

Credit Card Rewards Focus Groups Discussion Guide

A. Introduction and Icebreaker (5 minutes)

Thank you all for coming to talk to us today. My name is _____, and I work for Fors Marsh Group. We are a private research firm, and we are helping the Consumer Financial Protection Bureau. The Consumer Financial Protection Bureau is a federal government agency that was created to help consumers. We are here helping the CFPB gather information to understand consumers' experiences.

Before we get started, I want to go over a few things:

- There are no wrong answers. Our whole purpose for being here is to hear what you think, so please speak up, especially if what you have to say is different than what someone else is saying. You may represent what a lot of others think.
- You don't have to answer every question, but I do want to hear from everyone, so I might call on you at some point.
- You might have already noticed the glass behind me/cameras. There are some people who are involved in the project observing from behind the glass, and we are recording the session. Even though people are observing, please speak openly about your opinions and experiences. We want to learn from you, so it is important that you share your honest opinions.
- What we talk about here is confidential. That means your name will not be associated with anything you say in our reports and your responses will not be linked to your identity in any way.
- Likewise, we want to respect everyone's privacy in this room and not share any of our discussion from today with others who were not here.
- Please also make sure to review the Privacy Act Statement provided to you in hard copy.

Privacy Notice

5 U.S.C. 552(a)(e)(3)

The information you provide through your responses to Fors Marsh will assist the study sponsor, the Consumer Financial Protection Bureau ("CFPB"), in gathering information to understand consumers' experiences with credit card rewards and deferred interest.

The CFPB will not obtain or access any directly identifying information from Fors Marsh about study participants. Video recording of the focus group will not be provided to the CFPB. The CFPB will only obtain, and access, de-identified results and aggregated analyses of those results.

Information collected on behalf of the Bureau by Fors Marsh will be treated in accordance with the System of Records Notice (“SORN”), CFPB.022, <https://www.federalregister.gov/articles/2012/11/14/2012-27582/privacy-act-of-1974-as-amended>. This information will not be disclosed as outlined in the Routine Uses for the SORN. Direct identifying information will only be used by Fors Marsh to facilitate the study and will be kept private except as required by law.

This collection of information is authorized by Pub. L. No. 111-203, Title X, Sections 1013 and 1022, codified at 12 U.S.C. §§ 5493 and 5512.

Participation in this exercise is voluntary, you are not required to participate or share any identifying information with Fors March, including name and email address, and you may withdraw participation at any time. However, if you do not include the requested information, you may not participate in the group discussion.

Does anyone have any questions before we begin?

Okay, great. First, I’m going to have everyone go around and tell me your name, how long you’ve lived in this area, and, if you won the lottery tomorrow and could go anywhere in the world on vacation, where would you go and why.

B. Background Information (10 minutes)

Let’s begin by talking for a few minutes about your past experiences with different credit cards. Before we get started, I do want to say that we’re not here to evaluate your spending or make any judgments about how you use credit cards—we just want to get a sense of how people make decisions, so we can help consumers in the future.

1. First of all, how do you primarily pay for things? Cash, credit cards, debit cards, prepaid cards, or checks?
 - a. How do you decide what you’re going to use to pay for something?
2. Now thinking specifically about credit cards, how many credit cards do you currently have?
3. Do you use them all equally, or one more than another?
 - a. How do you decide when you’re going to use a particular card?
4. Tell me a little about how you decide which credit cards to sign up for.
 - a. What kinds of things were you looking for when selecting a credit card?
 - b. What kinds of factors made that credit card seem like the best choice for you?
 - c. Do any of your cards have annual fees?
 - d. What has stopped you from signing up with other card companies?
 - e. What made you interested in that one particular credit card?

- f. Do any of your cards offer rewards such as miles, points, cash back or other benefits from using the card?
 - i. Did you get any kind of bonus for signing up?
 - g. Is there anything you think SHOULD influence which card you sign up for more than it actually does?
5. When you sign up for a card, do you know then what kinds of things you'll use it for?
 - a. Will it be your primary credit card?
 - b. How did you intend to use it?
 - c. How do you decide which card to use for which purpose?
 6. Thinking about the credit card you use most, what features of that credit card do you pay most attention to? (Examples: interest rates; fees; rewards; customer service; reputation of the brand; etc.) Why?
 - a. What features don't matter to you? Why not?
 - b. Have the important features changed over time? What attracted you to that card in the first place?
 7. Again, thinking of the card that you use the most, have you ever read the terms and conditions that govern the account?
 - a. What were the circumstances in which you did that?
 - b. How good would you say your understanding is of these terms?
 - c. Have you ever been surprised by any aspect of your card? An unexpected cost or benefit?
 - d. Ever been surprised by something in the terms and conditions?
 - e. Are there terms that you remember as being unclear? Clear?
 8. How do you usually tackle your monthly credit card bill? (Pay in full on time? Pay the minimum monthly payment on time? Pay some other amount, but on time? Pay late?)
 - a. How do you decide what to do each month?
 - b. When you don't follow your normal practice, what causes that? What's the usual change when there is one?

C. Credit Cards Rewards (15 minutes)

Now I'd like to discuss the topic of credit cards rewards in a little more detail. I am not testing you or your knowledge—we don't expect people to be able to answer all these questions or know every detail, but we just want to learn more about your experiences with rewards programs. Just to be clear, when I'm asking about rewards, I am asking about rewards associated with the credit card, not rewards associated with separate store "loyalty" cards (like a Walgreens card) that are not credit cards.

1. For those of you with rewards cards, what are your current credit cards rewards like?
 - a. Are they miles, points, cash back or something else?
2. How are the rewards accumulated or “earned”? Here, I’m talking about what you need to do to become entitled to the rewards, not what you need to do “spend” or otherwise redeem the award.
 - a. When you signed up for the card, did you have a plan for how you’d earn rewards? Did that work out?
 - b. Has earning the rewards been easier or harder than you expected? Why or why not?
 - c. Do you think the prospect of earning rewards changes the way you have used the card? How?
3. What ways are you able to redeem the rewards that you earn?
 - a. What have you used your rewards for?
 - i. Do you use rewards for different things?
 - ii. How often do you use your rewards for these things?
 - iii. What is your most common use of rewards?
 - b. How do you decide how to use the rewards?
4. How did you come to understand how you could earn rewards?
 - a. How good would you say your understanding is?
 - i. What about at the time you signed up for the card?
 - b. What has surprised you about earning—or not earning—rewards? What was contrary to your expectations? Where did those expectations come from, do you think?
 - c. What else would you want to know about how to earn rewards?
 - d. What information was well communicated? Not well communicated?
5. How did you come to understand how you could redeem the rewards you’d earned?
 - a. How good would you say your understanding was?
 - i. What about at the time you signed up for the card?
 - b. What surprised you about redeeming rewards? What was contrary to your expectations? Where did those expectations come from?
 - c. What else would you want to know about how to redeem rewards?
 - d. What information was well communicated? Not well communicated?
6. How do you feel about the rewards program offered by your credit card company?
 - a. What do you think about how you earn rewards?
 - i. How could this be improved?

- b. What about the way that you can redeem rewards?
 - i. How could this be improved?
 - ii. What do you think about what you are able to redeem rewards for?
 - iii. What kinds of things would you like to be to use rewards for?
 - c. What kind of changes would you make to your credit cards rewards?
7. How much influence did the credit cards rewards have on your decision to sign up for the card?
- a. What attracted you to the card in the first place? How did you learn about the card? What caught your eye and how? [Direct mail? At a bank branch? Internet advertisement? Print ad?]
 - b. How interested were you in other rewards cards?
 - i. How did you determine which credit cards rewards to sign up for?
 - 1. What did you find appealing about it?
 - 2. What kind of plan did you have about how to earn points?
 - 3. Did an earning strategy develop once you started using the card?
 - 4. What stopped you from signing up with a different rewards program?
 - c. If not for the rewards, what other factors made that credit card seem like the best choice for you?
 - d. Do you have a particular way in mind of redeeming the points?
8. Does the rewards program influence how you use the card?
- a. Do you use the card more or less?
 - b. Do you use it in different ways?
 - c. Do you buy different things?
9. Overall, what makes the credit cards rewards valuable to you?

D. Rewards Credit Card Offers Activity (10 Minutes)

We are going to move on to an activity now. I'm going to give you a sheet with details on some different credit card offers for cards that offer a rewards program. I would like you to take a few minutes to review the offers. Once you have reviewed all the offers, I would like you to rank them in the order that you would be most likely to sign up. If there is any information that stands out to you, please circle it. These are not real offers, and there are no wrong answers here. We are simply trying to understand which credit card features are most important to you.

	Introductory APR	Post-Intro APR	Bonuses	Rewards Type	How You Can Earn Rewards
Offer 1	0% for 12 months	12.99% to 22.99%	Bonus points	Points Points can be redeemed to help pay for travel expenses (flights, hotels, vacation packages, cruises, rental cars)	Earn 1.5 points for every \$1 you spend. Points do not expire.
Offer 2	0% for 18 months	18.99% to 26.99%	Earn 40,000 bonus miles when you spend \$4,000 in first 3 months.	Miles Miles can be redeemed to help pay for airline travel.	Earn 2 miles for every \$1 spent on travel and dining, and 1 mile for every \$1 spent on other purchases.
Offer 3	0% for 15 months	14.99% to 24.99%	Get \$150 back when you spend \$1,000 in first 3 months.	Cash back	Earn 3% cash back at gas stations, and 1% cash back on all other purchases.
Offer 4	0% for 9 months	16.99% to 22.99%	None	Cash back	Earn 2% cash back on all purchases
Offer 5	0% for 18 months	8.99% to	None	None	None

1. When you reviewed this, what stood out to you?
 - a. What things did you find appealing in the offers?
 - b. What things did you find concerning?
2. Were there any areas that were unclear to you?

- a. What would you like more information on?
3. Tell me about how you ranked the offers.
 - a. What was first? What was your main reason for choosing it?
 - b. What other factors made you go with that credit card?
 - c. Can you explain the rest of your ranking?
4. Which offer did you rank last? Were there any offers that you could eliminate easily?
 - a. What was your main reason for not choosing it?
 - b. What other factors made you uninterested in that offer?

E. Comparison of Non-Rewards and Rewards Credit Cards (10 Minutes)

As a final step, I'd like you to imagine that you're just choosing between Options [X] and 5. The options are not available. This time I'd like you to read over them and then pick one that you would be most likely to sign up for.

1. What was your thought process like when reviewing the two offers?
 - a. What stood out to you?
 - b. What things did you find concerning?
2. How difficult was it to choose between the two offers?
 - a. What made the decision difficult?
3. Between the two credit card offers that you selected, which one did you end up selecting?
 - a. What was your main reason for choosing it?
 - b. What other factors made you go with that credit card?
 - c. What was your main reason for not choosing the other offer?
4. What kind of things was the one credit card was lacking?
 - a. What could have been included in the offer?
5. How similar is this process to what you might go through at home when selecting a credit card?
 - a. What aspects of this exercise would be similar at home? What would be different?

Thank you, those are all the questions I have for you today. Was there anything else that you wanted to say about any of the credit card offers before we finish?