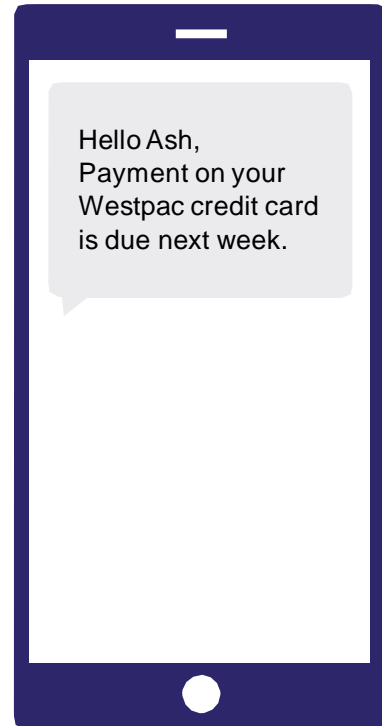




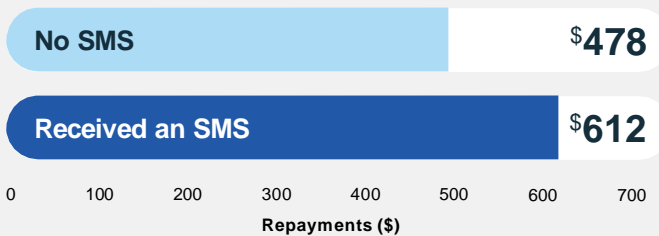
# Credit when it's due: Timely reminders to help reduce credit card debt

Consumers who only make the minimum repayment on their credit card could be paying hundreds of dollars a year in high interest payments.



To help, BETA partnered with Westpac and Treasury. We designed different SMS and email reminders to see whether we could encourage consumers to pay earlier and save money.

## Sending SMS reminders increased credit card repayments



We found **sending any type of SMS reminder resulted in a \$134 (28 per cent) increase in repayments in the following month**, compared to those who received no message.

However, different SMS messages all had a similar impact and we were unable to detect an effect from sending email reminders.

## SMS reminders had a lasting impact on balance size

Average balance size 12 months later



We also found those who received an SMS reminder had, on average, **smaller balances twelve months later** compared to those who received no message.



**Sending an SMS reminder to credit card consumers before their payment due date is a simple, cost-effective way to improve their financial wellbeing.**