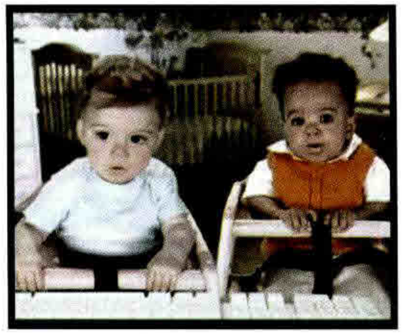
Don't take advice from infants

Or singing waiters dressed like pirates or enthusiastic insurance saleswomen. We looked beyond the gimmicks to see whether the marketing claims in these familiar TV ads for financial services actually panned out. Here's what we found:

Is E-Trade's baby talk straight?

THE CLAIM. Through a clever bit of animation, E-Trade's babies tout the company's research tools and inexpensive trades. In one ad a baby says, "Check this out: Benny still pays for a big, expensive broker!" Baby Benny defends himself by saying, "He's a friend of my father's." In another ad, Benny and another baby discuss how rough the economy has been. "E-Trade can really help you replan your investments. It gives you the tools and research to take control," the baby says, which causes Benny to sing: "Take these broken wings, and learn to fly again ...."



THE CHECK. We found that some of what the babies "say" is true. E-Trade does offer in-depth research and almost full-service banking. But Benny's broker might charge less. At E-Trade, you'll pay $40 a quarter if you don't make a trade or your balance falls below $2,000, and it will cost you $60 to transfer your account to another broker. Such fees are not uncommon, but some online brokers, such as Scottrade, don't charge them. Traders who make more than 1,500 trades per quarter (or about 16 transactions per day, on average) will pay E-Trade's lowest per-trade fee, $6.99. If you make fewer than 30 trades per quarter and maintain a balance below $50,000, you'll incur its highest per-trade fee, $12.99. Other online investing sites charge simpler, flat fees. For example, at Scottrade it's $7 per trade, and TradeKing charges $4.95.

BOTTOM LINE. The talking babies are cute, but doing business with E-Trade might be costly, especially if you don't trade often.

The price gun goes only so low.

THE CLAIM. Progressive Insurance's new ads are set in a store with shelves bearing boxes of insurance plans. An enthusiastic saleswoman wearing a "Flo" name tag helps customers. "Only Progressive gives you the option to name your price," Flo tells a car-insurance customer. She hands him a price gun so that he can put a tag on a box.

THE CHECK. To see how the "name your own price" option works, we went to Progressive's Web site to get quotes for coverage on a 2006 Toyota Camry. After completing five screens and several additional pop-up windows of questions, we received a quote for six months of "recommended coverage." Next to it was a box that allowed us to name our own price. We entered $10 per month, quite a bit less than Progressive's recommended $118 monthly plan.

The result? It turns out that the price gun can't be set below a certain figure. The site responded with its cheapest basic package: $61 a month. That figure appeared on the far left of a horizontal bar that's a virtual slider. We were able to move the bar back and forth to any one of roughly 20 policy configurations, with our $61 plan on one end and a $156 monthly plan at the other extreme.

But what this cool tool can't do is ensure that you're getting the best price available. On Geico's Web site, we got a quote of just $49 a month for a policy with higher coverage limits than Progressive's $61 basic plan. When we priced the Geico policy on Progressive's site, we found it would run $94 a month, almost twice Geico's quote.

BOTTOM LINE. Progressive's new tool is fun to use. But for the best deal, compare prices with those from other insurers.

Your 'free' report will cost you.

THE CLAIM. If you watch TV, you're probably familiar with the FreeCreditReport.com guys. They have to work in a pirate-themed restaurant, ride a bike instead of driving a car, and live in their in-laws' basement, all because they didn't check their credit report free at FreeCreditReport.com. They're so crazy about the site that they even sing about it while riding a roller coaster.

THE CHECK. If you go to the company's site and focus on the large yellow button that says, "Click here to see your Free Credit Report and Score!" you might miss the smaller print to the left that says that when you order your free report, you are automatically enrolled in the site's credit-monitoring service. The fee: $179 per year. In other words, your report isn't free unless you cancel the monitoring service within seven days.

When we checked in early September, the Better Business Bureau had received 10,344 complaints about FreeCreditReport.com, a site run by ConsumerInfo.com, which is owned by Experian, one of the big three credit-reporting bureaus. In some cases consumers complained that they canceled their membership but continued to be billed. Others said they were not aware that they agreed to a membership program.

BOTTOM LINE. Skip unnecessary credit-monitoring services. Order your free report once a year from each of the three bureaus—Equifax, Experian, and TransUnion—to make sure your information is accurate. As even FreeCreditReport.com states on its home page, you can really do that free at AnnualCreditReport.com, the credit bureaus' central site to provide free reports. By ordering a credit report from a different bureau every four months through that site, you can effectively check your credit three times a year at no cost.