

Request for Approval under the “Generic Clearance for the Collection of Qualitative Feedback on the Service Delivery of the Consumer Financial Protection Bureau” (OMB Control Number: 3170-0024)

1. TITLE OF INFORMATION COLLECTION:

Owning a Home Project User Experience Testing – Round 1

2. PURPOSE:

The Dodd Frank Act directs the Consumer Financial Protection Bureau (CFPB) to develop a program of consumer education and engagement. As part of that program, the CFPB has developed a suite of online tools and resources, known as the Owning a Home project, to help consumers make better, more informed decisions about mortgages. The purpose of this information collection is to conduct user experience testing that will help us uncover issues and identify ways to improve the tools, resources, and overall online experience of the Owning a Home project.

This IC request seeks approval for a set of three usability tests which will be conducted together as part of a single round of testing. Two of the tests will focus on the “Know the Process” tool, with one test devoted to navigation, interaction, and general usability, and the second test devoted to content organization, tone, readability, and comprehension. The third test will focus on navigation, interaction, and general usability of another new tool, the Monthly Payment Worksheet. Individual participants will participate in only one test per participant. The tools that will be tested are available at www.consumerfinance.gov/owning-a-home/.

3. DESCRIPTION OF RESPONDENTS:

The recruitment screener for these tests has already been approved through a separate generic IC request. Respondents are currently in the process of buying a home or have recently closed on a home. Individuals are chosen to provide a diverse sample for the qualitative user experience test.

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

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

- | | |
|---|--------------------------------------|
| <input type="checkbox"/> Web-based or other forms of Social Media | <input type="checkbox"/> Telephone |
| <input checked="" type="checkbox"/> In-person | <input type="checkbox"/> Mail |
| <input type="checkbox"/> Small Discussion Group | <input type="checkbox"/> Focus Group |
| <input type="checkbox"/> Other, Explain _____ | |

b. Will interviewers or facilitators be used?

Yes No Not Applicable

The test is administered in a one-on-one, in-person interview format.

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?

Respondents are recruited via a variety of local channels and may come from a wide range of backgrounds and circumstances. Potential respondents are asked to complete a standard screener questionnaire (which is the subject of a separate IC request under this generic clearance). The screener seeks to identify a variety of demographic and socioeconomic characteristics, as well as the participant's experience with homebuying, in order to provide a diverse sample for the qualitative user experience test.

6. PERSONALLY IDENTIFIABLE INFORMATION:

a. Is personally identifiable information (PII) collected? Yes No

b. If Yes, is the information that will be collected included in records that are subject to the Privacy Act of 1974? Yes No Not Applicable

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

http://files.consumerfinance.gov/f/201409_cfpb_consumer-education_pia.pdf.

c. If Applicable, has a System or Records Notice (SORN) been published?

Yes No Not Applicable

If yes, cite the SORN. Title: Market and Consumer Research Records, CFPB.022
77 FR 67802

7. INCENTIVES:

a. Is an incentive provided to participants? Yes No.

b. If Yes, provide the amount or value of the incentive? \$ 75.

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

An incentive of \$75 for a 60-minute session is the standard amount offered by usability researchers for this type of session. Without such an incentive, we would not be able to recruit a quality and diverse pool of participants.

While sessions will last 60 minutes, participants are required to arrive 10 minutes early to sign in, and to ensure sessions begin as scheduled. Upon completion of the session, participants are required to sign out and receive their incentive. Thus, they are in the office for a total of 75 minutes. Further, many participants have to travel 30-60 minutes to and from the facility. In our experience, a \$75 incentive for a 60 minute session allows for successful recruitment by reducing the amount of time required to recruit (i.e., it is more difficult and takes longer to recruit participants when we offer a lower incentive), increasing the attendance rate, and increasing the diversity of the recruitment pool (i.e., a lower incentive will be less likely to attract a diverse range of participants).

When considering the potential estimated time and cost of participating in this test, such costs as childcare, transportation, and potential lost wages could result in a high no show rate. For example, a conservatively estimated childcare cost of \$25, transportation cost \$35, and potential lost wages of \$18 amounts to an estimated \$74 minimum cost of participation. The basis for our participant cost analysis is outlined below:

Summary of Estimated Participant Costs

- Child Care: \$23 (\$10 per hour / per child with up to 1 hour commuting + 1.25 hours at test site = 2.25 hours of child care)
- Transportation: \$35 (2015 Federal mileage rate of 57.5 cents per mile @ an average of 60 miles).
- Lost Wages: \$16 (Federal minimum wage of \$7.25 per hour x (1 hour commuting + 1.25 hours at test site) = 2.25 hours of potential lost wages)

Total: \$74 (Estimated minimum participant cost)

Child Care: We found that nationally the babysitting rate is typically around \$8 - \$12 per hour with an average of \$10 per hour. While some participants will have multiple children who will require childcare, others will have none. Therefore, we are taking a conservative estimate of only one child.

Transportation: We used the IRS mileage rate of 57.5 cents per mile with a potential of 60 miles of travel.

Lost Wages: We have no specific data on the hourly wage of potential participants; therefore, in order to estimate the potential lost wages of participants, we took a very conservative approach and based this estimate on the Federal minimum wage. The cost to participate for higher-wage participants would, of course, be higher.

In summary, given the difficulties of recruiting the desired population and the potential costs of participation, we believe that \$75 is the minimum incentive necessary to recruit and retain the desired test population. There is also a concern that if the incentive is not attractive enough to participants, there may be a high no show rate or an insufficient diversity of participants and the test would need to be redone in order to obtain quality results. Redoing the test would be much costlier than an effective incentive. For example, at the \$75 incentive level, total incentives would be \$4,950 (66 participants x \$75) verses a test redo at a cost of approximately \$150,000.

8. BURDEN ESTIMATES:

Information Collection	Number of Respondents	Frequency (Responses per Respondent)	Number of Annual Responses	Response Time (hours)	Burden Hours
Testing Know the Process Interaction	18	1	18	1	18
Testing Know the Process Content	36	1	36	1	36
Testing Monthly Payment	12	1	12	1	12
Totals	66	////////////////////	66	////////////////////	66

9. **FEDERAL COST:** The estimated annual cost to the Federal government is

\$ 151,317.56

10. CERTIFICATIONS:

CERTIFICATION PURSUANT TO 5 CFR 1320.9, AND THE RELATED PROVISIONS OF 5 CFR 1320.8(b)(3) :

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

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (d) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (e) It indicates the retention period for recordkeeping requirements;
- (f) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (g) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected;
- (h) It uses effective and efficient statistical survey methodology; and
- (i) It makes appropriate use of information technology.

CERTIFICATION FOR INFORMATION COLLECTIONS SUBMITTED UNDER A GENERIC INFORMATION COLLECTION PLAN

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

- The collection is voluntary.
- The collection is low-burden for respondents and low-cost for the Federal Government.
- The collection is non-controversial and does not raise issues of concern to other federal agencies.
- The results are not intended to be disseminated to the public.
- Information gathered will not be used for the purpose of substantially informing influential policy decisions.
- The collection is targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the future.
- The data collection is not statistically significant, the sample is not intended to be representative, and the results will not be used to make inferences beyond the survey sample.
- The results will not be used to measure regulatory compliance or for program evaluation.