

**OMB Supporting Statement
Bureau of the Fiscal Service
Direct Express® Cardholder Satisfaction and Usage Tracking Survey
and One-on-One Qualitative Interviews**

Background and Objectives

The Bureau of the Fiscal Service, 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 are now required to receive their benefit payments electronically. Federal benefit recipients without bank accounts, in most cases, choose to receive their benefit payment 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 rule to eliminate federal benefit payments by check. Beginning May 1, 2011, all new benefit recipients were required to receive their benefits electronically and those already receiving checks were required to switch to an EFT payment by March 1, 2013.

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

Annual Quantitative Satisfaction and Usage Survey

The quantitative research proposed for 2015 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 electronically through the **Direct Express®** card when they apply for benefits. Second, the survey will continue to allow us to track changes in knowledge of the card's features over time, 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 to manage their payment (such as using the card instead of cash to pay bills and make purchases). Fourth, 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 #1530-0022).

Methodology

To accomplish the objectives above, KRC Research will conduct 1,000 17-minute telephone interviews among a random sample of current **Direct Express®** cardholders who have had their card for at least three months.

Additionally, we will conduct 100 interviews among cardholders who have downloaded the **Direct Express®** app on their smartphone and have used it to check balances or confirm payments. While these 100 respondents will be administered the same survey as the other cardholders, there will be a few additional questions to gauge satisfaction with the mobile app and this sample will be reported on separately. This will allow us to get an early indication of how the app is working for those using it. Currently there are too few cardholders using the app to conduct more than 100 interviews. The survey will be offered in both English and Spanish.

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 60,000 cardholders to KRC Research. MasterCard® will provide a sample of 750 cardholders who have downloaded the app.

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

Qualitative Interviews with Dissatisfied Cardholders

As a follow-up to the survey we plan to conduct 15 one hour in-depth telephone interviews among cardholders who say they are dissatisfied with the **Direct Express®** card. In past surveys only about five percent of all cardholders say they are dissatisfied with the card and there is a desire to understand, in more detail, what aspects of the card these benefit recipients are dissatisfied with and explore ways to improve the card for these cardholders.

To accomplish this at the end of the quantitative survey we will ask respondents dissatisfied with the card if they would be willing to be contacted by a professional interviewer on KRC's staff to participate in a one hour, open-ended discussion about their experiences with the **Direct Express®** card. These interviews will be audiotaped. Those who voluntarily agree to be contacted and audiotaped will constitute the pool of potential interviewees. We will then call and recruit up to 15 cardholders to participate in this research. Those who participate in the research will be given a \$50 incentive to compensate them for their time and effort.

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

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. The audiotapes will be stored and locked in a drawer at a KRC office. The audiotapes will be removed by staff for transcribing the interviews only. Once the aggregated report is written, KRC will destroy the audiotapes and identifying information will be excised from the transcripts.

Justification for Nonstandard Honoraria

It is generally accepted as a standard industry practice to offer an incentive to individuals who participate in qualitative research where the time and effort involved is greater than spending 17 minutes answering survey questions by phone or online. Since participants are giving their personal time, 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.

A \$50 incentive among this audience will be provided to make it possible to recruit the desired number of participants within a reasonable amount of time and ensure a successful outcome for the research.

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

Estimated Burden Hours

The total burden hours for both the quantitative and qualitative phases of the research are 328 hours.

Completing the telephone survey of 1,100 interviews among **Direct Express®** cardholders is expected to result in a total of 312 burden hours of time.

This time estimate is based on completing 1,100 17-minute interviews $(1,100 \times 17 \text{ minutes}) / 60 = 311.66$ hours.

Completing 15 one hour qualitative interviews among dissatisfied **Direct Express®** cardholders is expected to result in a total of 16 burden hours of time for those who are contacted and participate in the interview and screening process.

This time estimate is based on completing 15 one hour interviews with **Direct Express®** cardholders who complete the 5-minute screening process and agree to participate in the interview (16X60)/60= 16 hours.

Contact

For questions regarding the survey, contact:

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