

*The Latest on Current Financial Conditions Affecting Americans and What Lies Ahead*



# CompareCards Financial Forecast Report

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**evolve**<sup>24</sup>

## FINANCIAL INDUSTRY ALERT



In February 2015, more than 3.6 million conversations about personal finance were analyzed from various online mediums. Data was collected from social networking sites, blogs, forums, websites, TV, radio, magazines and newspapers, to determine what consumers were talking about, what consumers care about, and emerging trends.

Discover what's new, what's changed, and where personal finance conversations are headed next.



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# New Developments

## Overspending on Food

*Overspending on food was discussed with more volume (~140,000 posts) than any other topic this month.*

**CURRENT CONDITIONS:** Individuals recognized they were spending a lot of money on food and considered it a problem, as they had less to spend in other areas. Most of the individuals that stated this as a problem said they would prefer to spend money on other things (as opposed to saving it).



**DATA SAMPLE:** “I have a problem with spending like 87% of my money on food.” *Twitter, 2/1/15*

**FINANCIAL FORECAST:** Conversations were less emotional and more factual, which indicates an unlikelihood for behavioral change but provides insight into the spending and saving habits of consumers.

## Credit Card Disputes

*Credit Card Disputes remain an important issue, negative in sentiment and high in emotion.*

**CURRENT CONDITIONS:** Some consumers stated that they were pleased with new features that allowed them to see their credit scores. These sentiments resulted in increased positive emotions about credit scores. However, most of these conversations showed consumers were unhappy with how much money they owed on their cards, how easy it was to spend money by using their cards, and how challenging it could be to pay their credit cards on time.



**DATA SAMPLE:** “Decided to close my Discover It card today. It was about two years old, had a \$6,200 limit, and a 21.24% APR that they would not lower.” *MyFICO Forum, Credit Cards, 2/2/15*

**FINANCIAL FORECAST:** These conversations were more negative, on average, and tend to be emotional mainly because consumers felt they were generally helpless and had very little control over the outcome.



### BRAND IMPACT

Visa and JPMorgan's Chase credit cards were perceived as some of the most favorable credit cards to consumers, handling card disputes in easy, customer-friendly ways.



## Tax Fraud

Tax Fraud joined the list of most important topics this month. The overall volume of discussions is growing and will most likely increase as tax day moves closer.

**CURRENT CONDITIONS:** Some consumers said that their personal information was being stolen and used to claim a tax refund on their behalf. Others said fraudsters seeking personal information, claimed to be from the IRS or a tax preparation agency.



**DATA SAMPLE:**

“The aggressive, threatening phone calls from scam artists continue to be seen on a daily basis in states across the nation,” *the IRS said in a news release. San Ramon Patch, Don’t Fall for One of these Dirty Dozen Scams, 2/18/15*

“But someone had used TurboTax to file a return in his name and Social Security number seeking a tax refund of about \$2,400.” *The Morning Call, 2/14/15*

**FINANCIAL FORECAST:** March to early April is usually considered ‘prime time’ for a focus on tax-oriented conversations. Focusing on tax fraud and how it can be avoided offers an interesting spin and will connect much more emotionally with the general public.

## The “I” of the Storm: Identity Theft

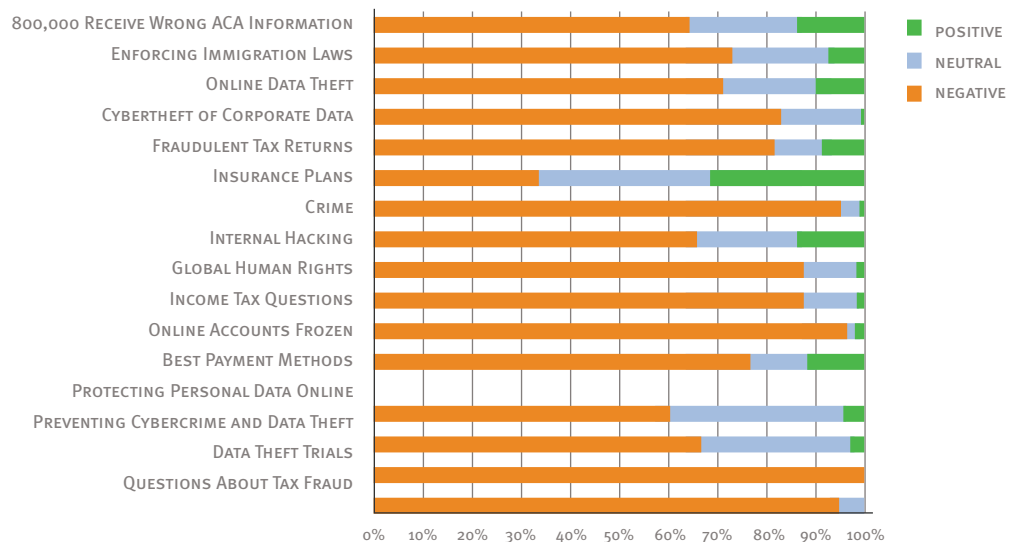
### FINANCIAL INDUSTRY ALERT



The ‘I’ of the Storm, Identity Theft, is the monthly topic with the highest current and potential impact. These topics have staying power and have remained prominent month after month. However, they are still emerging, which suggests they have the potential to have an even greater impact on consumer hearts and minds. These topics are also highly interconnected with other topics of importance, which means their impact may be felt in many areas.

*This area covers multiple concerns expressed by consumers. This includes topics about tax fraud, data theft trials, and international hacking, all of which suffer from primarily negative sentiment within their discussions.*

**FIGURE 1** - This chart shows the sentiment of topics tied to identity theft. The colored squares show the percentage of discussions within that topic, categorized by emotion.



*There is a growing concern that as personal information becomes increasingly digitized, data is more prone to attacks from hackers and computer viruses.*

**CHANGING CONDITIONS:** Identity theft shifted from January's more specific concerns over cyber-hacking to more general questions about how to protect personal identity.

## BRAND IMPACT



Consumers who are worried about identity theft viewed Apple as negative. Consumers expressed concern with having to enter credit card information in order to create an Apple ID. Consumers do not feel their personal information is secure.

## What's this month's biggest threat?

*While the number and range of associated topics suggests a highly complex and potentially overwhelming issue, a deeper analysis points at two important themes within the conversation: online data theft and tax fraud. Online data theft is a high-volume evergreen topic within identity theft, whereas concerns surrounding tax fraud are symptomatic to its seasonality.*

## Online Data Theft

**CURRENT CONDITIONS:** Consumers have concerns over the introduction of biometric security systems (i.e. fingerprint or eye scanners and facial or voice recognition for mobile devices), that victims can go months without knowing their identity has been compromised, the fight to return credit scores to normal after being a victim of fraud, and the unfairness of the situation.



**CONSUMER IMPACT:** As a result there has been an increase in discussions concerning low tech tips for thwarting identity theft, including free credit monitoring services, regular checking of online bank accounts, and keeping a keen eye on suspicious mail including credit card bills and applications.

**DATA SAMPLE:** “Roughly 80 million people have had their personal information exposed through a hack on Anthem’s computer systems. Anthem admitted that its systems were breached through a sophisticated cyberattack in letters to customers sent out this week. The information exposed included names, birthdays, addresses, employer information, email addresses, Social Security numbers and medical identification.”  
*Zolmax News, 2/05/15*

## Tax Fraud

**CURRENT CONDITIONS:** Consumers mention and seem positive about using popular tax-filing methods like TurboTax, but concerns have arisen as the state of Minnesota began denying tax returns filed through the service. This was a direct result of recent fraudulent activity discovered in connection to the program. Tax filers are also encouraged to look out for phone scams and other potential tax fraud mechanisms.



**CONSUMER IMPACT:** Many consumers have resorted to other software programs, tax preparation professionals, or even free tax return preparation from the IRS Website.

The IRS is seen as unhelpful and “stodgy,” providing guidelines to help identify tax fraud, but no real solutions for its victims.

**DATA SAMPLE:** “Ugh. You can take some steps to prevent tax identity theft, but no guarantee the IRS will help.” *Twitter, 02/28/15*

### FINANCIAL FORECAST



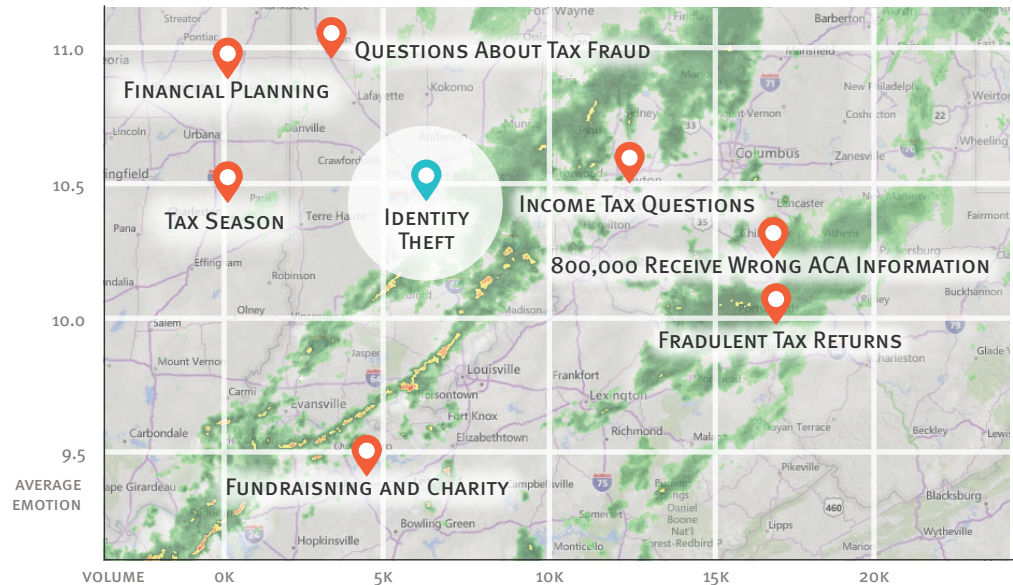
Be advised, this topic’s emotional nature, its connections to many other topics outside of the personal finance realm, and its potential impact on a number of brands and technologies make it a must-watch topic. Expect concerns about identity theft to grow through tax season, as stories spread of tax-related identity fraud. Leading emotional drivers of the identity theft conversation include dread and vulnerability, suggesting a need among consumers for security and reassurance when moving forward on the filing of taxes, as well as other financial endeavors, including online shopping and banking. This will likely result in a concerted effort from corporations to generate technological solutions to address the increased fear among their consumer base.



# On The Radar

Be on the lookout for the most emotional topics that have yet to become high volume. If these topics gain attention, they tend to have a high impact on behavior and beliefs.

**FIGURE 2 - What Topics are Most Emotional?** This chart is designed to show the most emotional topics that have yet to become high volume. If these topics gain attention, they tend to have a high impact on behavior and beliefs.



This doppler radar shows emotional intensity. The lower the Average Emotion number, the lower the emotional intensity of the topic.

## The Breakdown: Report Methodology

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Each month millions of conversations about personal finance issues are collected by [evolve24](#). These conversations are measured and assessed using proprietary analytics to identify and measure audience perception.

We look for what people are talking about, what people care about, and what threats and opportunities are emerging.

**NUMBER OF ARTICLES & POSTS:** More than 3.6 million conversations were collected between February 1st, 2015, and February 28th, 2015.

**SOURCES:** These conversations were pulled from Twitter, Facebook, other social networking sites, blogs, forums, websites, TV & radio, magazines and newspapers.

**SEARCH STRING/ARTICLES COLLECTED:** A keyword-based search was used across the sources outlined above to identify relevant conversations. This search generally consisted of personal pronouns, in conjunction with personal finance terms.

**GEOGRAPHY:** All articles and posts were based on an implied U.S. geography.

**LANGUAGE:** Articles were searched in both English and Spanish (using Spanish language keywords).