

**BUREAU OF CONSUMER FINANCIAL PROTECTION  
REQUEST FOR APPROVAL UNDER THE “GENERIC INFORMATION  
COLLECTION PLAN TO CONDUCT COGNITIVE AND PILOT TESTING  
OF RESEARCH METHODS, INSTRUMENTS, AND FORMS”  
(OMB CONTROL NUMBER: 3170-0055)**

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**PART A. GENERAL INFORMATION**

1. **Title of the Information Collection (Study):** Buy Now, Pay Later Qualitative Testing
2. **Study Abstract:** The CFPB’s Office of Research seeks to better understand consumer decision-making and psychology in the realm of buy now, pay later (BNPL), a rapidly growing and understudied segment of consumer credit. Since research on this topic is in a formative stage, we will work to understand the breadth of thoughts, responses, and experiences of BNPL consumers through qualitative testing. By conducting focus groups and in-depth interviews with users and non-users of BNPL, this project will provide information about consumers’ experiences, preferences, awareness, and understanding of BNPL programs and other unsecured credit. Results from this study will inform future BNPL-related online lab experiments. This study will build on previous research on consumer awareness and understanding of costs, risks, and benefits of BNPL and provide greater agency insight to the need, or lack thereof, for regulating BNPL and other credit services.
3. **Type of Collection:**
  - a. **Will there be an informed consent?**  Yes  No  N/A  
Fors Marsh will create a consent form.  

**Explain why or why not an informed consent is being used.**
  - b. **How will you collect the information?** (Check all that apply)  
 Cognitive Laboratory Study  Pilot Testing  
 Other, Explain Focus Groups and In-Depth Interviews (IDIs)
  - c. **Will interviewers or facilitators be used?**  Yes  No  N/A
4. **Personally Identifiable Information:**
  - a. **Is personally identifiable information (PII) collected?**  Yes  No
    1. **If yes, describe what PII collected, why it is needed and intended uses.**  
PII will be collected by Fors Marsh to recruit and screen participants. No PII will be delivered to the CFPB or connected with any other data collected.  
  
PII may be volunteered by participants during focus group or IDI administration. If this happens, Fors Marsh will manually remove PII from the transcripts and raw recordings. Fors Marsh will then upload the PII-stripped recordings and transcripts to the CFPB’s secure sftp server.
  - 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

**1. If Applicable, has a System or Records Notice (SORN) been published?**  
 Yes  No

**2. If Yes, provide SORN title and *Federal Register* citation for the SORN** 83 FR 23435 \_\_\_\_\_  
**Title:** CFPB.022 Market and Consumer Research Records.

**c. 1. Has the Privacy Impact Assessment (PIA) been published?**  
 Yes  No  Not Applicable

**2. If Yes, provide link to Privacy Impact Analysis (PIA). If No, please describe that status of the PIA:** [http://files.consumerfinance.gov/f/201406\\_cfpb\\_consumer-experience-research\\_pia.pdf](http://files.consumerfinance.gov/f/201406_cfpb_consumer-experience-research_pia.pdf).

## **PART B. JUSTIFICATION**

### **1. Purpose of the Study and Intended Uses of the Data:**

#### Research Objectives

The CFPB's Office of Research seeks to better understand consumer decision-making and psychology in the realm of BNPL, a rapidly growing and understudied segment of consumer credit. Since research on this topic is in a formative stage, we will work to understand the breadth of thoughts, responses, and experiences of BNPL consumers through qualitative testing (i.e., focus groups and individual interviews).

The results from this study will help inform the topics and questions for future BNPL-related research. All focus group and interview sessions will be audio and video recorded on a CFPB laptop. Any instances of PII will be redacted from the recordings and transcripts. Fors Marsh will assist with analyzing the data to identify key themes and present findings and recommendations for future research. We will not combine data collected from this study with any other Bureau datasets. There is no plan to publish the results of these focus groups and IDIs. However, some participant quotes or general conclusions from this study may be used in future CFPB reports.

### **2. Payments or Gifts (Incentives) to Respondents:**

Participants of all focus groups and IDIs will receive a fixed incentive of \$100. Focus groups and in-depth interviews require a more significant investment from the individual research participant, relative to other forms of data collection. It takes time and effort to participate in a focus group or IDI. As a result, there has long been a tradition to provide a suitable incentive for participation.<sup>1</sup>

Our target respondents are hard-to-reach populations, which may make the recruitment challenging. For example, our eligibility criteria for certain sessions includes having experienced a very specific set of events. The incentive serves as a motivational stimulus for participants to attend the session, be on time, and generally take the research seriously. The specific amount proposed is based both on Fors Marsh's prior experience conducting qualitative interviews with members of the general population.

We are proposing the same incentive for both Focus Groups and IDIs because both require effort from participants to stay engaged and respond to questions for a 60-minute period. In both cases, Fors Marsh will make every attempt to schedule sessions at a time that is convenient for the participant.

The research team wants to ensure that we are able to reach a diverse group of participants. While the

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<sup>1</sup> Krueger and Casey, Vol 4 page 77. [https://www.sagepub.com/sites/default/files/upm-binaries/24056\\_Chapter4.pdf](https://www.sagepub.com/sites/default/files/upm-binaries/24056_Chapter4.pdf)

sessions will be held remotely and participants will not need to travel, they will still need to schedule time on their calendar. For some individuals from low-income backgrounds who may have more unpredictable schedules, it may be an added challenge. They may have to arrange childcare coverage, put off meal planning, or even take time from their paid work to participate. Providing the incentive allows the participant to “protect” the time slot on their calendar from any other requests for their time. While cash is often provided to qualitative research participants, we believe the online gift card is equivalent to cash in terms of participant convenience. Participants will be given the option to receive their compensation through electronic payment via PayPal, a mailed Visa gift card, or a variety of other digital gift card options.

**3. Assurances of Confidentiality and Justification for Sensitive Questions:**

We will provide notice to participants that explain how their information will be used through appropriate vehicles, such as Privacy Notices, Privacy Act Statements or Informed Consent forms. Such notice is made available prior to the collection of information and explains whether the information is mandatory or voluntary; whether there are any opportunities to consent to sharing and submission of information; how the information will be secured, and when a System of Records is created under the Privacy Act.

Fors Marsh will provide participants with an informed consent form, detailing all pertinent information for the virtual focus groups and interviews, prior to participation. We will ask them to sign this form as a written indication of consent to participate.

**4. Estimated Burden of Information Collection:**

<b>Information Collection</b>	<b>No. of Respondents</b>	<b>Frequency (Response per Respondent)</b>	<b>Total Annual Responses</b>	<b>Average Response Time (hours)</b>	<b>Total Burden Hours</b>
Focus Groups	40	1	40	1	40
In-Depth Interviews	22	1	22	1	22
Screeener	62	1	62	0.08 <sup>2</sup>	4.96
<b>TOTAL</b>	<b>124</b>		<b>124</b>		<b>66.96</b>

**5. Federal Costs (estimated annual cost to the Federal government):**

\$20,512.20

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<sup>2</sup> 5 minutes.

## **PART C. STATISTICAL METHODS**

### **1. Respondent Universe and Selection Methods:**

The CFPB will work with a third-party vendor, Fors Marsh, to recruit both users and non-users of BNPL products and other unsecured credit. Fors Marsh has access to several proprietary consumer research panels with a national coverage through its subcontractors. Fors Marsh plans to work with Field Goals, a consumer research firm that maintains a nationwide panel of consumers, to recruit a diverse mix of participants in different regions across the United States. Fors Marsh has a longstanding relationship with Field Goals and has successfully recruited participants for previous studies with the CFPB.

Fors Marsh will oversee the recruitment process to ensure that qualified participants join the focus groups and IDIs. The focus groups will include participants with varying levels of BNPL utilization, including those with little or no prior usage of BNPL. The IDIs will also include participants with a variety of BNPL usage; however, IDIs will not include any non-users of BNPL. Fors Marsh will work with the recruitment vendor to ensure a balanced mix of demographic characteristics such as age, gender, educational attainment, income, race/ethnicity, and geography.

Fors Marsh will recruit 40 participants for the focus groups and 22 participants for the IDIs.

#### **Focus Group Participant Characteristics**

We will conduct five 60-minute focus groups with both users and non-users of BNPL.

- 1 pilot focus group with 3-4 users of BNPL to test the moderator guide and identify additional topics for discussion
- 4 focus groups with 6-8 participants
  - 2 focus groups with 6-8 non-users of BNPL (16 total BNPL non-users). Note: Non-users must be aware of BNPL, but have not used it.
  - 2 focus groups with 6-8 users of BNPL (16 total BNPL users). We will ensure a balanced composition of BNPL utilization for each session:
    - Roughly half with 3+ BNPL purchases in the last year
    - Roughly half with 1-2 BNPL purchases in the last year
- A mix of demographic characteristics including age, gender, educational attainment, income, race/ethnicity, and geography.

#### **IDI Participant Characteristics**

We will recruit 22 participants to seat 20 participants for the 60-minute IDI sessions. All participants must have previously used BNPL.

- 1-2 pilot interviews to test the moderator guide and identify additional topics for discussion
- 18 IDIs with a balanced composition of BNPL utilization:
  - Roughly half with 3+ BNPL purchases in the last year
  - Roughly half with 1-2 BNPL purchases in the last year
- A mix of demographic characteristics including age, gender, educational attainment, income,

race/ethnicity, and geography.

Fors Marsh will work with CFPB staff to define all participant requirements to create a well-developed screener to recruit eligible participants. The screener is a short survey that will specify the characteristics listed above to determine whether prospective participants qualify for the study. It will provide a brief description of the study topic, privacy language, and other administrative details such as time commitment. It will then include a short list of qualifying questions for respondents to complete. It may also collect additional demographic data to ensure a diverse and varied sample.

Once participants have completed the online screener, the recruitment vendor will analyze the data to identify ideal, qualified candidates for the study. The recruitment vendor will reach out via phone to those who qualify to schedule them for participation. A virtual meeting space will be arranged in advance by the CFPB for inclusion in confirmation emails to scheduled participants. The confirmation email will include the time, date, and instructions on how to access the remote focus group session via computer or phone. The recruitment vendor will also ensure that all consent forms are signed prior to the session.

## **2. Information Collection Procedures:**

Fors Marsh will develop all materials for the focus group and IDIs (with input from the CFPB team), including the following:

- Well-developed screener to ensure qualified recruits
- Moderator guide designed to elicit detailed responses from participants
- Standard informed consent/assent to ensure confidentiality

Fors Marsh will begin recruitment two to three weeks before the schedule start date of data collection. All participants will receive a confirmation email after they are scheduled for the study, a reminder a few days before the session begins, and a final confirmation email the day prior to their session date. Fors Marsh will also provide participants with an informed consent form, detailing all pertinent information for the virtual focus groups and interviews, prior to participation. We will ask them to sign this form as a written indication of consent to participate.

For both focus groups and IDIs, Fors Marsh will construct a moderator's guide in the standard inverted pyramid structure, which starts with more general questions to allow the research to build rapport with the participants before moving to more specific questions. The guide will identify probing questions and establish the time allotted to each topic of interest to ensure consistency across sessions. Interviewers will verify that the questions and probes are designed in a manner that keeps participants engaged and elicits useful qualitative data without any "leading" questions.

We anticipate that there will be multiple versions of the moderator guide based on their relevance to the core audience or the methodological approach. For instance, the focus group sessions will have two versions of the moderator guide: one with topics and questions relevant to BNPL-users, and one with topics and questions relevant to non-BNPL users. We also plan to create a moderator guide for the IDIs that will:

- a) concentrate on key issues learned from the focus groups
- b) be suited for a one-on-one setting

All sessions will be conducted on a CFPB laptop using CFPB-approved software, such as UserZoom and Teams. The focus group sessions and IDIs will be audio and video recorded. Participants' last names will be removed from the screen during the focus groups to protect their privacy. Fors Marsh will process audio recordings for professional transcription using a third-party service called Rev. If PII was revealed during focus group administration, the Fors Marsh team will manually remove it from the transcripts and raw recordings. Fors Marsh will then upload all recordings and transcripts to CFPB's secure sftp server.

### **Focus Group Administration**

We will conduct five 60-minute focus group sessions with 36 participants using UserZoom on a CFPB laptop. A trained moderator from Fors Marsh and at least one CFPB researcher will be present at all focus groups to facilitate recording of groups, monitor attendance, capture notes, and provide the moderator any other support. Fors Marsh will reach out to absent participants if there are less than 4 in attendance. If too few participants show up for the session, we will cancel the focus group and reschedule attendees for a later session. If there are excess participants, Fors Marsh will contact them to let them know that capacity has been reached and that they will be compensated for their time.

### **IDI Administration**

Fors Marsh will conduct 20 60-minute IDIs with 20 participants using Microsoft Teams on a CFPB laptop. A moderator from Fors Marsh and at least one CFPB researcher will be present at all IDI sessions to capture notes and provide the moderator any other support. Fors Marsh will reach out to absent participants and reschedule them for a later session, if needed.

### **3. Testing of Procedures or Methods:**

We will conduct a pilot focus group test with a small group of participants (3-4 users of BNPL) to test the moderator guide and identify additional topics for discussion prior to the four larger focus groups. We will also conduct 1-2 pilot in-depth interviews to pre-test the IDI version of the moderator guide.

### **4. Contact Information for Statistical Aspects of the Design:**

No quantitative or statistical analyses will be conducted as this research is strictly qualitative in nature.

**PART D. 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.

**PART E. CERTIFICATION FOR INFORMATION COLLECTIONS SUBMITTED UNDER A GENERIC INFORMATION COLLECTION PLAN**

- (a) The collection is voluntary.
- (b) The collection is low-burden for respondents and low-cost for the Federal Government.
- (c) The collection is non-controversial and does not raise issues of concern to other federal agencies.
- (d) The collection is not intended to be published to the public as an official government statistic to be externally valid and representative of a population of interest. The results are intended to be internally valid, not necessarily externally valid.
- (e) Information gathered will not be used for the purpose of substantially informing influential policy decisions.
- (f) The collection is targeted to the solicitation of opinions from respondents who have experience with the topics or issues being studied.
- (g) The results will not be used to measure regulatory compliance or for CFPB program performance evaluation.
- (h) The results are not intended to be generalizable or otherwise draw inferences beyond the survey population.