

# National Academies Panel: Redesigning the BLS Consumer Expenditure (CE) Surveys

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By

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# Background

- First survey on consumer expenditure survey conducted 1888-91
- Done periodically until the early 1940's, then about every ten years
- Redesigned 1972-73, and this design used on continuing basis since 1980



# Purpose of CE Surveys

- To meet the need for timely and detailed information about the spending patterns of U.S. households.
- Provide the basis for revising the expenditure weights for the Consumer Price Index (CPI) every two years.



# Two Independent Surveys

- The CE Diary: 13,000 addresses/ year
  - 2 one-week diaries from each household
  - All expenditures in each week
- The CE Quarterly Interview: 60,000 addresses/year
  - A bounding interview, followed by four interviews with the same household
  - All expenditures for the previous three months
  - About 1/3 of interviews by telephone
- Response rates about 75% for both surveys
- All data collected by U.S. Census Bureau

# Purpose and Formation of the CE Panel



- To conduct an independent review of the design options and make specific recommendations for redesign
- Formed in late 2010

# Considerable work by BLS has preceded the formation of the National Academies Panel



- Gemini Project for CE Redesign began in 2009
- Events in 2010 that have produced thoughtful papers and discussions about potential redesigns
  - Survey Redesign Panel Discussion on five major Federal Surveys
  - Data Capture Technology Forum
  - AAPOR Panel on Respondent Record Use
  - Data User needs Forum
  - CE Methods Workshop
- In addition, numerous research projects at BLS are being conducted, aimed at evaluating possible redesign considerations.
- Products of these forums, workshops, and research efforts became input for the CE Panel
- For details see: <http://www.bls.gov/cex/geminimaterials.htm>

# Some Issues that the Panel Was Asked to Consider (1)



- Under-reporting of Expenditures in the three-month recall and diary as a result of:
  - Survey length and complexity
  - Panel or questionnaire conditioning
  - Increasing use of telephone administration
  - Proxy reporting
  - Recall required for reporting three months of expenditures

# Some issues that the Panel Was asked to consider (2)



- Changes in the Survey Environment
  - Quantity and diversity of purchases from a single large store
  - Diversity of payment methods: On-line purchases, automatic payments
  - Alternative sources for expenditure information



# Some issues that the Panel Was asked to consider (3)



- Flexible Modes for Respondent Reporting
  - Technological alternatives to the interview
  - Scanners?
- Computer diaries?
- Smart Phone recording?
- Going Beyond one-size-fits-all

# The CE Panel on Redesigning the BLS Consumer Expenditure Surveys



- Don Dillman, Department of Sociology, Washington State University (Chair)
- David Betson, Department of Economics, University of Notre Dame
- Mick Couper, Institute for Social Research, University of Michigan
- Robert Gillingham, Independent Consultant, Potomac Falls, VA
- Michael Link, The Nielsen Company, Marietta, GA
- Bruce Meyer, Harris School of Public Policy Studies, University of Chicago
- Sarah Nusser, Center for Survey Statistics and Methodology, Iowa State University
- Andy Peytchev, Research Triangle Institute International, Research Triangle Park, NC
- Mark Pierzchala, Independent Consultant, Rockville, MD
- Robert Santos, The Urban Institute, Washington, DC
- Michael Schober, New School for Social Research, New York City, NY
- Melvin Stephens, Jr., Department of Economics, University of Michigan
- Clyde Tucker, Independent Consultant, Vienna, VA
- Carol House, Study Director, Center for National Statistics



# Progress of the CE Panel

- First meeting: February 8-9, 2011
- Second meeting: June 1-3, 2011. Included a 1 ½ Day Producers Workshop on methodologies from other surveys that might be considered in redesigned CE surveys
- Third meeting: October 26-28, 2011. Includes 1 day Redesign Options Workshop with Redesign Alternatives from two contractors who competed for the opportunity to propose them.
- Final Meeting: January 2012
- Final Report: Summer 2012



# Questions and Suggestions

- I am not able to report on specific issues discussed by the CE Panel because of the confidentiality rules associated with the work of all National Academies Panels.
- However, I would welcome any questions you have about the purpose and activities of the Panel.
- Suggestions you have about issues that should be considered by the CE Panel would also be appreciated.