

Providing Respondent Incentives in Federal Statistical Surveys: The Advance of the Real “Phantom Menace”?

Richard A. Kulka
Statistics, Health, and Social Policy
Research Triangle Institute

Washington Statistical Society
June 10, 1999

Name of original file: wash stat society transparencies.wpd

Original date: June 10, 1999

Name of revised file: dick_kulka_wss.wpd

Date revised: 7/7/99

DEALING WITH PRA 1983

- Strong Prohibition
- “Substantial Need”
- Rarity of Use in Government Surveys
- Increasingly Complex Survey Requirements
- Health Survey Research Methods Conference (1975)
- COPAFS Symposium (1992)

FERBER AND SUDMAN (1974)

The general attitude in the past has been that compensation was not needed on...surveys and undertaken by governmental agencies, for two reasons.

Since the data were being sought by a governmental agency, it was felt that people would not expect to be paid and that they would consider their cooperation as a public service. Second, there was the further feeling that when such data were sought by personal interview, even though considerable...effort might be required, the respondent would still receive psychic rewards from the social interaction with the interviewer in which he (or she) is the dominant figure. It seems to have been essentially for these reasons that for many years in the United States no compensation was offered on...studies by government agencies, although marketing research firms seeking [similar] information did offer compensation, and are still doing so.(p. 320)

BERK, MATHIOWETZ, WARD, AND WHITE (1987)

Although the use of incentives has been a common practice in market research, academic and government surveys have been less inclined to pay respondents. In recent years, however, it has become more difficult to achieve response rates high enough to provide statistically valid results, and remuneration has become more common.... Many of the Federal Government's largest surveys have [used] incentives, including the High School and Beyond Survey, the 1977 National Medical Care Expenditure Survey, the National Health and Nutrition Examination Survey, and the 1980 National Medical Care Utilization and Expenditure Survey. These surveys provided payment to respondents ranging from five to twenty dollars.(p. 450)

CANNELL AND FOWLER (1975)

When respondents are being asked to accept a moderate task, within the range of the standard one-time interview of about an hour, compensation does not have a significant effect on response rate.

However, when the positive forces on respondents to cooperate are fairly low—as in a mail survey—or when a great deal is being asked of respondents, compensation appears to be helpful. (p. 16)

NATIONAL SURVEY OF GARDENERS THAT USE SLUDGE

- Standard One-time Interview of Moderate Complexity and Length
- Requirements that EPA Collect Analyzable Sample of Leafy Vegetable
 - Large Quantity
 - Both Monetary and Personal Value
- Provision of Individual Test Results
- Ideal: A Pilot Test with An Incentive Experiment
- Results:
 - Request Denied
 - Survey Not Done

COPAFS 1992

The kinds of survey situations in which incentives have a high probability of being effective or necessary; and

A set of circumstances in which they thought OMB should seriously consider an agency's request to use incentives.

1. To encourage hard core refusals to respond, especially in small subpopulations of interest. Using current nonresponse imputation models without adequate representation from the hard core refusals could bias survey results enough to affect the quality of the eventual data.
1. To compensate a respondent if there is risk in participating (e.g., asking questions about illegal activity).
2. To engender good will when there is some evidence that cooperation is deteriorating.

3. When there are unusual demands of intrusions on the respondent (e.g., lengthy interviews, keeping a diary, having a blood sample drawn, taking a test that could prove embarrassing).
4. When sensitive questions are being asked.
5. When there is a good likelihood a gatekeeper will prevent the respondent from ever receiving the questionnaire.
6. If there is a special target population for whom encouragement will have little if any chance of working, particularly if other survey organizations pay the respondents in that group (e.g., prostitutes, the homeless).
7. If there is a lengthy field period (e.g., a commitment over time for a panel survey).
8. If the target population is a small group that is often surveyed, meaning any particular respondent is liable to be in somebody's sample frequently (e.g., deans of

universities, CEO's).

9. If there is any out-of-pocket cost to the respondent (e.g., transportation cost to the interview site, baby sitting costs).
10. If other organizations routinely pay incentives to the target population (e.g., doctors).
11. If the population is a control group in an important (and perhaps expensive) study where it is imperative to keep most respondents in the control group sample or the result of the whole study could be vitiated.
12. If the respondent is a small business or a nonprofit institution in a voluntary survey and the respondent perceives some cost and burden to participating.

In summary, most participants agreed with the general thesis that “incentives should be considered whenever the positive forces to cooperate are low.”

STANDARD INTERVIEW CASE

- The population of interest is generally a cross section of everyone, such as in a national survey.
- The interview can reasonably be conducted in one session. Initially, there was a suggestion to define the standard interview as one that takes one hour or less, but after much discussion most participants felt that one session is a better definition.
- The interview takes place at a time and place of the respondent's convenience.
- The purpose of the survey is to produce data of general interest for the public good.
- The survey contains noncontroversial

questions and is generally considered nonintrusive.

FIVE SUGGESTED OMB INCENTIVE POLICIES

- 13. Incentives would be considered only if the respondent incurred an out-of-pocket cost.**

There was considerable discussion about whether this policy really provided an incentive or simply offered an expected reimbursement. In general, participants did not want a strict accounting by respondents (i.e., unless you produce a taxi receipt, you do not get paid). Rather participants viewed such an incentive as a lump sum payment when respondents were expected to incur a cost. How the money was used was up to the respondent.

14. Incentives would be considered if the respondent incurred an out-of-pocket cost or if the survey was too intrusive.

The discussion of this policy focused around trying to define intrusive.

Generally, this was viewed as meaning there were unusual demands made on the respondent which could include:

- a greater amount of time than the standard interview;
 - doing something painful or embarrassing;
 - doing something that requires some effort (e.g., taking a test);
 - having to go to somewhere special to participate (e.g., a clinic);
 - or
 - involving some risk to the respondent.

15. Incentives would be considered if the respondent incurred an out-of-pocket cost; or if the survey was too intrusive; or if the survey was aimed at a hard-to-reach population.

Participants felt that hard-to-reach really meant hard-to-interview. This category could include those who are hard to encourage to cooperate, and therefore initially refuse. In such cases, incentives might be effective. Participants felt incentives would not be effective for those who are hard to find.

Participants also included in the hard-to-interview category those who are difficult to reach by mail, those who must be kept in a sample (such as members of a control group), and those disenfranchised from society. For all except the hard-to-find, there is

already a large cost involved in locating respondents for interviews, encouraging them to respond, or keeping them in the sample. Since the monetary outlay for these cases is so high already, incentives might be very cost-effective for these groups.

- 16. Incentives would be considered only if the sponsoring agency could show that their use would minimize the mean square error per unit cost.**

Participants viewed policy four as a rule for how to evaluate policies one, two, and three. Participants felt it was important to point out that the mean square error needed to be viewed relative to the planned use of the data.

17. Incentives would be used to compensate respondents for their time and effort in participating. In this policy, response would not be viewed as something that is part of one's civic duty, but rather as an effort for which the incentive would compensate.

Generally, acceptance of this policy would imply that the “social contract” has broken down and that the government should pay for the opportunity cost of a respondent's time. While participants did not feel that this is the case in general, it could be the case for certain subpopulations (e.g., homeless, disenfranchised, prostitutes, drug dealers).

THE CURRENT SCENE

- Results of Symposium Effectively Used by OMB
- PRA 1995 Significant Progress
- Some Concerns About FASQ#4 on Incentives and PRA 1995
 - Conception of Burden
 - Interviewer Bias
 - Potential Biasing Effect on Responses
 - Lack of Strong Empirical Base for “Rules of Thumb”
- OMB's Active Support of Experimentation Encouraging
- Need to Establish Firm Experiment and Scientific Base for Guidelines: “Evidence-Based Practice Guidelines”

- A National Academy of Sciences Study?

WHAT WE KNOW

- Incentives Do “Work”
- Larger Incentives Generally Work Better (with Significant Caveats)
- Monetary Incentives Generally Better Than Non-monetary
- Pre-paid Incentives Better than Promised
- Need for Refinement and Context Testing

LIKELY “HOT” AREAS OF NEED FOR FUTURE RESEARCH

- Telephone Surveys
- Differential Incentives
- Paying Only Some Respondents
- Effects of Incentives in Longitudinal Research
- Overall Effects of Incentives on MSE