



Discussion Guide

Nova Scotia Payday Loan Customers

September 13, 2007

Introduction (5 to 10 Minutes)

Welcome to our discussion group. Let me tell you what we are going to be up to. Explain:

- Two-way mirror, video and audio recording.
- Clients behind the mirror.
- Confidentiality of their comments.
- Role of moderator is to keep everyone on track, make sure we get through our questions in time allotted.
- Moderator will regularly focus the discussion, ensuring everyone has the opportunity to participate.
- All opinions are important, no right or wrong answer.
- Introduction of participants.
 - Name and hobbies of participants.

Warm-up (10 Minutes)

- Does everyone here have a bank account?
- There are many options available to borrow money, for your short-term needs. What types of loans have you used in the past?
 - PROBE: What types of credit options do you have right now? Retail credit card like Future Shop or Home Depot? Line of credit? Do you have a credit card? Overdraft?
- Everyone runs into financial emergencies from time to time. What kinds of emergencies have you run into in the past that caused you to take out a payday loan?
- What about some other reasons why you decided to get a payday loan?
 - PROBE: Has anyone taken a payday loan to help out with an unexpected expense?
 - PROBE: Has anyone taken a payday loan to help avoid charges on routine bills?



- PROBE: Has anyone taken out a payday loan to buy necessities such as food or medicine?
- PROBE: Are there any other reasons not mentioned as to why you have taken a payday loan?

Use of Payday Loans (20 minutes)

- If you needed, say \$300 a few days before your next payday, what would you do?
 - PROBE: What other options would you have other than a payday loan?
- Do you usually pay back your loans on time? Most of the time?
 - PROBE: Why is it important to pay back loan(s) on time?
 - PROBE: Has anyone paid back his or her payday loan before it was due?
- Why do you tend to go to a payday loan company instead of a bank or credit union?
 - PROBE: Convenience, respect, hours of operation?

Satisfaction with Paydays Loans (15 Minutes)

- There are many reasons why people choose to obtain payday loans instead of getting other financial products or services. What is the most important reason you choose to obtain a payday loan in the past rather than using another source of financing?
 - PROBE: Amount of money needed, application process, convenience, etc.
- Overall, how satisfied are you with the level of service you received when you used a payday loan?

Perceptions of Payday Loan Customers (10 Minutes)

- Some people say that people who use payday loans are generally poor, uneducated, don't know what they're doing and don't know what they're signing? Do you think this is true? Does that reflect your reality?
 - PROBE: Talk about education, understanding, INFORMED CHOICE, RESPONSIBILITY, poor alternatives in banks / credit unions.
- How important is it for you to continue to have payday loans as an option for borrowing money?

MODERATOR TO LEAVE FOCUS GROUP ROOM TO CONSULT WITH CLIENT REGARDING ANY ADDITIONAL PROBES / QUESTIONS

Thank participants for their time and comments.

