You are being asked to participate in a survey about how people interpret advertisements. If you agree to take part in this research, you will be asked to read two hypothetical print advertisements and answer some questions about them. You will also be asked questions about yourself that may help us understand whether people's views about the ads are correlated with other characteristics they may have. The study will take about 35 minutes.

You can earn up to 90 reward points, plus an entry into our monthly sweepstakes (with various prizes worth up to $5,000).

Please remember that your participation is completely voluntary. As always, please be assured that we will treat your responses as confidential and will only use and disclose your information in accordance with our Privacy Policy, which is located at http://www.i-say.com/Privacy/PRIVACYPOLICY/tabid/167/language/en-US/Default.aspx

If you have questions about this survey, please email questions@isay.com.

We will share survey responses with the FTC, but not your identity. For more information about how the FTC uses and handles the information it collects, please visit the FTC's privacy policy at http://www.ftc.gov/ftc/privacy.shtm.

Disclosure of Estimated Burden

The estimated average burden associated with this information collection is 35 minutes per respondent. Burden estimates include the time for reviewing instructions, gathering and maintaining data in the required form, and completing the information collection, but exclude the time for compiling and maintaining business records in the normal course of a respondent's activities. A Federal agency may not conduct or sponsor, and an organization (or a person) is not required to respond to a collection of information, unless it displays a currently valid OMB control number. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503, and to Keith B. Anderson, Economist, Bureau of Economics, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop NJ-4136, Washington, D.C. 20580.

[Ad Credibility]

[**Programmer: Display the following text on the screen.**]

In the first part of this survey, you will see two hypothetical print advertisements like you might see in a magazine, a newspaper, a flyer, or an email. We have not used real brand names or addresses in the ads.

Please examine each ad as you would an actual ad and answer the questions that follow.

These questions are asking for your opinions about the ads. There are no right or wrong answers.

[**Programmer: There will be ads for three products – a diet product, a job ad, and a vacation. For each product, there will be both a fraudulent and a plausible ad. Each person will see two ads. Which two ads each person sees should be chosen by randomly selecting one of the 18 pairs on the list at the end of this questionnaire.**

Show the subject the first ad with the following text above the ad.]

Please examine this ad. When you are ready, click on "continue" to proceed to the questions.

[**Programmer: When the person clicks on the "Continue" button, display the following text and the grid with the three descriptions on the screen. Also provide buttons for "Review Ad" and "Continue."**]

We would like to learn something about your opinions about this ad. Below are several brief statements that may describe your views of the ad to one degree or another. On a scale of 1 to 7, where 1 indicates that you strongly agree with the statement and 7 indicates that you strongly disagree, please indicate how much you agree or disagree with the statement. There are no right or wrong answers to these questions, we just want to know your opinions about the ads. If you would like to view the ad again while answering these questions, please click on "Review Ad."

	Strongly Agree			Neither Agree nor Disagree			Strongly Disagree
I think the ad is believable	1	2	3	4	5	6	7
I think the ad is truthful	1	2	3	4	5	6	7
I think the ad is deceptive	1	2	3	4	5	6	7

[Programmer: If the person clicks on "Review Ad" show them the ad again.]

[Purchase Intention]

[Programmer: After the person answers all three of the above questions, display the following text on the screen along with the grid with the following questions. Again, include "Review Ad" and "Continue" buttons.]

We would also like to know whether you would be likely to buy this product, or would recommend it to a friend, if you actually received this ad as an email or saw it as a flyer. On a scale of 1 to 7, for each of the following two questions, please describe the likelihood that you would take the action described where 1 indicates that it is extremely likely and 7 indicates that it is extremely unlikely that you would take the action. Again, there are no right or wrong answers, we just want to know how you would react. As before, if you would like to view the ad again while answering these questions, please click on "Review Ad."

	Extremely Likely			Neither Likely Nor Unlikely			Extremely Unlikely
How likely would you be to *[Insert Product Action]* if you *[Insert What Product Does]*?	1	2	3	4	5	6	7
If friends *[Insert What Product Does]*, how likely would you be to recommend *[Insert Product Name]* to them?	1	2	3	4	5	6	7

[Programmer: Here is the table of inserts for the above table:

Ad Seen	Product Name	Product Action	What Product Does
Fraudulent Diet Ad	FatFoe	try FatFoe	wanted to lose weight
Plausible Diet Ad	SlimPlan	try SlimPlan	wanted to lose weight
Fraudulent Job Ad	BillFromHome.net	try and get a job with BillFromHome.net	wanted some additional income
Plausible Job Ad	JavaJoe's	try and get a job with Java Joe's	wanted some additional income
Fraudulent Vacation Ad	the Regal Cancun	book at the Regal Cancun	wanted a Caribbean vacation
Plausible Vacation Ad	the Regal Cancun	book at the Regal Cancun	wanted a Caribbean vacation

[Programmer: After the person answers the above two sets of questions on a first ad, they should be presented with the second ad from the pair of ads that was selected for that person and asked to answer the same two sets of questions. After the person answers the questions about the second ad, they should proceed to the following question.]

*** *Pre-Test Only* ***

Now thinking specifically about the questions you have answered so far in this project, was anything unclear? Were there any questions that you had difficulty with? Why? Please be as specific as possible.

[Impulsive / Risk Taking / Impatient]

Now, I would like to learn something about how you generally view yourself. Below are several adjectives that could describe you. On a scale of 1 to 7 where 1 indicates that the sentence would almost <u>always</u> describe you and 7 indicates that it would almost <u>never</u> describe you, please indicate how well each of the following would describe you.

	Almost always would describe me			Sometimes would describe me			Almost never would describe me
Impulsive	1	2	3	4	5	6	7
Careless	1	2	3	4	5	6	7
Self-controlled	1	2	3	4	5	6	7
Extravagant	1	2	3	4	5	6	7
Far Sighted	1	2	3	4	5	6	7
Responsible	1	2	3	4	5	6	7
Restrained	1	2	3	4	5	6	7
Easily tempted	1	2	3	4	5	6	7
Rational	1	2	3	4	5	6	7
Methodical	1	2	3	4	5	6	7
Enjoy spending	1	2	3	4	5	6	7
A planner	1	2	3	4	5	6	7
Willing to take risks	1	2	3	4	5	6	7
Impatient	1	2	3	4	5	6	7

[Cognitive Reflection Test]

Please answer the following questions by typing in a number.

A bat and a ball cost $1.10 in total. The bat costs $1 more than the ball. How much does the ball cost?

_____ cents.

If it takes five machines five minutes to make five widgets, how long would it take 100 machines to make 100 widgets?

_____ minutes

In a lake, there is a patch of lily pads. Every day, the patch of lily pads doubles in size. If it takes 48 days for the patch to cover the entire lake, how long would it take for the patch to cover half of the lake?

_____ days

[Numerical Skills]

Again, please answer the following questions by typing in your answer.

Suppose that each time a gambling game is played a person has a 25 percent chance of winning $20 and a 75 percent chance of losing $4. If a large number of people lay the game, what would be the average winnings or losses per person?

On average, people would *[ ]* win / *[ ]* lose $_____. (Please check either "win" or "lose" depending on whether people would, on average win or lose money and indicate how much money they would win or lose on average.)

During a sale, a store is selling all items at half price. Before the sale, you had admired a sofa that cost $600. How much would you have to pay to buy the sofa during the sale?

The sofa would cost $____ during the sale.

If the chance of getting a disease is 10 percent, out of 1,000 people, how many would be expected to get the disease?

_____ people would get the disease.

A used car dealer is selling a car for $10,000. This is two-thirds of what the car cost new. How much did the car cost when it was new.

The car cost $_____ when it was new.

If five people have the winning number in a lottery and the total prize is $2 million, how much will each of them get?

Each person will get $_____.

Let's say you have $200 in a savings account. The account earns 10 percent interest per year. How much will you have in the account at the end of two years?

There will be $____ in the account at the end of two years.

We would like to know how confident you are in your answers you just gave. Of the last six questions you just answered– beginning with the question about the amount people would win or lose in a gamble and continuing through the question you just answered about the amount of money in the savings account – how many do you think you answered correctly?

I answered ____ of the previous six questions correctly.

How do you think your performance on these questions compared to that of all the other people who are participating in this survey? Do you think that you were:

[ ]   Among the top quarter of participants – those who did the best on these questions
[ ]   Not among the top quarter of participants, but among the top half
[ ]   In the bottom half of participants, but not in the bottom quarter
[ ]   In the bottom quarter of all participants – those who did the worst on these questions

*** *Pre-Test Only* ***

Now thinking specifically about the questions you have answered since we last asked about the clarity of the questions, was anything unclear? Were there any questions that you had difficulty with? Why? Please be as specific as possible.

8

[General Ad Skepticism]

Now, please tell me how much you agree or disagree with each of the following statements. A 1 indicates that you strongly agree, while a 7 says that you strongly disagree.

	Strongly Agree			Neither Agree nor Disagree			Strongly Disagree
We can depend on getting the truth in most advertising	1	2	3	4	5	6	7
Advertising's aim is to inform the consumer	1	2	3	4	5	6	7
I believe advertising is generally truthful	1	2	3	4	5	6	7
Advertising is a reliable source of information about the quality and performance of products.	1	2	3	4	5	6	7
Advertising is truth well told.	1	2	3	4	5	6	7
In general, advertising presents a true picture of the product being advertised	1	2	3	4	5	6	7
I feel I've been accurately informed after viewing most advertisements.	1	2	3	4	5	6	7
Most advertising provides consumers with essential information	1	2	3	4	5	6	7

[Skepticism in Specific Situations]

Below are several claims that might be made about a product or an offer, followed by a question about the product or offer. On a scale of 1 to 7, please indicate how likely you think it is that the claim is true, where 1 indicates that you think it <u>very likely</u> that the claim is true and 7 indicates that you think it <u>very unlikely</u>. There are no right or wrong answers to these questions, we just want to find out what you think.

	Very Likely To Be True			Neither Likely nor Unlikely to be True			Very Unlikely To Be True
A telemarketer tells you he has a great offer for you – a wonderful product at a great price. However, you need to act now because the offer is only available today. How likely is it that the offer is, in fact, a wonderful product at a great price?	1	2	3	4	5	6	7
Your local department store advertises a shirt that it says has very vibrant color. How likely is it that the shirt's color is as described?	1	2	3	4	5	6	7
An advertisement from a company you have never heard of claims that its product is of the highest quality. How likely is it that the product is of high quality?	1	2	3	4	5	6	7
Your local grocery store says that a product is on sale and a good value. How likely is it that the offer is, in fact, a good value?	1	2	3	4	5	6	7
An advertisement features a famous athlete or movie star who says that the product works great and it will work for you. How likely is it that the product will work for you as the advertisement claims?	1	2	3	4	5	6	7
A marketer claims that his product contains a new break-through ingredient that the major drug firms do not want you to know about. How likely is it that the product will work for you as the advertisement claims?	1	2	3	4	5	6	7
Your local store advertises its work pants and says that they are extremely durable. How likely is it that the works pants are, in fact, very durable?	1	2	3	4	5	6	7
A well-known company from whom you have bought many good products in the past advertises the high quality of its new line or products. How likely is it that the product is of high quality?	1	2	3	4	5	6	7

A friend tells you about a new cleaning product that he has used and says that he thinks it would work well for you. How likely is it that the product will work for you as your friend says it will?	1	2	3	4	5	6	7
A 30 minute advertisement on late night television claims that a product will work wonders. How likely is it that the product will work as the advertisement claims?	1	2	3	4	5	6	7

[Consumer Literacy]

Suppose that you had $100 in a savings account and the interest rate was 2 percent per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

[   ]   More than $102
[   ]   Exactly $102
[   ]   Less than $102
[   ]   Don't know.

Imagine that the interest rate on your savings account was 1 percent per year and inflation was 2 percent per year. After one year, how much would you be able to buy with the money in this account?

[   ]   More than today
[   ]   Exactly the same
[   ]   Less than today
[   ]   Don't know

A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.

[   ]   True
[   ]   False
[   ]   Don't know

When you diversify your investment portfolio – for example, by buying mutual funds rather than putting all of your money in a single stock – how does the risk you will lose a substantial share of the total amount you invest change?

[   ]   It increases
[   ]   It decreases
[   ]   It could increase or decrease
[   ]   It remains the same
[   ]   Don't know

If you lose your credit card and someone uses it to buy a $500 television set, how much will you be required to pay out of your own pocket?

[   ] $500
[   ] $500, unless you purchased insurance to protect you against the loss of your credit card
[   ] $250
[   ] $100
[   ] $50 or less
[   ]   Don't know

Suppose you are ordering something from an Internet website and are trying to decide how to pay for the purchase. Which of the following payment mechanisms provides you with the greatest protections if the product is not received or does not work as you expected?

[   ]   Cash
[   ]   Personal check
[   ]   Money order
[   ]   Credit card
[   ]   Don't know

Suppose you missed several payments on a loan three years ago. Which of the following statements best describes the impact these missed payments would have on your ability to get a new loan?

[   ]   Lenders will know about the missed payments on the old loan and will use this information in deciding whether to approve a new loan and what interest rate to charge.
[   ]   Privacy policies for financial transactions will prevent lenders from finding out about the missed payments on the old loan.
[   ]   Federal law prohibits lenders from considering any missed payments that occurred more than two years ago.
[   ]   Lenders do not care about a consumer's past experience with other lenders as long as the consumer is currently employed and earns enough money to make the new loan payments.
[   ]   Don't know.

[Programmer: Below are two options for the next question. The option to use depends on whether the person checked the "Don't know" box on any of the preceding seven questions. If the answer to any of the seven questions was "Don't know" use Option I, else use Option II.]

[Option I]

Of the last seven questions we asked – beginning with the question about how much money you would have in your checking account after five years – you answered **[Insert the number of questions for which the person did not answer "Don't know"]**. (On the other **[Insert the number of questions for which the person answered "Don't know."]** you said that you did not know the answer.) How many of these **[Insert the number of questions for which the person did not answer "Don't know"]** questions do you think you got correct?

I think I got _____ of the **[Insert the number of questions for which the person did not answer "Don't know"]** questions I answered correct.

[Option II]

Of the last seven questions we asked – beginning with the question about how much money you would have in your checking account after five years – how many do you think you got correct?

I think I got _____ of the last seven questions correct.

13

[Risk Taking – Specific Domains]

Earlier, we asked you about your willingness to take risks. We would now like to know how willing you are to take risks in different areas of life, for example in financial matters or while driving your car. On a scale of 1 to 7 where 1 indicates that the sentence would almost <u>always</u> describe you and 7 indicates that it would almost <u>never</u> describe you, please indicate how well each of the following would describe you.

	Almost always would describe me			Sometimes would describe me			Almost never would describe me
I am willing to take risks in financial matters	1	2	3	4	5	6	7
I am willing to take risks when it comes to my health	1	2	3	4	5	6	7
I am willing to take risks when it comes to my career	1	2	3	4	5	6	7
I am willing to take risks when driving	1	2	3	4	5	6	7
I am willing to take risks in sports or leisure activities	1	2	3	4	5	6	7

[Fraud Experience – Diet Products]

We would now like to ask you some questions about things that may have happened to you in the past couple of years.

In the past two years, have you paid anyone for a product such as nonprescription drugs, dietary supplements, skin patches, creams, wraps, or earrings that the seller suggested or implied would help you lose a substantial amount of weight?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Programmer: If answer to previous question is "Yes" go to next question; else go to Instruction Before "Fraud Experience – Job."]

If you purchased such a weight-loss product more than once in the last two years, please think about the most recent time you purchased such a product in answering the following questions.

Did the seller suggest or imply that using this product would make it easy to lose weight?

[ ]   Yes
[ ]   No
[ ]   Don't know

Did the seller suggest or imply that by using this product you could lose weight without exercise and/or without reducing the amount you eat?

[ ]   Yes
[ ]   No
[ ]   Don't know

Which of the following best describes your experience in using the product?

[ ]   I lost about more weight than I expected to lose
[ ]   I lost about as much weight as I expected to lose
[ ]   I lost about half of the weight I expected to lose
[ ]   I only lost a little of the weight I expected to lose
[ ]   I lost no weight
[ ]   I gained weight
[ ]   I did not use the product

[Fraud Experience – Business Opportunity]

In the past two years, have you paid anyone for an opportunity to operate your own business, such as a business opportunity or a franchise?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Programmer: If answer to previous question is "Yes" go to next question; else go to "Fraud Experience – Work-at-Home."]

If you purchased such a business opportunity or franchise more than once in the last two years, please think about the most recent time you purchased one in answering the following questions.

Did the seller lead you to believe that you would earn a certain amount of income or profit from this business?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Programmer: If answer to the previous question is "Yes" ask the next question; else skip to the question after the next one.]

Which of the following best describes the amount of money you made from this business?

[ ]   Made more money than I had been led to expect
[ ]   Made roughly as much money as I had been led to expect
[ ]   Made at least half as much money as I had been led to expect
[ ]   Made less than half as much money as I had been led to expect
[ ]   Did not make any money
[ ]   Lost money
[ ]   Did not work at the business
[ ]   Don't know

Were you promised help in locating customers who would use your services or businesses that would allow you to sell your products from their premises?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Programmer: If answer to the previous question is "Yes" ask the next question; else skip to "Fraud Experience – Work-at-Home."]

Did you receive the promised assistance?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Fraud Experience – Work-at-Home]

In the past two years, have you paid anyone who promised to provide you with work that you could do at home?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Programmer: If answer to previous question is "Yes" go to next question; else go to next section.]

If you paid someone for work that you could do at home more than once in the last two years, please think about the most recent time you purchased one in answering the following questions.

Did the seller lead you to believe that you would earn a certain amount of money while performing this work at home?

[ ]   Yes
[ ]   No
[ ]   Don't know

[Programmer: If answer to previous question is "Yes," go to next question; else go to next section.]

Which of the following best describes the amount of money you made in this job?

[ ]   Made more money than I had been led to expect
[ ]   Made roughly as much money as I had been led to expect
[ ]   Made at least half as much money as I had been led to expect
[ ]   Made less than half as much money as I had been led to expect
[ ]   Did not make any money
[ ]   Lost money
[ ]   Did not work at the business
[ ]   Don't know

In the past two years, that is since *[Insert current month]*, 2011, have you experienced a serious negative life event, such as divorce, the death of a family member or close friend, a serious injury or illness in your family, or the loss of a job?

[ ]   Yes
[ ]   No
[ ]   Decline to answer

Thinking for a moment about your personal debt on which you current make monthly payments, such as for mortgages, credit cards, personal loans, and car loans, would you say the amount of debt you current have is

[ ]   More than you can handle financially
[ ]   About as much as you can handle financially
[ ]   You could handle more debt than you currently have
[ ]   You do not currently have any personal debt
[ ]   Decline to answer

[Product Interest]

Now we would like to ask some questions to learn something about your interest in some of the things we have talked about.

How interested would you be in losing weight?

[ ]   Extremely interested
[ ]   Very interested
[ ]   Somewhat interested
[ ]   Not very interested
[ ]   Not at all interested

How interested would you be in working at a part-time job or a job that you could perform at home?

[ ]   Extremely interested
[ ]   Very interested
[ ]   Somewhat interested
[ ]   Not very interested
[ ]   Not at all interested

How interested would you be in a vacation at a Caribbean beach resort?

[ ] Extremely interested
[ ] Very interested
[ ] Somewhat interested
[ ] Not very interested
[ ] Not at all interested

*** *Pre-Test Only* ***

Now thinking specifically about the questions you have answered since we last asked about the clarity of the questions, was anything unclear? Were there any questions that you had difficulty with? Why? Please be as specific as possible.

[Demographics]

And, for statistical purposes only …

In what year were you born?

_____

[   ]   Decline to answer

Are you

[   ]   Female
[   ]   Male
[   ]   Decline to answer

What is the highest level of education you have completed or the highest degree you have received? If you received your education in another country, please indicate the equivalent level below.

[   ]   Less than high school
[   ]   Completed some high school
[   ]   Completed high school
[   ]   Completed some technical or vocational school
[   ]   Completed some college
[   ]   Graduated from college – Received a Bachelor of Arts or Bachelor of Science degree
[   ]   Completed some graduate or professional school
[   ]   Completed graduate or professional school – Received a degree like a Master of Arts, Master of Science, PhD, MD, law degree, etc.
[   ]   Decline to answer

Are you of Hispanic or Latino origin?

[ ]   Yes, of Hispanic origin
[ ]   No, not of Hispanic origin
[ ]   Decline to answer

Please choose one or more categories that best indicates your race. Are you? *(Check all that apply)*

[ ]   White
[ ]   Black or African American
[ ]   American Indian or Alaska Native
[ ]   Asian
[ ]   Native Hawaiian or Other Pacific Islander
[ ]   Decline to answer

How many people currently live in your household? Please include yourself and any children.

_____

[ ]   Decline to answer

[Programmer: If answer is greater than 1, ask the following. If answer is 1 or the person declines to answer, skip the following question.]

How many people under the age or 18 currently reside in your household?

_____

[ ]   Decline to answer

And, for statistical purposes only, in which of the following categories does your total annual HOUSEHOLD income fall?

[ ]   Under $20,000 per year
[ ]   At least $20,000 per year, but less than $40,000
[ ]   At least $40,000 per year, but less than $60,000
[ ]   At least $60,000 per year, but less than $80,000
[ ]   At least $80,000 per year, but less than $100,000
[ ] $100,000 per year or more
[ ]   Decline to answer

*** Pre-Test Only ***

Now thinking specifically about the last few questions – the ones you have answered since we last asked about the clarity of the questions – was anything unclear? Were there any questions that you had difficulty with? Why? Please be as specific as possible.

This completes our questions for you today. Thank you for participating.

Cells for Internet Panel Fraud Experiment

A. See Diet Ad First
    1. Fraudulent Diet Ad – Fraudulent Jobs Ad
    2. Fraudulent Diet Ad – Legitimate Jobs Ad
    3. Fraudulent Diet Ad – Fraudulent Vacation Ad
    4. Fraudulent Diet Ad – Legitimate Vacation Ad
    5. Legitimate Diet Ad – Fraudulent Jobs Ad
    6. Legitimate Diet Ad – Fraudulent Vacation Ad

B. See Jobs Ad First
    1. Fraudulent Jobs Ad – Fraudulent Diet Ad
    2. Fraudulent Jobs Ad – Legitimate Diet Ad
    3. Fraudulent Jobs Ad – Fraudulent Vacation Ad
    4. Fraudulent Jobs Ad – Legitimate Vacation Ad
    5. Legitimate Jobs Ad – Fraudulent Diet Ad
    6. Legitimate Jobs Ad – Fraudulent Vacation Ad

C. See Vacation Ad First
    1. Fraudulent Vacation Ad – Fraudulent Diet Ad
    2. Fraudulent Vacation Ad – Legitimate Diet Ad
    3. Fraudulent Vacation Ad – Fraudulent Jobs Ad
    4. Fraudulent Vacation Ad – Legitimate Jobs Ad
    5. Legitimate Vacation Ad – Fraudulent Diet Ad
    6. Legitimate Vacation Ad – Fraudulent Jobs Ad