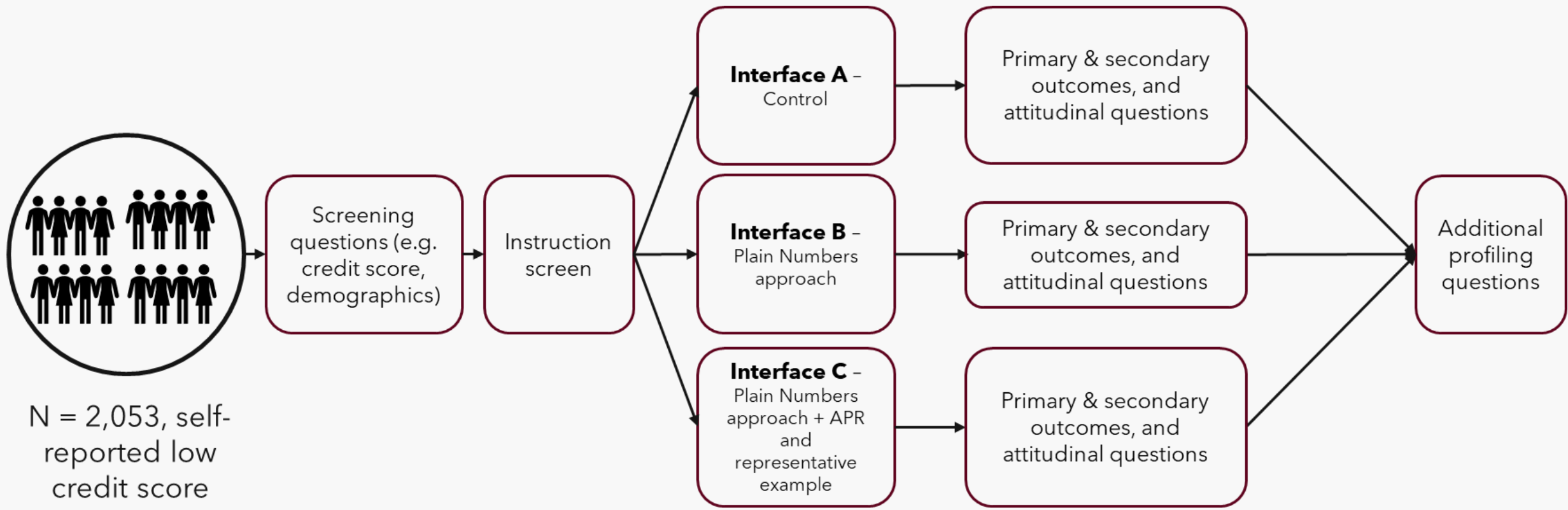
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We tested three ways to communicate the cost of credit

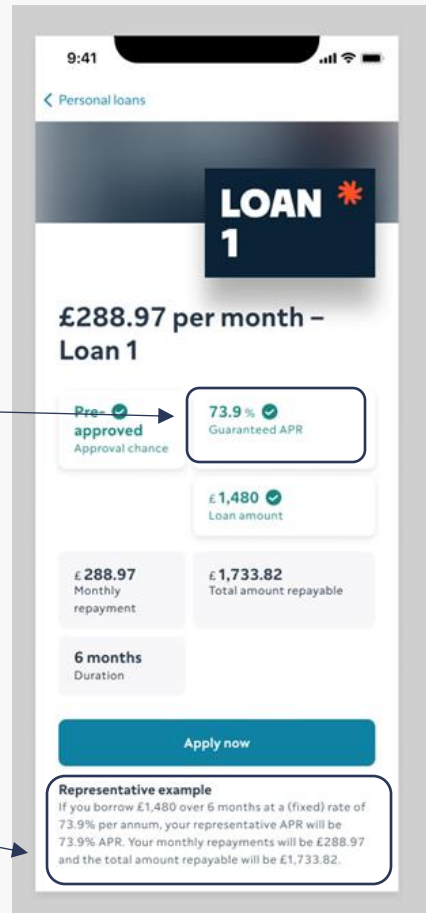
- Interface A - the original version that ClearScore customers currently see.
- Interface B – A version of the screen where the Plain Numbers Approach had been applied without APR or representative example.
- Interface C – A version where the Plain Numbers Approach had been applied alongside APR and representative example.



Thinks Insight ran a Randomised Controlled Trial (RCT).



The three ways to communicate the cost of credit.

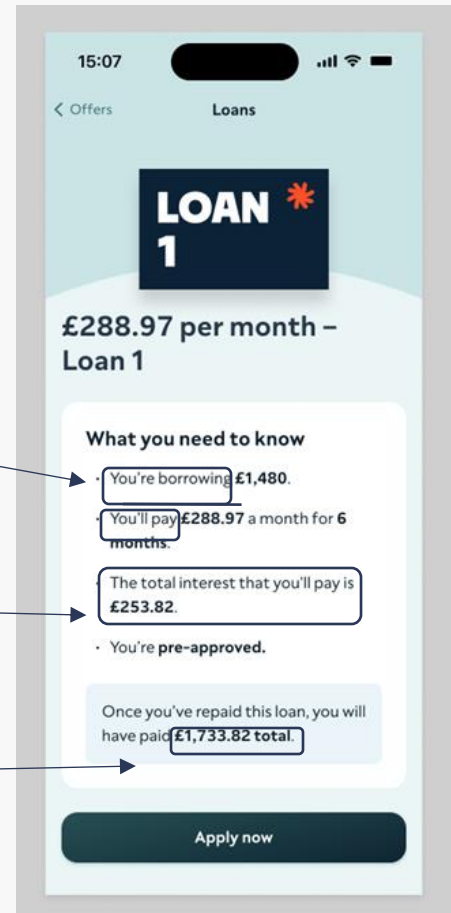


Interface A
Control

Simple narrative language throughout

Total interest you'll pay in Plain Numbers

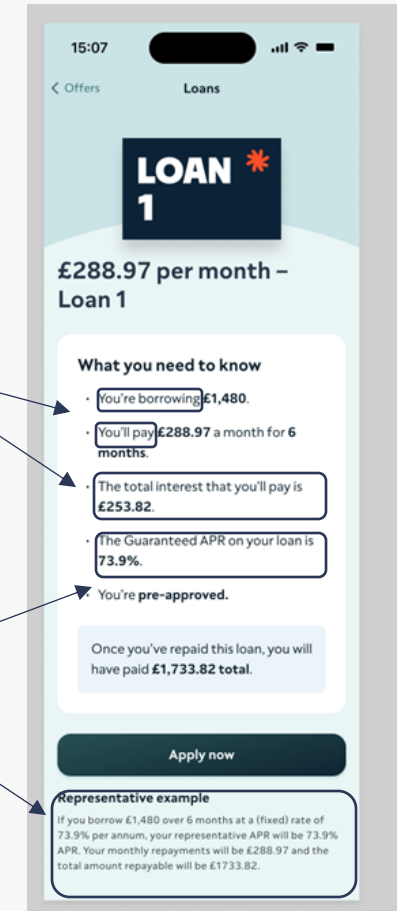
Total clearly highlighted



Interface B
Plain Numbers approach

Plain Numbers Approach applied throughout (as in Interface B)

With original APR value and representative example also included

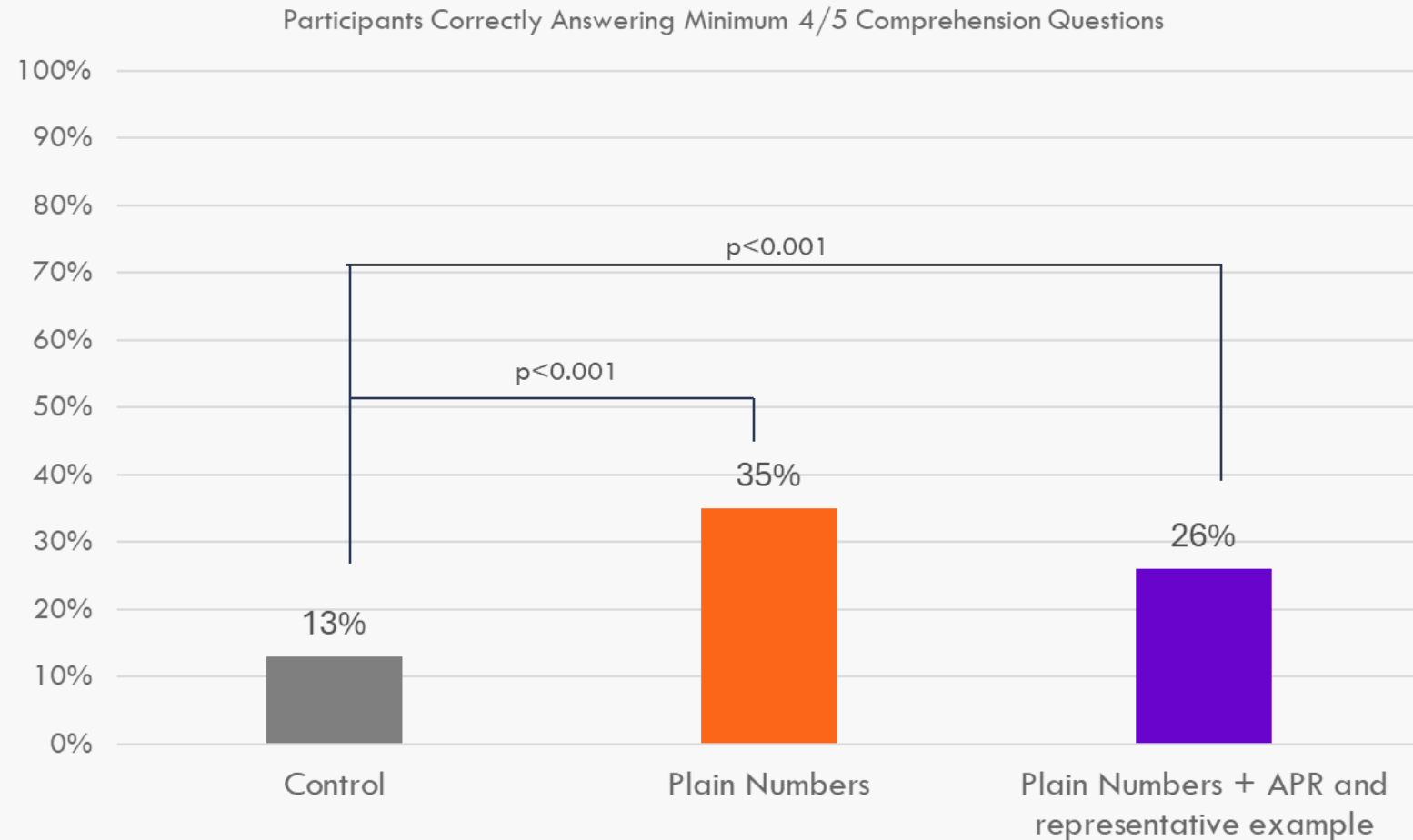


Interface B
Plain Numbers approach

The Plain Numbers Approach drives significant increases in understanding of the cost of credit.

Both Plain Numbers interfaces drive a **significant increase in understanding** the cost of credit compared to the current regulatory requirements interface in the control.

This increase was **greatest for the Plain Numbers interface without APR and representative example**, nearly tripling from 13% to 35%.



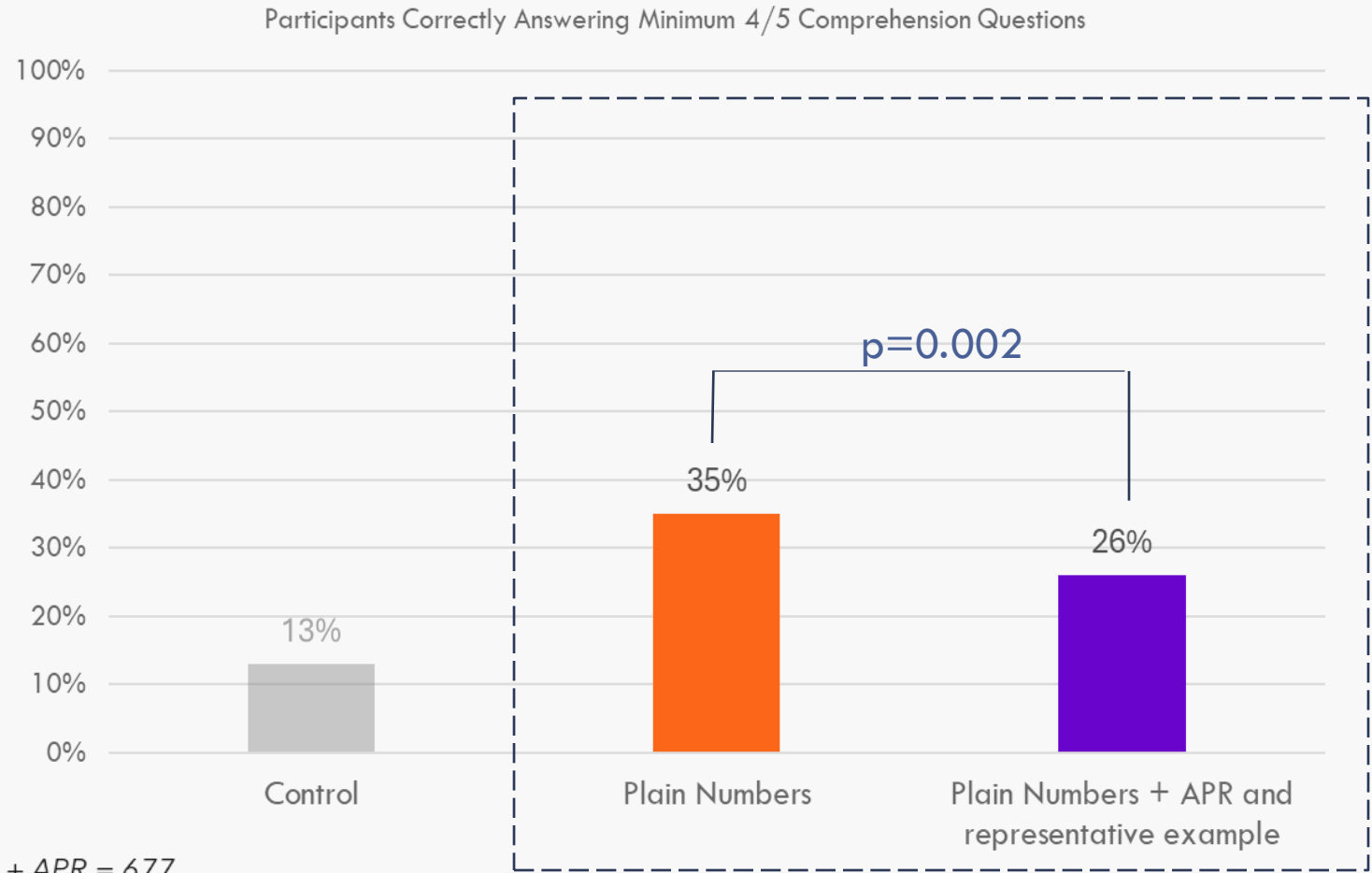
Base = 2053, Control = 686, Plain Numbers = 690, Plain Numbers + APR = 677.

The primary outcome is the percentage of participants who were able to correctly answer a minimum of 4 out of 5 comprehension questions (Q9-13).

The Plain Numbers Approach appears to be more effective when APR and a representative example are not present

When APR and representative example are added to the Plan Numbers interface, it results in a **significant drop in understanding** of the cost of credit.

This suggests the inclusion of APR and representative example **actively undermines understanding** when the cost of the loan is explicitly stated.



Base = 2053, Control = 686, Plain Numbers = 690, Plain Numbers + APR = 677.

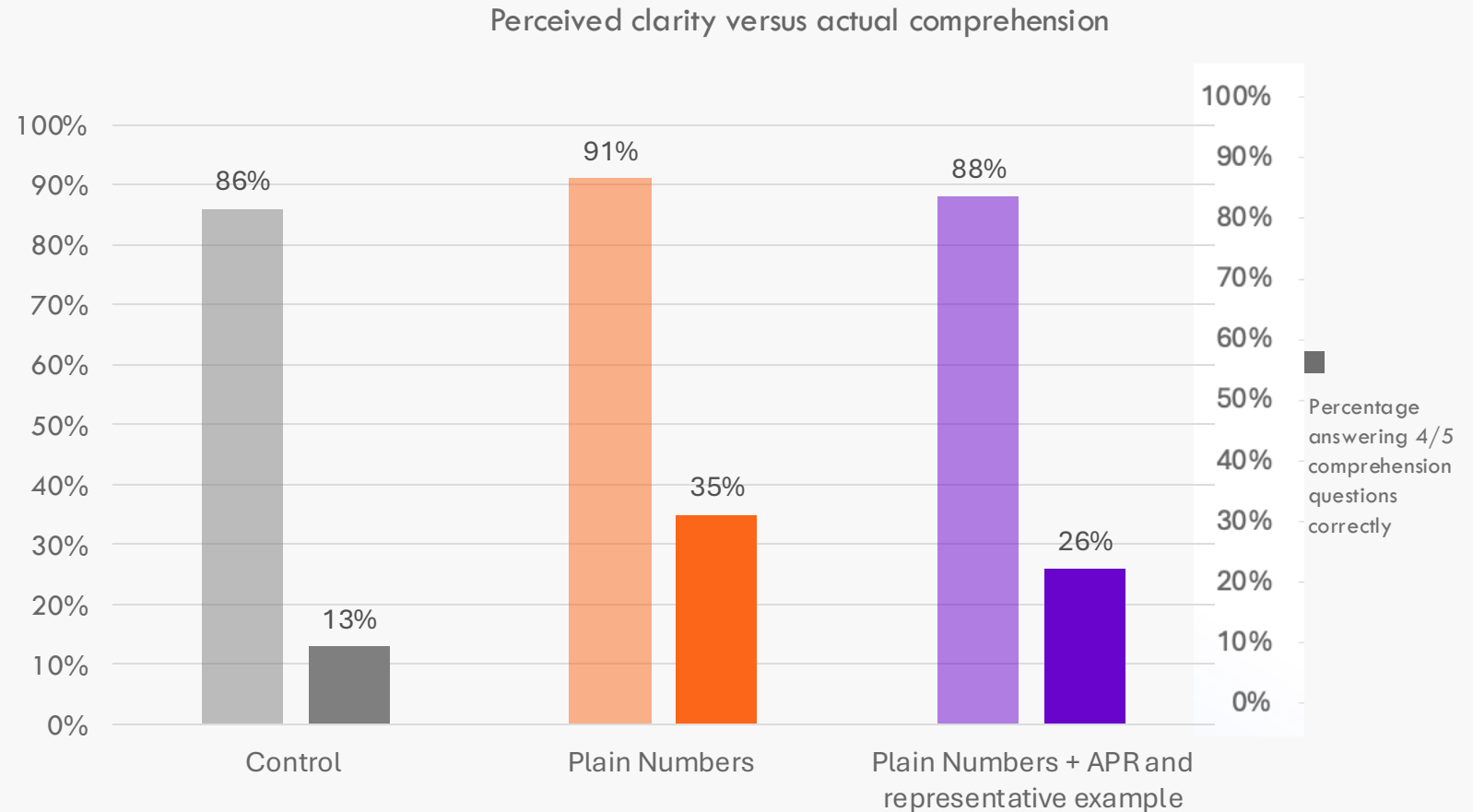
The primary outcome shows the percentage of participants who were able to correctly answer a minimum of 4 out of 5 comprehension questions (Q9-13).

However, actual comprehension lags far behind perceived clarity in each of the arms

In contrast, **actual levels of comprehension** (as measured by the correct answering of at least 4/5 comprehension questions) appear **substantially lower than perceived clarity across all arms.**

This demonstrates a substantial disconnect between participants perceived understanding of the cost of credit and their understanding in reality.

Percentage reporting that the information was clear, fair and easy to understand



Q6. To what extent do you agree that this information has been presented in a way that is clear, fair and easy to understand?

And primary outcome showing the percentage of participants who were able to correctly answer a minimum of 4 out of 5 comprehension questions (Q9-13).

Base = 2052, Control = 686, Plain Numbers = 690, Plain Numbers + APR = 677

Key findings

- ☐ The Plain Numbers Approach drives **significant increases in understanding of the cost of credit** compared to the current regulatory requirements interface in the control.
- ☐ The Plain Numbers Approach appears to be more effective when APR and a representative example are not present. **This suggests that ‘less is more’** – more information (APR and representative) confuses people.
- ☐ People don’t know what they don’t know. Across all arms, the vast majority of participants agreed that information was presented in a way that is clear, fair and easy to understand. Yet their comprehension results don’t match this.

