


May 10 2021


Does Knowing Your FICO Score Change Financial Behavior? Evidence from a Field Experiment with Student Loan Borrowers

Tatiana Homonoff, Rourke O'Brien, Abigail B. Sussman

[> Author and Article Information](#)

The Review of Economics and Statistics (2021) 103 (2): 236–250.

https://doi.org/10.1162/rest_a_00888 [Article history](#) 

[Cite](#) [Permissions](#) [Share](#)  [Views](#) 

Abstract

One in five consumer credit accounts incurs late fees each quarter. Evidence on the efficacy of regulations to improve behavior through enhanced disclosure of financial product attributes is mixed. We test a novel form of disclosure that provides borrowers with a personalized measure of their creditworthiness. In a field experiment with over 400,000 student loan borrowers, treatment group members received communications about the availability of their FICO Score. The intervention significantly reduced late payments and increased borrowers' FICO Scores. Survey data show treatment group members were less likely to overestimate their FICO Scores, suggesting the intervention may correct for overoptimism.

© 2019 by the President and Fellows of Harvard College and the Massachusetts Institute of Technology

Supplementary data

Supplemental appendix
- pdf file

You do not currently have access to this content.

Sign in

Don't already have an account? [Register](#)

Client Account

Email address / Username

[Skip to Main Content](#)

Password

[Sign In](#)

[Reset password](#)

[Register](#)

Sign in via your Institution

Sign in via your Institution

[Buy This Article](#)

Email Alerts

[Article Activity Alert](#)

[Latest Issue Alert](#)



[View Metrics](#)

Latest

[Most Read](#)

[Most Cited](#)

The Impact of Retail E-Commerce on Relative Prices and Consumer Welfare

Measuring Under- and Overreaction in Expectation Formation

Endogenous Firm Competition and the Cyclicalness of Markups

A Cold Shower for the Hot Hand Fallacy: Robust Evidence from Controlled Settings

[Skip to Main Content](#)

Cited By

Web of Science (13)

Google Scholar

Related Articles

Parental Credit Constraints and Child College Attendance

Education Finance and Policy (September,2019)

Liquidity Problems and Early Payment Default among Subprime Mortgages

The Review of Economics and Statistics (December,2016)

Assessing the Relative Progressivity of the Biden Administration's Federal Student Loan Forgiveness Proposal

Education Finance and Policy (October,2024)

Geographic Variation in Subprime Loan Features, Foreclosures, and Prepayments

The Review of Economics and Statistics (May,2013)

Related Book Chapters

On Borrowed Time

After America's Midlife Crisis

Experts Borrow

Software Design Decoded: 66 Ways Experts Think

The Disclosures of Science

Far-Fetched Facts: A Parable of Development Aid

Borrowing Semantic Space

Toward a Cognitive Semantics, Volume 2: Typology and Process in Concept Structuring

The Review of Economics and Statistics



[Newsletter sign up](#)



MIT Press Direct

[About MIT Press Direct](#)

[Books](#)

[Journals](#)

[CogNet](#)

Information

[Accessibility at MIT](#)

[MIT Press Direct VPAT](#)

[For Authors](#)

[For Customers](#)

[For Librarians](#)

[Direct to Open](#)

[Open Access](#)

[Media Inquiries](#)

[Rights and Permissions](#)

[For Advertisers](#)

MIT Press

[About the MIT Press](#)

[The MIT Press Reader](#)

[MIT Press Blog](#)

[Seasonal Catalogs](#)

[MIT Press Home](#)

[Give to the MIT Press](#)

Contact Us

[FAQ](#)

[Direct Service Desk](#)

[Skip to Main Content](#)

The MIT Press colophon is registered in the U.S. Patent and Trademark Office