

Put Your Money Where Your Butt Is  
A Commitment Contract for Smoking Cessation

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## Abstract

The authors designed and tested a voluntary commitment product to help smokers quit smoking. The product (CARES) offered smokers a savings account in which they deposit funds for six months, after which they take a urine test for nicotine and cotinine. If they pass, their money is returned; otherwise, their money is forfeited

to charity. Eleven percent of smokers offered CARES tookup, and smokers randomly *offered* CARES were 3 percentage points more likely to pass the 6-month test than the control group. More importantly, this effect persisted in surprise tests at 12 months, indicating that CARES produced lasting smoking cessation.

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This paper—a product of the Finance and Private Sector Team, Development Research Group—is part of a larger effort in the department to understand the efficacy of a savings commitment product. Policy Research Working Papers are also posted on the Web at <http://econ.worldbank.org>. The author may be contacted at [xgine@worldbank.org](mailto:xgine@worldbank.org).

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A Commitment Contract for Smoking Cessation\*

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## I. Introduction

More than five decades after Strotz (1955) modeled dynamic inconsistency, debate continues over how to represent preferences for consumption over time.<sup>1</sup> Introspection, casual empiricism, and laboratory evidence have motivated theorists to develop several type of models in which consumers exhibit more impatience for near-term trade-offs than for future trade-offs.<sup>2</sup> The consumption of addictive substances has been a particular focus of such models.<sup>3</sup> These models share the prediction that some (self-aware, or “sophisticated”) consumers will seek to voluntarily constrain their future consumption choices: they will demand commitment devices.<sup>4</sup> Yet there is little field evidence on the demand for or effectiveness of such commitment devices.

We take some initial steps toward addressing the empirical viability and effectiveness of commitment devices for smoking cessation, using evidence from a field experiment in the Philippines. Some smokers were randomly assigned an opportunity to voluntarily sign a commitment contract (branded Committed Action to Reduce and End Smoking, or “CARES”) to stop smoking. A smoker signing the contract pledged his own money that he would pass a cotinine (the primary metabolite of nicotine) urine test six months later.<sup>5</sup> If the CARES client passed the urine test he got his money back (no interest accrued on the account). If he failed the test the local bank offering the savings product donated the money to charity. This is essentially the performance bond contract suggested in Gruber and Koszegi (2001). A second treatment group received “cue cards,” visually aversive wallet-sized pictures that are modeled on Canada’s mandated cigarette packaging and intended to regularly remind smokers of the health risks from smoking.

Eleven percent of smokers offered the CARES contract signed up. This is comparable to take-up rates for a leading “self-help” treatment: nicotine replacement medications

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<sup>1</sup> See Phelps and Pollack (1968) for another early, formal model with time-inconsistent preferences.

<sup>2</sup> See, e.g., Laibson (1997), O’Donoghue and Rabin (1999; 2001), Gul and Pesendorfer (2001; 2004), and Fudenberg and Levine (2006).

<sup>3</sup> Models of addiction with self-control or temptation problems include Gruber and Koszegi (2001), Laibson (2001), O’Donoghue and Rabin (2002), Bernheim and Rangel (2004), and Gul and Pesendorfer (2007).

<sup>4</sup> In contrast, standard neoclassical models of intertemporal choice do not predict a demand for commitment. Becker and Murphy (1988) model the consumption of addictive substances along the lines, and Becker, Grossman and Murphy (1991) test the model’s key empirical predictions.

<sup>5</sup> The testing protocol has limitations, detailed below, but has been used by public health campaigns and tests of other treatments (Benowitz et al. 2002), including Volpp et al (2006; 2009) and some of the randomized trials of nicotine replacement medications summarized in Stead et al (2008).

(patch, gum, inhaler, or nasal spray).<sup>6</sup> The average client made a deposit every two weeks and ended up committing 550 pesos (\$11 USD) by the end of the six-month contract period. 550 pesos is about 20% of monthly income<sup>7</sup> and roughly equal to the average out-of-pocket expense for about 6 months' worth of cigarettes incurred by CARES clients at baseline.

Our results suggest that CARES helps smokers quit. Smokers randomly *offered* CARES were an estimated 3.3 to 5.8 percentage points more likely to pass the 6-month urine test than the control group, and 3.5 to 5.7 percentage points more likely to pass the 12-month urine test than the control group. Using the random assignment of whether CARES was *offered* to estimate treatment effects-- specifically, intention-to-treat effects-- generates results that are free of bias (e.g., from an omitted variable such as the strength of desire to stop smoking). We then estimate the effects of CARES *usage*-- treatment-on-the-treated effects-- by using the randomly assigned offer to instrument for usage. These estimates indicate increases of 31 to 53 percentage points in the likelihood of 12-month test passage. The voluntary take-up decision means that one must be careful in thinking through whether these treatment-on-the-treated estimates will generalize to the full population of smokers. We discuss this issue in the Conclusion after detailing the design and results of the present study.

The 12-month results are more interesting for several reasons. The 6-month test date was scheduled up to 4 weeks in advance, and the test could be passed by abstaining from smoking for as little as a few days before the test date.<sup>8</sup> The 12-month tests, in contrast, were “surprise” tests with only a day or two gap between test solicitation and administration. The 12-month results also lacked any incentives for fraud, since all commitment contract money had been returned or forfeited at 6 months, and hence there was no financial consequence tied to the 12-month test result. Lastly, practical reasons required that subject compensation for taking the 6-month test vary across treatment arms

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<sup>6</sup> Seventeen percent of smokers U.S. smokers reported using nicotine replacement medication during the last 12 months in a nationally representative 2001 phone survey (Bansal et al. 2004). In the only study we know of from the Philippines, only six percent of a sample of relatively heavy smokers who had already decided to quit had ever used any form of nicotine replacement therapy in past smoking cessation attempts (Tipones and Fernandez 2006).

<sup>7</sup> Income is very roughly estimated from marketer observations of subject appearance and work activity.

<sup>8</sup> Possibilities of gaming the 6-month test aside, the public health literature finds that even short-term abstinence or failed quit attempts increase the probability of quitting eventually.

(CARES users did not receive compensation, while all other subjects did). In principle this could generate sample selection bias. The 12-month test does not suffer from this problem, since all subjects were offered equal compensation for taking the test.

The finding that a limited-time (6-month) commitment produces longer-term smoking cessation suggests that commitments can facilitate the formation of good habits. This in turn suggests that commitment contracts may be worth subsidizing if viable private markets fail to develop in some settings (due, e.g., to legal obstacles or externalities). In some cases commitment contracts could serve as a lower-cost substitute for, or low-cost complement to, conditional cash transfers for healthy behaviors (Volpp et al. 2008a; Volpp et al. 2008b; Charness and Gneezy forthcoming).

The effect of CARES on smoking quits, although small in nominal number of individuals who stopped smoking, is large in relative terms. The sample mean pass rate for the surprise 12-month test was only 10.1% or 18% in the control group, depending on the assumption used to classify subjects who did not take the test. These low levels of transition from smoking to non-smoking status are typical, given the addictive nature of smoking.<sup>9</sup> Our intention-to-treat effects represent an 34.6% (3.5./10.1) or 32.0% (5.7/17.8) increase over these baseline likelihoods of smoking cessation.

The magnitude of the CARES treatment effects is also large relative to other smoking cessation treatments. Within-sample we find little evidence that the aversive cue cards affect smoking quits, and the upper bound of the cue card 12-month treatment-on-the-treated confidence interval implies an increased likelihood of surprise test passage that is 1/8 of the comparable point estimate on CARES. The results also suggest that CARES has effects that are comparable to other treatments that have been tested using randomized trials on other samples. Volpp et al (2006) find that modest financial bonuses offered through a U.S. Veterans Affairs hospital increase short-term cessation but not lasting quits. Volpp et al (2009) find that larger financial bonuses (\$250 for 6-month test passage, \$400 for 12-month test passage), offered through a workplace program, increase both short-term cessation and lasting quits (with a treatment-on-the-treated effect of 5.8

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<sup>9</sup> See, e.g., the American Cancer Society's *Guide to Quitting Smoking*, which states: "Why is quitting and staying quit hard for so many people? The answer is nicotine." Mark Twain offers a related perspective: "Quitting smoking is easy. I've done it a thousand times." Song et al (2002) report that 46% of U.S. smokers made a serious attempt to stop in the 1993-94, but only 5.7% successfully abstained for a period of one month or more.

percentage points). Non-financial interventions, such as over-the-counter nicotine replacement medications, have been tested in dozens of randomized trials and generally produce treatment-on-the-treated effects that are smaller than those found here for CARES (Stead et al. 2008).

Despite CARES' large treatment effects, a surprisingly large proportion of smokers who voluntarily committed with CARES, 66%, ended up failing to quit. This is consistent with various behavioral biases in preferences and/or expectations (partial naiveté about dynamic inconsistency, projection bias, over-confidence). Or it may be the case that these smokers are sophisticated about their self-control problems and use CARES to commit to an earnest quit *attempt* that improves the likelihood of eventual cessation (e.g., DiClemente et al. 1991; Hymowitz et al. 1997). Also, the fact that clients who ended up failing made smaller commitments-- fewer and smaller deposits after opening the account, but before taking the test-- suggests that any welfare loss is blunted by the choice of lower commitment intensity. Anecdotally, several clients reported having spent less on cigarettes, but then failing to stop completely. Thus the lost deposits may have been (partially) offset from a welfare perspective by a reduction in smoking. Note however that we lack data on cigarette purchases to assess the empirical magnitude of this substitution. The implications of such biases or dynamics for optimal contract design is an important topic for future research.

The results in this study are unusually direct evidence on the takeup and effectiveness of a commitment device for managing the consumption of an addictive substance. The only comparable studies we know are Paxton's (1979; 1980; 1982). These studies have three key differences from ours. First, they were administered in a highly structured and clinical setting to smokers who were already participating in a smoking cessation program. Our study includes smokers of varying smoking intensities and *ex-ante* dispositions toward cessation aids. Second, Paxton's control groups received a rich set of other smoking cessation aids, including counseling, social pressure, and aversion therapy. Our study takes a more over-the-counter approach and compares the effects of CARES to

a control group that receives nothing other than basic information. Third, Paxton's analysis does not exploit random assignment.<sup>10</sup>

Our study also relates to prior work on commitment devices for other decisions that may involve self-control problems.<sup>11</sup> Ariely and Wertenbroch (2002) find that 37 of 51 MBA students elect to impose binding deadlines on themselves for completing class assignments. Deadlines improve task performance but students do not necessarily set them optimally.

Two papers on savings-- Ashraf, Karlan, and Yin (2006) and Thaler and Benartzi (2004)— find that products with commitment features increase savings rates. But the decisions and treatments in those papers make it more difficult to interpret the treatment effects as tests of time inconsistent preferences. In Ashraf et al, individuals were offered an illiquid savings account (SEED) that did not allow withdrawals until a goal was reached. SEED might provide benefits other than self-control: spousal control, opt-out of informal risk sharing arrangements, and mental accounting. SEED also is not a direct commitment to lower particular consumption (as CARES is), but rather simply a commitment to not withdraw funds deposited into the SEED account. Thaler and Benartzi's Save More Tomorrow™ (SMART) plays more on status quo bias, money illusion and loss aversion, and is also not a binding commitment: clients can complete a single form to change their contribution to retirement savings, thus undoing the commitment.

CARES, in contrast, offers the opportunity to make a more binding and direct commitment on a specific, tempting consumption behavior. Thus CARES provides a more direct test of time inconsistency with respect to consumption than the earlier literature on savings.

Our paper proceeds as follows: the next section describes the voluntary commitment savings product that we designed for smokers who want to quit smoking. Section III describes the cue cards treatment. Section IV details the experimental design and implementation by Green Bank in the Philippines. Section V reports the results of the study. Section VI concludes, with particular attention to heterogeneity and its

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<sup>10</sup> Paxton randomized subjects into different arms but then estimates treatment effects by comparing those who took up the commitment product to the control group.

<sup>11</sup> T DellaVigna (forthcoming) reviews field evidence on commitment devices.

implications for generalizing these results to the full population of smokers (and to other similar behaviors).

## **II. CARES Product Design**

Committed Action to Reduce and End Smoking (“CARES”) is a voluntary commitment savings program specifically designed for smokers who want to quit smoking. The basic design of the product allows a smoker to risk a self-selected amount of his own money that will be forfeited unless he passes a biochemically verified test of smoking cessation, administered as a urine test of nicotine and cotinine byproducts, at six months after signing the commitment contract. The particular product design and study described below was implemented by the Green Bank of Caraga, on the island of Mindanao in the Philippines.

Green Bank marketed CARES by sending bank representatives into the street to target obvious smokers. Details on the marketing are described with the experimental design below (in Section IV).

Green Bank required a minimum balance of 50 pesos (~= \$1USD), collected by the field marketers, to open a CARES account. Marketers encouraged smokers to deposit the money they would normally expect to spend on cigarettes into a savings account every week for six months. The savings account did not yield any interest— this is an important feature for the bank to prevent non-smokers from opening the account merely because of the convenience of deposit collection services. The bank offered most randomly-selected individuals weekly deposit collection; the remaining CARES clients had to go to a branch to make deposits beyond the opening one.<sup>12</sup>

Clients could only make deposits, and not withdrawals, from the CARES account during the six month commitment period. Hence all deposited funds were at risk. Clients who passed the six-month urine test got their entire balance back. Clients who failed (or did not take) the test forfeited their entire balance.

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<sup>12</sup> Clients lose the weekly deposit collection service if they miss three consecutive deposits.

Trained Green Bank technicians test CARES clients' smoking status using the NicCheck™ urine strip test for nicotine and its primary metabolite, cotinine.<sup>13</sup> NicCheck has been used in previous anti-smoking programs, including the Dutch Cancer Society's "Quit and Win" campaign, and the financial bonus incentive testing in Volpp et al (2006; 2009). The test result provides a categorical measure of recent nicotine consumption, with values ranging from zero (no exposure) to fifteen (high exposure).<sup>14</sup> Green Bank counts only a zero result as passing, and both marketers emphasized that clients must stop smoking completely in order to be sure of passing the test.

Green Bank contacts each client three to four weeks prior to his six-month deadline to set up a urine testing appointment. If a client can not be reached initially the Bank makes repeated attempts to set up a test date within one week of the maturity date. If a client is deemed unable to take the test within the stipulated one-week grace period due to mitigating circumstances (e.g., working in another location), he is allowed an additional three weeks to take the test. If the client was reached and refused to schedule a date, the account balance was forfeited one week after the six-month commitment date.

### **III. Cue Cards Treatment Design**

The cue cards are pocket-sized, graphic depictions of the negative health consequences of smoking. Each individual received one of four pictures: a premature baby (with text "Smoking harms unborn babies"), bad teeth (with text "Smoking causes mouth and throat cancer"), black lung (with text "Smoking causes lung cancer"), or a child hooked up to a respirator (with text "Don't let children breathe your smoke"). By law, such images must be featured on cigarette packages in Australia, Canada, and New Zealand (Hoek and

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<sup>13</sup> Initially CARES clients were required to take a blood test at a nearby hospital lab. But delays and added costs led Green Bank to switch to urine strips that could be used in the field. NicCheck product specifications indicate that the urine strips sacrifice a bit of test specificity (the ability to detect a true negative result, which is 97% for urine strip versus 99% for lab-based cotinine analysis), but offer equivalent test sensitivity (the ability to detect a true positive result, which is roughly 97% for both urine strips and lab-based cotinine analysis) and the ability to provide results in the field, within 15 minutes. Green Bank found similar specificity (one false positive out of 18 self-reported non-smokers) and much lower sensitivity in its own pilot testing, where marketers randomly approached people on the street in our study area, asked if they were smokers, and then offered 30 pesos to take the urine strip test.

<sup>14</sup> Small and portable test strips are dipped into the urine sample, stimulating a chemical reaction that changes the test strip's color. The color result ranges from white (no nicotine exposure), to light pink (moderate nicotine exposure), to red (high nicotine exposure). The test administrator then compares the test strip's color to a NicCheck color scale and assigns the test result a number ranging from 0 (no exposure) to 15 (high exposure).

Gendall 2005). Smokers assigned to the Cues treatment were offered their choice of the above cards, and encouraged by the marketers to keep them handy and/or post them in locations where the subject tended to smoke. More than 99% of subjects offered the cue cards accepted them.

#### **IV. Experimental Design**

Our study sample consists of 2,000 smokers aged 18 or older who reside on the island of Mindanao in southern Philippines. Green Bank marketers identified smokers by approaching people and asking them whether they smoke regularly. If they did, the marketer then asked if they wanted to participate in a short survey on smoking. All subjects received an informational pamphlet on the dangers of smoking, and a tip sheet on how to quit. Since the primary objectives of this study were to determine whether first there was demand for CARES, and second whether CARES increased smoking cessation, the marketers only collected very quick and basic baseline data on age and smoking status (see Section V-A for more details).

The experiment was implemented in three distinct waves of marketing (the econometric specifications will condition for these waves). The first two waves took place in Butuan City from August to December 2006. After completing the baseline survey marketers revealed a sticker on the back of the survey that randomly assigned the subject to one of four groups: (1A) CARES with deposit collection, (1B) CARES without deposit collection, (2) Cues, or (3) Control.<sup>15</sup> The probability of assignment to groups was initially 45%, 45%, 5%, and 5%. After establishing that there was sufficient takeup of CARES, Green Bank changed the assignment probabilities to 15%, 15%, 30%, and 40% for the second wave. 418 smokers were surveyed (and hence drawn into the sample frame) in the first two waves. Of the 266 assigned a CARES offer, 34 took the product. Two individuals from the Cues group also opened an account (after hearing about the product and approaching bank staff). In our analysis we code these individuals in the Cues group, in adherence to the random assignment.

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<sup>15</sup> In the first wave there were 20 situations in which marketers interviewed respondents with either one or two others present; in these cases, marketers were instructed to interview all individuals in the group before disclosing the random assignment. All respondents in the group received the same assignment as the first interviewee. Impact results discussed below correct standard errors for any clustering within groups of individuals that received joint marketing.

The third marketing wave ran from February to May 2007, in the neighboring town of Ampayon. Here Green Bank implemented new randomization procedures designed to produce even better compliance with the randomized treatment assignment. Now marketers used a calculator to solve an equation based on the subject's birth date (the residual of  $dd + mm + yy$ , divided by three). The individual was then assigned to CARES group if the residual was zero, to Cues if the residual was one, and to Control if the residual was two. Given the low takeup in the CARES group without deposit collection in the first two waves (4.3%), and the fact that the geographic area for the third wave was more rural, all respondents in the Ampayon CARES group were offered deposit collection service.<sup>16</sup> 49 of the 515 Ampayon subjects offered CARES opened the account. Table 1a, Panel A summarizes CARES offers and takeup rates.

In order to validate the quality and accuracy of information provided by the marketers, field staff from Innovations for Poverty Action conducted spot-checking visits with randomly selected respondents who had been offered CARES. More than 90% of the clients accurately described the main features of the product design.

Given the random assignment, we expect individuals who end up in treatment and control groups to have statistically indistinguishable baseline characteristics on average, after we control for the likelihood of assignment to each arm. Table 1b presents related evidence. The F-statistic from a regression of assignment to CARES on all baseline covariates is 0.41 (p-value of 0.969), and for assignment to Cues is 0.54 (p-value of 0.900). When we examine individual variables across the CARES and Control groups, 12 out of 13 are similar statistically, and only one variable fails at the 10% level: 95.4% in the CARES group reported experiencing specific situations that make them want to smoke, whereas only 92.8% of control individuals reported the same. The Cues treatment individuals are similar statistically to the control in 10 out of 13, with the significant differences found on “wanting to stop smoking sometime in your life,” “wanting to stop smoking in 1 year” and “will actually quit smoking in 6 months.” These variables may

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<sup>16</sup> As detailed in our equation (1) below, controls for randomization conditions and marketing wave ensure that this low takeup rate does not confound inference on treatment effects. We also confirm that dropping the no-deposit collection CARES treatment arm does not change the results (compare Table 4 to Appendix Table 1).

also be correlated with smoking cessation, so we estimate treatment effects with the full set of baseline covariates as control variables.

Six months and 12 months after the initial marketing, the bank attempted to administer the urine test to *all* study subjects (testing procedures are detailed in Section II). CARES clients had to take the six-month test or automatically forfeit their deposit balance. Non-clients (including those assigned to the cues and control groups) were paid 30 pesos (60 cents US) for taking the six-month test, and everyone in the sample frame was paid 30 pesos for taking the 12-month test.

Table 1a Panel B shows that the bank reached 63% of those in the baseline for the six-month urine test, with no difference in contact rate across the three treatment and control groups). Of those contacted 95% agreed to take the test. Since we find lower agreement in the CARES group (93% vs. 97% in the control) we report six-month treatment effects under alternative assumptions about the smoking status of those who refused to take the test.

Table 1a Panel C shows that the bank reached 60% of those in the baseline for the 12-month urine test, with no difference in contact rate across the three treatment and control groups). Of those contacted 95% agreed to take the test, again with no differences across groups.

## **V. Results**

### *A. CARES Takeup*

In total, 83 out of 781 (11%) individuals offered CARES signed a contract. Table 1b Columns 7-9 shows univariate analysis of the takeup decision from data on the limited set of characteristics marketers collected in the quick baseline survey administered prior to treatment assignment and marketing.<sup>17</sup> The following baseline characteristics were positively correlated with taking up CARES: wanting to quit (at some point in life, or now), optimism about quitting (as indicated by responding yes to “will you quit smoking in the next year?”), and pre-existing strategic behavior in managing one’s cravings (as indicated by responding yes to “do you try to avoid areas or situations that make you

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<sup>17</sup> Only a handful of the 2,000 subjects were existing Green Bank clients. Marketers did not elicit income directly, but their observation of subject appearance and work activity indicated that average subject income was substantially lower than that of typical Green Bank clients.

want to smoke?”). Negative correlates with CARES takeup were: wanting to quit smoking more than a year in the future (perhaps an indicator of procrastination) and smelling like cigarettes (likely an indicator of heavy smoking). Table 2 shows multivariate estimation of takeup correlates.<sup>18</sup> The main results here are that the full set of baseline characteristics are jointly significant but explain only about 10% of the variation in the takeup decision.

### *B CARES Usage*

Table 3 shows some summary statistics on CARES deposits.

Opening balances were 57 pesos on average: this is four times the monetary value of the number of cigarettes the client reported smoking per week. Ninety percent of clients opened with the minimum amount of 50 pesos. Eighty percent of clients then made additional contributions. On average CARES clients made a deposit every two weeks, and by six months the average balance grew to 553 pesos. Given self-reported smoking intensity and a per-cigarette cost of one peso, the average CARES client committed roughly six months worth of cigarette spending to the account.

Not surprisingly CARES clients who used the account more intensively were more likely to pass the urine tests. We show results for the 6-month test in Table 3 and the 12-month test in Appendix Table 2. Successful clients made more deposits, were more likely to retain deposit collection services by making regular deposits, and had larger balances at contract maturity. These differences were more pronounced for 6-month test passage than for 12-month passage. Of course, since contract terms and deposit requirements were not randomized, we can not infer a causal relationship between deposit amount, deposit regularity and success.

However, the pattern of deposits is intuitive. Figures 1 and 2 show that those who succeed start off making higher deposits, and continue to make deposits throughout the entire life of the project. The trend is downward, in that deposits get smaller and less frequent towards the end. Once enough funds are in the account to be binding and modify one's behavior, further deposits are unnecessary to change behavior. On the other hand,

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<sup>18</sup> All takeup and impact regressions include indicator variables for the three marketing waves.

those who fail drop much more precipitously than those who succeed, and converge to only one out of ten individuals making any deposits at the halfway point of the study.

### C. Treatment Effects on Smoking Cessation

We estimate intent-to-treat (ITT) effects of CARES and cue cards on test passage using the OLS specification:

$$(1): pass_i^t = \alpha + \beta cares_i + \chi cues_i + \delta X_i + \gamma W_i + \varepsilon_i$$

Where  $i$  indexes individuals,  $t$  refers to the 6-month or 12-month test,  $pass$ ,  $cares$  and  $cues$  are all binary variables,  $X$  is the vector of baseline covariates, and  $W$  is a vector of dummies for the three marketing waves. We report these results in Table 4, Panel A. We also estimate (1) using probit instead of OLS (Appendix Table 3), and after dropping the baseline covariates (Appendix Table 4), and find very similar results.

Each table reports results on 6-month test passage in odd columns, and on 12-month test passage in even columns. We estimate effects under three different assumptions on clients for whom we do not have a test result: i) these clients would have failed the test (Columns 1 and 2), ii) these clients have the average pass rate; i.e., we drop these clients (Columns 3 and 4), iii) these clients have the average pass rate, unless they were found by the technician and refused to take the test, in which case we assume they would have failed (Columns 5 and 6).<sup>19</sup>

Table 4 Panel A shows CARES ITT effects on 6-month test passage of 3 to 6 percentage points under these assumptions. These effects are large relative the control group sample mean passage rates of 0.08 to 0.12. The effects on 12-month test passage, which as discussed above are probably a better measure of effects on a lasting quit spell, range from 4 to 6 percentage points. Again these effects are large relative to the control group sample mean passage rates of 0.10 to 0.18.

We do not find any significant effects from the cue cards. Although the point estimates on cue cards are not statistically different than those for CARES, it is important to keep in mind that the takeup rate for cues was nearly 100%. So the maximum feasible ITT effect for cues is 1.0, while for CARES it is only 0.11/1. In other words, even if one

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<sup>19</sup> Six test strips turned blue (off the NicCheck results spectrum) in each of the six- and twelve-month follow-up pools. This is the likely due to the TB medicine Isoniazid. We coded these blue strips as failures, but Green Bank returned the commitment balance to the one CARES client with a blue result.

takes the cue card point estimates literally (as different from zero), they imply treatment-on-the-treated effects that are more than an order of magnitude smaller than those for CARES. Table 4 Panel B confirms this.

Table 4 Panel B shows treatment-on-the-treated (ToT) results, using random assignment to CARES as an instrument for takeup. The ToT estimates imply 30 to 65 percentage point increases in test passage. This suggests that CARES usage increases by several fold the probability of test passage and a lasting quit spell.<sup>20</sup>

Appendix Table 5 reports the same specifications for the sub-sample of smokers that reported wanting to quit smoking at some point in their life in the baseline survey (Appendix Table 6 reports summary statistics for this sub-sample). The CARES point estimates suggest somewhat larger treatment effects for this sample. We also find some significant increases in 6-month test passage from the cue cards, but no significant effects at 12 months.

## **VI. Conclusion**

We designed a commitment product to help people quit smoking and tested it in cooperation with Green Bank using a randomized controlled trial in the Philippines.

The results suggest that Committed Action to Reduce and End Smoking (“CARES”) helps smokers quit. At the end of the commitment contract period (6-months), subjects *offered* CARES contract were 3.3 to 5.8 percentage points more likely to pass a urine test for short-term smoking cessation than the control group, and after 12-months (the preferred specification), the effects were 3.5 to 5.7 percentage points. From simple analysis of counts of successes and failures, 29 of the 83 who took-up passed at 6 months and 54 failed. Of the 29 who passed the 6 month test, 14 then passed (and 15 failed) the 12-month test as well, whereas of the 54 who failed at 6 months, only 7 then passed at 12 months and 47 failed. Treatment-on-the-treated estimates suggest that those who *signed* a CARES commitment increased their probability of test passage and a lasting quit spell by several fold.

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<sup>20</sup> The cue card treatment-on-the-treated estimates are insignificant and nearly identical to the intent-to-treat because of nearly 100% takeup of the cue cards.

These results suggest that the CARES product is an effective treatment for smoking cessation. We do not know of any comparable trials on other treatments in the Philippines, but the CARES treatment effects compare favorably to those found for nicotine replacement therapy in randomized controlled trials in other settings (Stead et al. 2008). The CARES takeup rate (11%) also compares well to nicotine replacement therapy (Bansal et al. 2004; Tipones and Fernandez 2006), which is notable given the novelty of the CARES product. Presumably commitment contract takeup rates could increase if familiarity, trust, and information about the product builds. If so commitment contracts could help public health efforts to address the “under-use” of smoking cessation treatments (Cokkinides et al. 2005; Orleans 2007).

Rough calculations suggest that CARES passes a social cost-benefit test. We estimate that CARES’ cost per quit is around \$700 in PPP-adjusted terms.<sup>21</sup> This is much less than standard estimates of the (social) benefits of smoking cessation. E.,g., the U.S. Center for Disease Control (2002) reports that employers benefit \$3400 per quit-year from increased productivity and reduced health care costs. Many studies also find large benefits to former smokers from health improvements and increases in quality-adjusted years of life. And of course the commitment contract provider may earn benefits as well. In the implementation studied here Green Bank earned a spread on deposits, and public relations benefits. In other implementations contract providers might cover costs from forfeited balances, fees, and/or from advertising.

Nevertheless the majority of CARES clients in our study failed to quit, suggesting that there is still much to be done in improving the effectiveness of smoking cessation treatments. In particular it remains to be seen whether and how our results will generalize to other populations, or to behaviors relevant for models of time-inconsistency (e.g., weight loss, exercise, task management, or consumption more generally). Both empirics and theory provide some guidance in how to think about external validity. The 11% take-up rate for CARES implies that our *average* treatment effects mask important heterogeneity in treatments effects across different consumer “types”. Clearly our

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<sup>21</sup> We first estimate per client cost by inflating Green Bank’s per account costs for acquisition (marketing) and administration (deposit collection, urine testing) by the ratio of per capita, purchasing-power-parity-adjusted GDP for U.S. vs. the Philippines. Then we get the per quit cost by inflating per client cost by the inverse of our lowest estimate for the 12-month treatment-on-the-treated effect (i.e., we inflate by 1/0.31).

average positive treatment effect is not driven by time-consistent individuals, who should have no demand for commitment devices. Nor do our results apply directly to time-inconsistent individuals who plan to quit but are “naïve” about their self-control problems and hence incorrectly believe that they will quit without a change in incentives. Rather, it seems likely that our results are driven by a subset of smokers, with time-inconsistent preferences, who are (partly) sophisticated about their self-control problems. The evidence that CARES takeup may be higher among smokers who said that they tried to avoid situations that make them want to smoke (Table 1a; Table 2) is consistent with (partial) sophisticates driving takeup, since avoiding situations can be viewed as a form of (nonbinding) commitment device. Identifying more about heterogeneity in preferences and sophistication is a critical direction for future research.

A closely related line of inquiry for future research is testing whether commitment contracts complement or substitute for other smoking cessation treatments. Bundling commitment devices with other treatments that impart awareness or sophistication (e.g., information on how difficult it is to quit) might benefit naïve consumers. Sophisticated consumers might benefit from binding commitments to adhere to nicotine replacement or other therapies.

Another closely related and open empirical question is the optimal design of an anti-smoking commitment contract.<sup>22</sup> To highlight just one aspect of product design, note that in our study CARES was largely bundled with deposit collection services. Hence we cannot yet unpack how much of the treatment effect was due to the financial commitment, and how much was due to frequent contact with the deposit collector. Important sub-questions on the role of deposit collection include whether and how much in-person contact with contract administrators is necessary for the commitment to be effective; e.g., it may be the case that deposit collection is important simply for convenience, and that direct deposit or mobile banking will be efficient substitutes in some settings. Alternately, contact with the deposit collector may be an integral part of the commitment *per se* (e.g., by permitting a commitment to not embarrass oneself by smelling of smoke), and/or a mechanism for making the commitment to quit salient.

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<sup>22</sup> For theories of optimal contracting with consumption commitments see, e.g., DellaVigna and Malmendier (2004), and Eliaz and Spiegler (2006).

Research on what drives take-up decisions offers the potential for addressing many of the above questions in an integrated framework. If behavioral biases such as loss aversion, partial naiveté, projection bias, and/or over-optimism play a role then there may be implications for product design (e.g., strong defaults) and marketing (e.g., framing, information on failure rates). Moreover this would suggest that consumer “type” is malleable, and hence that our large treatment-on-the-treated effects could apply broadly.

Strong interplay between theory and empirics will be needed to continue developing markets for commitment.

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Figure 1

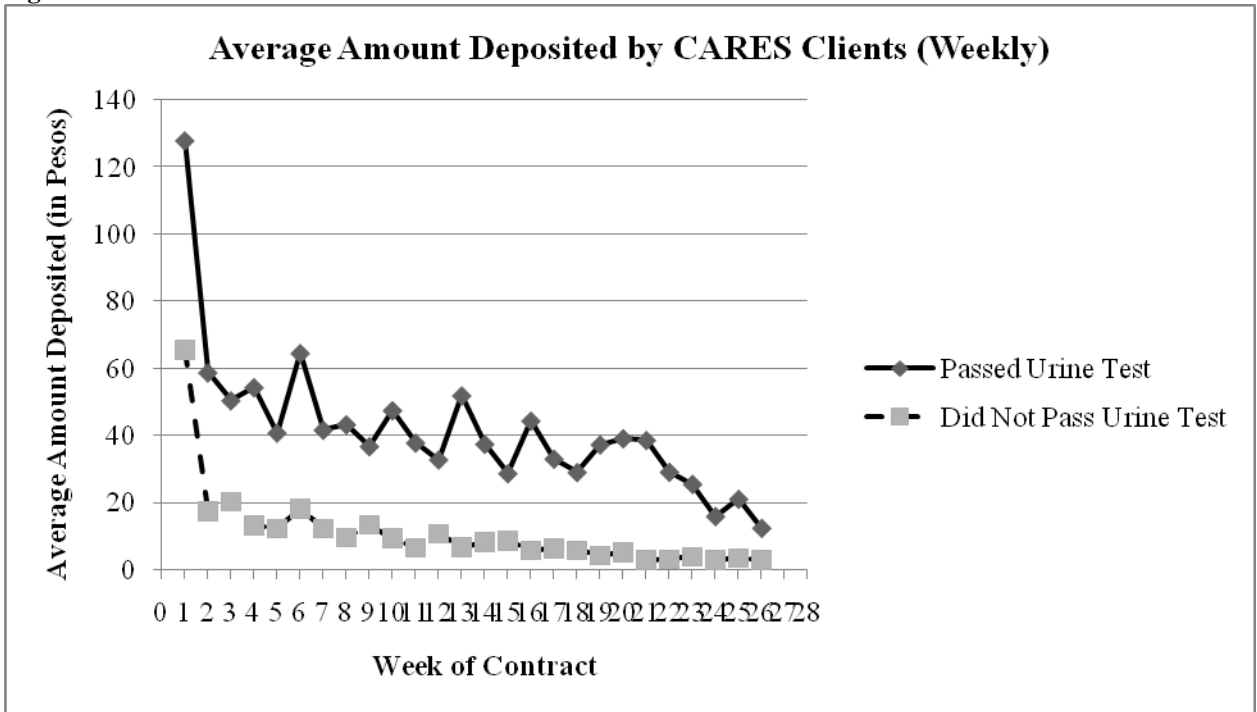


Figure 2

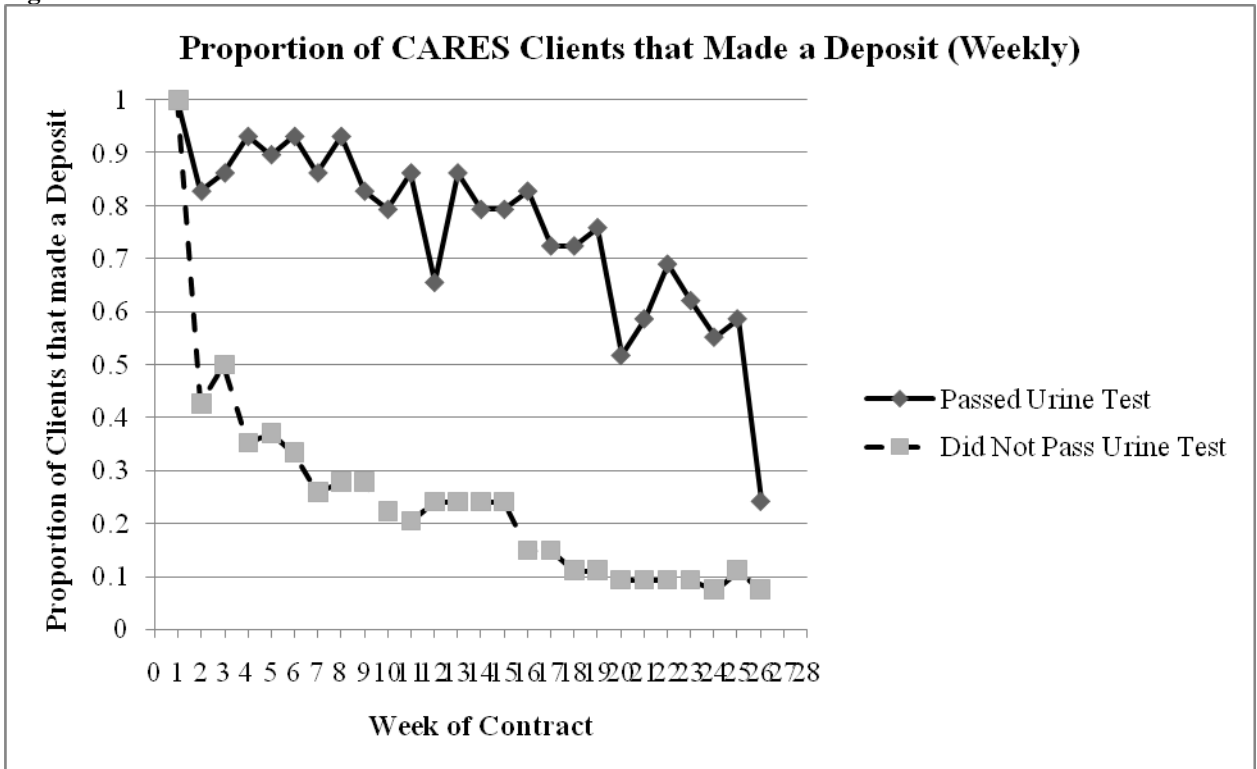


Table 1a. Summary Statistics, Outcome Variables  
Outcome Measures

	All (1)	CARES (2)	Cues (3)	Control (4)	t-test of (2) vs (4) (5)	t-test of (3) vs (4) (6)	CARES Group		
							Took up (7)	Did Not Takeup (8)	t-test of (7) vs (8) (9)
<b>Panel A: CARES takeup</b>									
total number of CARES accounts	85	83	2	0					
accounts with deposit collection services	77	75	2	0					
offers with deposit collection services	640	640	0	0					
takeup rate with deposit collection services		0.117							
accounts without deposit collection services	8	6	2	0					
offers without deposit collection services	141	141	0	0					
takeup rate without deposit collection services		0.043							
<b>Panel B: Outcome Measures, Full Sample, Six Months</b>									
Found by surveyor for follow-up measurement	0.634 (0.011)	0.642 (0.017)	0.629 (0.020)	0.629 (0.019)	0.596 (0.019)	0.982 (0.019)	0.723 (0.049)	0.547 (0.019)	0.002
Agreed to take urine test, conditional on being found	0.952 (0.006)	0.932 (0.012)	0.963 (0.009)	0.968 (0.009)	0.015 (0.009)	0.737 (0.009)	0.700 (0.060)	0.958 (0.010)	0.000
Found and agreed to test urine test	0.604 (0.011)	0.598 (0.018)	0.604 (0.011)	0.608 (0.020)	0.709 (0.020)	0.942 (0.020)	0.506 (0.055)	0.524 (0.019)	0.752
Passed urine test (omitted missing respondents)	0.153 (0.010)	0.181 (0.019)	0.153 (0.010)	0.124 (0.016)	0.023 (0.016)	0.316 (0.016)	0.690 (0.072)	0.128 (0.018)	0.000
Passed urine test (assumes all respondents who did not take the test are smokers)	0.093 (0.007)	0.108 (0.011)	0.093 (0.006)	0.075 (0.011)	0.033 (0.011)	0.355 (0.011)	0.349 (0.053)	0.067 (0.009)	0.000
Passed urine test (assumes all respondents who were found but refused the test are smokers)	0.146 (0.010)	0.168 (0.018)	0.146 (0.010)	0.120 (0.016)	0.041 (0.016)	0.330 (0.016)	0.483 (0.065)	0.123 (0.017)	0.000
Number of observations	2000	781	603	616			83	698	
<b>Panel C: Outcome Measures, Full Sample, One Year</b>									
Found by surveyor for follow-up measurement	0.596 (0.011)	0.615 (0.017)	0.578 (0.201)	0.590 (0.020)	0.339 (0.020)	0.670 (0.020)	0.723 (0.049)	0.547 (0.019)	0.001
Agreed to take urine test, conditional on being found	0.949 (0.006)	0.948 (0.010)	0.941 (0.012)	0.958 (0.010)	0.489 (0.010)	0.280 (0.010)	0.984 (0.016)	0.939 (0.012)	0.157
Found and agreed to test urine test	0.565 (0.011)	0.582 (0.018)	0.544 (0.020)	0.565 (0.020)	0.515 (0.020)	0.451 (0.020)	0.723 (0.049)	0.532 (0.019)	0.001
Passed urine test (omitted missing respondents)	0.181 (0.011)	0.203 (0.019)	0.155 (0.019)	0.178 (0.020)	0.372 (0.020)	0.389 (0.020)	0.350 (0.062)	0.175 (0.020)	0.002
Passed urine test (assumes all respondents who did not take the test are smokers)	0.103 (0.007)	0.118 (0.012)	0.084 (0.011)	0.101 (0.012)	0.296 (0.012)	0.313 (0.012)	0.253 (0.048)	0.093 (0.011)	0.000
Passed urine test (assumes all respondents who were found but refused the test are smokers)	0.172 (0.011)	0.192 (0.018)	0.145 (0.018)	0.171 (0.019)	0.414 (0.019)	0.337 (0.019)	0.344 (0.061)	0.165 (0.019)	0.001
# of CARES accounts	85	83	2	0					
Number of CARES offers with deposit collection services	640	640	0	0			76	564	
Number of observations	2000	781	603	616			83	698	

Standard errors in parentheses. Summary statistics in columns (1)-(4) are weighted to account for the change in probability of assignment to treatment across the three waves of marketing.

Table 1b. Summary Statistics, Baseline Variables  
Baseline Measures

	All (1)	CARES (2)	Cues (3)	Control (4)	t-test of (2) vs (4) (5)	t-test of (3) vs (4) (6)	CARES Group		t-test of (7) vs (8) (9)
							Took up (7)	Did Not Takeup (8)	
Female	0.058 (0.005)	0.061 (0.009)	0.599 (0.010)	0.053 (0.009)	0.525	0.606	0.072 (0.029)	0.069 (0.010)	0.905
Age	36.571 (0.310)	36.951 (0.493)	35.667 (0.547)	36.972 (0.576)	0.978	0.101	38.341 (1.367)	37.181 (0.520)	0.465
Number of cigarettes per day in the past 7 days	14.531 (0.234)	14.184 (0.350)	15.051 (0.463)	14.461 (0.416)	0.611	0.344	14.122 (1.105)	14.067 (0.369)	0.962
Estimated amount spent on cigarettes per week (pesos)	101.715 (1.637)	99.287 (2.453)	105.351 (3.239)	101.227 (2.915)	0.611	0.344	98.854 (7.732)	98.472 (2.586)	0.962
Tried to stop smoking in the past 12 months	0.457 (0.011)	0.446 (0.018)	0.452 (0.020)	0.476 (0.020)	0.277	0.417	0.422 (0.055)	0.427 (0.019)	0.927
Wants to stop smoking sometime in life	0.723 (0.010)	0.725 (0.016)	0.690 (0.019)	0.754 (0.017)	0.219	0.013	0.855 (0.039)	0.723 (0.017)	0.010
Wants to stop smoking now	0.168 (0.008)	0.178 (0.014)	0.144 (0.014)	0.179 (0.015)	0.957	0.099	0.289 (0.050)	0.159 (0.014)	0.003
Wants to stop smoking in 1 year	0.426 (0.011)	0.431 (0.018)	0.393 (0.020)	0.452 (0.020)	0.420	0.037	0.494 (0.055)	0.426 (0.019)	0.234
Wants to stop smoking after 1 year	0.106 (0.007)	0.095 (0.010)	0.126 (0.014)	0.100 (0.012)	0.721	0.159	0.036 (0.021)	0.113 (0.012)	0.030
Will actually quit smoking in 6 months	0.523 (0.011)	0.537 (0.018)	0.473 (0.020)	0.555 (0.020)	0.493	0.004	0.741 (0.049)	0.483 (0.019)	0.000
Respondent smells like cigarettes	0.403 (0.011)	0.423 (0.018)	0.379 (0.020)	0.400 (0.020)	0.377	0.469	0.277 (0.049)	0.461 (0.019)	0.001
There are situations that make him/her want to smoke	0.933 (0.006)	0.954 (0.008)	0.911 (0.012)	0.927 (0.010)	0.042	0.290	0.927 (0.029)	0.888 (0.012)	0.285
Tries to avoid areas that make him/her want to smoke	0.571 (0.011)	0.565 (0.018)	0.578 (0.020)	0.573 (0.020)	0.783	0.857	0.658 (0.054)	0.505 (0.019)	0.010
So addicted that s/he needs help to stop smoking	0.524 (0.011)	0.530 (0.018)	0.510 (0.020)	0.532 (0.020)	0.943	0.443	0.582 (0.055)	0.504 (0.019)	0.700
F-statistic [p-value] from regression of assigned group on all of the above baseline variables.					0.410 [0.969]	0.540 [0.900]			
Number of observations	2000	781	603	616			83	698	

Standard errors in parentheses. Summary statistics in columns (1)-(4) are weighted to account for the change in probability of assignment to treatment across the three waves of marketing.

Table 2. Multivariate Analysis of CARES Take-up  
OLS, Probit

Estimator:	OLS (1)	Probit (2)
Female	-0.034 (0.041)	-0.024 (0.028)
Age (/100)	0.894** (0.405)	0.858** (0.398)
Age squared (/100)	-.010** (0.005)	-0.010** (0.005)
Number of cigarettes per day in the past 7 days (/100)	0.153 (0.321)	0.103 (0.252)
Number of cigarettes per day squared (/100)	-0.002 (0.007)	-0.001 (0.005)
Having tried to stop smoking in the past 12 months	-0.034 (0.025)	-0.025 (0.019)
Wanting to stop smoking sometime in life	0.085 (0.085)	0.062 (0.039)
Wanting to stop smoking now	0.034 (0.038)	(0.019) (0.028)
Wanting to stop smoking in 1 year	0.076 (0.080)	0.080 (0.127)
Wanting to stop smoking after 1 year	-0.002 (0.037)	-0.003 (0.050)
Will actually quit smoking in 6 months	0.116*** (0.036)	0.114*** (0.041)
Respondent smells like cigarettes	-0.073** (0.024)	-0.056*** (0.019)
There are situations that make him/her want to smoke	0.031 (0.039)	0.037 (0.033)
Try to avoid areas that make him/her want to smoke	0.043 (0.027)	0.039* (0.022)
So addicted that s/he needs help to stop smoking	0.034 (0.027)	0.026 (0.022)
probability (all variables above = 0)	0.000	0.000
Observations	781	775
(pseudo-)R-squared	0.101	0.142
Number of CARES accounts opened	83	83
Mean of dependent variable	0.106	0.107

Robust standard errors in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. Standard errors are clustered by the marketing group if the respondents were surveyed in group. All regressions control for 3 phases of randomization and use marketer fixed effects. Probit specification reports marginal effects.

Table 3. Usage of CARES Bank Account by 6-Month Urine Test Result  
Summary Statistics, Philippine Pesos (P50 = US\$1)

	# of Accounts (1)	Min (2)	Average (3)	Max (4)	Std. Dev (5)
Opening balance	85	50	57.18	410	40.49
Success (i.e., those who passed 6-month urine test)	29	50	71.03	410	67.95
Failures (i.e., those who failed 6-month urine test)	56	50	50.00	50	0.00
# of deposits made into CARES account	85	1	11.75	29	9.35
Success (i.e., those who passed 6-month urine test)	29	7	20.90	26	5.47
Failures (i.e., those who failed 6-month urine test)	56	1	7.02	29	7.17
Proportion of clients who missed 3 deposits & lost deposit collection service	85	0	0.64	1	0.48
Success (i.e., those who passed 6-month urine test)	29	0	0.14	1	0.35
Failures (i.e., those who failed 6-month urine test)	56	0	0.89	1	0.31
Balance at 6 months	85	50	551.12	3410	651.01
Success (i.e., those who passed 6-month urine test)	29	282.75	1079.58	3410	703.37
Failures (i.e., those who failed 6-month urine test)	56	50	277.45	2657.75	414.62

Notes: Minimum account opening deposit was 50 pesos.

Table 4. Impact of CARES on Passing Cotinine Urine Test  
OLS, IV

Assumption: Outcome Measurement Timing:	Everyone That Did Not Take The Test				Everyone That Was Found But Refused To Take The Test Still Smokes	
	Continues Smoking		Drop If Did Not Take The Test		Six Months	One Year
	Six Months	One Year	Six Months	One Year		
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: Intent-to-Treat Estimates, OLS						
CARES Treatment	0.033*	0.035**	0.058**	0.057**	0.041*	0.054**
	(0.017)	(0.018)	(0.026)	(0.028)	(0.024)	(0.027)
Cue cards	0.015	0.009	0.022	0.019	0.021	0.019
	(0.016)	(0.016)	(0.024)	(0.026)	(0.023)	(0.025)
# of observations	2000	2000	1226	1161	1287	1218
F-test p-value: CARES = Cues	0.302	0.142	0.162	0.184	0.408	0.194
R-squared	0.048	0.057	0.068	0.083	0.056	0.081
Mean of dependent variable	0.083	0.089	0.123	0.147	0.119	0.140
Sampling weights	no	no	yes	yes	yes	yes
Panel B: Treatment on the Treated Estimates, IV						
CARES Treatment	0.296**	0.312**	0.646**	0.533**	0.522*	0.509**
	(0.151)	(0.159)	(0.270)	(0.266)	(0.293)	(0.253)
Cue cards	0.014	0.008	0.022	0.017	0.021	0.017
	(0.016)	(0.016)	(0.024)	(0.026)	(0.023)	(0.025)
# of observations	2000	2000	1226	1161	1287	1218
F-test p-value: CARES = Cues	0.051	0.053	0.016	0.045	0.077	0.044
Mean of dependent variable	0.083	0.089	0.123	0.147	0.119	0.140
Sampling weights	no	no	yes	yes	yes	yes

Robust standard errors in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. All regressions control for the 3 waves of marketing and include covariates (all independent variables from take-up regressions in Table 3). Panel B shows the results of IV regressions with assignment to treatment group as an instrument for CARES take-up. Cue cards take-up is not instrumented by CUES group assignment, because only two respondents rejected the cue cards. Models estimated in columns (3)-(6) are weighted to reflect the different likelihood of a subject taking a urine test between CARES clients and non-clients and across CARES, Cues, and control groups.

Appendix Table 1: Impact of CARES  
 Same as Table 4, Except omits the no-deposit-collection treatment group from the analysis  
 OLS, IV

Outcome Measurement Timing:	Everyone That Did Not Take The Test				Everyone That Was Found But Refused To Take The Test Continues Smoking	
	Assumptions: Continues Smoking		Drop If Did Not Take The Test		Six Months	One Year
	Six Months	One Year	Six Months	One Year		
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: Intent-to-Treat Estimates, OLS						
CARES Treatment	0.037** (0.018)	0.035* (0.018)	0.068** (0.026)	0.055* (0.028)	0.051** (0.025)	0.054** (0.027)
Cue cards	0.015 (0.016)	0.008 (0.016)	0.022 (0.024)	0.018 (0.026)	0.021 (0.023)	0.018 (0.025)
# of observations	1859	1859	1199	1103	1255	1155
F-test p-value: CARES = Cues	0.22	0.14	0.086	0.197	0.23	0.19
R-squared	0.05	0.05	0.075	0.077	0.06	0.08
Mean of dependent variable	0.08	0.09	0.123	0.147	0.12	0.14
Sampling weights	no	no	yes	yes	yes	yes
Panel B: Treatment on the Treated Estimates, IV						
CARES Treatment	0.316** (0.148)	0.291* (0.151)	0.654*** (0.240)	0.468* (0.243)	0.529** (0.248)	0.457** (0.232)
Cue cards	0.015 (0.016)	0.008 (0.016)	0.022 (0.024)	0.016 (0.026)	0.022 (0.023)	0.016 (0.025)
# of observations	1859	1859	1199	1103	1255	1155
F-test p-value: CARES = Cues	0.03	0.05	0.006	0.054	0.03	0.05
Mean of dependent variable	0.08	0.09	0.123	0.147	0.12	0.14
Sampling weights	no	no	yes	yes	yes	yes

Robust standard errors in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. All regressions control for the 3 waves of marketing and include covariates (all independent variables from take-up regressions in Table 2). Panel B shows the results of IV regressions with assignment to treatment group as an instrument for CARES take-up. Cue cards take-up is not instrumented by CUES group assignment, because only two respondents rejected the cue cards. Models estimated in columns (3)-(6) are weighted to reflect the different likelihood of a subject taking a urine test between CARES clients and non-clients and across CARES, Cues, and control groups.

Appendix Table 2. Usage of CARES Bank Account by 12-Month Urine Test Result  
Summary Statistics, Philippine Pesos (P50 = US\$1)

	# of Accounts (1)	Min (2)	Average (3)	Max (4)	Std. Dev (5)
Opening balance	61	50	60.00	410	11.04
Success (i.e., those who passed 12-month urine test)	21	50	74.29	410	78.97
Failures (i.e., those who failed 12-month urine test)	40	50	52.50	100	47.61
# of deposits made into CARES account	61	1	12.70	26	9.22
Success (i.e., those who passed 12-month urine test)	21	1	15.86	26	9.81
Failures (i.e., those who failed 12-month urine test)	40	1	11.05	25	8.56
Proportion of clients who missed 3 deposits & lost deposit collection service	61	0	0.57	1	0.50
Success (i.e., those who passed 12-month urine test)	21	0	0.43	1	0.51
Failures (i.e., those who failed 12-month urine test)	40	0	0.65	1	0.48
Balance at 6 months	61	50	585.58	3410	673.33
Success (i.e., those who passed 12-month urine test)	21	50	786.76	1886.6	617.58
Failures (i.e., those who failed 12-month urine test)	40	50	479.96	3410	684.60

Minimum account opening deposit was 50 pesos. For this table we drop the 24 clients who were not found for the surprise 12-month test, and code the 1 client who was found and refused to take the test as a failure.

Appendix Table 3: Impact of CARES  
 Same as Table 4, except using a probit model  
 Probit, IV-Probit

Assumption: Outcome Measurement Timing	Everyone That Did Not Take The Test				Everyone That Was Found But Refused To Take The Test Still Smokes	
	Continues Smoking		Drop If Did Not Take The Test		Six Months	One Year
	Six Months	One Year	Six Months	One Year		
(1)	(2)	(3)	(4)	(5)	(6)	
<b>Panel A: Intent-to-Treat Estimates, Probit</b>						
CARES Treatment	0.033** (0.016)	0.033* (0.017)	0.061** (0.027)	0.059** (0.029)	0.044* (0.025)	0.055** (0.028)
Cue cards	0.015 (0.016)	0.009 (0.017)	0.023 (0.027)	0.020 (0.029)	0.022 (0.025)	0.020 (0.028)
# of observations	1993	1989	1225	1155	1286	1212
F-test p-value: CARES = Cues	0.232	0.140	0.140	0.178	0.355	0.192
Mean of dependent variable	0.083	0.089	0.123	0.147	0.119	0.140
Sampling weights	no	no	yes	yes	yes	yes
<b>Panel B: Treatment on the Treated Estimates, IV Probit</b>						
CARES Treatment	0.385 (0.367)	0.509 (0.340)	0.736*** (0.286)	0.702*** (0.223)	0.690* (0.380)	0.689*** (0.242)
Cue cards	0.014 (0.015)	0.008 (0.017)	0.0238 (0.026)	0.018 (0.028)	0.023 (0.025)	0.018 (0.027)
# of observations	1993	1989	1225	1155	1286	1212
F-test p-value: CARES = Cues	0.153	0.053	0.074	0.025	0.134	0.028
Mean of dependent variable	0.083	0.089	0.123	0.147	0.119	0.140
Sampling weights	no	no	yes	yes	yes	yes

Marginal effects with robust standard errors in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. All probits control for the 3 waves of marketing and include covariates (all independent variables from take-up regressions in Table 2). Panel B shows the results of IV probits with assignment to treatment group as an instrument for CARES take-up. Cue cards take-up is not instrumented by CUES group assignment, because only two respondents rejected the cue cards. Models estimated in columns (3)-(6) are weighted to reflect the different likelihood of a subject taking a urine test between CARES clients and non-clients and across CARES, Cues, and control groups. The sample size decreases here vs. OLS because indicator variables for a small number of missing baseline survey responses predict a perfect failure in test results.

Appendix Table 4. Impact of CARES  
 Same as Table 4, except dropping baseline covariates  
 OLS, IV

Assumption: Outcome Measurement Timing:	Everyone That Did Not Take The Test				Everyone That Was Found But Refused To Take The Test Still Smokes	
	Continues Smoking		Drop If Did Not Take The Test		Six Months	One Year
	Six Months	One Year	Six Months	One Year		
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A: Intent-to-Treat Estimates, OLS						
CARES Treatment	0.032*	0.034*	0.055**	0.053*	0.038	0.050*
	(0.017)	(0.018)	(0.026)	(0.028)	(0.024)	(0.027)
Cue cards	0.017	0.006	0.026	0.015	0.026	0.015
	(0.017)	(0.017)	(0.024)	(0.027)	(0.023)	(0.026)
# of observations	2000	2000	1226	1161	1287	1218
F-test p-value: CARES = Cues	0.367	0.103	0.272	0.191	0.612	0.200
R-squared	0.007	0.004	0.010	0.006	0.003	0.006
Mean of dependent variable	0.083	0.089	0.123	0.147	0.119	0.140
Sampling weights	no	no	yes	yes	yes	yes
Panel B: Treatment on the Treated Estimates, IV						
CARES Treatment	0.286*	0.303*	0.620**	0.486*	0.469	0.458*
	(0.148)	(0.157)	(0.272)	(0.264)	(0.286)	(0.250)
Cue cards	0.016	0.005	0.026	0.014	0.025	0.014
	(0.016)	(0.016)	(0.024)	(0.026)	(0.023)	(0.025)
# of observations	2000	2000	1226	1161	1287	1218
F-test p-value: CARES = Cues	0.057	0.047	0.024	0.063	0.109	0.064
Mean of dependent variable	0.083	0.089	0.123	0.147	0.119	0.140
Sampling weights	no	no	yes	yes	yes	yes

Robust standard errors in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. All regressions control for the 3 waves of marketing. Panel B shows the results of IV regressions with assignment to treatment group as an instrument for CARES take-up. Cue cards take-up is not instrumented by CUES group assignment, because only two respondents rejected the cue cards. Models estimated in columns (3)-(6) are weighted to reflect the different likelihood of a subject taking a urine test between CARES clients and non-clients and across CARES, Cues, and control groups.

Appendix Table 5. Impact of CARES  
Same as Table 4, Except on Sub-Sample Reporting in Baseline That Want to Stop Smoking at Some Point in Life  
OLS, IV

Assumption: Outcome Measurement Timing:	Everyone That Did Not Take The Test				Everyone That Was Found But Refused To Take The Test Continues Smoking	
	Continues Smoking		Drop If Did Not Take The Test		Six Months	One Year
	Six Months	One Year	Six Months	One Year		
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Panel A: Intent-to-Treat Estimates, OLS</b>						
CARES Treatment	0.045** (0.020)	0.034 (0.021)	0.085*** (0.031)	0.064* (0.035)	0.062** (0.028)	0.058* (0.033)
Cue cards	0.032* (0.019)	-0.001 (0.020)	0.053* (0.028)	0.006 (0.032)	0.049* (0.027)	0.004 (0.031)
# of observations	1434	1434	853	824	898	865
F-test p-value: CARES = Cues	0.517	0.094	0.332	0.102	0.679	0.111
R-squared	0.063	0.066	0.095	0.100	0.075	0.097
Mean of dependent variable	0.074	0.099	0.108	0.161	0.105	0.155
Sampling weights	no	no	yes	yes	yes	yes
<b>Panel B: Treatment on the Treated Estimates, IV</b>						
CARES Treatment	0.343** (0.146)	0.259 (0.162)	0.865*** (0.298)	0.507* (0.279)	0.716** (0.321)	0.457* (0.265)
Cue cards	0.032* (0.019)	-0.001 (0.020)	0.058** (0.029)	0.006 (0.032)	0.053* (0.028)	0.004 (0.031)
# of observations	1434	1434	853	824	898	865
F-test p-value: CARES = Cues	0.026	0.090	0.005	0.061	0.032	0.074
Mean of dependent variable	0.074	0.066	0.108	0.161	0.105	0.155
Sampling weights	no	no	yes	yes	yes	yes

Robust standard errors in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. All regressions control for the 3 waves of marketing and include covariates (all independent variables from take-up regressions in Table 2). Panel B shows the results of IV regressions with assignment to treatment group as an instrument for CARES take-up. Cue cards take-up is not instrumented by CUES group assignment, because only two respondents rejected the cue cards. Models estimated in columns (3)-(6) are weighted to reflect the different likelihood of a subject taking a urine test between CARES clients and non-clients and across CARES, Cues, and control groups.

Appendix Table 6. Summary Statistics, Outcome Variables  
 Outcome Measures, For Respondents who Reported in Baseline Wanting to Quit Smoking at Some Point in Their Life

	All (1)	CARES (2)	Cues (3)	Control (4)	t-test of (2) vs (4) (5)	t-test of (3) vs (4) (6)	CARES Group		
							Took up (7)	Did Not Takeup (8)	t-test of (7) vs (8) (9)
<b>Panel A: Outcome Measures, Six Months</b>									
Found by surveyor for follow-up measurement	0.608 (0.013)	0.611 (0.020)	0.604 (0.024)	0.609 (0.023)	0.930	0.879	0.718 (0.054)	0.505 (0.022)	0.001
Agreed to take urine test	0.949 (0.007)	0.914 (0.016)	0.966 (0.011)	0.977 (0.008)	0.001	0.416	0.686 (0.066)	0.949 (0.014)	0.000
Found and agreed to test urine test	0.577 (0.013)	0.558 (0.021)	0.583 (0.024)	0.595 (0.023)	0.248	0.727	0.493 (0.060)	0.479 (0.022)	0.828
Passed urine test (omitted missing respondents)	0.159 (0.013)	0.201 (0.024)	0.162 (0.022)	0.109 (0.018)	0.002	0.067	0.743 (0.075)	0.132 (0.022)	0.000
Passed urine test (assumes all respondents who did not take the test are smokers)	0.092 (0.008)	0.112 (0.013)	0.095 (0.014)	0.065 (0.012)	0.007	0.108	0.366 (0.058)	0.063 (0.011)	0.000
Passed urine test (assumes all respondents who were found but refused the test are smokers)	0.151 (0.012)	0.184 (0.023)	0.156 (0.022)	0.106 (0.017)	0.006	0.075	0.510 (0.071)	0.125 (0.021)	0.000
Number of observations	1434	576	412	446			71	505	
<b>Panel B: Outcome Measures, One Year</b>									
Found by surveyor for follow-up measurement	0.584 (0.013)	0.603 (0.020)	0.571 (0.024)	0.573 (0.023)	0.339	0.933	0.771 (0.051)	0.547 (0.022)	0.001
Agreed to take urine test	0.946 (0.008)	0.942 (0.013)	0.928 (0.016)	0.967 (0.011)	0.139	0.047	0.981 (0.019)	0.931 (0.015)	0.157
Found and agreed to test urine test	0.553 (0.013)	0.568 (0.021)	0.530 (0.012)	0.555 (0.024)	0.668	0.466	0.746 (0.052)	0.509 (0.022)	0.000
Passed urine test (omitted missing respondents)	0.199 (0.014)	0.224 (0.024)	0.156 (0.023)	0.203 (0.024)	0.536	0.164	0.340 (0.066)	0.195 (0.025)	0.020
Passed urine test (assumes all respondents who did not take the test are smokers)	0.110 (0.008)	0.128 (0.014)	0.083 (0.014)	0.113 (0.015)	0.472	0.138	0.254 (0.052)	0.099 (0.013)	0.000
Passed urine test (assumes all respondents who were found but refused the test are smokers)	0.188 (0.013)	0.212 (0.023)	0.145 (0.022)	0.197 (0.024)	0.649	0.112	0.333 (0.065)	0.181 (0.023)	0.011
Number of observations	1434	576	412	446			71	505	

Standard errors in parentheses. Summary statistics shows in columns (1)-(4) are weighted to account for the change in probability of assignment to treatment across the three waves of marketing.