

OMB Supporting Statement
Financial Management Service/Treasury
Direct Express Cardholder Satisfaction and Usage Qualitative Research
1510-0076

Background and Objectives

The Financial Management Service (FMS), a bureau of the Department of the Treasury (Treasury), has requested Comerica Bank, acting as Treasury's Financial Agent, to plan and execute research for the **Direct Express**® program. To perform this task, Comerica's agent, MasterCard®, has contracted with KRC Research.

Federal benefit recipients have the option to receive their benefit payments electronically through the **Direct Express** card program managed by Comerica® Bank as the U.S. Department of the Treasury's financial agent.

The **Direct Express** card was launched in October 2008 prior to Treasury's proposed rule to eliminate federal benefit payments by check. Beginning May 1, 2011, all new benefit recipients are required to receive their benefits electronically and those already receiving checks will have until 2013 to switch to an electronic payment.

Given that all federal benefit recipients are now required to receive their payment electronically, and that over one million have chosen to do so through the **Direct Express** card, qualitative research will be conducted among current cardholders.

Qualitative research with current **Direct Express** card users is necessary to explore card satisfaction, usage patterns, and knowledge about how to use the card properly. The research will be designed to explore usage issues in-depth, explore the learning process of an individual who has had the **Direct Express** card over an extended period of time, and test information and potential educational materials to both promote usage and help cardholders better manage their card (for example, avoiding fees). Findings from this qualitative research with cardholders will provide a deeper understanding of this audience to better serve their needs.

This research study is a component of the data collection approved in the October 2003 Electronic Funds Transfer (EFT) Market Research Study submitted to the Office of Management and Budget (OMB) referenced in the October 2003 EFT Market Research Study Supporting Statement for Paper Work Reduction Act (PRA) Submission (OMB Control #1510-0074).

Methodology

To accomplish the objectives above, KRC Research will conduct 30, one hour in-depth individual interviews with current **Direct Express** cardholders. Interviews would be conducted one-on-one, in person at focus group facilities in three locations across the U.S. to garner a cross-section of cardholders. This is a one-time collection of information and participation in the interview is voluntary.

Because of past experience recruiting similar audiences, at least 20 cardholders will be recruited per location to ensure seven to 10 completed interviews per location.

KRC Research will work closely with the focus group facilities to ensure that facilities are properly equipped and prepared to accommodate participants that might have special needs, such as wheelchair accessibility.

Direct Express cardholders are customers of Comerica Bank. Comerica Bank, as part of this research effort, will provide lists of cardholders for each location to KRC Research for recruiting purposes.

The results of the research will be grouped for reporting purposes and shared with Comerica, MasterCard, and Treasury only in the aggregate. However, all individual responses will remain completely confidential and will not be shared with anyone.

Estimated Burden Hours

Completing 30 interviews among **Direct Express** cardholders is expected to result in a total of 30 burden hours of time for those who are contacted and participate in the interview and screening process.

This time estimate is based on completing 30 one hour interviews with **Direct Express** cardholders who complete the screening process and agree to participate in the interview.

Justification for Nonstandard Honoraria

It is generally accepted as a standard industry practice to offer an incentive to individuals who participate in focus groups. Since participants are giving their personal time and have to commute to and from the facility, providing them with an incentive is a way to compensate them for their time and participation. In addition, offering an incentive increases participation rates and in turn reduces recruiting costs.

Our experience with similar groups has shown that a \$100 incentive yields the number of participants desired for the focus groups. Therefore, for this project, a \$100 incentive will be provided to make it possible to recruit the desired number of participants within a reasonable amount of time.

While this incentive is larger than the \$75 recommended by OMB, this is an extremely difficult audience to recruit and show rates are very low. A larger incentive will ensure a successful outcome for the research.

Further, MasterCard Worldwide is paying the entire cost of the research, including incentives, in support of the Financial Management Service's **Direct Express** card program.

Contact

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