

SUPPORTING STATEMENT
Information Collection (ICR) Approval Request to Conduct Customer Satisfaction Research
(OMB #1545-1349)

2015 Web-First Strategy Conjoint Customer Satisfaction Survey

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

IRS Executives are exploring a web-first strategy aimed at increasing and promoting online services in order to decrease service costs and increase customer satisfaction for those taxpayers who prefer digital services. As part of that process, the IRS is investigating the entire service ecosystem to determine where taxpayers want to shift to online service, barriers to online migration, and the impact on taxpayers who currently use other service channels.

Wage & Investment Research & Analysis (WIRA) has provided information from the Taxpayer Choice Model (TCM), which was built using previous conjoint survey data, about potential online service channels being considered for inclusion in an online account and via individual log-in, such as secure e-mail, online chat, online tools, and automatic text/email notifications. The survey results pointed to what services taxpayers would prefer to complete via these new channels and how to best build those channels to increase their appeal and customer satisfaction. However, additional questions remain unanswered regarding service needs not currently included in the TCM, and the IRS needs additional conjoint survey data for current initiatives aimed at increasing customer satisfaction around IRS services.

As part of the W&I ConOps Service Initiatives Strategy, W&I Executive Champions and Business Leads are developing and implementing initiatives to enhance services to taxpayers and third parties in a multi-channel environment with a heavy emphasis on internet and mobile channels. This is a five-year approach that currently focuses on the following program area categories: Online Account, Authentication, Taxpayer Digital Communications, Third-party Services, Taxpayer Analytics, Payments, and Forms & Publications.

2. Purpose and Use of the Information Collection

The data from this survey would be used to update the TCM with targeted information to inform continued development of a web-first strategy. Specifically, the TCM would predict uptake of new or improved service channel options, including potential migration from more costly, traditional service channels (phone and Taxpayer Assistance Center (TAC)) and impact on those taxpayers currently using those channels. In conjunction with other IRS data currently available, the TCM would provide the ability to measure and compare potential service changes based on potential cost reduction and taxpayer impact from web-first strategy inclusion. Potential customer satisfaction changes will be included in the evaluation of taxpayer impact using the TCM.

This project would include all of the demographic segments contained on the last conjoint survey instrument. In response to a TIGTA audit (Audit # 201340005) that concluded that the IRS should utilize the TCM to look more closely at the impact of service changes on TAC users prior to making service adjustments, WIRA plans to include a quota for respondents who have visited a local IRS office in the last two years in the contracting documents.

3. Consideration Given to Information Technology

The study will use a conjoint survey to collect data using web panels. The conjoint questionnaires include screening criteria, profile questions, full descriptions of choice attributes and attribute levels, a training

task, and conjoint screens that are programmed to be administered in a randomized fashion. A copy of the survey questionnaire and invitation are attached.

4. Duplication of Information

This is the only conjoint survey administered by the IRS to measure taxpayer qualified preference for current and potential new service channels to inform web-first strategy development.

5. Reducing the Burden on Small Entities

N/A

6. Consequences of Not Conducting Collection

Not conducting collection would cause the IRS to make decisions about service channel configuration without taxpayer preference data to assist them in understanding which new products taxpayers are willing to use, how to best design new products for maximum taxpayer preference, and how to communicate the new product in a way that gives taxpayers the information most important to them when making decisions about service channel use.

7. Special Circumstances

There are no special circumstances.

8. Consultations with Persons Outside the Agency

WIRA will work with a contractor to administer the survey to taxpayers. Although the contractor has not yet been chosen, they will be under the Customer Satisfaction Blanket Purchase Agreement (BPA).

9. Payment or Gift

The IRS is not providing payment or gift to survey respondents. However, the external panel used for recruitment has an internal reward system set up with their panel members for completing surveys administered through the panel. This is part of their internal structure and outside of administration of this survey.

10. Confidentiality

All participants will be subject to the provisions of the Taxpayer Bill of Rights II during this study and WIRA will ensure that all participants are treated fairly and appropriately.

The security of the data used in this project and the privacy to the extent allowed by law of the taxpayers will be carefully safeguarded at all times. Security requirements are based on the Computer Security Act of 1987 and Office of Management and Budget Circular A-130, Appendices A & B. Physical security measures include a locked, secure office. Notes are stored in locked cabinets or shredded. Data security at the C-2 level is accomplished via the Windows NT operating system. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The IRS will apply and meet fair information and record-keeping practices to ensure privacy protection of all taxpayers to the extent allowed by law. This includes criteria for disclosure—laid out in the Privacy Act of 1974, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code—all of which provide for the protection of taxpayer information to the extent allowed by law as well as its release to authorized recipients.

The survey will not contain tax return or taxpayer information. Survey participants will not be identified in any of the documents or files used for this project. We will limit and control the amount of information we collect to those items that are necessary to accomplish the research questions. We will carefully safeguard the security of data utilized as well as the privacy of the survey respondents to the extent allowed by law. We will apply the fair information and record-keeping practices to ensure protection of

all survey respondents to the extent allowed by law. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code provides for the protection of information to the extent allowed by law as well as its releases to authorized recipients.

11. Sensitive Nature

No questions will be asked that are of personal or sensitive nature.

12. Burden of Information Collection

The average time of survey completion is expected to be 30 minutes.

Based on a sample of potential respondents of 7,670 and a response rate of 20%, we expect 1,534 survey participants, leaving 6,136 non-participants. The contact time to determine participants could take up to 5 minute to read the email invitation, with the resulting burden being $7,670 \times 5 \text{ minute}/60 = \underline{639 \text{ burden hours}}$.

For participants, total time to complete the survey is 30 minutes. The time burden for participants is $1,534 \times 30/60 = \underline{767 \text{ burden hours}}$.

The total burden hours for the survey is $(639 + 767) = \underline{1,406 \text{ burden hours}}$.

Type of Collection	Participation	Response Time (minutes)	Total Burden (hours)
Potential Respondents Contact	7,670	5	639
Expected Participants	1,534	30	767
Grand Total Burden			1,406

13. Costs to Respondents

N/A

14. Costs to Federal Government

\$140,000

15. Reason for Change

N/A

16. Tabulation of Results, Schedule, Analysis Plans

WIRA will provide the contractor with the survey instrument for the conjoint survey. The contractor and WIRA will test the survey instrument to ensure the survey is properly programmed.

Once the survey instrument is finalized, the contractor will administer the survey using an online panel approved under the Customer Satisfaction BPA. The survey administration will include an initial invitation email with a link to the survey as well as three reminder emails. During the survey's administration, the contractor will provide Help Desk Support to survey recipients who may have questions.

WIRA requires 1,534 taxpayers to complete the survey. WIRA estimates that 7,670 taxpayers will need to be contacted in order to get the required sample size. This estimate is based on a 20% response rate. Although previous conjoint surveys conducted by the IRS have achieved higher response rates, this one is expected to be less due to having a quota for taxpayers who have previously used a Taxpayer Assistance Center (TAC).

The survey will be administered electronically; however there are no cookies involved. Survey participants will be provided a link/web address via a secure website. Transmission to/from the secure website for the survey will be “encrypted”.

Survey respondents will be selected from the subcontractor’s panel members and non-panel internet users. Potential respondents will be sent an email invitation to participate in a survey to understand their preferences for how to get help for tax-related service needs they may encounter. Participants will be provided a link/web address to a secure website and a unique PIN to access and respond to survey questions. The panel will use an internal method for tracking which panel members complete a survey for their internal reward system for survey completion. Therefore, only those panel members who have not completed the survey will receive reminder emails. If the 1,534 respondents complete the survey, any reminder emails scheduled after that would not occur.

Respondents will access the website and answer the preliminary questions pertaining to demographics and their history of interactions with the IRS. If their responses indicate they are not eligible to participate in the survey, their survey will be terminated. Those that are eligible will proceed through the survey and respond to randomized conjoint scenario attributes and levels presented to them. The subcontractor hosting the panel and survey will maintain a secure survey control system that will document the correspondence and track the status of all sample members by giving each sample member a unique sample ID. This sample ID is used in place of name, address, or other personally identifiable information.

Following the survey’s administration, the contractor will provide WIRA the survey data using a generic respondent number (numerical; i.e. 1, 2, 3, 4, 5 ...) and responses to the survey questions.

WIRA will use the data to create a model that will be used to run “what if” scenarios regarding service channel delivery configuration options.

17. Display of OMB Approval Date

N/A

18. Exceptions to Certification for Paperwork Reduction Act Submissions

These activities comply with the requirements in 5 CFR 1320.9.

19. Dates Collection Begin and End

September 7, 2015 – October 9, 2015

B. STATISTICAL METHODS

1. Universe and Respondent Selection

The research will be conducted using an online panel through a subcontractor using a screener. For this study, participants must be 18 years of age or older, must have filed a tax return for the most recent tax year, and must not be a current IRS employee. WIRA will include a quota for respondents who have visited a local IRS office in the last two years.

2. Procedures for Collecting Information

Online panel members (or non-panel internet users recruited from high-traffic websites) will be randomly selected to receive emails informing them of an upcoming research effort and inviting them to participate. Customers will be provided an address to a secure website and a distinct individual PIN to access the site and participate in the survey. Only those whose responses to screener questions indicate that they filed a tax return in 2015 (for tax year 2014) will be invited to participate. Additionally, the

sample must include a minimum number of taxpayers who have visited a local IRS office in the last two years. This subsample will be counted using a question near the start of the survey instrument.

3. Methods to Maximize Response

We are utilizing an established online panel for survey administration. Survey administration will include an invitation email and up to three reminder emails (as needed) in an effort to maximize response rate. The contractor will provide a Help Desk for participants with questions or issues with the survey. The expected response rate is 20%. This is lower than the previous two conjoint surveys due to the TAC user quota involved in this study, which we expect to lower the overall response rate.

4. Testing of Procedures

The survey instrument will be tested internally by WIRA employees and the contractor before survey administration. The testing will focus on ensuring the online survey programming is correct and flows as planned.

5. Contacts for Statistical Aspects and Data Collection

For questions regarding the study, questionnaire design or statistical methodology, contact:

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