



## Summary

- Defaults often involve increasing uptake of one particular option, and may not accommodate heterogeneous preferences
- “Reason defaults” describe reasons for choosing the default and alternative options

- Reason defaults may help those with both majority and minority preferences select the best option for them
- Study 1. Reason defaults helped participants pick the right incentivized test and increased satisfaction with their choice

- Study 2. Reason defaults improved IRA decisions, particularly when the “wrong” default was assigned
- Study 3. People believed reason defaults: helped them understand why one should choose each option, were more transparent, and required less effortful choice

Methods

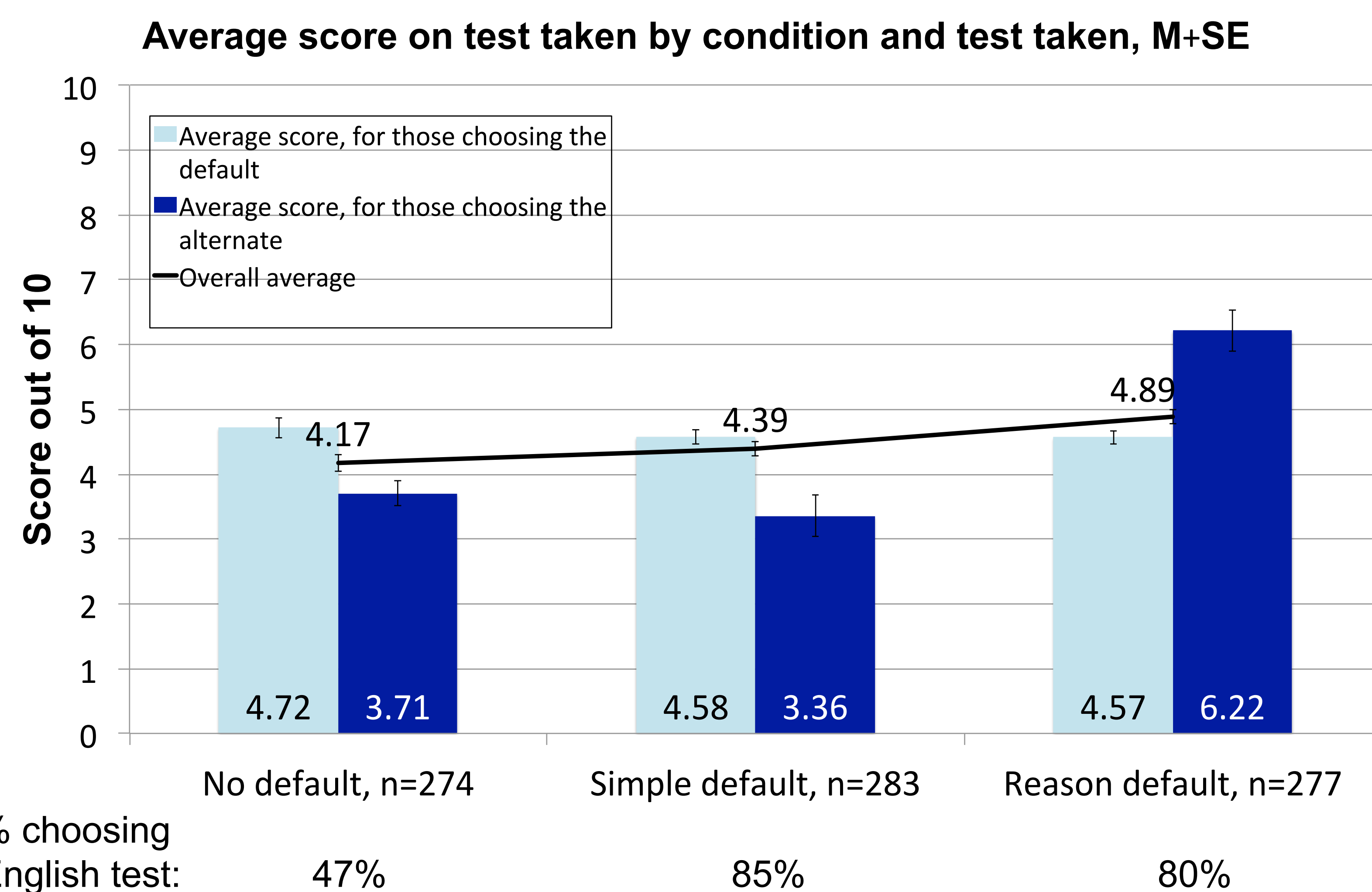
### Study 1: Task performance and satisfaction

- Participants (N=834) were randomly assigned to choose between two incentivized tests in one of 3 set ups: forced choice, a simple default, or a reason default

**Simple default message:** We recommend the preselected option, as most people are better at answering the questions in [the default test]

**Reason default message:** We recommend the preselected option, as most people are better at answering the questions in [the default test]. However, people who are very familiar with [alternate option] do better [on the alternate test]

- Ps chose between two incentivized tests (\$0.02 per correct answer): English vocab and grammar (the default) and the TV show “Parks and Rec” (alternate)
- Each test was 10 questions, and performance was measured as number of correct answers

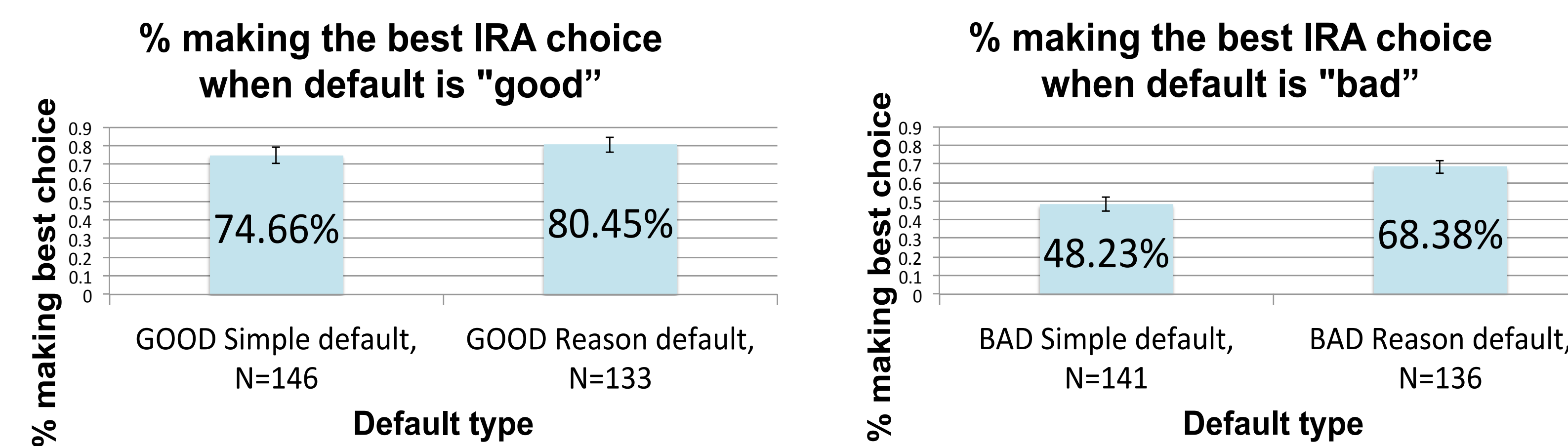
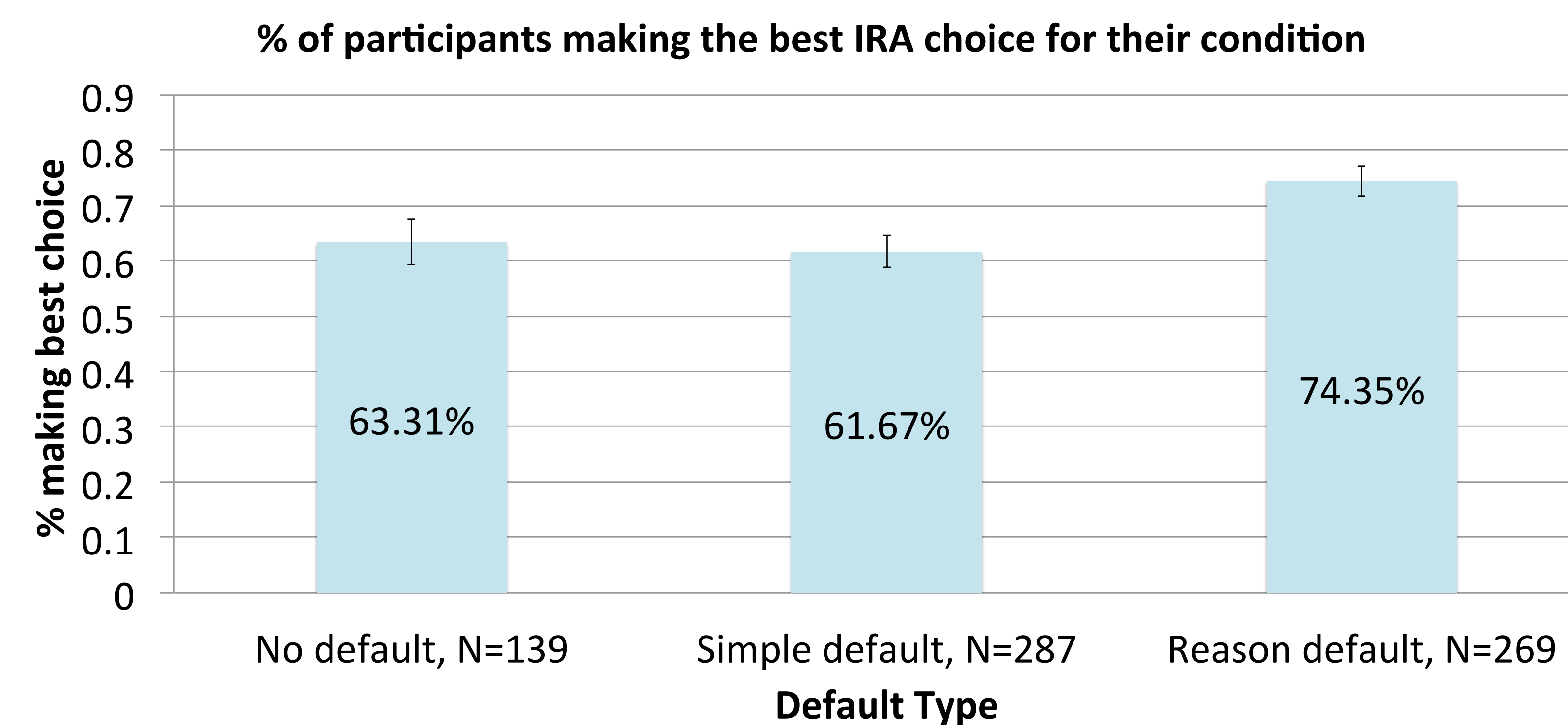


Results

- Participants in the reason default condition scored highest ( $p < .001$ ), perhaps because the reason default helped the right people choose the alternative test
- More people who were assigned the reason default felt they took the best test for them (81%) relative to the simple (53%) and no default (47%) conditions ( $p < .001$ )

### Study 2: Preference consistent choice

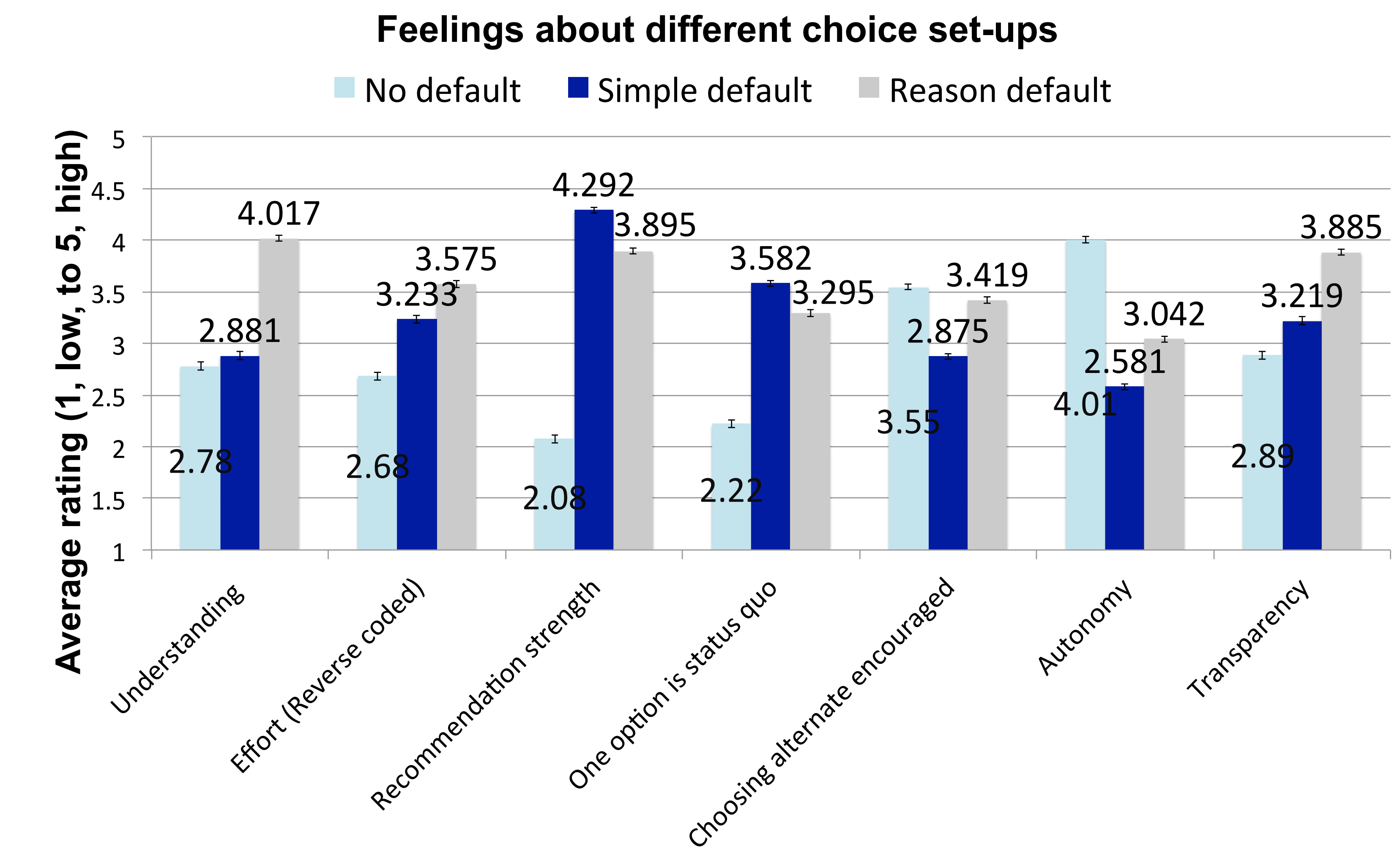
- Participants (N=938) were randomly assigned to imagine one of two tax regimes (taxes likely to increase or decrease)
- Ps imagined they were saving taxable earnings for 20 years
- Ps read about two tax plans and selected one: traditional IRA (taxes paid later) and Roth IRA (taxes paid now) in one of 5 formats: forced choice, simple traditional default, simple Roth default, reason traditional default, reason Roth default



- Participants were more likely to choose the best option for their assigned condition in the reason default condition ( $p = .004$ )
- This appears to be driven by participants in the reason default condition opting out of bad defaults more often

### Study 3: Perceptions

- Participants (N=879) read about policy makers planning to present a choice in one of 6 contexts (finance, medicine, privacy, food, environmental consciousness, product features)
- Ps learned learn about how their assigned decision could be framed as a forced choice, simple default, or reason default in random order
- Ps answered 7 sets of two questions after reading about each framing



- **Reason vs Simple or Forced choice:** People felt reason defaults were most helpful in understanding when to choose each option, least effortful, and most transparent
- **Reason vs Simple:** People felt reason defaults favored one option less, encouraged the choice of the alternative more, and offered more autonomy than simple defaults

## Takeaways

- Including information about preference heterogeneity may help those with minority preferences pick the best option for them
- Reason defaults may help to boost decision makers' understanding of the decision at hand, make choices less effortful, and make decisions more transparent, among other things