

December 11, 2007

NOTE TO THE  
REVIEWER OF:

OMB CLEARANCE #1220-0141  
“Cognitive and Psychological Research”

FROM:

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Office of Survey Methods Research

SUBJECT:

Submission of Materials for the *CE*  
*Quarterly 2009 Changes Pretesting*

Please accept the enclosed materials for approval under the OMB clearance package #1220-0141 “Cognitive and Psychological Research.” In accordance with our agreement with OMB, we are submitting a brief description of the study.

The total estimated respondent burden hours for the study are 50 hours.

If there are any questions regarding this project, please contact Jennifer Edgar at 202-691-7528.

## **1. Introduction and Purpose**

The Bureau of Labor Statistics has completed several projects with the goal of improving the Consumer Expenditure Quarterly Interview Survey (CEQ). One of the main goals of these improvements is to keep the market basket of goods and services, which provides item weights for the Consumer Price Index (CPI), current. Given the rapid changes in the marketplace, changes need to be made to the CEQ to ensure that the data accurately reflects the state of consumer buying habits. Based on input from CPI commodity analysts and economists, a few areas of the survey were identified as needing attention to maintain the most up-to-date market basket possible. In a parallel effort to improve CEQ data quality, economists from the Branch of Production and Control (P&C) identified changes that need to be addressed for reasons of respondent burden, outdated questions and general instrument issues.

In addition to these recommendations, four independent teams within the Bureau of Labor Statistics (BLS) evaluated products and services which are becoming more common and made recommendations for changes to the questionnaire to improve reporting for these areas. Overall, changes to the 2007 instrument originated from four main sources: a team developed to identify new products, a team to review the questionnaire wording, the CE branch of Production and Control and the Consumer Price Index program office.

## **2. Research Design**

The purpose of this study is to ensure that proposed changes to the 2009 CE instrument are clear and understandable to respondents, and are interpreted as intended. To accomplish this goal, question variations will be tested using cognitive interviewing. The questions presented to each of participant will vary, with each covering multiple topics. Participants will be assigned topics based on their experience with and knowledge of the subject matter. A complete list of changes to be tested is included in Appendix A. The changes are currently in a draft form and will be revised and retested before being finalized. A final list of question wordings will be sent to OMB with the final report.

As noted, cognitive interviewing will be used to gain insight into the topics addressed in the changes. Cognitive interviews provide an in-depth understanding about the respondent's thought processes and reactions to the questions. These interviews will be done one-on-one in the Office of Survey Methods Research (OSMR) laboratory, and

will be videotaped, with an observer taking notes from a separate room using the video system. Interviews will be run by staff from the Office of Survey Methods who are experienced in conducting these type of interviews.

The study will follow an iterative design, with question wording being modified as problems and improvements are identified. After wording is drafted, the question will be tested using cognitive interviews. The last step in the study will be to cognitively test the proposed final wording of each question to ensure that the intended meaning is being understood by participants, and that the questions can be answered by the general public.

Time and participant resources permitting, there is a secondary list of changes that may benefit from testing. These are listed in Appendix B, in the order they will be addressed as resources permit. The same methods will be followed for these changes.

### **3. Participants**

Participants will be recruited from the OSMR participant database. Screening questions will aid recruitment of participants with desired target knowledge. Efforts will be made to select participants with varying levels of education, income, and occupation, based on self-reported information provided during the initial recruitment process. Experience with the topic being studied will be considered as part of the scheduling process and this information will be used to assign topics to participants.

### **4. Burden Hours**

The number of participants is dependent upon the results and the point at which diminishing returns is reached and no further information is being gained from additional subjects. Given that, our goal is to obtain no more than 50 participants in the OSMR lab. We anticipate that each session will last no longer than one hour, for a total of 50 burden hours.

### **5. Data Confidentiality**

Participants will be informed as to the voluntary nature of the study. Participants will also be informed that the study will be used for internal purposes to improve the design of a national consumer expenditure interview survey. Participants will be given a consent form to read and sign (See Appendix C). Information related to this study will

not be released to the public in any way that would allow identification of individuals except as prescribed under the conditions of the Privacy Act Notice.

## Appendix A: Primary List of Changes to be Discussed

Each of the following proposed changes to the CEQ will be tested using cognitive interviews. The goal is to identify the associations participants have with various terms, how they interpret question meanings and to identify the most effective wording for questions and response choices. Below is a list of draft questions to be tested.

1. Change question wording to allow for future months to be accepted “Now I will ask about your first [2<sup>nd</sup>] mortgage [home equity loan]. These questions refer to the mortgage [home equity loan] you are currently making payments on. In what year **did you** make the first payment on this mortgage [home equity loan]?”
2. Add outboard motor to the question “Have you purchased or acquired any other vehicles since the first of [reference month]?”
  - Automobile
  - Trucks, minivans, vans, or SUVs
  - Motor home
  - Trailer-type camper
  - Other attachable-type camper
  - Motorcycle, motor scooter, or moped (motorized bicycle)
  - Boat, with motor or **just an outboard motor.**
3. Add new question to capture expenses for winterization of vehicles.
4. Change question wording to capture renting DVDs through the mail “Since the first of [reference month], have you or any members of your CU rented any video tapes or DVD’s, **including DVDs rented through the mail**”
5. Add explanation about purpose of income questions. **The next questions are about income. We know people aren’t used to discussing their income, but we need to get a statistical picture of costs in relation to income, not to find out about you personally.”**
6. Add bonuses and overtime pay to example “During the last 12 months did you receive any money in wages or salary? Include all wages, salaries, **bonuses and overtime pay**, commissions, tips, allowances, Armed Forces pay, severance pay, teaching fellowships, etc.”
7. Reword question about ‘**stereo or sound systems.**’

8. Reword question about 'expenses for parking, not including expenses that are part of your property ownership or rental costs, a business expense or expenses that will be totally reimbursed'
9. Reword question about medical care "**When it is not an emergency, will your insurance pay for the costs of doctors who are not part of your plan?**"
10. Add 'or facility' to question about kind of school
11. Remove reference to Information book from question "What was the total price paid for this property, not including closing costs"
12. Remove reference to Information book from question "Now I'd like to ask you about payments you make directly to the cooperative. Since the first of [reference month] have you made any payments directly to the cooperative for your share of its costs?"
  - Reword question about disposal of cars "**Was it... sold?**
  - **traded in?**
  - **Given away or donated to someone outside the CU....**
13. Reword question about vehicles "**what was the model year**"
14. Change question from "Video and computer game hardware, software, Gameboys, and accessories" to "Video game consoles and handhelds, video games, and accessories."
15. Change question from "computer software" to "computer software, including games"

## Appendix B: Secondary List of Changes to be Discussed

Each of the following proposed changes may be tested using cognitive interviews if time allows.

1. Move the question for hairpieces, wigs and toupees after question “Since the first of [reference month] not including [current month] have you had any expenses for haircutting, styling, manicures, massages or other salon services?” **“Have you purchased any of the following items, either for your CU or for someone outside your CU? Hairpieces, wigs or toupees”**
2. Add care for invalids, convalescents, handicapped or elderly persons in the home’ and ‘adult day care centers’ to question about medical expenses. “Since the first of [reference month] have you made any payments for the following:
  - care in convalescent or nursing homes
  - **care for invalids, convalescents, handicapped or elderly persons in the home**
  - **adult day care centers**
  - other medical care and services
3. Add care for invalids, convalescents, handicapped or elderly persons in the home’ and ‘adult day care centers’ to question about medical reimbursements. . “Since the first of [reference month] have you received any medical reimbursements? *If yes* What did you get reimbursed for?
  - care in convalescent or nursing homes
  - **care for invalids, convalescents, handicapped or elderly persons in the home**
  - **adult day care centers**
  - other medical care and services
4. Divide one question into two: **“In the last 12 months, did you work either full time or part time?” *if yes* “how many weeks did you work? Include paid vacation and sick leave?”**
5. Reword question about ‘blinds, shades and other window coverings’
6. Remove definition of homeowner’s and renters insurance (“which protects your home, furniture, personal belongings or other property against fire, flood, theft, loss or damage” from question.

7. Remove reference to 'computer games' from question about "Video game consoles and handhelds, video games, and accessories."
8. Change Consumer Unit to 'household' throughout interview



Appendix C: Consent Form

**Consent Form**

The Bureau of Labor Statistics (BLS) is conducting research to increase the quality of BLS surveys. This study is intended to suggest ways to improve the procedures the BLS uses to collect survey data.

The BLS, its employees, agents, and partner statistical agencies, will use the information you provide for statistical purposes only and will hold the information in confidence to the full extent permitted by law. In accordance with the Confidential Information Protection and Statistical Efficiency Act of 2002 (Title 5 of Public Law 107-347) and other applicable Federal laws, your responses will not be disclosed in identifiable form without your informed consent. The Privacy Act notice on the back of this form describes the conditions under which information related to this study will be used by BLS employees and agents.

During this research you may be audio and/or videotaped, or you may be observed. If you do not wish to be taped, you still may participate in this research.

We estimate it will take you an average of 60 minutes to participate in this research (ranging from 30 minutes to 90 minutes).

Your participation in this research project is voluntary, and you have the right to stop at any time. If you agree to participate, please sign below.

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. OMB control number is 1220-0141, and expires 02/28/09.

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I have read and understand the statements above. I consent to participate in this study.

\_\_\_\_\_  
Participant's signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Participant's printed name

\_\_\_\_\_  
Researcher's signature

OMB Control Number: 1220-0141

Expiration Date: 02/28/09

## **PRIVACY ACT STATEMENT**

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In accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a), you are hereby notified that this study is sponsored by the U.S. Department of Labor, Bureau of Labor Statistics (BLS), under authority of 29 U.S.C. 2. Your voluntary participation is important to the success of this study and will enable the BLS to better understand the behavioral and psychological processes of individuals, as they reflect on the accuracy of BLS information collections. The BLS, its employees, agents, and partner statistical agencies, will use the information you provide for statistical purposes only and will hold the information in confidence to the full extent permitted by law. In accordance with the Confidential Information Protection and Statistical Efficiency Act of 2002 (Title 5 of Public Law 107-347) and other applicable Federal laws, your responses will not be disclosed in identifiable form without your informed consent. The BLS may release individually identifiable information to individuals designated as agents of the BLS in accordance with Public Law 107-347 to perform exclusively statistical activities. Individuals designated as agents of the BLS may be imprisoned for not more than 5 years or fined not more than \$250,000 or both for any knowing and willful disclosure of respondent information to unauthorized persons. Such designated agents may include individuals from other sponsoring agencies; to contractors, grantees, and their employees or volunteers who are working on this study for the BLS and who need access to the information; or to the National Archives and Records Administration or the General Services Administration for records management purposes. Under written agreements to protect the confidentiality and security of individually identifiable information, the BLS may provide individually identifiable information to other researchers designated as agents of the BLS to conduct statistical research projects that further the mission and functions of the BLS.