

The Collection of Household Finance Data using Probability-based Panels

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The collection of household finance data is notoriously challenging. Several flagship studies, including the Survey of Consumer Finances and the Survey of Income and Program Participation, are collected in-person, at a considerable expense, and with extensive timelines. Given the frequent decreases in federal budgets and the requirement for more timely data, the need for alternative data collection methodologies is substantial. With the ability to collect data quickly and cost effectively, online data collection appears to be an obvious answer.

However, online data collection has its own challenges. First, collecting data from a nationally representative population can be challenging. Traditionally, nationally representative (generalizable) samples have required the use of either an address-based sampling (ABS) mail or in-person approach (such as approach the SCF uses), or the conduct a telephone interview using random digit dialing (RDD). These approaches provide generalizable, probability-based, samples, but are costly and require substantial timelines. Further, the in-person or telephone approaches involve an interviewer, potentially increasing the impact of interview effects, such as social desirability bias, we know can be considerable in collecting sensitive data (such as household finance data). ABS and RDD approaches can be used to drive respondents to a web survey, avoiding some of these issues, but previous research has indicated that response rates achieved using this approach are too low to be considered appropriate for research aimed at policy making (as defined by the Office of Management and Budget).

On the other hand, there are market research panels available, but these are convenience, opt-in samples and are not nationally representative. These include established panels, as well as 'work for hire' options such as Mechanical Turk. The composition of these panels does not reflect the U.S. population, and, while there are quota or weighting schemes that can make opt-in samples look like the U.S. population on selected demographic characteristics, recent studies indicate that there remains approximately 13% of the U.S. population that does not use the internet¹, resulting in a portion of the population not represented in the sample. Finally, the very fact that these panelists join and regularly participate in surveys (both policy oriented and market research focused) make them a unique population.

Recently, there have been several probability-based panels established, in an attempt to combine the cost and time savings associated with online data collection with a probability-based approach that allows results to be generalized to the U.S. population. One common challenge these panels face is the online-only aspect of participation. To accommodate households who do not have internet access, panel providers have generally provided internet enabled devices, along with wireless service, in exchange for participation. Although this approach does provide panelists with the ability to participate, the low response rates and high turnover among these panelists is not encouraging. It may be that the

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provision of access may not be addressing a more fundamental issue, that of preferences. When asked why they don't use the internet, the most widely cited reasons related to the relevancy of the internet to the low response rates and high turnover among these panelists is not encouraging. It may be that the provision of access may not be addressing a more fundamental issue, that of preferences. When asked why they don't use the internet, the most widely cited reasons related to the relevancy of the internet to their lives and ease of use² - both issues unrelated to access. In addition, some of these panels suffer from very low response rates, small overall panel size, and samples cobbled together from multiple surveys; all characteristics that make data collected from these panels inappropriate for federal use.

In response to these challenges, NORC at the University of Chicago has developed the AmeriSpeak Panel. AmeriSpeak is designed as a probability-based, nationally representative panel aimed at informing policy at the federal level. Using the same sampling frame as the Survey of Consumer Finances, AmeriSpeak addresses the response rate issues seen in other panels through in-person recruitment of non-responders. To address the internet utilization issues, AmeriSpeak provides sampled households the opportunity to participate in surveys online or on the telephone. To further research

conducted by NORC's Behavioral and Economic Analysis and Decision-making (BEAD) team and their partners, an initial survey on household finances has been conducted (the Financial Well-being Study (FWS)), with approximately 18,000 households participating.

This paper outlines the development of the panel, and specifically discusses the opportunities and challenges related to the collection of household financial data using this methodology. Using questions included in well-established surveys of household finances such as the SCF and the SIPP, a comparison of the AmeriSpeak FWS and these national benchmarks will be presented, in order to evaluate the effectiveness of the Panel in collecting household financial data. Finally, discussion of future data collection efforts will be discussed, with special focus on obtaining feedback and suggestions from experts in the field.

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