Incentives for the CE Survey: Past, Present, and Future

Ian J. Elkin
Consumer Expenditure Survey
Branch of Research and Program Development
2016 CE Survey Methods Symposium
07/12/2016
What are Incentives?

- Incentives are defined as a mechanism that motivates or encourages one to do something.
- Incentives can be monetary (cash or check), nonmonetary (magnet, pen, etc.), or something in-between (gift card).
- Incentives can be provided conditionally or unconditionally.
Consumer Expenditure Quarterly Survey

Test Information and Conditions:

- 2005-2007 Experiment
- Amount: $0 (control/1st Class Mail), $0 (Priority Mail), $20 (unconditional), and $40 (unconditional)
- Test Sample Size: 9,203
Consumer Expenditure Quarterly Survey Results

- Response rates were higher (3-5 percentage points).
- Refusals lower (3-4 percentage points) in the $40 treatment group than when compared to the no-incentive and $20 treatment groups.
- The positive effects that resulted from providing a $40 incentive in Wave 1 remained through all five waves including a composite response rate at approximately 79%.
Consumer Expenditure Diary Survey

- Test Information and Conditions:
  - 2006 Experiment
  - Amount: $0 (control/1st Class Mail), $20 (unconditional), and $40 (unconditional)
  - Test Sample Size: 6,500
Consumer Expenditure Diary Survey Results

- Incentive HHs were more likely to have entries in their diaries & complete the interview part of the survey in person.

- Mean Diary expenditures for the incentive groups were about $60 more than the control group, although only about $30 of the increase was for expenditures that may not be potentially biased by the incentive.
Motivation for the 2016 CEQ Incentives Test

- Test and assess alternative incentive structures and amounts as part of the Gemini Survey Redesign Initiative

- Research Questions:
  - Do token incentives affect response rates?
  - Are conditional incentives, distributed prior to the fielding of a survey, effective tools of reciprocity?
  - Is a conditional incentive for record use effective in significantly increasing use of records and improving data quality?
  - What is the cost effectiveness of using incentives to gain cooperation, reduce contact attempts, and encourage engagement?
Additional Motivations for the 2016 CEQ Incentives Test

- Falling response rates: early 1990’s, mid-80% range, mid-2000’s, mid-70% range, and mid-2010’s, mid 60% range
- Incentives effective in raising response rates
- Singer et al. (1999) meta-analysis of interviewer mediated surveys:
  - Incentives still effective with interviewer involvement
  - The higher the initial response rate, the smaller the difference between no-incentive and incentive
  - Effects relatively modest after controlling for other variables
2016 CEQ Incentives Test - Overview

- Project objectives include developing a plan for operationalizing & implementing incentives, researching & recommending incentive amounts, proposing incentive distribution procedures including procedures to capture respondents that generally do not respond to classic incentives & analyze test data to make a recommendation regarding incentive implementation.

- Test Information and Conditions:
  - July 2016 – March 2017 Experiment
  - Wave 1 Cases
  - Test Sample Size: 4,050 total (1,350 per treatment group)
  - Conditional and unconditional incentives
2016 CEQ Incentives Test – Treatment Groups 1 - 3

- Treatment Group 1 Information and Conditions:
  - Amount: $40 (conditional) and $20 records use (conditional)

- Treatment Group 2 Information and Conditions:
  - Amount: $5 token (unconditional), $40 (conditional), and $20 records use (conditional)

- Treatment Group 3 Information and Conditions:
  - Amount: $5 token (unconditional) and $40 (conditional)
2016 CEQ Incentives Test – Challenges

- Debit Cards
  - Distribution/Handling
  - “Deactivated” Cards
  - Denominations
- Charitable Contributions
- “One size fits all” incentives
- Nonmonetary Incentives
  - Respondent Experience Package
- Satisficing/Data Quality
- Nonresponse Bias
Incentives: “To Infinity and Beyond”

- What part will incentives play in the Large Scale Feasibility Test and Gemini Redesign Project?
- Do the cost-benefit trade-offs warrant including incentives in production at an earlier date?
- Are debit cards the most cost effective and impactful delivery method for distributing incentives?
- Conditional or unconditional incentives?
- How much money is too much money?
Contact Information

Ian J. Elkin
Senior Economist
Consumer Expenditure Survey
www.bls.gov/cex
202-691-6865
elkin.ian@bls.gov