

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

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Consumer Expenditure Survey

Branch of Research and Program Development

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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

The image shows the cover of the 'Your Daily Expenses' survey form. At the top, it features the U.S. Department of Commerce logo and the text 'U.S. DEPARTMENT OF COMMERCE Bureau of Economic Analysis U.S. STATISTICS BUREAU'. Below this is the title 'Your Daily Expenses' and the subtitle 'Help us learn about the buying habits of people in the United States'. A row of five small photographs illustrates various shopping scenarios: a man in a white coat, a woman at a counter, a man writing in a notebook, a woman with a shopping cart, and a man with a shopping cart. Below the photos, there is a paragraph explaining the survey's purpose and a confidentiality statement. A table is provided for recording expenses, with columns for 'Date' and 'Item'. The table has 10 rows. Below the table, there is a section for 'I will return on:' with a date field. At the bottom, there are two fields for 'Full representative name' and 'Full representative supervisor's name', each with a 'Telephone' field next to it. The BLS logo is visible at the bottom right of the form.

U.S. DEPARTMENT OF COMMERCE
Bureau of Economic Analysis
U.S. STATISTICS BUREAU

Helping you understand America
U.S. DEPARTMENT OF COMMERCE
Bureau of Economic Analysis

Your Daily Expenses

Help us learn about the buying habits of people in the United States

When you write down how you spend your money in this diary, you will help us understand more about the products and services that are bought by the people in the United States. By law (Title 13, U.S. Code), we must keep your information confidential; we use it for statistical purposes only.

Please record your expenses and purchases for the following period:

Date	Item
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

I will return on:

Full representative's name	If you have any questions, please call:	
Full representative supervisor's name	Telephone	Telephone

BLS

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?

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