

Interview Details: Thursday 12pm-12.30pm, Online

<https://us05web.zoom.us/j/82803539483?pwd=Af6oKbiesa0q1zaLtIF5sEP14Y0v3O.1>

Name	Background
Avani Shah	Former Moody's Software Architect, with experience in financial and credit markets

Introduction

Hi Avani, thank you for taking time out of your busy schedule to meet with us today. My name is Nicholas, and I am representing Columbia's TOP tech team, which is working with CFPB to improve the credit card shopping experience for consumers.

To provide some background context on this interview, the problem that CFPB is trying to solve is a lack of transparency in the credit card shopping experience, which makes it difficult for consumers to compare across cards, resulting in some consumers adopting cards with unfavorable terms.

Understanding your experience in financial and credit markets, we have some questions to gain a better understanding of our users, their needs and the product we hope to develop. This will be split into generic questions and more technical questions.

Before we dive into the interview, please note that I will be taking down notes as you provide your responses, and my full attention is with you during this process.

Avani - Bank of America

- Was with Moody's for 6.5 years
- Software architect background
- Reason why she applied to this programme was because she was really interested in this problem
- She is happy to advise and help out in any technical aspects, if we should require any inputs

Avani's opening questions:

- Who is our target audience?
 - Response: college students, immigrants, elderly
 - Our main audience we've decided to focus on are college students
- Avani's suggestion: another angle to maybe consider are the international students
 - Additional set of challenges – home address, etc.

General Questions on the Credit Card Market & User Shopping Experience

1. What is your perspective on the **current state of transparency** in the credit card industry, especially in terms of how credit card terms and fees are communicated to consumers?
 - She will give general information now, is open to doing additional research on our target college student audience
 - There are some challenges for consumers in the credit card market:
 - a. Huge range of options and information overload
 - It is a challenge to know all the options that I have and what I qualify for (for example, some cards require certain income levels)
 - b. Credit card terms will keep on changing
 - I might be eligible for a better card now compared to the card that I got a long time ago
 - People might not be actively checking whether if they have better options
⇒ LINK TO NAT INTERVIEW: stickiness of credit card ownership in the long term
 - c. Terms and conditions
 - Can be complex, even if I apply for a credit card and am approved for it, it might still be unclear what I signed up for/what I'm getting
 - Requires a lot of time to read through them
 - d. (International Students) Language barrier
 - If English is their second language, it is even harder for them to understand the terms
2. What **common challenges or pain points** have you observed in people's **credit card shopping experiences**? And which users most experience such pain points?
3. (Also asking about Avani's own personal credit card experience) In your experience, what are the **key factors** that consumers should consider when **comparing different credit card offers**, and how can these factors be made more accessible and understandable?
 - Avani's credit card experience
 - First credit card was in her college years
 - She just applied to a bunch of options to establish her credit history

- Challenge: because she had no credit history, she did not really have a choice to pick and choose her options and just took whoever approved her
- Now she is helping her own child to develop their credit history to improve her credit card prospects in the future (attaching her child to her credit card as a co-user)
- What are the important features that people should consider when choosing a credit card:
 - APR
 - Credit Limit – applying for a higher limit credit card can be risky for younger adults, who do not have as much financial liquidity to pay off large credit card uses

How has the criteria changed?

Financial Technical Questions related to BOA/ Moody's Credit Ratings

1. Moody's is known for its credit ratings. Could you shed light on the methodology behind the formation of credit ratings or scores used by credit card companies to assess consumer risk?
 - Coming from Moody's and working there for 16.5 years
 - Their clients were credit card corporations – she is more familiar with how corporations are assigned scores
 - For individuals – she is agreeable to research more into it and share with us
 - ***Additional: she is especially interested in evaluating carbon footprints on the individual level
2. Given the existence of various scoring models among different providers, leading to varying credit scores for consumers, how can we address this challenge in creating a more transparent credit card shopping experience? (problem of an individual being given varying credit scores by different agencies)

- There are 3 major credit scoring companies who assign the credit scores to individuals. It is NOT the individual credit card companies that assign credit scores to individuals.
 - ***Avani will share more about this process in her summary with us, after she looks into it more

- 3. Drawing from your experience at Moody's, are there specific insights or methodologies that could be transferred to the endeavor of making credit card terms and offers more transparent?

- 4. Are there any **open data sources** that you would recommend that we can tap on to build our product?

Technological Technical Questions related to Product Development

1. Leveraging your software architecture expertise, what **technical infrastructure or systems** do you believe will be essential for supporting a digital product aimed at enhancing transparency in credit card shopping?
 - Cloud:
 - Especially important as you transit to mobile applications, and as more and more people use their phones instead of computers
 - Makes it better for scaling our app
 - UI/UX
 - Companies usually start from the mobile phone application/screen perspective, and then translate it to computers
 - Always easier to shift from a smaller screen (phones) to larger screens (computers) when developing a product
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 - Regarding mobile phones
 - Apple IOS vs Android
 - Hosting apps on the Apple App Store might be more expensive
 - But should also consider how many iPhone users there are that we can access compared to how many Android users there are

2. Additional question: sharing a broad idea of our product, providing recommendations to users based on a questionnaire/traits that they fill up and provide

- Initial starting point: the objective of our user
- Is the user interested in a credit card with rewards?
- Are they interested in a credit card with high interest rates, because they have other credit cards that they want to consolidate over interest rates
- Do they want to build credit?
- We can have a recommendation system that is based on the objective stated by users, to provide options to them
- Other prompting questions – can be used to identify even more targeted credit card options for each user
 - Income
 - Credit Score

3. In your opinion, what are the **critical features** (e.g. APR, balance transfers) **that should be prominently displayed to consumers** when they compare credit card offers to maximize their understanding and informed decision-making?

- Other items that Avani thought was important to show consumers for transparency purposes:
 - Security features
 - Does it have 2-fold authentication
 - Should have a language option – Spanish, Chinese, incorporate other languages
- Avani's advice
 - Amazon Web Services already has a translator and API that it offers, we could use it as a feature to translate languages
 - ***Amazon Web Services also has other API tools that we could use – we should not be building everything from scratch
 - We can do research on the existing services available that we can tap on and use
 - Avani will share some sites with us, some are free and others have small usage fees but are really useful

- She is available for another session if we want to talk again
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4. Anticipating potential hurdles in the development of this digital product, can you **identify any significant roadblocks**, and what **strategies** do you suggest to effectively overcome them?

 5. Are there any **specific design principles** or best practices that you recommend for creating a **user-friendly** credit card shopping platform?