

CASE STUDY



Designing Credit Cards for the College Market



CHALLENGE

Assess the opinions and perceptions of college students nationwide regarding credit cards and use their feedback to narrow down a large number of card designs in a timely and cost-effective way.

OUTCOME

First National Bank gained a clear picture of how college students view and use credit cards, including the features and benefits they most desire. Additionally, the study produced a rank order of 30 card designs based on appeal to the target. Two of the top three rated designs were new creations that were subsequently rolled out for a market test. One of First National's current designs also tested in the top three and was retained as a product offering. The MSR Group's research provided statistically significant results at a fraction of the time and cost of traditional market testing--the project was completed for under \$30,000 in less than 4 weeks versus a much more expensive and time-consuming direct mail test.

METHODOLOGY

Perception Analyzer Focus Groups and Online Survey (Trade-off Intensity Scale).

SITUATION

First National Bank of Omaha engaged The MSR Group to assess the opinions and perceptions of college students nationwide concerning credit card benefits and designs to assist them in the enhancement of their marketing efforts to this specific target market.

The research study's specific objectives included:

- Identifying the top 3 to 6 credit card design preferences from a field of 30 possibilities;
- Assessing current behavior and attitudes among college students toward credit card products and usage;
- Evaluating features and benefits that the college audience will desire and use for their credit needs; and
- Determining the most effective means to target the college audience with credit card product marketing.

SURVEY METHODOLOGY

To accomplish these objectives, The MSR Group employed a combination of 1) traditional qualitative focus group research that incorporated the innovative technology of Perception Analyzers® and 2) quantitative online research.

During the first phase of the study, two focus groups were held with students between the ages of 18 and 24 who were currently enrolled in a 4-year college or university. The majority of participants were freshmen or sophomores. These sessions were unique from traditional focus groups because they were enhanced through the utilization of Perception Analyzers®, an interactive, electronic group measurement device. Perception Analyzer® technology is used to allow test subjects to record their reactions to any form of test material

(e.g. advertising, new concepts, copy testing, etc.) using electronic handheld dials which have a wireless connection to a personal computer. Information is translated into data and graphic output, which is presented in real-time to either the group moderator or the viewing client. The privacy of providing feedback this way allows participants to answer more honestly and minimizes the impact of “groupthink” that can occur in traditional focus groups. Plus, the immediate availability of results allows the moderator to adapt new strategies and guide discussion.

The second phase of the study involved an online panel of 663 college students randomly selected from across the United States. During this phase of the research, participants answered questions about demographics, current behavior and credit card product usage. They also completed a “trade-off intensity scale analysis” of 30 different designs to determine design preferences with statistical reliability among the college audience.



Perception Analyzer® technology allows for immediate feedback without other group members influencing responses.

RESULTS

The results of the study produced a clear picture of which students use credit cards, defined their behavior in credit card usage, and identified the features and benefits most desired among this market. Additionally, the study provided a rank order of plastic designs from the most appealing to least appealing of all 30 designs tested.

Two of the top three rated designs were new creations that were subsequently rolled out for a market test. One of First National's current designs also tested in the top three and was retained as a product offering. The market testing supported The MSR Group's research results and was gained at a significant savings due to the narrowing of the options the research provided.

CONCLUSION

There are multiple ways to conduct research; sometimes a combination of methodologies is the best approach for attaining statistically sound, cost-effective results. First National Bank saved significant time and money by investing in this study with The MSR Group prior to a market test of their card designs.