



# Rethinking Performance Disclosures

Empowering consumers to become confident investors that make informed investment decisions

**Executive Summary**

March 2025



## Foreword

We want to build a savings and investing culture in the UK to grow resilience and increase financial wellbeing for everyone. As an industry, we need to do more to help people from all backgrounds become informed, confident investors, who can allocate their money between cash and investing in an effective manner. Over the last 3 years, TISA has been driving forward a programme of research and development to do just that.



With thanks to...

**Vanguard**

The logo for EY Seren, featuring a yellow chevron shape above the text 'EY Seren' in a bold, black font.

**EY Seren**

The logo for Life Moments, featuring a colorful, multi-colored circular graphic composed of dots and lines, followed by the text 'Life Moments' in a bold, black font.

**Life Moments**



## Executive Summary

In 2022, TISA undertook research to understand the barriers to investing. This identified the following main barriers:

- Engagement is the major problem, with over 70% of people who have not invested in S&S ISAs having never even considered doing so.
- People have misconceptions around the risk and reward trade-off between investing and saving.
- People find the journey of investing in a S&S ISA journey time-consuming and complex—much still needs to be learnt from behavioural science about creating effective communications and information to drive good outcomes.

TISA has worked tirelessly to bring about the Advice Guidance Boundary Review and strongly supports the Targeted Support policy which could materially increase investment engagement and awareness levels. In 2024, TISA published research into risk warnings which found that contextualised risks could lead to c.14% more cash being invested by the public. This year, in conjunction with Vanguard, Life Moments and EY Seren, this new research considers the flip side of that coin: the reward, or performance, element.

42% of UK adults (22.8m) with £10,000 or more in investible assets are already investing<sup>1</sup>. Many of these investors may not be allocating their money between cash and investing in the most effective manner. We want investors to have confidence in investing and to gain value from the documents, disclosures and communications that firms create for them. Flagship policies, such as Targeted Support under the Advice Guidance Boundary Review, are expected to materially improve consumer awareness of investing and lead to greater levels of retail investment. As more people consider investing, it is vital that we don't fall at the final hurdle, with disclosures that switch people off. We do not want consumers to give up on the investment journey, or become disillusioned with investing because the information that is given to them is overly complex, overwhelming, and difficult to draw actionable insights from. We want disclosures to be intelligible, provide consumers with confidence in investing and to ultimately support them in their decision making, so that they can allocate their money between cash and investing in the most effective manner.

Throughout this research we wanted to show that inclusive design can improve outcomes for all investors. With this in mind, undertook the following experiments:

- 21 qualitative interviews were conducted with Vanguard's consumer panel, 'Vanguard Voices'.
- 508 quantitative questionnaires were completed by consumers.

The qualitative research participants held one or more retail investment with Vanguard and tended to have a higher investment knowledge than the UK population average. We weighted the quantitative research participants towards those that self-proclaimed as less-confident: for every 1 confident investor, we had 4 less confident investors.

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<sup>1</sup> [Financial Lives 2022 survey: Consumer investments and financial advice selected findings](#)

## What's the problem?

Currently, fund performance reports are heavily proscribed, with information typically being long, complex and key messages being difficult to discern.



**1 in 10 less confident investors read fund performance reports**



**1 in 4 less confident investors struggle to understand key financial terms**



**1 in 5 confident investors read fund performance reports**



**1 in 4 less confident investors struggle to understand relative performance**



**88% of less confident investors experience a range of usability challenges with fund performance reports**



**Over 33% of less confident investors struggle to decide whether to adjust their portfolio when reviewing their fund performance reports**



**35% of less confident investors struggle to understand key performance metrics**

Performance disclosures are not working well: many retail investors do not turn to fund performance reports as a trusted source of information when making investment decisions and when they do, they face a range of challenges that undermine their confidence in investing and ability to make informed decisions.

When making investment decisions, investors were more likely to turn to family and friends, information sites, TV programs about money and social media or influencers than performance disclosures.

When consumers do review performance disclosures, they face the following key challenges:

1. Understanding key performance and financial terms which are central to understanding fund performance disclosures
2. Understanding how their investment is performing relevant to other options (i.e. cash savings)
3. Determining actionable insights from the disclosures

The current approach can leave consumers feeling overwhelmed by too much information and confused as to what the disclosures mean for them. The current approach does not give people a trusted and relied upon source of information that enables them to make informed investment decisions and achieve their financial potential.

We want to change that so that people from all backgrounds can become informed, confident investors, who can allocate their money between cash and investing in the most effective manner.

## Rethink Performance Disclosures

In light of these challenges, we wanted to test 4 new features to see if they could address these challenges and improve fund performance reports, so that customers could understand how their investment is performing and use fund performance reports to support informed decision making.

The 4 features were:

- 1. Educational content:** ‘tooltips’ that provide clickable definitions for key performance metrics and financial terminology
- 2. Customisable visualisation:** allowed customers to choose whether to see key information displayed in a tabular, graphical or word format.
- 3. Benchmarks:** allowed customers to select the following options: an inflation benchmark, a cash savings benchmark (BoE Base Rate) and the ability to set a personalised growth benchmark. The latter enabled consumers to select their target annual growth rate, as a percentage.
- 4. AI-powered digital assistant:** a vehicle for providing educational content to consumers.





For access to the full report, please visit:

<https://www.tisa.uk.com/inclusiveinvesting/rethinking-performance-disclosures/> (exclusive to TISA members)

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