

January 29, 2010

NOTE TO THE
REVIEWER OF:

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

FROM:

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Research Psychologists
Office of Survey Methods Research

SUBJECT:

Submission of Materials for the *CE*
Quarterly 2011 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 is 40 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 reflect 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Branch of Production and Control (P&C) identified changes that need to be addressed for reasons of respondent burden, outdated questions and general instrument issues.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, 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. Additionally, changes originated from the CE branch of Production and Control, the CE branch of Research and Program Development and the Consumer Price Index program office.

2. Research Design

The purpose of this study is to ensure that proposed changes to the 2011 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 participant will vary, with each set 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 likely 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 of 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 audiotaped, with an observer taking notes from a separate room using the video system. Interviews will be conducted by staff from the Office of Survey Methods Research 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 the initial draft of question wording, each question will be tested using cognitive interviews, and revised, if necessary. If the question has been revised, another round of cognitive interviewing will be conducted. If further revisions are deemed necessary, additional rounds of cognitive interviewing will be done until the results indicate no major problems remain.

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 40 participants in the OSMR lab. We anticipate that each session will last no longer than one hour, for a total of 40 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 B). 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: List of Changes to be Tested

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. Add question for external hard drives.
2. Change reference period descriptions from "since xxx" to "between xxx and xxx" throughout the income section.
3. Replace the word "receive" with "earn" in the income section.
4. Reword to reflect that the quantity of clothing collected is for number of items or number of packages.
5. Reword section introduction to state that both clothing and footwear are collected.
6. Separate Computer Accessories from Computer Software by creating a new question to split the existing question.
7. Add a new item code for collection of digital book readers.
8. Separate video game hardware, video game software, and video game accessories into three different questions.
9. For vacation homes, ask both the number of days for which the home is rented and the number of days for which it is available for rent separately.
10. Explicitly ask for the occupation that the member receives 50% or more of his/her income from.
11. Collect athletic footwear in the clothing section instead of with general sports equipment.
12. Instruct the respondent to include the portion of the property used for business, farming or rented when specifying deduction amount.
13. Add instruction for the respondent to estimate the rent by including the portion of the property that is used for business, farming, or rented.
14. Include a statement that all shipping and handling charges should be included in the price of a product throughout the interview.
15. Move 'Hairpieces, wigs, or toupees?' to question about hairdressing services
16. Divide current question for "Sports, recreation or exercise equipment" into three separate questions.
17. Add question to determine whether business properties are for residential or non-residential use.
18. Add questions to ask about storage and accessibility of financial records and receipts, use of financial software.

Appendix B: 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 45 minutes to participate in this research (ranging from 30 minutes to 60 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 February 29th, 2012.

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: [02/29/12]

PRIVACY ACT STATEMENT

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.