

**CONSUMER FINANCIAL PROTECTION BUREAU
INFORMATION COLLECTION REQUEST
SUPPORTING STATEMENT PART A**

**SURVEY FOR CONSUMER ATTITUDES, UNDERSTANDING, AND BEHAVIORS WITH
RESPECT TO FINANCIAL SERVICES AND PRODUCTS
(OMB CONTROL NUMBER: 3170-0034)**

TERMS OF CLEARANCE: When the Office of Management and Budget (OMB) previously approved this information collection in March 2013, it provided the following Terms of Clearance: “CFPB will resubmit the collection to OMB if any changes are made to the survey.” Accordingly, in March 2014 The Consumer Financial Protection Bureau (“CFPB”) submitted a no material / non-substantive change request to OMB to delete certain questions and to reword or modify the structure of other questions. OMB approved this request on July 16, 2014. Further, additional changes are being submitted to OMB as part of this request to renew OMB approval of the survey.

NOTE TO REVIEWER: CFPB plans to implement a Spanish version of the survey in 2016. After the English version of the survey is approved by OMB, CFPB will submit the Spanish version of the survey to OMB and will not conduct the Spanish version of the survey until OMB approves it.

ABSTRACT: This information collection helps the Consumer Financial Protection Bureau (“CFPB”) establish a public opinion survey to measure and track consumer attitudes, beliefs, and behaviors as they navigate financial decisions. In this regard, it helps CFPB target its efforts and those of its partners to those areas that will have the most impact on both consumers and financial markets.

JUSTIFICATION

1. Circumstances Necessitating the Data Collection

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203) (“the Act”) established the Consumer Financial Protection Bureau (“CFPB”) to regulate the offering and provision of consumer products or services under federal consumer financial laws.

The CFPB is charged with “developing and implementing initiatives intended to educate and empower consumers to make better informed decisions” (12 U.S.C. 5493(d)). In support of this mission, CFPB conducts a consumer research survey to better understand the general attitudes, beliefs, and behaviors of adult consumers around issues of consumer finance. The core objective of the survey is to measure consumers’ awareness, understanding, and behaviors with respect to consumer financial services and products, and to use this knowledge to inform agency consumer engagement choices. The survey is not at all intended to inform public policy decisions, nor is it intended to be representative of the American public as a whole, but is only intended to provide insights for the agency to guide consumer engagement choices.

Specifically, the results of this study will guide the messages and tools that CFPB uses to fulfill its mandate to educate and empower consumers. By better understanding consumers’ attitudes toward finance, the CFPB will be able to calibrate its engagement and education efforts to achieve maximum

effectiveness. The survey will provide insights into how consumers shop for financial products and services, how they approach financial decision making, and who they turn to for information. With the information gathered, the CFPB will gain an understanding of where the greatest opportunity for intervention lies, and what method of intervention (e.g., coached v. independent-style education, direct v. retail-style distribution, online v. print materials, etc.) would be most effective.

2. Use of the Information

Information will be collected on consumer opinions on and attitudes toward financial issues and behaviors and on sources of information respondents use to make financial decisions.

The information collected will allow the CFPB to assess which delivery channels (e.g., online, phone) will most successfully reach American adults with its initiatives; what financial products and services should be targeted by its initiatives; what gaps currently exist in American adults' understanding of those financial products and services; and what structure its initiatives should take in order to best educate and empower consumers to make better informed decisions.

Information will be collected via an online survey. Survey questions include the following sections:

- **Household Composition:** Questions in this section are designed to sample survey respondents who are involved in financial decision making – either as a primary decision maker or partner in the decision making process..
- **Internet Use:** Questions in this section are designed to provide contextual understanding of consumers' Internet behaviors, which will inform the CFPB's design of online educational tools and resources.
- **Financial Information and Resources:** Questions in this section are designed to help the CFPB understand how consumers currently get financial information and what their current perceptions and knowledge are of the CFPB. Answers to these questions will inform the agency's decisions about the medium of tools and information and other efforts to reach consumers. Additionally consumers' existing perception of the CFPB will inform the CFPB's positioning in relation to those tools.
- **Financial Attitudes and Behaviors:** Questions in this section are designed to help the CFPB better understand consumers' attitudes and behaviors toward financial products and services, including shopping and financial decision-making. These questions will also allow the CFPB to build upon qualitative consumer research conducted in 2015 by mapping the population against specific beliefs which differentiate how consumers approach complex financial decisions. The data from these questions will enable the CFPB to understand how these different beliefs would be positively impacted by different information and channels for information, resources, and tools that enable them to make better financial decisions.

Each of these sets of questions provides information that will help the CFPB learn how to best create tools and information for consumers, how to reach consumers with these tools and information in a way that fits with their current lifestyle, and how to continually improve the CFPB's educational efforts to the agency's education mandate under law (12 U.S.C. 5493(d)).

The CFPB intends to collect this information annually. The CFPB may share the information with other federal agencies when engaged in collaboration or financial education efforts but otherwise does not intend to share this information externally except as set out in paragraph 10.

3. Use of Information Technology

The 5000 participants of this survey will be drawn from an assembled pool of 50,000 adults from KnowledgePanel®, a proprietary web panel. The panel is designed to be in proportion to the U.S. population in age, gender, race, Hispanic ethnicity, language proficiency, education, household income, home ownership, and Internet access. KnowledgePanel, not the CFPB, conducts the screening process to select the pool members. ForsMarsh Group, LLC the contractor CFPB has hired to administer the survey, will be working with Knowledge Networks to administer the survey. KnowledgePanel uses an address-based sample (ABS) frame, which provides greater access to cell phone users. The ABS involves probability-based sampling of addresses from the U.S. Postal Service's Delivery Sequence File.

This data collection will be completed using the Internet, and those who do not have computers or access to the Internet will be provided with the necessary equipment and access. Survey invitations, reminders, and all survey forms are distributed and collected via the Internet. These systems are backed up by live and email Panel Relations staff available seven days a week.

Currently, the Panel Support Call Center is open the following hours:

Monday – Friday - 9 AM to 12 Midnight Eastern Time

Saturday & Sunday - 12 Noon to 8 PM Eastern Time

Use of the Internet as a data collection media allows the survey to include only those questions that are relevant to the respondent, thus helping to promote survey completion rates. In addition, all previously collected demographic and other profile information is supplied from the respondent's annually updated profile records, thus minimizing respondent burden specific to this information collection.

As part of its routine process, KnowledgePanel collects the demographic information listed below from all panel participants when they register with KnowledgePanel.

- Age
- Household size
- Ages of household members
- Education level
- Race/ethnicity
- Gender
- Employment
- Income
- Who makes financial decisions

- Region of US (9 regions)
- Metro vs. non-metro area
- Ownership status of living quarters
- Marital status

Aggregates of the KnowledgePanel data will be available to the CFPB as an option to do cross-tabulations during analysis of the survey results. As set out in paragraph 10, the CFPB will not have access to information that would allow it to connect the data back to individual survey respondents and their personally identifiable information.

4. Efforts to Identify Duplication

The CFPB is a four year old federal government agency with a unique mission and, to-date, quantitative information about consumers’ attitudes toward the agency, its relationship to financial products and services, or how the agency might best reach consumers to equip them with tools and information to aid their financial decision making has only been collected through this survey as an annual measurement.

The Board of Governors of the Federal Reserve System (the “Board”) conducts the Survey of Consumer Finance (the “SCF”), usually every three years. The SCF collects some of the information that is proposed in this information collection. While the SCF has been an invaluable resource to the CFPB in understanding the composition of the household balance sheet, these data are insufficient for the CFPB’s purposes. The SCF is approved by OMB control number 7100-0287.

The SCF focuses on the current allocations of assets and debts and intended future economic decisions. This focus omits data about channels, strategies, and other methods that will help the CFPB meet its mandate under the Act to educate and empower consumers to make better financial decisions. The data do not include collections related to the CFPB’s mission and its unique authorities as the federal regulator of consumer financial products and services.

5. Efforts to Minimize Burdens on Small Entities

No small businesses or other small entities are included in this research.

6. Consequences of Less Frequent Collection and Obstacles to Burden Reduction

Without this information, the CFPB will not be able to appropriately calibrate its consumer education and engagement efforts to fulfill its mandate under the Act. This information will allow the CFPB to assess which delivery channels (e.g., online, phone) will most successfully reach American adults with its initiatives; what financial products and services should be targeted by its initiatives; what gaps currently exist in American adults’ understanding of those financial products and services; and what structure its initiatives should take in order to best educate and empower consumers to make better informed decisions. The information will inform how the agency targets its education and engagement initiatives, avoiding time and resources being spent on misdirected projects.

7. Circumstances Requiring Special Information Collection

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d).

8. Consultation Outside the Agency

In accordance with 5 CFR 1320.8(d)(1), the Bureau has published a notice in the Federal Register allowing the public 60 days to comment on the proposed extension of this currently approved collection of information. Further and in accordance with 5 CFR 1320.5(a)(1)(iv). The Bureau received no comments in response to this notice. The Bureau published a notice in the Federal Register allowing the public 30 days to comment on the submission of this information collection request to the Office of Management and Budget. Further, over the past several years, the Bureau has completed several rounds of focus groups with consumers and intermediaries, educational/academic research, and user experience testing. This research is continuously considered and informs ongoing refinement of the instrument to ensure maximum effectiveness.

9. Payments or Gifts to Respondents

Respondents to this survey under this proposed clearance will receive a small incentive from Knowledge Networks, which is the standard for all KnowledgePanel surveys. The standard incentive has two classes: those who provide their own computer and Internet Service Provider (“ISP”) and those who use a computer and ISP provided as a part of their recruitment into KnowledgePanel. Those who use their own computer and ISP receive 1,000 loyalty points for completing this survey. 1,000 loyalty points is equivalent to \$1.00 and is deposited into their account for future use. When a computer and ISP is provided to a respondent, access to the Internet when not taking a KnowledgePanel survey represents their standard incentive. This practice has proven necessary and effective in recruiting subjects to participate in this small-scale research, and is also employed by the other Federal agencies, such as the Internal Revenue Service.¹

10. Assurances of Confidentiality

For the assurances of privacy provided to respondents by KnowledgePanel, please see: <http://www.knowledgenetworks.com/company/privacy.html> (privacy policy). This link to privacy terms is provided in the study invitation and survey instrument. KnowledgePanel also maintains a hotline so panelists may communicate any questions or problems related to the study. The hotline is a toll-free phone number that is provided in the privacy terms and in the survey instrument. KnowledgePanel will provide information from the respondents to ForsMarsh Group, LLC consistent with this privacy policy.

The CFPB will not obtain or access any personally identifiable information from ForsMarsh Group, LLC about survey participants. The CFPB will only obtain and access anonymous results and aggregated analyses of those results. The CFPB will treat the information received consistent with its confidentiality regulations at 12 C.F.R. Part 1070, *et seq.*

¹ OMB Control No. 1545-1432, Pacific Consulting Group, *Taxpayer Assistance Blueprint (TAB) Conjoint II Study*, October 2006 (study of taxpayer preferences for alternative IRS delivery channels).

Because there is no PII collected for or by the Bureau no System of Records is created for this survey. The information derived from this Survey is covered by the “Consumer Experience Research Privacy Impact Assessment” published June 30, 2014.

11. Justification for Sensitive Questions

This information collection does not include questions of a sensitive nature. KnowledgePanel participants already provided demographic information when they joined the KnowledgePanel.

12. Estimated Burden of Information Collection

There will be 5,000 respondents annually, which include respondents with limited English language proficiency. Average response time to the online survey is 20 minutes. These average response times are based on past experience. The contractor Pacific Consulting Group (PCG) has conducted online surveys of similar size and scope. Using the June 2012 average hourly wage of \$23.50 and June 2012 labor participation rate of 63.8% [source: Bureau of Labor Statistics, bls.gov], the cost to respondents is approximately \$152,750.

Exhibit 1: Burden Hour Summary

Information Collection	No. of Respondents	Frequency	Annual Responses	Average Response Time (hours)	Annual Burden Hours
Annual Survey	5,000	1x	5,000	.3	1,500
Total	5,000		5,000		2,500

13. Estimated Total Annual Cost Burden to Respondents or Recordkeepers

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

14. Estimated Cost to the Federal Government

The Government plans to utilize the research Blank Purchase Agreement with the contractor, ForsMarsh Groups, LLC to administer the survey. The estimated cost of administration is \$200,000. Other than the cost of the contract, there are no additional costs to the Federal Government.

15. Program Changes or Adjustments

The CFPB plans to revise the survey instrument to better meet the needs of the Bureau during the upcoming collection cycles. Burden has slightly increased due primarily to the increase in number of survey respondents annually (from 2,500 to 5,000). The Bureau serves a diverse range of consumers with statutorily-mandated focuses on special populations, for example: military servicemembers, older Americans, students, and traditionally underserved consumers. This slight burden increase allows the Bureau to screen and conduct the survey with this diversity in mind. Furthermore, this expansion is critical to understanding the needs of Spanish-language dominant consumers as we develop products/services and communications specifically for this audience. Many respondents will

be directed to skip over questions, or certain questions will not be posed, based on their answers to previous questions (e.g., skip logic). With fewer questions posed, these consumers will experience a reduced response burden

Exhibit 2: Burden Changes Summary

	Total Respondents	Annual Responses	Burden Hours	Cost Burden (O & M)
Total Annual Burden Requested	5,000	5,000	1500	\$0
Current OMB Inventory	2,500	2,500	833	\$0
Difference (+/-)	+2,500	+2,500	+667	\$0
Program Change	2,500	2,500	667	\$0
Discretionary	2,500	2,500	667	\$0
New Statute	0	0	0	\$0
Violation	0	0	0	\$0
Adjustment	0	0	0	\$0

16. Plans for Tabulation, Statistical Analysis, and Publication

The primary analyses for this study include frequencies (topline results), cross-tabulations (banners), and means (averages) and distributions of consumer ratings. Significance testing of rating differences between items and analysis of variance (ANOVA) may also be conducted as well as cluster analysis on the set of attitudinal items to identify customer segments that CFPB can address in its educational and communications program development.

The CFPB may share the information with other federal agencies when engaged in collaboration or financial education efforts, but otherwise does not intend to share this information externally except as set out in paragraph 10.