

**Concept Test
Website for Teen Debit Card**

Key Findings

**Online Focus Groups
2000**

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Executive Summary

Financial Company serves real unmet needs for parents and teens, particularly younger teens. Responses to the concept statement were very positive because both groups recognize the potential for Financial Company to help them with the delicate issues surrounding finance between the parents and teens. Specifically, Financial Company introduces a level of financial independence for teens and provides the resources for parents to teach their kids about money.

Parents and teens agree on many benefits to using the Financial Company card. They are both interested in the potential of the card to provide special offers, discounts and loyalty points. Neither parents nor teens are interested in the site providing chat. Both parents and teens have significant concerns about credit cards and feel Financial Company has the potential to help teens prepare for credit card responsibility. Both believe having the card instead of cash will bring greater security. Both are interested in saving (parents for college, teens for larger ticket items). Both seem to be interested in teens having a more developed sense of personal finance. Parents want to educate their teens about finances and teens seem interested in learning.

Financial Company plays a critical role in the parent-teen relationship regarding the use of money. Financial discussions between parents and teens fundamentally pivot on issues of control. Where Financial Company enters this relationship, a number of emotional and behavioral issues emerge to affect their interactions and conversations about personal finance. Financial Company would integrate successfully as a part of teens' and parents' lives if it accounts for specific issues involved in money management. Key themes in this research are:

- independence and oversight
- privacy and confidentiality
- risks and opportunities
- values and responsibility

The gap between what appeals to parents and teens about Financial Company represents the conflicting expectations of and requirements for the service. For example, parents find the capability for additional oversight most appealing. Teens see this increased monitoring as an intrusion. Alternatively, teens love the independence and flexibility that the card would provide. Parents worry that this independence will reduce the opportunity for dialogue. Parents see the card as a learning vehicle. Teens see it as an independence/discount vehicle. Parents and teens differ on the load amount limitations on the card. Parents appreciate the sign-up requirements. Teens viewed these requirements as a negative.

Financial Company will directly impact how parents and teens talk about money management. What information is shared, how it is presented, what supportive tools help them communicate most effectively – these resources will affect how they talk about

money with each other. Giving parents detailed access to teens' purchase decisions can direct either constructive or destructive discussions about values in money. They often differ on the value each places on spending versus saving. Detailed information about each purchase decision will make these differences more apparent which could increase conflict between parents and teens. Providing a pattern of spending in visual form focuses the conversation on goals and budgeting, not singular purchase listings.

The site, therefore, has a pivotal role in the Financial Company positioning and competitive edge in this space. Parents and teens both need help in talking about money. Summary reports, as a visual representation of accounts, inform parents of the teens' financial goals and values. Limited access to transactional details lets the conversation focus on broader principles of behavior instead of individual purchases. Educational content and instructional tools combined with recognized roles for parent and teen would also support effective communication. In effect, Financial Company will serve a vital unmet need if it is focused on supporting a productive dialogue about money between parent and teen.

PURPOSE AND METHODOLOGY

The qualitative research described in this report was designed to explore the viability of the Financial Company stored value card concept. In particular, the research focused on existing financial resources for teens, interactions with parents surrounding money issues, and the perceived benefits of using this card over cash.

The research strategy employed six online focus groups. Four groups of teens and two groups of parents gathered in an online chat room for moderated discussion. A pre-approved sequence of questions was presented, and participant comments were probed for additional commentary and information where appropriate.

The online focus group medium permits a wider representation of the target audience in terms of geographic, economic and social differences. Furthermore, because writing is the only way to indicate participation, all must submit their opinions and describe their agreements or disagreements explicitly. The absence of body language is compensated openly by participants who consciously express laughter, consternation or surprise.