



Increasing transparency of online foreign exchange calculators

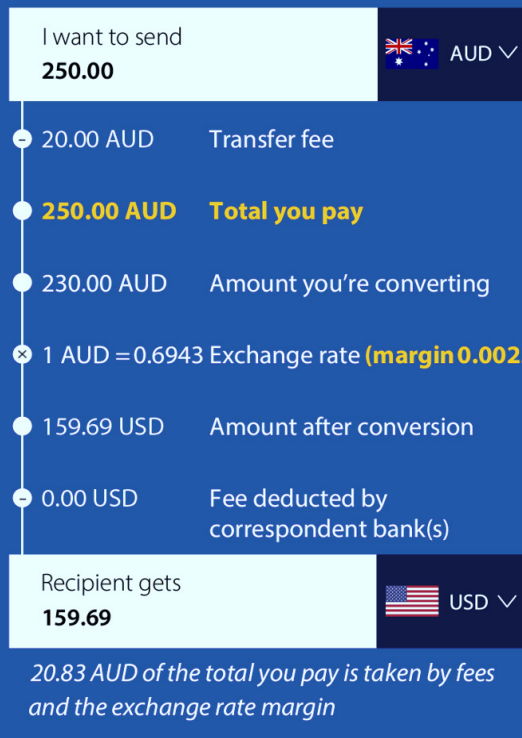
BETA worked with the Australian Consumer and Competition Commission (ACCC) to design and test potential changes to International Money Transfer calculators that could increase competition and ultimately value for customers. Australians send \$21 billion in international money transfers every year. We want to make it easy for customers to compare offers and choose the best deal.

We ran an online survey experiment with 5,673 Australians to test which type of calculator best helped consumers choose the best value offer. We found:

85% of participants picked the best deal when offers were presented consistently and where fees were subtracted - compared to 47% of participants who saw offers where fees were sometimes subtracted and sometimes added.

Consistently adding fees was not as helpful as consistently subtracting fees.

Use the currency conversion calculator and see how much money you will send overseas.



Providing a foreign exchange rate margin did not improve participants' ability to choose a good deal.

Providing 'comparison rate prompts' improved people's ability to identify a poor value deal. There was no difference between presenting the prompt as a percentage or as a dollar value.



If these changes were implemented, Australians could save \$200 million per year in avoided fees.*