

Briefing on the Use of Incentives on ONS Surveys: by [REDACTED] for ONS Director General, 23 April 2014

Issue

When approving advance letters to be issued for the next wave of the Wealth and Assets Survey (known in the field as the Household Assets Survey), you said that you would like to know, "how much we spend on completion incentives for each of the ONS household surveys and when/how we last evaluated the effectiveness of the incentives, and therefore why they've been set at the levels they have?"

Background

Incentives are widely used across social surveys in the UK and overseas. These include monetary incentives (such as cash or vouchers) and non-monetary incentives (such as pens or entries in prize draws). ONS generally uses incentives with a monetary value.

Incentives are used:

- to maintain (or ideally increase) response rates;
- to reduce the costs of collection; and
- to compensate for the burden being placed on respondents.

Incentives can be used in two ways:

- as a gift given regardless of whether the respondent participates, to encourage participation on the basis of reciprocity (unconditional);
- to acknowledge respondents' contribution when given on completion of the interview (conditional).

The use of incentives is commonplace in government-sponsored surveys in the UK. Some major surveys using them (where data are not collected by ONS) include the National Travel Survey (where completion of a diary is involved), the Crime Survey for England and Wales and the English Longitudinal Study of Ageing.

The Use of Incentives on ONS surveys

ONS uses incentives with monetary value (stamps or vouchers) for many of its household surveys (see table below). Participation in all of these surveys is voluntary.

Summary of current use of incentives on ONS surveys

Survey	Unconditional incentive with advance letter	Conditional incentive on completion of interview
Wealth and Assets Survey (WAS)	£5 voucher on boost cases	£10 voucher (including proxy interviews)
Survey on Living Conditions (SLC)	none	£10 voucher
Living Costs and Food Survey (LCF)	book of six first class stamps	£10 voucher for each respondent who completes the two-week diary (£5 per child).
Family Resources Survey (FRS)	book of six first class stamps	none
Opinions and Lifestyle Survey (OPN)	book of six first class stamps	none
Labour Force Survey (LFS) Wave 1 (main and boost)	book of six first class stamps used in low response seasons (August and December)	none

Conditional incentives used on ONS surveys are of greater value than unconditional incentives. They are used on surveys which place a heavier demand on the respondent in terms of the length of

interview (WAS) or the requirement to complete a diary (LCF), or on longitudinal surveys where we are trying to gain the respondent's long-term commitment to the survey (WAS and SLC).

Each year, approximately £500,000 is spent on voucher incentives and stamps for ONS household surveys.

Evidence for the Use of Incentives

There is strong evidence in the literature on survey methodology that incentives increase survey response rates. This is summarised in Survey Methodology (Groves et al, 2009):

- offering an incentive to participation increases cooperation rates
- monetary incentives have a bigger impact than non-monetary incentives
- pre-paid (unconditional) incentives are more effective than promised (conditional) incentives
- some studies suggest that response rates increase with the value of the incentive but at a decreasing rate (diminishing returns)
- if the incentive effect is powerful enough, total costs may decline because of lower interviewer or reissue costs
- they have a greater effect where response rates without an incentive are low
- some studies show that incentives affect the participation of persons who are less interested in the survey topic

ONS's use of incentives is based on this body of survey methodology research, which is regularly updated as survey researchers explore the effects of variations in the value and use of incentives. The evidence has been supplemented by in-house research to assess effects on ONS surveys and possibilities for additional use of incentives. The use of incentives is reviewed on a regular basis, in the light of developments in the wider survey world as well as studies on ONS surveys.

- ONS began to use pre-paid unconditional incentives in the early 2000s, following a split-sample experiment on the Family Resources Survey which showed significantly higher response for the group which received a book of postage stamps with the advance letter compared with the group that did not (70.4 percent versus 67 percent) (McConaghy and Beerten, 2003).
- In 2011 ONS conducted a split-sample experiment on LCF of increasing the incentive voucher payment from £10 to £20 for the main diary keeper. Overall there was significantly higher response rate (about three percentage points) with the higher incentive, but the increase in response was not large enough to warrant the substantial additional cost.
- In 2013, ONS conducted a trial of giving an £5 unconditional voucher to half of households in the new cohort on WAS. This confirmed the positive effect of an unconditional incentive, with response about five percentage points higher with the voucher than without. At present this is more expensive than including a book of first class stamps (£3.60 per household) but if the cost of stamps were to increase again, it might be worth moving to using a £5 voucher as an unconditional incentive as standard.