

OMB Supporting Statement
Financial Management Service/Treasury
Direct Express® Cardholder Satisfaction and Usage Tracking Survey

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, along with its 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 two million have chosen to do so through the **Direct Express** card, periodic quantitative research will be conducted among current cardholders.

In June of 2011, qualitative research was conducted to explore card satisfaction, usage patterns, and knowledge about how to use the card properly. That research was used to create cardholder education materials to promote usage and help cardholders better manage their card (for example, how to avoid fees). This was followed by a quantitative survey last fall to explore changes in cardholder satisfaction, how they use the card, and to explore interest in specific communications options (text alerts, postcards, et cetera).

The quantitative research proposed for 2012 is important for several reasons. First, it will continue to track customer satisfaction levels over time, which is particularly important given some cardholders, specifically those without bank accounts, are now being required to receive their benefit payment on the **Direct Express** card when they apply for benefits instead of being given a choice. Second, the survey will continue to allow us to track changes in knowledge of the card's features overtime, as more cardholders are receiving additional information after their initial enrollment package about how to use the card. Third, it will allow the tracking of how cardholders use the card over time in ways that are advantageous to customers (such as using the card instead of cash to pay bills and make purchases). Finally, given that recently more paying agencies such as Veterans Affairs, Railroad Retirement Board, Civil Service Retirement, and other benefit recipients are now eligible to receive their payments on the **Direct Express** card, the survey will allow us to begin assessing any differences or special needs across new audiences as they begin choosing **Direct Express** for their federal benefit payment(s).

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 1,200 15-minute telephone interviews among a random sample of current **Direct Express** cardholders who have had their card for at least three months. 1,000 interviews will be conducted among a random sample of all cardholders, with an oversample of 200 cardholders who have enrolled and have used the card since May 1, 2011, when those enrolling for new benefits, especially if they were unbanked, were only given the option of choosing EFT instead of getting their payment by paper check. For unbanked benefit recipients, the **Direct Express** card is the only feasible option for receiving their payment.

This is a one-time collection of information and participation in the survey is voluntary.

Direct Express cardholders are customers of Comerica Bank. Comerica Bank, as part of this research effort, will provide a random sample of 72,000 cardholders to KRC Research.

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 as required by law.

Estimated Burden Hours

Completing the telephone survey of 1,200 interviews among **Direct Express** cardholders is expected to result in a total of 300 burden hours of time.

This time estimate is based on completing 1,200 15-minute interviews (1,200 X 15 minutes)/60 = 300 hours.

Contact

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