

# Household Pulse Survey: Effects of COVID on Household Finances

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**Bureau of Labor Statistics**

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# Outline

- Background
- HPS Overview
- HPS Results
- Survey Comparisons
- HPS Advantages



# Background



# Economic Impact Payments (EIP) for Individuals

## First round of payments included in CARES Act (March 27, 2020)

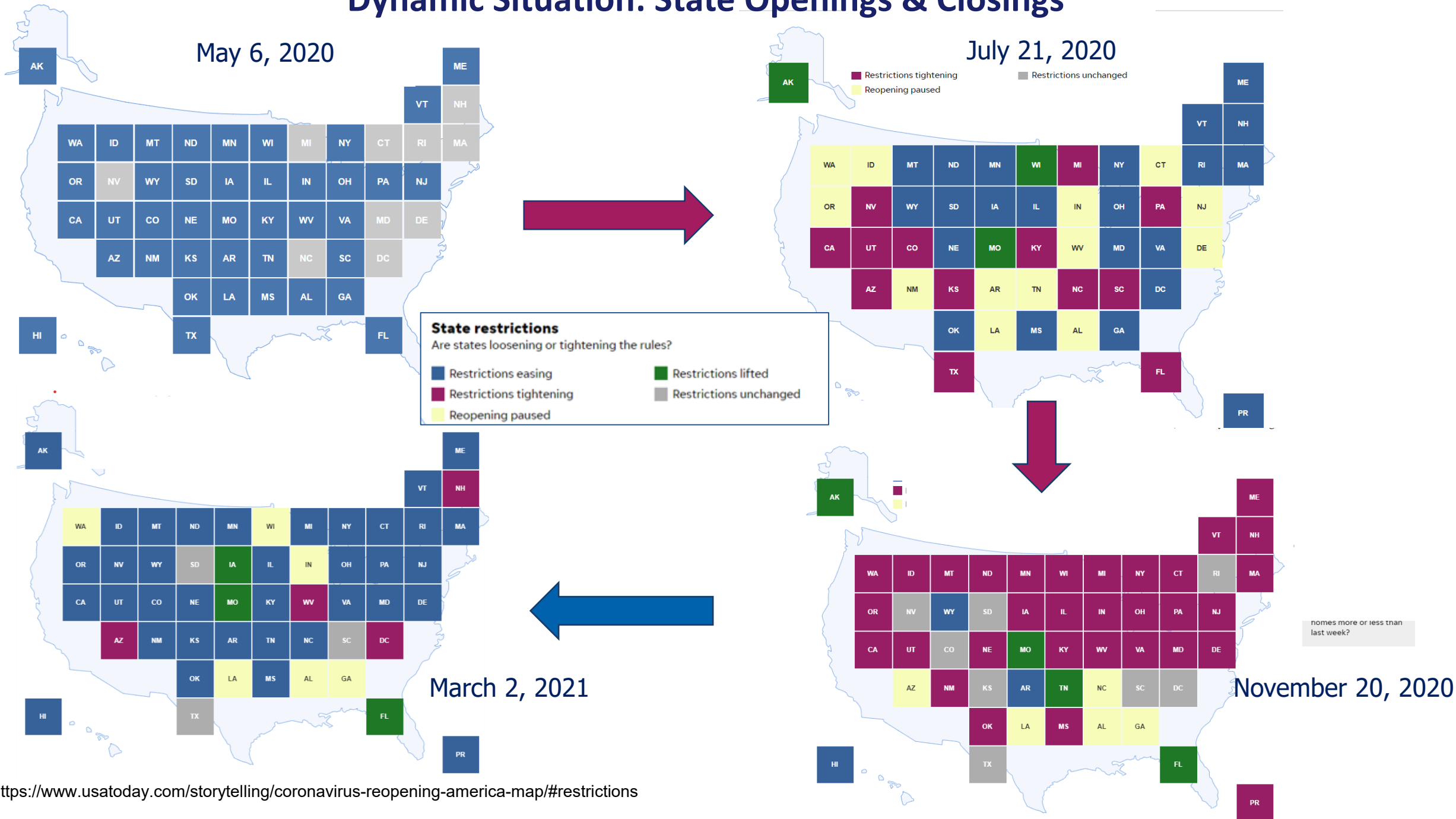
- \$1,200 to individuals with AGI less than \$75,000 and \$2,400 to couples filing jointly with AGI less than \$150,000
- Dependents under the age of 17 qualify for an additional \$500 per dependent
- Direct deposits began on April 15<sup>th</sup> and paper checks began on April 20<sup>th</sup>

## Second round of payments included in the CRRSA Act (December 21, 2020)

- \$600 to individuals with AGI less than \$75,000 and \$1,200 to couples filing jointly with AGI less than \$150,000
- Dependents under the age of 17 qualify for an additional \$600 per dependent
- Direct deposits began on Dec 29<sup>th</sup> and paper checks began on Dec 30<sup>th</sup>
- Phase-out hit sooner *(see slide after Contact slide for more details)*



# Dynamic Situation: State Openings & Closings



# Household Pulse Survey\* Overview

*\* For information on partners and protocol see slides after Contact slide*



# Questions: EIP, Spending Behaviors, and Resources

Phase	Start & End Dates	BLS CE/DPINR Question Topics
Phase 1	06/11/20 07/21/20	Q15. EIP receipt and use, with examples Q19. Detailed spending Q20. Resources to meet spending, last 7 days
Phase 2	08/19/20 10/26/20	Q19a. Difficulty in paying for usual spending, last 7 days Q19b. Changes in spending behavior, last 7 days Q19c. Reasons for spending behavior changes, last 7 days Q20. Resources to meet spending, last 7 days
Phase 3	10/28/20 12/21/20	Q19a. Difficulty in paying for usual spending, last 7 days Q19b. Changes in spending behavior, last 7 days Q19c. Reasons for spending behavior changes, last 7 days Q20. Resources to meet spending, last 7 days
Phase 3 Extension	01/06/21 03/01/21	Q15. EIP receipt and use, last 7 days, no examples, changed order Q19. Detailed spending (related to last 7 days) Q19a. Difficulty in paying for usual spending, last 7 days Q19b. Changes in spending behavior, last 7 days Q19c. Reasons for spending behavior changes, last 7 days Q20. Resources to meet spending, last 7 days



# Receipt & Use of EIP (HPS Q15)

*Phase 1:* If you, or anyone in your household, already received, or **plan to receive** a “stimulus payment,” that is the coronavirus related Economic Impact Payment from the Federal Government, did or will you use it:

- Mostly to pay for expenses (food, clothing, shelter, etc.)
- Mostly to pay off debt (car loans, student loans, credit cards)
- Mostly to add to savings
- Did not or do not expect to receive the stimulus, payment

*Phase 3:* **In the last 7 days**, if you or anyone in your household received a “stimulus payment,” that is a coronavirus related Economic Impact Payment from the Federal Government, did you...

- Mostly spend it
- Mostly save it
- Mostly use it to pay off debt
- Not applicable. I did not receive a stimulus payment

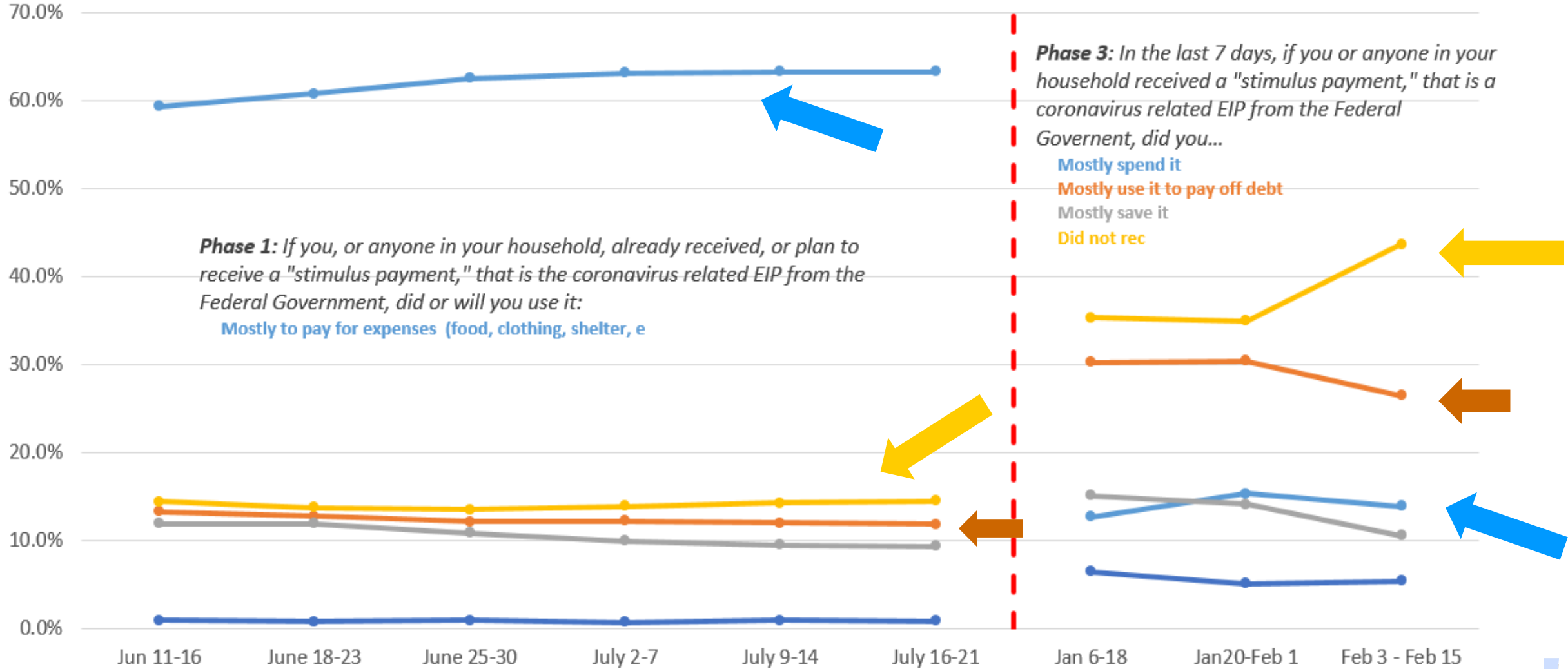




# Household Pulse Survey Results



# Use of EIP (HPS Q15)



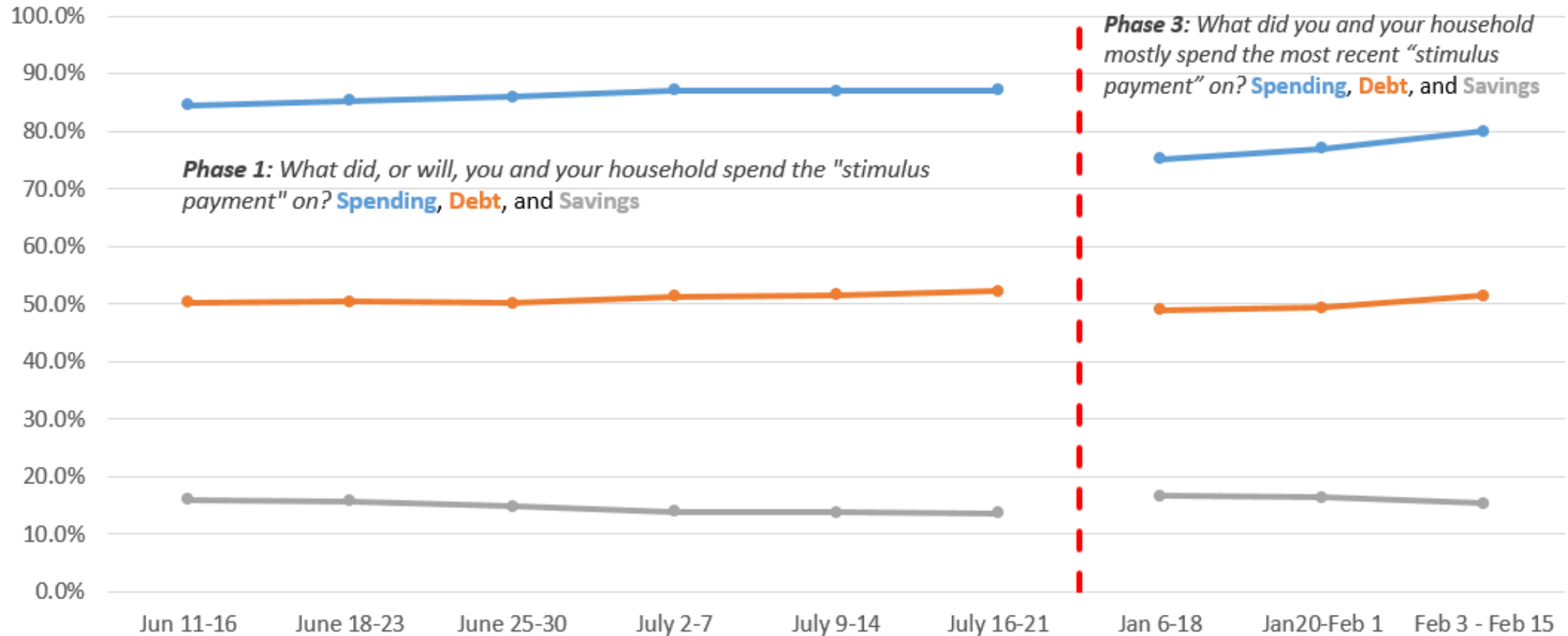
# Use of EIP (HPS Q19): Regrouped Response Options

*Phases 1 and 3:* What did (or will) you and your household spend the “stimulus payment” on?

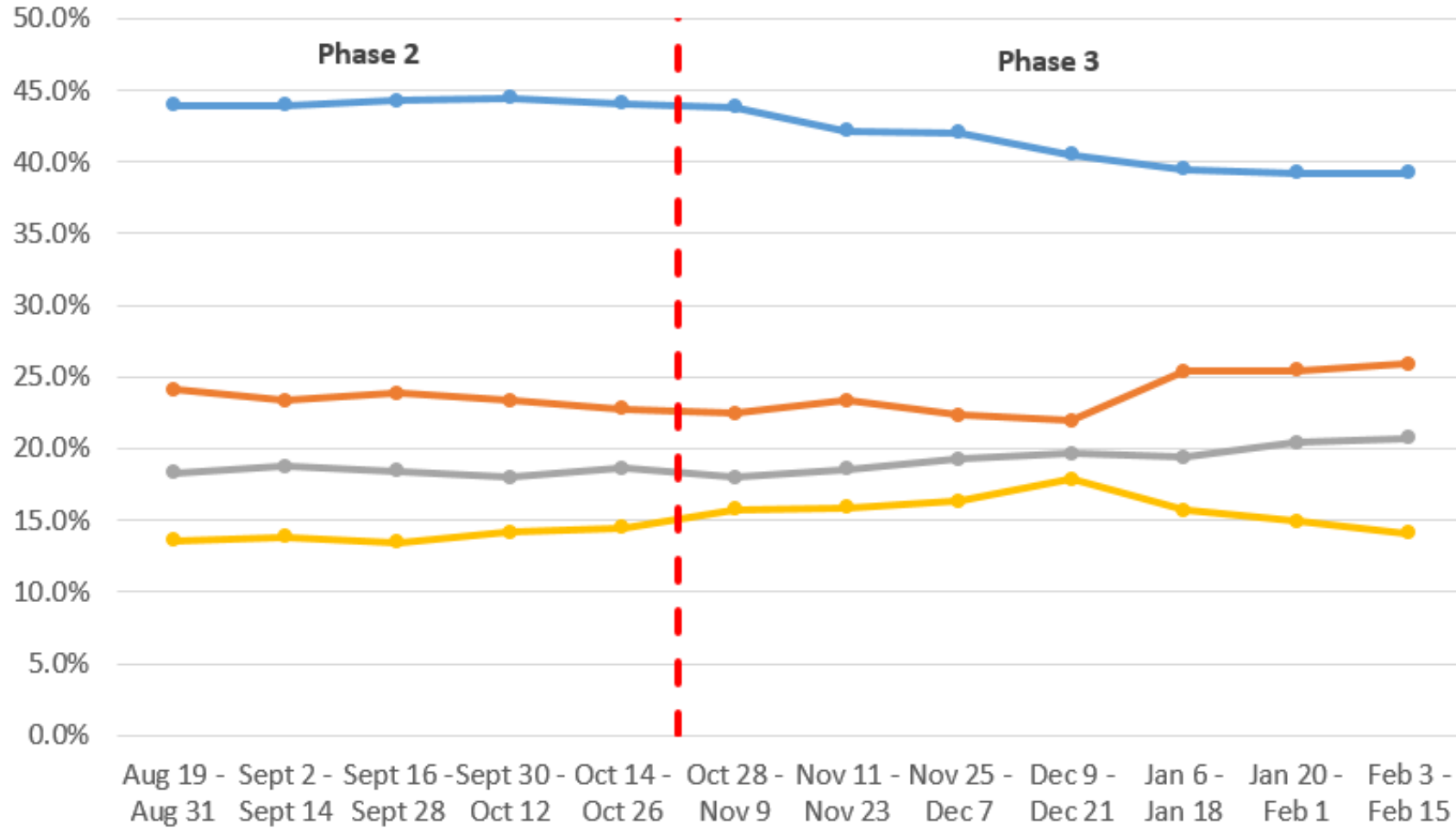
- Food (groceries, eating out, take out) → Spending
- Clothing (clothing, accessories, shoes) → Spending
- Household supplies and person care products → Spending
- Household items (TV, electronics, furniture, appliances) → Spending
- Recreational goods (sports/fitness equipment, bicycles, toys, games) → Spending
- Rent → Spending / Housing
- Mortgage (scheduled or monthly) → Debt / Housing
- Utilities and telecom (natural gas, electricity, cable, internet, cellphone) → Spending
- Vehicle payments (scheduled or monthly) → Debt
- Paying down credit card, student loans, or other debts → Debt
- Charitable donations or giving to family members → Spending
- Savings or investments → Savings
- Other → Spending



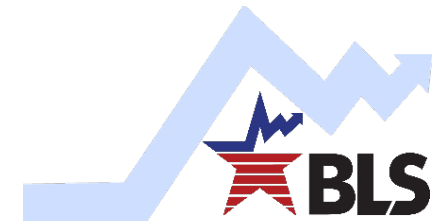
# Use of EIP (HPS Q19) when Q15=Receipt: Regrouped Non-mutually Exclusive Options



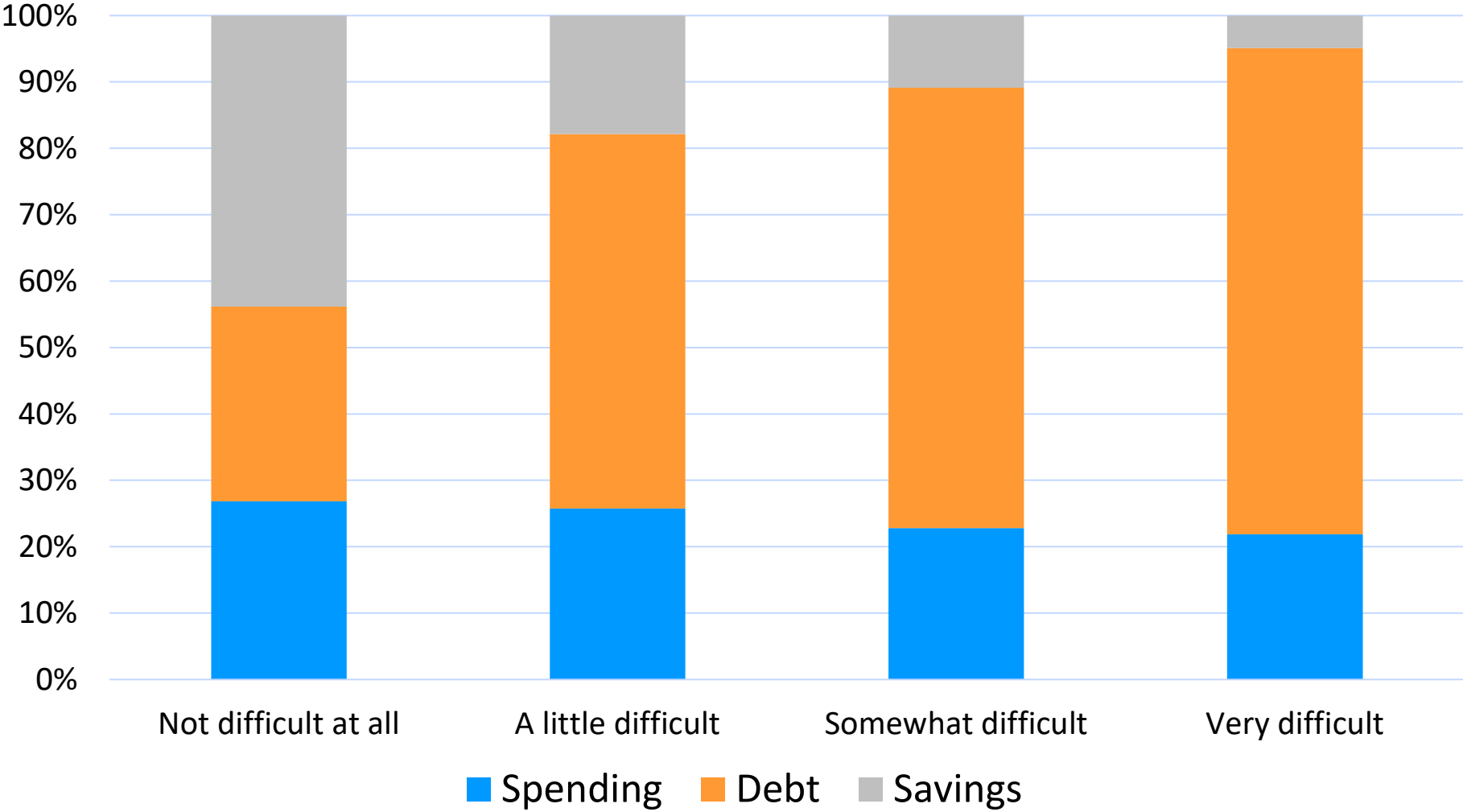
# Financial Difficulty (HPS Q19a)



Question: In the last 7 days, how difficult has it been for your household to pay for usual household expenses, including but not limited to food, rent or mortgage, car payments, medical expenses, student loans, and so on? **Not at all difficult**, **A little difficult**, Somewhat difficult, and **Very difficult**



# Phase 3 EIP Use (Q15) by Financial Difficulty (HPS Q19a)

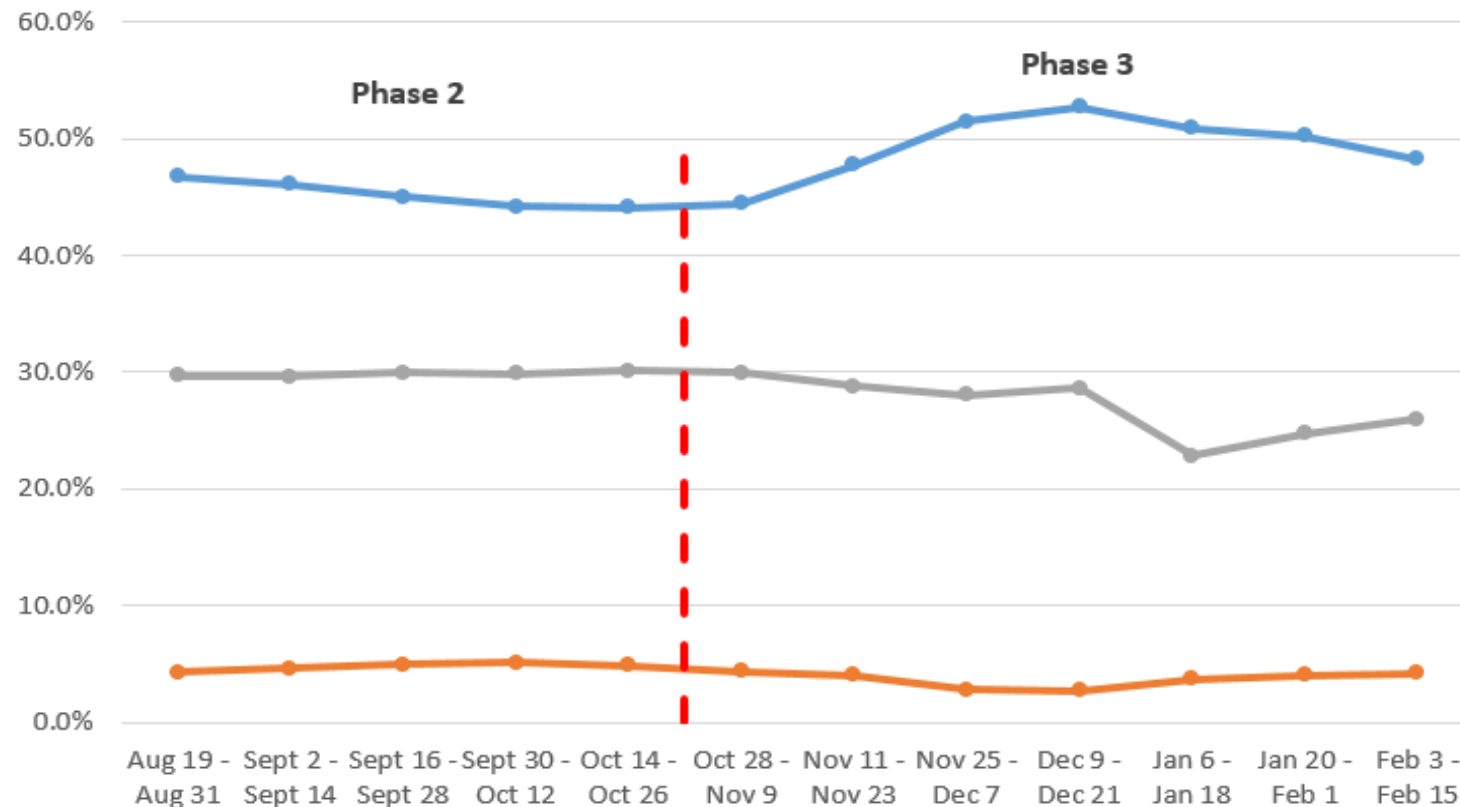


# Changes in Consumer Behavior (HPS Q19b): Regrouped Response Options

*Phases 2 and 3:* In the last 7 days, which of the following changes have you or your household made to your spending or shopping?

- Made more purchases online (opposed to in store) → Protective
- Made more purchases by curbside pick-up (opposed to in store) → Protective
- More purchases in store (opposed to online or curbside pick-up) → Relaxing
- Increased use of credit cards or smartphone apps (opposed to cash) → Protective
- Increased use of cash → Relaxing
- Avoided eating at restaurants → Protective
- Resumed eating at restaurants → Relaxing
- Canceled or postponed in-person medical or dental appointments → Protective
- Attended in-person medical or dental appointments → Relaxing
- Canceled or postponed housekeeping or caregiving services → Protective
- Resumed or started new housekeeping or caregiving services → Relaxing
- *Did not make any changes to spending or shopping behavior*

# Changes in Consumer Behavior (HPS Q19b): Regrouped Non-mutually Exclusive Response Options



Question: In the last 7 days, which of the following changes have you or your household made to your spending or shopping?

Protective Only, Relaxing Only, and Both





# Survey Comparisons



# Comparisons to Other Surveys: Similar Question Topics, but Different Approaches

Research questions:

- Who received stimulus checks?
- How were the stimulus checks used – to spend, pay down/off debt, or save?

Independent data collection efforts produced results with noticeable differences possibly driven by differences in:

- Field period (e.g., early, mid, late pandemic)
- Sample size/sampling error
- Nonresponse bias and/or selection effects
- **Question wording (e.g., “increase” vs. simply “spend”)**
- **Recall period (e.g., last week, last month, etc.)**

# Comparison Surveys

- Philadelphia Federal Reserve Consumer Finance Institute COVID-19 Survey of Consumers (Philly Fed)
- Nielsen Homescan Panel (Nielsen)
- University of Michigan Survey of Consumers (Michigan)



# Survey Protocols & Sample Performance

Survey	Selected Field Periods	Avg. Approx. Sample Size Per Collection Period	Recall Period	Avg. Response Rates
HPS Phase 1	June, July 2020*	91,000	Since April 13, 2020	~2.7%
HPS Phase 3	Jan, Feb 2021*	75,000	Previous 7 days	~6.0%
Philly Fed	May, June, July 2020	3,400	Since April 13, 2020	<i>Unavail.</i>
Nielsen	July 2020	11,000	<i>Unavail.</i>	25.0%
Michigan	May, June 2020	600**	Since April 13, 2020	<i>Unavail.</i>

\* Phase 1 was fielded from April to July 2020, but questions about the EIP were not added until Week 7 (June). Phase 3 began Oct 2020, but questions about the EIP were not included until Week 22 (Jan).

\*\* Results for Michigan are pooled across the two waves, so sample is 1,200



# Receipt of EIP: Philly Fed & Nielsen

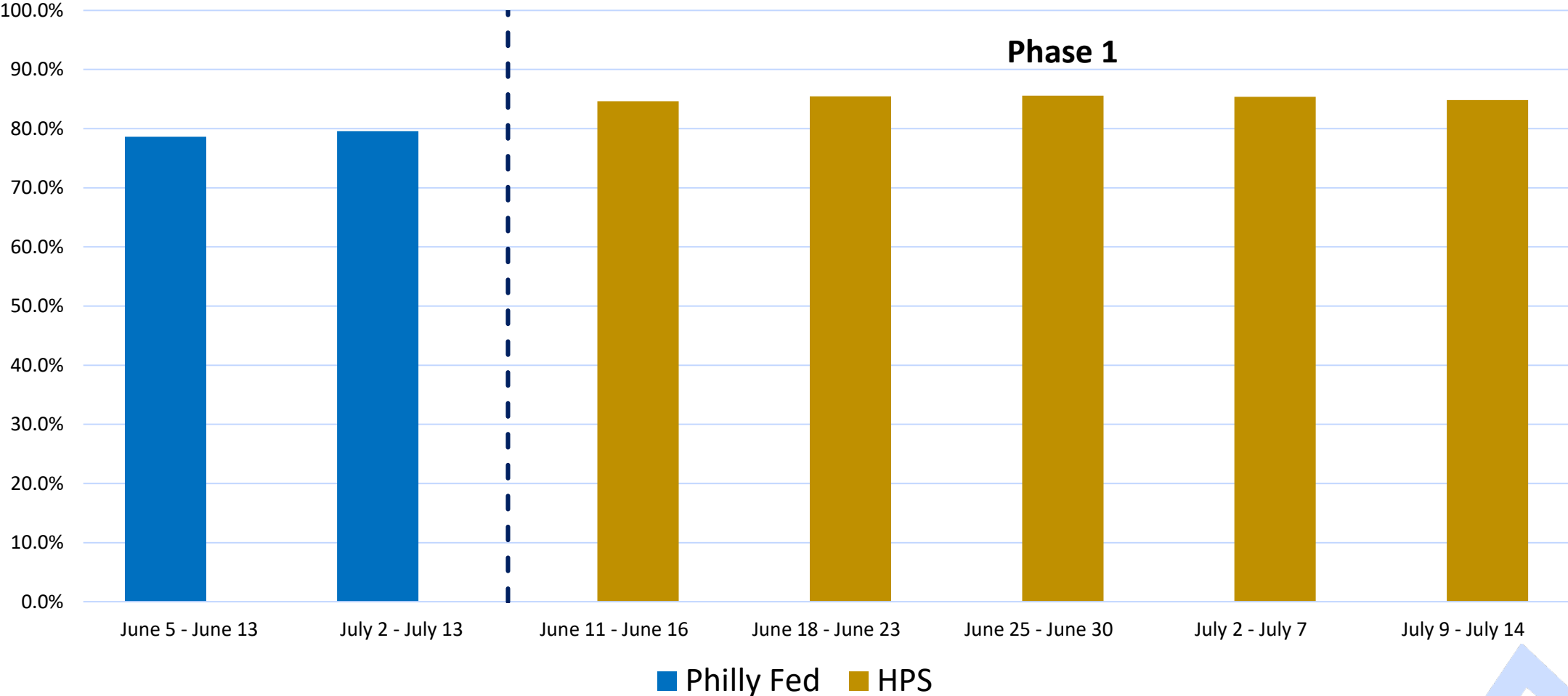
The Treasury Department began to send stimulus payments on April 13 to qualifying recipients. Have you received your stimulus payment?

- Yes – I *received* the payment through direct deposit. → Received
- Yes – I *received* a paper check. → Received
- No – I *expect to receive* a payment at a later date. → Received
- No – I'm not sure whether I qualify for a stimulus payment → Not Received
- No – I know I do not qualify for a stimulus payment. → Not Received

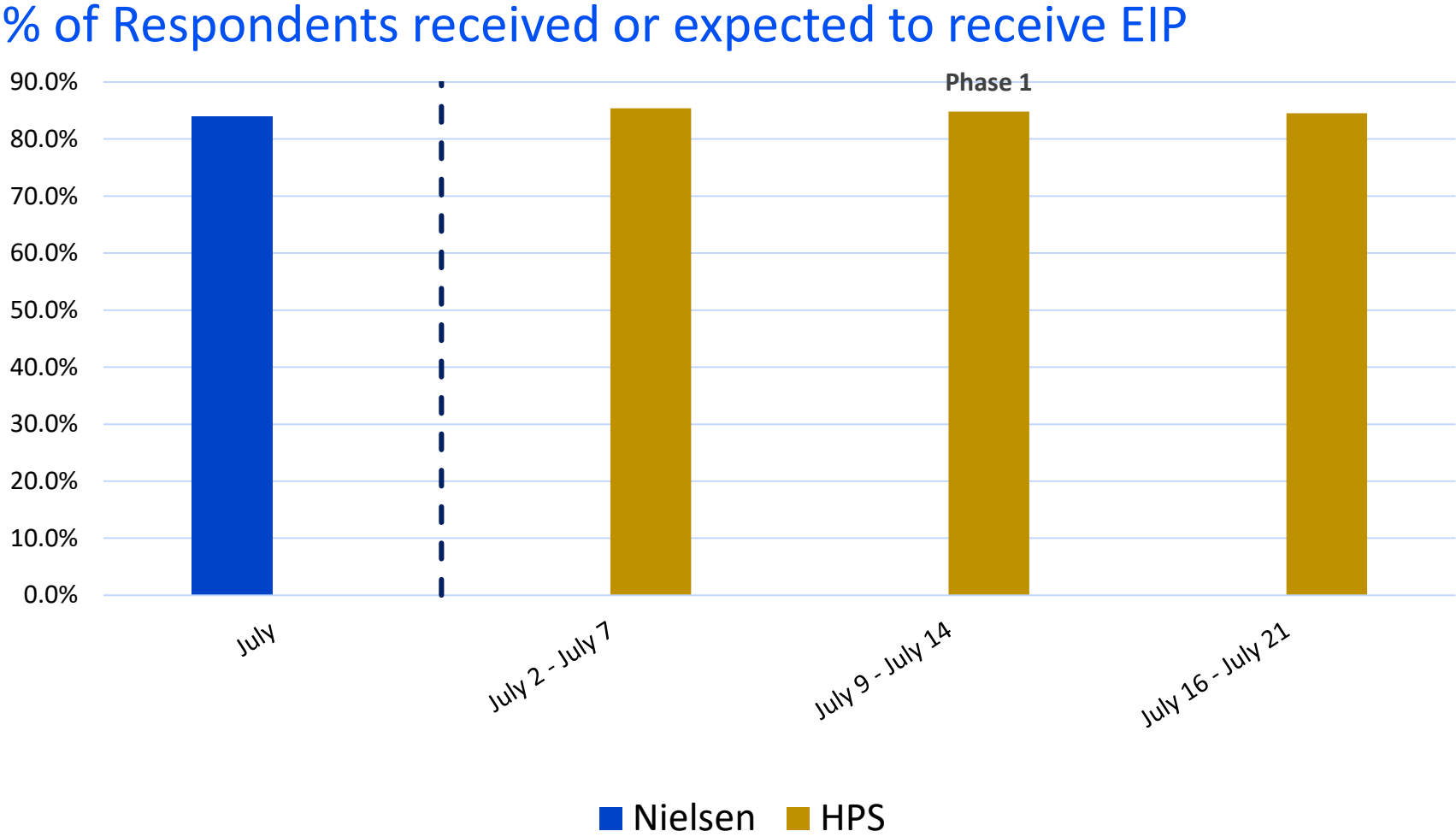


# Receipt of EIP Comparison: Philly Fed vs. HPS

% of Respondents received or expect to receive EIP

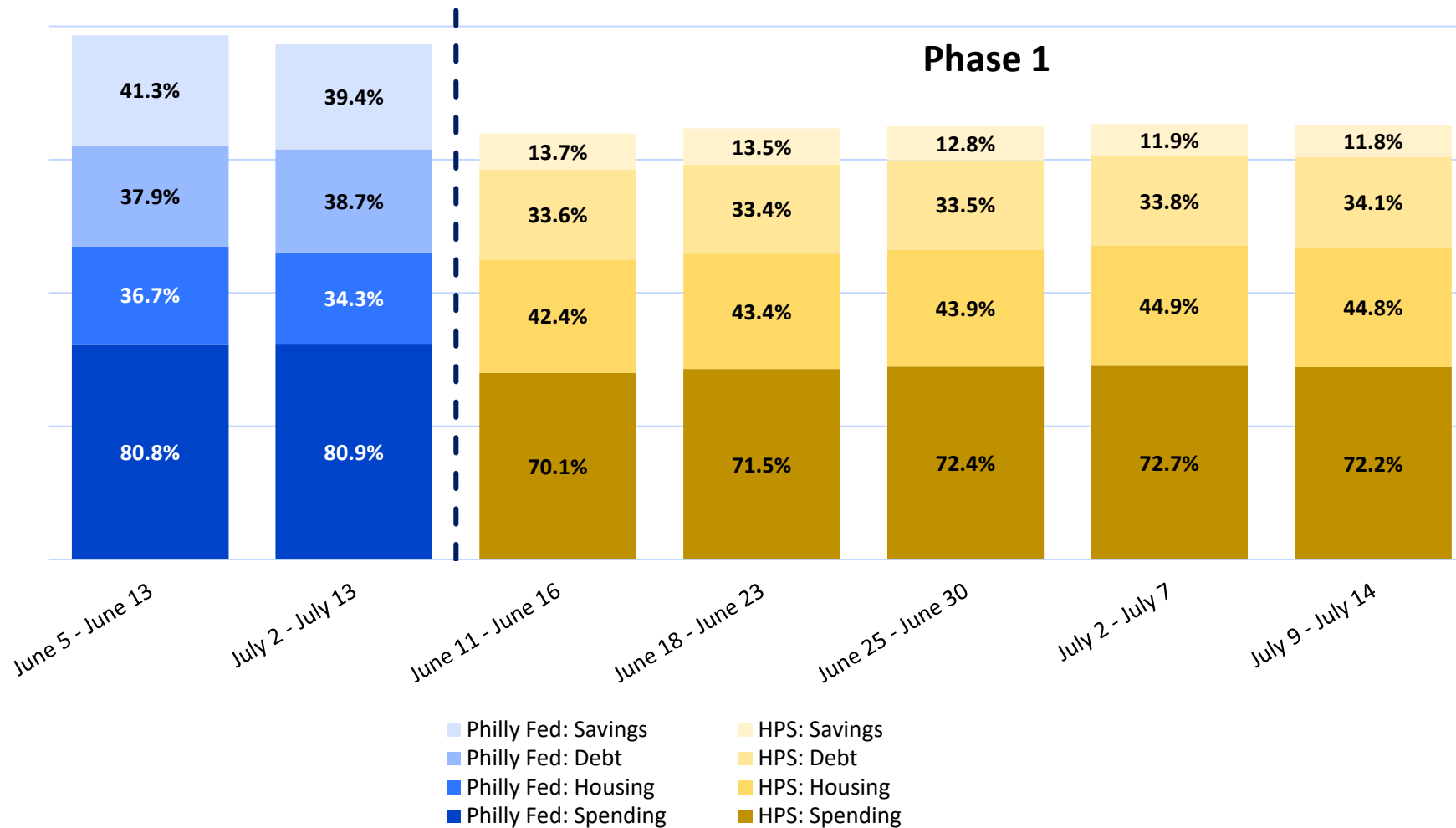


# Receipt of EIP Comparison: Nielsen vs. HPS



# Use of EIP Comparison: Philly Fed vs. HPS (Q19)

% of Respondents reporting receipt and use (not mutually exclusive)



Philly FED results restricted to YES received only; HSP results for EIP receipt and expected receipts





# Use of EIP: Nielsen & Michigan

## Nielsen

- How did you use the payment from the Federal government?
  - Mostly to **increase** spending
  - Mostly to **increase** savings
  - Mostly to pay off debt

Note: Question asked of respondents who indicated receipt **or expected to receipt** a payment.

- **HPS Phase 3 – Actual receipt**
  - Mostly spending
  - Mostly save it
  - Mostly use it to pay off debt

## Michigan

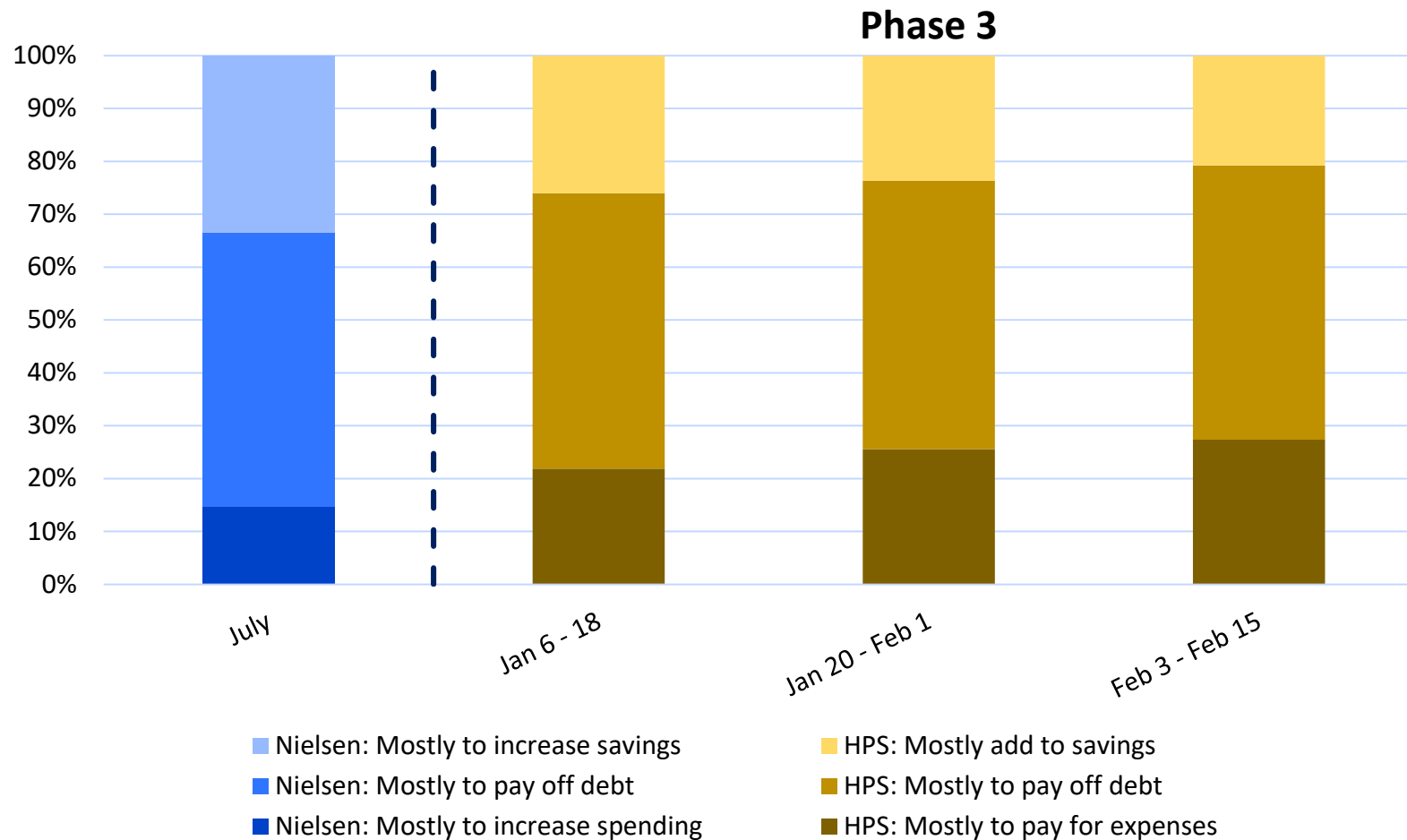
- We want to understand how the rebate will change decisions you would have made without the additional money. Thinking about your (family's) financial situation this year, will the rebate **lead you** mostly to increase spending, mostly to increase savings, or mostly to pay off debt?

- **Increase** spending
- **Increase** savings
- Pay off debt

➤ Note: Question asked of respondents who indicated receipt of payment.

# Use of EIP Comparison: Nielsen vs. HPS

% of EIP Use: mutually exclusive options

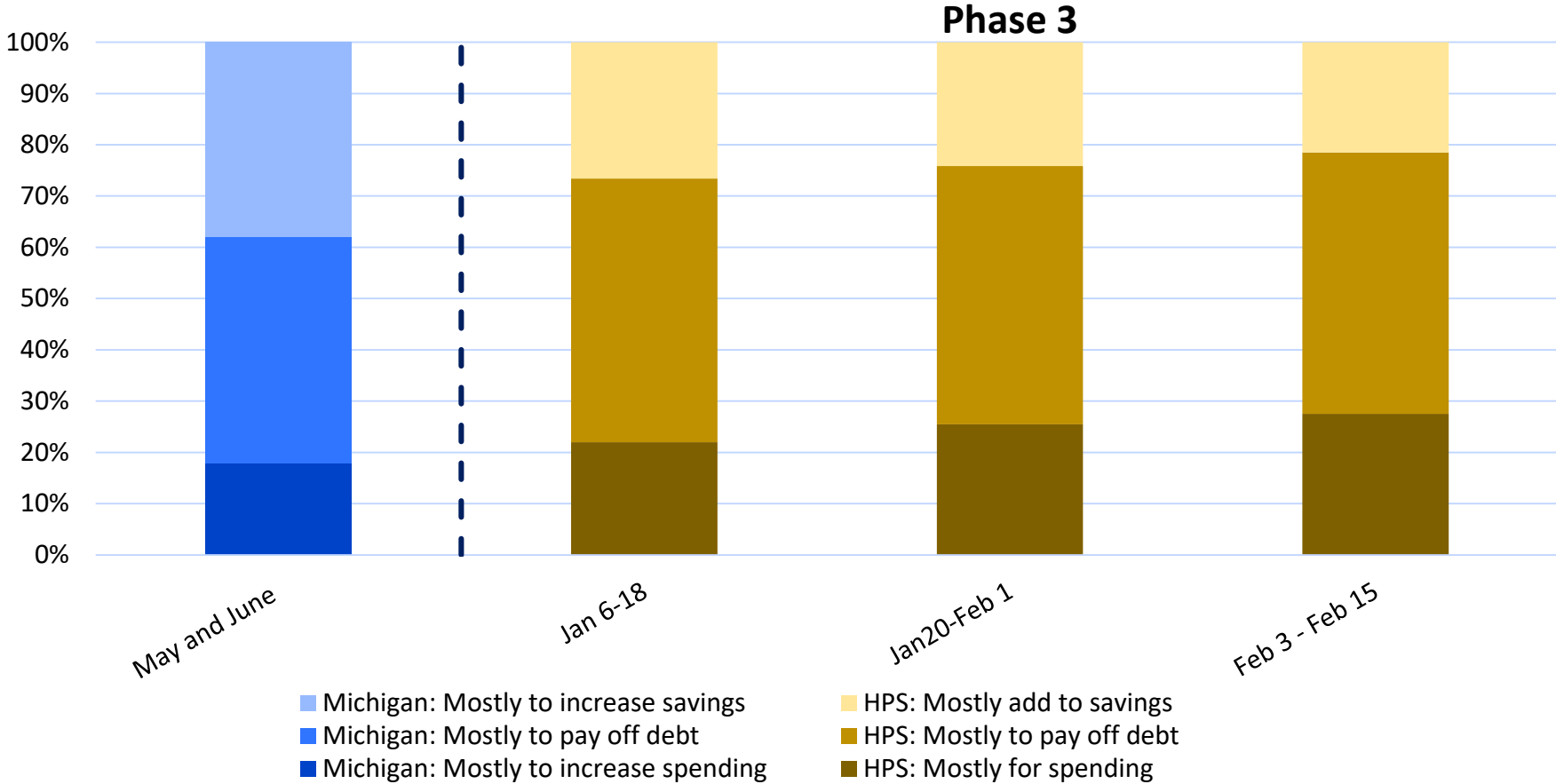


Nielsen results refer to YES received & expect to receive; results for HPS Phase 3 are restricted to actual receipt



# Use of EIP Comparison: Michigan vs. HPS

% of EIP Use: mutually exclusive options



Michigan results restricted to YES received only, as are results for HPS Phase 3

\* HPS estimates are household weighted



# HPS Advantages



# Strengths of a Rapid Response Survey

- High-frequency data
- Time-relevance
- Large sample sizes
- Flexibility in questionnaire content
- Adds to analysis of CE Interview Survey data



# Contact Information

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# Household Pulse Survey

## Development

- Coordinated at the Census Bureau
- Designed to deploy quickly and efficiently, collecting data on a range of ways in which people's lives have been impacted by the pandemic
- Since the environment and circumstances rapidly changing, design meant to be able to quickly assess and report on critical issues, as fast as possible

## Timeline

- Development: March 23–April 23, 2020
- Phase 1: April 23–July 21, 2020
- Phase 2: August 19–October 26, 2020
- Phase 3: October 28–Dec 31, 2020
- Phase 3 Extension: January 6–March 1, 2021
- Phase 3.1: March 31–June 21, 2021
  
- **Experimental Rapid Response Survey**
- Proof of Concept

## Sample Size and Response Rates Range

- Phase 1: 41K – 133K, and 1.3 – 3.8%
- Phase 3: 59K – 72K, and 5.3 – 6.7%
- Phase 3 Extension: 68K – 80K, and 6.4 – 7.5%

## Partners

1. Bureau of Labor Statistics
2. Bureau of Transportation Statistics
3. Census Bureau
4. Centers for Disease Control
5. National Center for Health Statistics
6. Housing and Urban Development
7. National Center for Education Statistics
8. Maternal and Child Health Bureau
9. Office of Management and Budget
10. USDA Economic Research Service
11. Social Security Administration



# Platform and Frame

## Platform: Qualtrics

- Census Bureau Authority to Operate

## Email and Text Invitations to Take an Online Survey

- National Processing Center was shut down due to COVID-19
- Census Bureau could not mail invitations

## Frames: Used Existing Email and Cell-Phone Contact Frames

- Matched to Census Bureau's Master Address File (MAF) records
- Emails and phone numbers from respondent contacts and from third party vendors
  - Phone frame contains over a billion phone/address pairs.
  - Phone frame contains phone/address pairs for over 88% of addresses in the country
  - Three quarters of those phones were acquired in the past two years
  - The email frame contains over 686 million well-formed email/address pairs
  - The email frame contains email/address pairs for almost 80% of addresses in the country
  - Two thirds of those emails were acquired in past two years



# EIP Phase Out by Round

