Redesign of the Consumer Expenditure Surveys

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Survey Redesign Panel
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Survey Purpose

- Collect information on the buying habits of America’s consumers, including their expenditures, income, and household characteristics
- Used for periodic revision of the Consumer Price Index (CPI)
Survey Overview

- Conducted by Census Bureau
- Interview Survey: 5 quarterly interviews
  - Designed personal visit, but about 35% done on phone
  - Sample size ≈ 12,000 addresses per wave
  - Average response rate ≈ 75%
- Diary Survey: 2 one-week self administered diaries
  - Sample size ≈ 12,000 addresses per year
  - Average response rate ≈ 76%
Redesign Motivations

- Why redesign:
  - Evidence of measurement error
  - Environmental changes in technology and spending behaviors
  - Need for greater flexibility

- Objectives:
  - Verifiable reduction in measurement error, with a particular focus on underreporting
Primary Success Criteria

- Reduction in measurement error
- Improved data quality
- Maintain survey costs
## Challenges Faced: CE Surveys

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Current Interview</th>
<th>Current Diary</th>
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</thead>
<tbody>
<tr>
<td>Reference period</td>
<td>3 months</td>
<td>Daily diary (kept for 2 weeks)</td>
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<tr>
<td>Proxy reporting</td>
<td>1 HH member reports for whole household</td>
<td>Main respondent, asked to talk to all HH members</td>
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<td>Interview length (OMB Estimates)</td>
<td>Five 65-minute interviews</td>
<td>105 minutes/week diary keeping, and three 25-minute interviews</td>
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<td>Mode</td>
<td>Designed PV, increasingly by phone</td>
<td>Designed paper, need for web instrument</td>
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<tr>
<td>Interview structure</td>
<td>Standardized, highly scripted interview, minimal flexibility</td>
<td>Organized by expenditure type and day</td>
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Challenges Faced: Redesign Process

■ Defining survey requirements is challenging
  ▶ Identifying varied user needs
  ▶ Reconciling competing interests
■ Collecting stakeholder input while maintaining forward progress
■ Maintaining ongoing research efforts without waiting for redesign decisions
Redesign Constraints

- Final survey has to meet user needs
  - Provide required data for CPI
  - Other user needs will be identified through User Forum (Summer 2010)
  - Needs will be prioritized to create survey requirements
- Long-term operational survey costs cannot significantly increase
Testing

- Preliminary research currently in the field
  - Question order effects
  - Split questionnaire
  - Reference period
- Statistical research on feasibility of using split questionnaires
- Plans for research workshop to get expert opinions and recommendations on key topics
- Anticipate many research efforts 2012 – 2013
Timeline

- 2009 (completed): Project planning, definition of data quality
- 2010: Identify and prioritize user needs, hold research methodology workshop
- 2011: Develop research roadmap and survey alternatives
- 2012 - 2013: Testing
- 2014 and beyond: Development and implementation of redesigned survey
Costs

- Annual CE research budget to fund most research projects
- Submitted budget initiative for 2011 requesting funding support large scale research