

2010 Free File Awareness & Attitudinal Research

OMB Clearance Package

I. Introduction

Background/overview

Research is an integral part of the IRS e-file marketing cycle and monitoring e-product development. Research is performed at the beginning of the cycle to identify customers and their likes and dislikes prior to developing a product. In addition, it is performed once the product is offered to determine its acceptance and how to improve it. Research results provide ETA and the other Business Operating Divisions (BODS) with usage volume, penetration rates, and Taxpayer profiles (demographic, attitudinal, psychographic, and satisfaction profiles) for both Users and Non-Users of e-products. It also provides BODS with detailed information to guide the next season's marketing campaign and/or and how to direct outreach and marketing efforts. Finally, it provides feedback necessary to determine if the funding was spent wisely and achieved the expected results. Following is the OMB Statement for planned IRS research for the Free File product.

Objectives of data collection

The primary objective of the 2010 Free File Awareness & Attitudinal Survey would be to survey Free File Eligible Non-Users and assess their awareness of and attitudes towards use of Free File. Results would be used to assist the IRS with marketing the Free File program (and expanding its usage), thus the study must provide a level of detail needed to indicate appropriate targeted marketing strategies.

II. Methodology

Sample design

The study will consist of a total of 2,000 interviews, with 1,000+ allocated to a Random Sample of Total Eligible Non-Users of Free File and with augmented samples of 3 specific sub-groups:

1. 400-500 Age 18-24 1st-Time Filers Within Past 2 Years.
2. 400-500 Age 25-34 Lower Income Filers (<\$25,000 AGI) With 1+ Dependents.
3. 400-500 Age 55-64 Who Are Not Internet-Averse.

Data collection date

Assuming OMB authorization by then, the interviews will be conducted in late October through November, 2010.

Data to be collected

Data to be collected are detailed in the attached survey instrument/questionnaire.

How data will be used

Results from Random and each of the 3 augmented sub-groups will be analyzed separately.

Who is conducting research

The research is being conducted by Russell Marketing Research, Inc.

Location - region/city and facilities

The research will be conducted from the national telephone interviewing facilities of Russell Research in East Rutherford (the Meadowlands), New Jersey.

Stipend

The survey is expected to take no more than 15 minutes. Therefore, no stipend is needed.

Recruitment efforts

All respondents will be recruited from IRS-provided random listings for each of the specific sample types. Russell will provide lookup of telephone numbers for Taxpayers on the list.

All interviews will be conducted by telephone from the Russell-Meadowlands field center in New Jersey, using the above lists - with respondents selected for interviewing on an every "nth" basis from each list. Telephone interviewing will be conducted in compliance with the Safeguards agreement between Russell and the Government.

Methods to maximize response rate

The survey will employ the following methods to maximize response: 1) at least 3 and up to 5 interviewing attempts on each respondent; and 2) assigning refusals on initial attempts to senior interviewing personnel trained in refusal conversion.

Expected Response Rate

The response rate is expected to be about 55%.

Test structure/design

A total of 2,000 interviews will be conducted, yielding analysis of 1,000 to 1,250 Random Total Non-Users and 400-500 each of the 3 sub-groups detailed earlier. The confidence intervals would be as follows (and are based upon the low-side estimates of 1,000 for Total Non-Users and 400 for each of the 3 sub-groups):

- The confidence interval for the 1,000 Total Random sample would be +/- 3.1% at the 50% level and +/- 1.9% at the 10% and 90% levels, using a 95% confidence level.
- And the confidence interval for the 400 in each sub-group would be +/- 4.9% at the 50% level and +/- 2.9% at the 10% and 90% levels, using a 95% confidence level.

Efforts to not duplicate research

This is the only Free File Non-User study being conducted, thus there is no duplication.

III. Participants Criteria

To qualify for this survey, respondents would need to be Taxpayers on the specific lists drawn by the IRS and Russell who are confirmed as Self-Filers; and in the case of the third sub-segment (Age 55-64 Not Internet-Averse), qualified as participating in one of a list of Internet activities.

IV. Privacy, Security, Disclosure and Anonymity

The information in the IRS lists will be protected from disclosure by Russell's strict non-disclosure safeguards – which are enforced with due diligence.

V. Burden Hours

It is anticipated that, with the need to screen the third sub-segment (Age 55-64 Not Internet-Averse) for participation in at least one of a list of Internet activities, the net of 90% of the Taxpayers contacted for this study will qualify. Additionally, the response rate will likely be similar to that of other Taxpayer surveys – or about 55%. With this combination of incidence level and response rate, 4,040 Taxpayers will have to be called in order to reach the 2,000 who agree to participate and qualify for the study, with approximately 222 who agree to participate and do not qualify, leaving 1,818 not participating.

- The contact time to determine non-participation could be up to 1 minute, with the resulting burden for **non-participants** being $1,818 \times 1 = 1,818$ minutes / 60 minutes = **30.3 burden hours**.
- The contact time required to determine that a Taxpayer willing to participate does not qualify for the study could be up to 3 minutes, with the resulting burden for **Disqualified willing participants** being $222 \times 3 = 666$ minutes / 60 minutes = **11.1 burden hours**.
- Then, for those **Taxpayers who do participate and qualify successfully**, the length of the survey is no more than 15 minutes, with the maximum time burden for that group being $2,000 \times 15$ minutes = 30,000 total minutes / 60 minutes = **500.0 burden hours**.
- **Thus, the total burden hours for the study would be $(30.3 + 11.1 + 500.0 =)$ 541.4 hours.**
- The total cost of the survey is \$150,715.19.

VI. Attachments

Questionnaire – Attached

Moderator's guide – Not applicable here

Cover letter/correspondence – Not applicable here

Telephone screeners – Incorporated into the Questionnaire that's attached.

Scenarios: Follow-up Postcards – Not applicable here