

# Effectiveness of Online “Early Intervention” Financial Education for Credit Cardholders

Kimberly Gartner, Richard M. Todd

For 2005 Community Affairs Research  
Conference

*Experimental results from The Saint Paul  
Foundation’s Credit Card Project Industry  
Practices Committee. Experiments conducted  
by Target Financial Services, Wells Fargo, and  
U.S. Bank with assistance from VISA.*

## Wells Fargo: % Difference from Control

	Exp.	DLO	Ed.
Ever Had Late Payment	-2.5	-0.3	-33.0
Ever Charged Over Limit	-0.2	2.2	-33.7
Ever 30-Days Delinquent	-3.6	-0.8	-42.7
% Accounts Charged Off	-6.3	-2.0	-65.9
\$ Charged Off / Account	-7.1	-2.9	-65.6
\$ Card Purchases / Month	2.1	-0.1	32.7
\$ Cash Advances / Month	-2.2	-0.2	-28.8
Avg. Revolving Balance	2.1	4.3	-27.8
Avg. Payment/Balance	0.7	-1.8	35.8

## U.S. Bank, % Difference from Control

Cash Advance	-12.5
Purchases	-40.5
Payments	-38.6
Interest Income	-3.8
Non-Interest Income	-30.1
Net Loss	17.5
Contribution Margin	-21.3
Profit	-21.1

# Credit Card Project

- Mission: Help consumers manage credit successfully
- Approach: Actively involve all credit card industry stakeholders; understand probs and develop interventions
- Industry Efforts: Working to recruit additional companies to test other early education/early intervention efforts. Also interested in testing other actions, such as communicating credit terms and conditions.
- Other education efforts: [www.whatsmyscore.org](http://www.whatsmyscore.org)
- For more information or to join the Project:
  - Contact Kathy Dougherty, Project Coordinator, 612.522.0707 or [kmdconsulting@juno.com](mailto:kmdconsulting@juno.com)
  - Visit [www.saintpaulfoundation.org/impact/credit/](http://www.saintpaulfoundation.org/impact/credit/)