

Request for Approval under the “GENERIC CLEARANCE FOR QUALITATIVE CONSUMER EDUCATION, ENGAGEMENT, AND EXPERIENCE INFORMATION COLLECTIONS”
(OMB Control Number: 3170-0036)

1. TITLE OF INFORMATION COLLECTION:

Consumer Decision-Making Innovation Development- Proof of Concept Testing

2. PURPOSE:

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203) established the Office of Financial Education (OFE) within the Consumer Financial Protection Bureau. OFE is responsible for developing and implementing initiatives intended to educate and empower consumers to make better-informed financial decisions.

As part of meeting this mandate, OFE is testing innovative tools and approaches to help consumers navigate financial challenges and achieve their own financial goals. This effort is focusing on, among other issues, the difficulties that some consumers face in shopping for automobile loans and in seeking financial information to inform their own decision-making. The information collection portion of this project aims to gather user feedback from consumers on innovative tools and messages that help consumers shop for auto financing and seek financial information.

Through this Request for Approval under the “Generic Clearance for Qualitative Consumer Education, Engagement, and Experience Information Collections,” the CFPB seeks approval to conduct user testing via a national online survey panel of two consumer interventions developed by CFPB and its contractor, RTI International. The two consumer interventions that will be tested are as follows:

- 1) Auto Loan Cost Calculator, equips consumers to be more informed and educated by helping them calculate the cost of the loan and build negotiating skills,
- 2) Consumer Messaging Campaign, message concepts to encourage greater information seeking among consumers as part of financial decision-making.

CFPB’s contractor will conduct the evaluations by employing a proof-of-concept approach that emphasizes understanding the viability of each intervention for influencing discrete areas of consumer financial knowledge and behaviors. Data for the evaluation will be collected using web-based survey and usability testing platforms. Data collection will be self-administered by participants on their personal computers. This web-based approach to data collection lets participants take part in the study at times and locations of their choosing, including their home, which makes it more convenient and reduces burden. The results of this research will be used to inform CFPB’s future financial education activities.

3. DESCRIPTION OF RESPONDENTS:

Our goal in testing the interventions is to solicit a wide range of consumer perspectives. The two tables below provide the general criteria we will apply in recruiting participants for testing of the two innovations.

Auto Loan Cost Calculator

Age	18-55 years old
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Gender	Approximately 50% male and 50% female
Education	Approximately 50% with a high-school degree or less
Household Income	Below \$75,000 a year, Approximately 66% below \$50,000
Shopping Behavior	<ul style="list-style-type: none"> • Contemplating shopping for an auto loan in the next year • Has not purchased an auto in the past 8 months
Racial and Ethnic Minorities	Approximately 33% members of a racial or ethnic minority

Consumer Messaging Campaign

Age	18-65 years old
Gender	Approximately 50% male and 50% female
Education	Approximately 10% with less than a high school degree Approximately 40% with a high school degree or less Approximately 40% with some college or a college degree
Racial and Ethnic Minorities	Approximately 33% members of a racial or ethnic minority

4. TYPE OF COLLECTION (ADMINISTRATION OF THE INSTRUMENT):

a. How will you collect the information? (Check all that apply)

Web-based or other forms of Social Media Telephone
 In-person Mail
 Small Discussion Group Focus Group
 Other, Explain _____

b. Will interviewers or facilitators be used?

Yes No Not Applicable

5. FOCUS GROUP OR SURVEY:

If you plan to conduct a focus group or survey, please provide answers to the following questions:

a. Do you have a customer list or something similar that defines the universe of potential respondents and do you have a sampling plan for selecting from this universe?

Yes No Not Applicable

b. If the answer is yes, please provide a description below. If the answer is no, please provide a description of how you plan to identify your potential group of respondents and how you will select them?

For evaluating the interventions, recruitment of participant will be a convenience sample of individuals from one or more online survey panels. No formal sampling plan will be employed to either representatively or systematically sample participants from a known population.

However, we will use quotas, as already outlined in the **Description of Respondents**, to assure a diversity of individuals in the data collection. Recruitment will be conducted via e-mail. If necessary, online and social media ads may be used for additional recruitment. The sample is not intended to be representative nor will the results be intended to draw inferences beyond the surveyed population.

6. INFORMATION COLLECTION PROCEDURES

Please summarize the procedures that will be used to collect data from respondents.

For the *Auto Loan Cost Calculator* tool, our contractor will work with an online usability testing service to recruit and conduct data collection. For the *Consumer Messaging Campaign*, we will engage an online survey platform.

All the data collection will be conducted online, and be self-administered by participants on their personal computers. While data collection activities for the two interventions will vary slightly, the overall recruitment and participation process will be similar. Individuals from one or more online survey panels will receive an invitation to participate in the research via e-mail. The e-mail will explain the purpose of the data collection, the amount of time required to participate in the data collection, and the amount of the incentive they will receive for participating. Using a link within the e-mail, they will be directed to an on-line screening form.

If after completing the screener an individual is found to be ineligible to participate, they will be thanked for their time and asked to close their browser window. Those who are found to be eligible will be presented with an informed consent statement with check boxes labeled “YES, I agree to participate” or “NO, I do not wish to participate.” Only participants who select “YES” will enter the online usability or survey portion of the data collection.

Individuals participating in the *Auto Loan Cost Calculator* testing will complete a short baseline survey to assess personal characteristics and financial knowledge related to tool concepts. After the baseline survey, participants will be directed to an online usability testing page where they will be provided directions for completing 2 to 3 tasks using the *Auto Loan Cost Calculator*. Following completion of the usability testing tasks, the participants will complete a follow-up survey. Once participants complete the follow-up survey, they will receive directions from the survey recruiting firm on how to redeem their incentive for participating.

Participants in the *Consumer Messaging Campaign* testing will complete a survey consisting of baseline questions to assess personal characteristics, knowledge, and financial behaviors, including intentions. After the baseline questions, they will be exposed to the campaign materials and then prompted to complete a set of immediate follow-up questions for each item. Once participants complete the message testing survey, they will receive directions from the survey recruiting firm on how to redeem their incentive for participating.

7. PERSONALLY IDENTIFIABLE INFORMATION:

- a. **Is personally identifiable information (PII) collected? [X] Yes [] No**
- b. **If Yes, is the information that will be collected included in records that are subject to the Privacy Act of 1974? [X] Yes [] No [] Not Applicable**
- c. **If Applicable, has a System or Records Notice (SORN) been published?**

[X] Yes [] No [] Not Applicable

If yes, what is the name and Federal Register citation for the SORN?

SORN Name: CFPB.021-Consumer Education and Engagement Records SORN

SORN FR Citation: 79 FR 78839

d. If applicable, what is the link the Privacy Impact Assessment (PIA)?

http://files.consumerfinance.gov/f/201412_cfpb_pia_industry-expert-community-input-and-engagement.pdf and
http://files.consumerfinance.gov/f/201409_cfpb_consumer-education_pia.pdf

8. INCENTIVES:

a. Is an incentive provided to participants? [X] Yes [] No

If Yes, provide the amount or value of the incentive? \$25

If Yes, provide a statement justifying the use and amount of the incentive.

The token amount provided to participants was determined from previous experiences conducting similar studies with similar populations. Numerous empirical studies have shown that honoraria can significantly increase response rates (e.g., Abreu & Winters, 1999; Shettle & Mooney, 1999). A smaller amount would not appear sufficiently attractive. We also believe that the small token of appreciation will result in higher data validity as participants become more engaged in the data collection process. Participants will receive their token of appreciation after they complete the related data collection survey.

Abreu, Denise A., and Franklin Winters. "Using monetary incentives to reduce attrition in the survey of income and program participation." Proceedings of the Survey Research Methods Section. 1999.

Shettle, Carolyn, and Geraldine Mooney. "Monetary incentives in US government surveys." Journal of Official Statistics-Stockholm- 15 (1999): 231-250.

9. ASSURANCES OF CONFIDENTIALITY:

a. Will a pledge of confidentiality be made to respondents? [] Yes [X] No

b. If Yes, please cite the statue, regulation, or contractual terms supporting the pledge.

10. JUSTIFICATION OF SENSITIVE QUESTIONS (if applicable):

NA

11. BURDEN HOURS:

Category of Respondent	Number of Respondents	Frequency	Number of Responses	Participation Time	Burden Hours
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				(hours)	
<i>Auto Loan Cost Calculator - Screener</i>	200	1x	200	.08 (5 minutes)	16
<i>Message Campaign - Screener</i>	200	1x	200	.08 (5 minutes)	16
<i>Auto Loan Cost Calculator- Survey</i>	100	1x	100	.58 (35 Minutes)	59
<i>Message Campaign - Survey</i>	100	1x	100	.33 (20 Minutes)	34
Totals	200*		600		125

*Respondents to the *Auto Loan Cost Calculator* and *Message Campaign* are a subset of those who responded to the screeners; therefore, the number of Respondents is 200.

12. FEDERAL COST: The estimated annual cost to the Federal government is \$75,000.

13. CERTIFICATION:

By submitting this document, the Bureau certifies the following to be true:

- The collection is voluntary.
- The collection is low-burden for respondents.
- The collection is non-controversial and does not raise issues of concern to other federal agencies.
- Information gathered will not be used for the purpose of substantially informing influential policy decisions.
- The results will not be used to measure regulatory compliance or for program evaluation.