Innovations in Incentives in the NLS

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National Longitudinal Surveys

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National Longitudinal Surveys (NLS)

- NLS surveys gather detailed information about labor market activity and other experiences in the lives of seven cohorts of men and women.
- Four original cohorts:
  - Surveys began in the mid 1960s
  - Have since been discontinued
- Three active cohorts:
  - Surveys began in 1979, 1986, and 1997
  - Continue to be interviewed
National Longitudinal Surveys (NLS)

- **NLSY79: born 1957-64**
  - Began in 1979 (ages 14-22) and interviewed for the 27th time in 2016-17 (ages 51-59)

- **Children of the NLSY79**
  - Began in 1986, children of the women in the NLSY79

- **NLSY97: born 1980-84**
  - Began in 1997 (ages 12-17), and interviewed for the 18th time in 2017-18 (ages 32-37)
Incentives in the NLS

- The NLS are longitudinal surveys; same respondents interviewed over time
- Respondents are offered financial incentives to help secure their cooperation
- Incentives are one lever for maintaining NLS samples, also important are respondent materials, interim contact, interview length, interview content
Incentives in the NLS

- The NLSY79 and NLSY97 have had success in keeping response rates high over the years.
- For perspective, NLSY79 round 27 response rate was 76.4 percent, and round 28 (in field) is at a little over 74 percent as of late June.
- In this presentation, will focus on incentives in the most recent round of the NLSY79 (similar in NLSY97).
Incentives in the NLSY79

- 28th round of NLSY79 fielding in fall 2018-late summer 2019 (about 49 weeks)
- A number of incentives offered throughout the interview period for round 28
- Interviews primary conducted by phone, although about 5 percent may be in person
### Summary of Round 28 NLSY79 Incentives

<table>
<thead>
<tr>
<th>Incentive Type</th>
<th>Completed Round 27</th>
<th>Missed Round 27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base</td>
<td>$70</td>
<td>$70</td>
</tr>
<tr>
<td>Early Bird</td>
<td>$100</td>
<td>$100</td>
</tr>
<tr>
<td>Final Push (Standard)</td>
<td>$20</td>
<td>$20</td>
</tr>
<tr>
<td>Final Push (Enhanced)</td>
<td>$40</td>
<td>$40</td>
</tr>
<tr>
<td>Missed Rounds</td>
<td></td>
<td>$20-$40</td>
</tr>
<tr>
<td>In-kind</td>
<td>Up to $27</td>
<td>Up to $27</td>
</tr>
<tr>
<td>Min</td>
<td>$70</td>
<td>$90</td>
</tr>
<tr>
<td>Max</td>
<td>$127</td>
<td>$167</td>
</tr>
</tbody>
</table>
Interview Phases of the NLSY79

- **Early Bird and Outbound dialing:**
  - When on duty, interviewer calls respondents to schedule/interview cases that come up on screen. (more on early bird later)

- **Case-managed:**
  - Interviewers assigned particular cases to work over time as they see fit
Base Incentive Fee in Round 28 NLSY79

- Base incentive fee for interview = $70
- Additional incentive payment for respondents who were not interviewed in round 27 (and prior rounds).
  - Extra $20 if missed round 27
  - Additional $10 if also missed round 26
  - Additional $10 if also missed round 25
    - $40 max additional payment
Early Bird Incentive in Round 28 NLSY79

- Extra $30 over base incentive fee of $70
  - Respondent contacts us by a certain date and keeps appointment (as specified in early bird mailing, which also states incentive amount)
  - Receives early bird incentive once interview is completed
  - Up to $40 additional payment if missed round 27, and prior two rounds
  - In round 27, about 50% of completes during EB
Final Push Incentive (Standard)

- To encourage cooperation of most difficult respondents
- After first 12 weeks of the round, cases that have had least 6 contact attempts or at least one refusal eligible for a final push incentive of up to $20
- Beginning 6 months after start of fielding, all respondents eligible for incentive
Final Push Incentive (Enhanced)

- To support sample representativeness
- Evaluate subgroup-specific response rates after completion of first two phases of interviewing (early bird and outbound calling) when full sample is at about 60% completion
  - Subgroups defined on measures from round 27 - educational attainment, weeks worked, AFQT score, health limits work (with gender/race/ethnicity)
Final Push Incentive (Enhanced)

- Any subgroup having a response rate 8% or more below the sample average would be offered an enhanced final push amount of $40 instead of $20.
- Offered only during the case managed stage of fielding.
In-kind Incentives

- Small gift to help facilitate an in-person interview (approved by field manager)
  - Tool for up to 15% of cases attempted in person, spend no more than $10 on any respondent
- Mail a small in-kind gift to up to 1,200 respondents
  - Spend no more than $12 on any respondent, average $10 (facilitate phone interviews)
In-kind Incentives

- Up to 1,000 pens or other small items (valued at $5 or less), useful to be handed at the door or left on door hangers once in last third of fielding
Electronic Payment of Incentives

- **NLSY79**
  - Round 27: offered electronic payments via PayPal to telephone-interview respondents
  - Round 28: expanded to offer via Online Mobile Banking (OMB)/Zelle (e.g., Google Wallet, ApplePay, Chase QuickPay)

- **NLSY97**
  - Round 17: offered electronic payments via PayPal to telephone-interview respondents
  - Round 18: offered $5 incentive to receive payment electronically via PayPal
    - also offered Chase QuickPay briefly during round 18, but didn’t launch full OMB/Zelle payments until Round 28
Electronic Payment of Incentives

- Respondent gives interviewer e-mail address or mobile device number for his or her PayPal/On-line Mobile Banking account
- Convenient tool for interviewers
- Respondents like getting payment quickly
- Electronic payments are part of the NLS OMB clearance package
Electronic Payment of Incentives

- **NLSY79 Round 27**
  - 15% of payments made electronically
  - PayPal was the only option for electronic payment

- **NLSY79 Round 28 (as of mid-June 2019)**
  - 33.4% of payments made electronically
    - 17.4% through PayPal
    - 16% through other Online Mobile Banking
Electronic Payment of Incentives

- **NLSY97 Round 17**
  - 4% of payments made electronically
  - PayPal was the only option for electronic payment
  - Only offered to phone cases with 17% of phone cases taking electronic payment

- **NLSY97 Round 18**
  - 39.1% of payments made electronically
    - 33.2% through PayPal
    - 5.9% through Chase QuickPay (offered only briefly)
Benefits of Electronic Payment of Incentives

- Cost to process electronic payment lower than for check (envelope/postage/any qc/mailed)
  - $1.00-$1.50 vs. $13-$14
- Easier to track/resolve issues with electronic payments vs. check in which have to issue new check/mail via FedEx/stop payment on old check
- Respondents get electronic payments faster
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