Generic Information Collection Request for Annual Retail Trade Survey (ARTS) Cognitive testing

Request

The Census Bureau plans to conduct additional research under the generic clearance for questionnaire pretesting research (OMB number 0607-0725). We plan to conduct cognitive interviews via telephone on proposed question wording for the Annual Retail Trade Survey (ARTS) conducted by the Census Bureau.

ARTS is a mandatory annual collection that produces national estimates of total annual sales, e-commerce sales, sales taxes, end-of-year inventories, purchases, total operating expenses, gross margins, and end-of-year accounts receivable for retail businesses located in the United States.

ARTS provides estimates that are more timely than those generated via the Economic Census, which is only conducted in years ending in "2" and "7," and more detailed than those produced through the Advance Monthly and Monthly Retail Trade Surveys (MARTS and MRTS), which are conducted each month.

This survey is collected under the authority of Title 13, United States Code (U.S.C). It is a sample survey of employer businesses that are classified in the retail trade sector and located in the 50 states and the District of Columbia.

The Bureau of Economic Analysis uses these data for the nation's gross domestic product (GDP) estimates and in developing input-output tables. The data are also used by the Bureau of Labor Statistics for it Producer Price Index (PPI) and in developing productivity measurement. Other users of the data include trade and professional organizations, private businesses, and media.

Further information regarding ARTS and its uses can be found at this website:
https://www.census.gov/programs-surveys/arts/about.html

Purpose

The telephone interviews will be conducted to gain a better understanding of respondents' reporting of the inventory valuation method of Last-In, First-Out (LIFO). During these interviews, we will seek the following information:

- Does the revised ordering of the inventory questions reduce burden for companies do and do not use LIFO as an inventory valuation method?
- Is "LIFO" a familiar concept to respondents?
- Do respondents have issues with comprehending the terminology used for inventory?
- Are the requested information available in respondents' records?

Staff from the Data Collection Methodology & Research Branch within the Economic Statistical Methods Division (ESMD) of the Census Bureau will be conducting debriefing interviews for this testing.

Language
Testing will be conducted in English only.

Method
The method of research will be respondent cognitive interviews which are interviews aimed at understanding the way that a person interprets the items that are being presented to them, in order to understand and reduce potential measurement error before these questions are included in the survey. We will also be asking early stage scoping questions, which have a broader focus on the respondents' understanding and familiarity with the concepts being addressed in the question, the way their company's records are organized, and the terminology that they use in reference to these concepts. All interviews will be conducted over the telephone. The interviews will follow a semi-structured interview protocol (Attachment A). For illustrative purposes and to aid in recall, respondents (with consent) will be emailed a copy of the newly developed questions (Attachment B).

Sample
We plan to conduct up to of 35 interviews. The frame of respondents will be recent respondents to the 2018 ARTS. .Approximately 20 interviews will be conducted with respondents whom we suspect use LIFO. The remaining interviews (15) will be conducted with respondents whom we suspect do not use LIFO. The number of interviews for this testing was selected because it is a manageable number of interviews for the time period allotted, and should be large enough to provide reactions to the questions. We plan to conduct interviews with a variety of sizes and types (i.e., industries) of businesses.

Recruitment

Participants will be recruited using a list of respondents from the 2018 ARTS. Before beginning the interviews, we will inform participants that their response is voluntary and that the information they provide is confidential under Title 13. The interviews may be recorded (with consent), to facilitate summarization.

Protocol
A copy of a draft interview protocol and survey questions being evaluated for testing purposes are enclosed. Respondent interviews will be conducted via telephone. Respondents will be sent a copy of the survey items via email.

Timeline
Recruiting for these cognitive interviews will begin as early as September 2019.

Length of interview

For respondent interviews, we expect that each interview will last no more than 30 minutes (35 cases x 30 minutes per case = 17.5 hours). Additionally, to recruit respondents we expect to make up to 5 phone contacts per completed case. The recruiting calls are expected to last on average 3 minutes per call (5 attempts per phone call per completed case x 35 cases x 3 minutes per case = 8.75 hours). Thus, the estimated burden is 26.25 hours (17.5 hours for interviews + 8.75 hours for recruiting).

Enclosures

Below is a list of materials to be used in the current study:

1. Interview protocol (Attachment A)
2. Proposed survey items for LIFO to be evaluated (Attachment B)

Contact

The contact person for questions regarding data collection and statistical aspects of the design of this research is listed below:

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Enclosures

Cc:
Nick Orsini	(ADEP) with enclosure
Carol Caldwell	(ESMD) with enclosure
Diane Willimack	(ESMD) with enclosure
Amy Anderson Riemer	(ESMD) with enclosure
Kristin Stettler	(ESMD) with enclosure
Kimberly Heyne	(EWD) with enclosure
Jonathan Commike	(EMD) with enclosure
John C Savage	(EWD) with enclosure
Ian Thomas	(EWD) with enclosure
Kimberly Moore	(EWD) with enclosure
Jennifer Hunter Childs	(ADRM) with enclosure
Jasmine Luck	(ADRM) with enclosure
Danielle Norman	(PCO) with enclosure
Mary Lenaiyasa	(PCO) with enclosure