CFPB Fintech Focus Groups
Research Plan

Submitted to:	Submitted by:
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1. Introduction

The CFPB seeks to improve its understanding of young people's use of financial technology (fintech), their attitudes toward different categories of fintech, and the potential benefits and risks of these platforms. **To address this need, ICF will conduct 6 online focus groups with a total of 36 to 48 participants (i.e., 6 to 8 participants per group).**

This Research Plan describes ICF's strategy for conducting these data collection activities, including:

- A description of how ICF will recruit participants using databases of interested participants hosted by external research firms.

- A description of how the sessions will be scheduled and conducted.

- A draft recruitment screener survey (Appendix A) and focus group discussion guide (Appendix B).

Once finalized, this research plan will form the basis of the package submitted for approval to CFPB's Data Intake Group (DIG) and the Office of Management and Budget (OMB).

Research questions that will be addressed through these focus groups include:

- What types of fintech do young people in the United States most frequently use and what are their features?

- What potential dangers or risks to young people might fintech pose?

- What are peoples' attitudes towards different types of fintech, and how do those attitudes vary based on age, race, or ethnicity?

- What factors have the most influence over young people's use of fintech (e.g., beneficial features, efficiency, concerns about privacy, comfort with technology)?

2. Recruitment Approach

Recruitment Process

ICF will recruit for the focus groups using existing databases of individuals who have expressed interest in participating in research. As a national research company, ICF has established relationships with several external research firms that maintain such databases, and will choose the one whose database is likely to yield the most appropriate participants for this study.

Participants will be screened using a structured recruitment screener; this screener is provided as Appendix A to this plan. ICF anticipates that screening will take approximately 3 minutes per participant, and to yield 48 focus group participants we anticipate that approximately 100 participants will be screened.

Participants who qualify will be given the opportunity to participate in one of the focus groups. Once participants have been scheduled for a session, they will be sent an appointment confirmation and an informed consent document to review.

Groups will be segmented by age—two focus groups will be conducted with participants aged 16 to 18, and four will be conducted with participants aged 19 to 24. This segmentation will improve the extent to which participants can relate to each other, since a 16 year-old high school student may feel awkward in a discussion with older participants who are in the workforce full-time.

Eligibility Criteria

The primary eligibility criteria are that all participants must be between the ages of 16 and 24, and that all must have used at least one category of fintech (see Appendix A for a description of the categories). In addition to these basic criteria, ICF will select participants to ensure the focus groups are demographically diverse.

3. Conducting the Sessions

Discussion Guide

Appendix B provides a focus group discussion guide that will guide the sessions. The guide contains prompts and follow-up questions that the interviewer should use if the specific issues of interest do not come up during the discussion. While the focus group guide is a "roadmap" to follow, interviewers will use their skills and experience to reword probes, add probes, and make connections across topics if it helps uncover additional nuance and meaning.

The majority of each session will consist of separate discussions focused on seven different types of fintech apps (see Appendix B for a description of the 6 types). For each of the six types, participants will be asked about their use of that type of app, any issues or concerns they have had, how they select specific apps to use, and if there is anything they wished they had known before they began using the apps. After that discussion, the moderator will move to the next type of fintech app and the discussion will continue.

We are allotting 75 minutes for focus groups. If time allows, each focus group session will end with a false close, during which CFPB observers will have the opportunity to suggest follow-up questions for the moderator to ask.

Logistics

We plan to conduct focus groups remotely using a video conference platform such as Microsoft Teams. This platform will make it easy for CFPB staff to observe the interviews. Participants will be asked to have their video on during the sessions to encourage more interaction; recruitment materials will include clear instructions for joining the call. Respondents will not have to download anything to access the interview.

All sessions will be audio-recorded and transcribed. Recordings and transcripts will be stored on an server that is password protected with 2-factor authentication. Only members of the ICF project team, all of whom have CFPB background clearance, will have access to the recordings and transcripts. Participants will be provided with an informed consent document as part of the invitation materials that lays out the expectations for the interview as well as their rights as a participant.

In appreciation of their participation, all participants will receive a $75 stipend. This amount is based on ICF's experience recruiting participants with similar profiles for focus groups of this duration.

Appendix 1: Draft Screener Survey

Recruitment Parameters:

- Total of 6 focus groups; recruit 8 for each session for 6 to show (total of 48 recruited participants)
    - o Two focus groups with participants aged 16 to 18 (Category A)
    - o Four focus groups with participants aged 19 to 24 (Category B)

Recruitment Screener:

Privacy Act Statement
5 U.S.C. 552a(e)(3)

The information you provide will be used to determine your eligibility to participate in a focus group conducted by ICF International (ICF) and sponsored by the Consumer Financial Protection Bureau (CFPB). The purpose of the focus group is to understand consumer use of financial technology (fintech), such as banking, investment, or payment apps.

This form may collect your age, gender, education, race, ethnicity, current state of residence, and your use of fintech. Your demographic information may be linked to other personally identifiable information (PII) such as your full name and contact information for the purpose of screening participants and scheduling a session. However, your last name and contact information will not be provided to ICF or the CFPB.

Information collected will be treated in accordance with the System of Records Notice (SORN), CFPB.021 – CFPB Consumer Education and Engagement Records. Although the CFPB does not anticipate further disclosing the information provided, it may be disclosed as indicated in the Routine Uses described in the SORN. Direct identifying information 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 is voluntary. However, if you choose not to provide the requested information, you may not be eligible to participate in the focus group.

ICF, a research company, is conducting a series of focus groups on behalf of the Consumer Financial Protection Bureau (or CFPB). The CFPB is an agency of the federal government whose role is to protect consumers. The goal is to learn more about people's use of financial technology, such as banking, investment, or payment apps. Focus groups will be conducted online and will last approximately 75 minutes. Participants will receive a $75 Amazon gift code in appreciation of their time.

Please answer the following questions to see if you qualify for participation in these groups.

1. How old are you?

      a.   Younger than 16 years old [DOES NOT QUALIFY]
      b.   16-18 years old (*Category A*)
      c.   19-24 years old (*Category B*)
      d.   More than 24 years old [DOES NOT QUALIFY]

2. Which of the following, if any, do you use <u>at least once a month</u>? *Keep in mind that some apps may offer several of these features.*

    a.   **Payment apps**, such as Venmo or Paypal, that allow you to send and receive money from other people.
    b.   **Online banking apps** that allow you to access and use a bank account on your mobile phone.
    c.   **Investment apps**, such as Robinhood or Acorns, that allow you to buy and sell stocks and other investments.
    d.   **Budgeting or personal finance apps** that allow you to track your spending or saving.
    e.   **Apps that allow you to monitor or improve your credit score**, such as Credit Karma.
    f.   **Apps allowing you to buy or sell cryptocurrency**, such as Crypto.com or Coinbase.
    g.   **Apps that allow you to pay for purchases over a longer period of time**, such as Affirm. (These are sometimes referred to as "Buy Now Pay Later" apps.)

For each Yes answer to 2a through 2f, ask participant to identify the specific app(s) in that category that they use most frequently.

Participants must answer Yes to at least one part of Q2 in order to qualify.

Screening Criteria	Recruitment Requirements

3. Age (Q1)
  a. 16
  b. 17
  c. 18
  d. 19-20
  e. 21-24
	• Across the two Category A focus groups, at least 4 participants in each of categories (a), (b), and (c)
	• Across the four Category B focus groups, at least 6 participants in each of categories (d) and (e)

4. Use of fintech apps (Q2)
  a. Payment apps
  b. Online banking apps
  c. Investment apps
  d. Budgeting or personal finance apps
  e. Apps that allow you to monitor or improve your credit score
  f. Apps allowing you to buy or sell cryptocurrency
  g. Buy Now Pay Later apps
	• All participants must answer Yes to at least one part of Q2 in order to qualify
	• Across all participants, for Q2a through Q2f there must be at least 8 people who answered Yes

5. (*Age category B only*) Which of the following best describes your current educational status?	• Across the four Category B focus groups, no more than 14 respondents in any one category

Screening Criteria	Recruitment Requirements
a. I have never enrolled in college b. I am currently enrolled in college (part-time or full-time) c. I have graduated from college	
6. With which gender do you most identify? a. Female b. Male c. Transgender or another gender identity d. I prefer not to say	• No more than 5 recruits in any one category for each focus group session
7. Which of the following best describes your race/ethnicity? (*Select all that apply*) a. American Indian or Alaska Native b. Asian c. Black or African American d. Hispanic or Latino e. Native Hawaiian or Other Pacific Islander f. White g. Other [TEXT BOX]	• <u>Across all six sessions</u>, no more than 30 recruits in any one category
8. In what state do you currently reside?	• <u>Across all six sessions, at least 10 states.</u>

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Appendix 2: Focus Group Discussion Guide

Introduction

Hello, and thank you for participating in this focus group today. My name is _____, and I work for a company called ICF. My company is working with the Consumer Financial Protection Bureau (CFPB), which is an agency of the federal government whose role is to protect consumers. During today's session, which we expect will take about 75 minutes, we'll be talking about different types of financial technology that people use, such as apps on their phone that they use for banking, investing, or other purposes. I'm interested in learning more about what kinds of apps you use, and what you think are good or bad about them.

Before we begin, I wanted to provide some ground rules for our session. First, please know that participation in this focus group is voluntary and you are welcome to participate as much or as little as you want. I'd like to hear from everyone if possible, and at times I might call on people just to make sure everyone has an opportunity to participate—but if there are any questions that I ask that you prefer not to answer, you don't have to. Second, in addition to me there are a few other people observing this interview, both from ICF and from the Consumer Financial Protection Bureau. They will be listening to what you have to say and taking notes. (*Insert privacy statement provided by DIG)*

Privacy Notice

The responses you provide to ICF International (ICF) will be used by the Consumer Financial Protection Bureau (CFPB) to understand consumer use of financial technology (fintech), such as banking, investment, or payment apps.

With your consent, ICF will record audio and video of your responses as you participate in the focus group. The recordings will only be shared within the ICF project team for transcription and research purposes.

Your feedback will be kept private and will not be linked to a direct personal identifier. Only information that is aggregated or de-identified will be shared with the CFPB. Additionally, the CFPB may publish de-identified reports based on the results of this study. None of your identifying information will be included in the reports.

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 is voluntary, and you may withdraw participation at any time.

Does this all make sense, and does anyone have any questions? (*Pause for any questions*)

We would also like to record audio and video of this session through Microsoft Teams, but the recording will not be shared with any outside parties and will be used only for research purposes pertaining to this project. Are you comfortable with us recording this discussion? (Get agreement before continuing.)

To get started, I would like to ask everyone to introduce themselves by telling me their first name, the city where they live, and what their favorite app is on their phone.

Introduction

1. Raise your hand if you have ever done something related to money on your phone, or on a computer. *Wait for participants to raise their hands.* Think back—what is the first thing you remember doing?

    a.   About how old were you when you used your phone or a computer in that way?

2. Do you think you started to do things related to money on your phone or computer before, after, or around the same time as other people your age? What makes you think that?

    a.   Why do you think you started earlier/later than other people?

    b.   Where did you first hear about the idea to use your phone or computer to do things related to money? (After pause, probe for word-of-mouth vs. seeing advertisement).

Categories of Financial Apps

3. Now I'd like to talk for a bit about different categories of financial apps that people use. The first is **mobile apps that allow you to send and receive money from other people**.

    a.   Can you think of any examples of these kinds of apps, either that you use yourself or that you have heard of?

    b.   Please raise your hand if you use apps in this category at least once every 2 or 3 months.

4. For those of you who <u>use these apps</u>:

    a.   On a scale of 1 to 5, where 5 is most important, how important do you think these apps are in your life?
    - Why did you give that answer?

    b.   When did you start using these apps? When you started, did you have any concerns about using them? If so, what?

    c.   If these apps did not exist, how do you think your life would be different?
    - What do you think you would do instead?

    d.   Have you ever made a mistake when using one of these apps before? What happened, and what if any was the impact on you?

        1.   What if anything do you wish you had known before you made the mistake that would have helped you either avoid or mitigate the mistake?

2. Did you ever contact anyone such as the company that makes the app or your bank or credit card company about your mistake? If so, how did they respond, and were you satisfied with their response?

e. There are obviously different apps that you can use to send and receive payments with other people (*list some of those that were brainstormed earlier*). Do you use one of them specifically, or do you use multiple different apps?
- If you choose to use one, why do you prefer that one to the others?

f. Is there anything that you wish you knew before you started using these apps? If so, what?
- Is there any advice that you would give someone who was considering using them?

g. Have you learned anything from using these apps that helps you manage your money better? If so, what?

5. For those of you who <u>do not use these apps</u>:

a. Why don't you use these apps? Is it a conscious decision not to, or have you simply not thought about it before?

b. What do you do instead of using these apps? [*For example, do they go to a physical bank instead of using a banking mobile app?*]

c. What benefits, if any, do you think these apps could provide to you?

6. Do you have any concerns about these apps? What risks, if any, do you think they might present? *Probe for potential concerns around data security, privacy, or possible fraud.*

a. Is there anything that you do to protect yourself against these risks?

b. How would you respond if you experienced this (moderator note: reference a risk mentioned earlier. If none raised, say a data breach or potential fraud)? Do you know who to contact to report something like a data breach or fraud when using these apps?

After asking these questions about payment apps, repeat with the following five categories of fintech:
- *Online banking apps that allow you to access and use a bank account on your mobile phone*
- *Investment apps that allow you to buy and sell stocks and other investments*
- *Budgeting or personal finance apps that allow you to track your spending or saving*
- *Apps that allow you to monitor or improve your credit score*
- *Apps that allow you to buy or sell cryptocurrency*
- *Apps that allow you to pay for purchases over a longer period of time, such as Affirm. (These are sometimes referred to as "Buy Now Pay Later" apps.)*

NOTE TO MODERATOR: Rotate the order of categories between groups, to ensure that all categories get sufficient attention.

Conclusion

7. In this conversation we've talked about a lot of different types of apps that help you do various things with money. Overall, do you think you use these apps more or less frequently than people who are older than you, like your parents or older family members or friends?

    a.   Why do you think this is?

8. Overall, what are the most important ways you believe these apps help you better manage and track your money?

False Close

At this point the moderator will excuse him or herself from the focus group in order to ask observers if there are any follow-up questions that should be asked. He or she will then return to the session, ask any follow-up questions, and conclude the focus group.