

FIFTH INTERNATIONAL WORKSHOP ON BUSINESS DATA COLLECTION METHODOLOGY

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Background paper to A CONTINUOUS SEARCH TO IMPROVE TARGETED COMMUNICATION IN BUSINESS SURVEYS

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Targeted communication to different groups of stakeholders seems a promising technique for improving data collection and strengthening the image of Statistics Netherlands. In survey methodology this is also referred to as tailoring (Snijkers et al., 2013). By supplying the businesses with the right information, and by removing potential hurdles, we expect the businesses to provide us with better data, and, if possible, at a faster response pace. This may hold particularly for The Netherlands, where citizens are less law-abiding than in neighbouring countries.

If some progress can be made, what is the best way to act proactively to the needs of the businesses? What timing is the best? What technique is more effective, and what are the limits with respect to cost-efficiency? To gain a better understanding of the possibilities of targeted/tailored communication in business surveys, Statistics Netherlands conducted several pilots. For each pilot, a communication plan was made, and, according to the plan, communication products were prepared. To determine whether it is worth putting the products into production or not, the results of the pilots were monitored and evaluated. Important elements of these evaluations were: businesses' use and appreciation of the newly developed communication materials, the timing of the communication, whether the survey is mandatory, the effects on response rates, and, of course, the consideration of extra costs. Although data quality is an important element of a survey pilot evaluation as well, in these evaluations we only looked at the above-mentioned effects on perception, response rates and costs.

In the presentation the applied communication approaches for several surveys will be discussed in detail, showing the developed communication materials. These surveys and corresponding communication approaches are:

1. The recently become mandatory agricultural surveys (removing potential barriers)
2. The mandatory 2017 Survey on Research & Development (a reminder with additional information about the approaching enforcement procedure)
3. The non-mandatory Survey on Arts and Culture Education (a pre-due data reminder card)
4. The non-mandatory 2017 ICT-survey 2017 (several changes)
5. The non-mandatory 2018 ICT Survey (an incentive experiment and an experiment with a pre-due reminder card)

The main results will be discussed below.

Key words: Communication, corporate image, response, design, timing, mandatory and non-mandatory surveys, pre-due date reminder, incentive, instruction video, reminder letters

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1. Removing potential barriers for the recently become mandatory agricultural surveys

In 2016, most of our agricultural surveys became mandatory, namely the Surveys on apple & pear Yields, Vegetables (outdoor crops), Pig Population, and Arable Farming. To meet the needs of the farmers and their representatives, the Dutch Agricultural and Horticultural Organisation (DAHO), we agreed that (1) we wouldn't enforce the new measures until 2018, and (2) to maintain a good customer relationship, we made several attractive communication products like instruction video's, factsheets, and pre-due reminder cards, to send along with the letters.

In 2018, we have postponed the enforcement of non-respondents for another year. In 2016, we designed the above-mentioned communication products, we applied them since that year. These additional communication actions were aimed at improving the image of Statistics Netherlands, and positively influencing the perception of the farmers. The obligation didn't result in much commotion on Facebook and Twitter. The number of calls to the Statistics Netherlands info desk was also relatively low, as was the number of emails.

In 2014 and 2015, response levels were about 50 percent; after implementing the obligation of the survey in the communication materials to farmers in 2016, response rates increased to around 75 percent: an increase of about 25%-points. To examine whether these communication products have affected the response rate levels positively, we did an additional experiment in 2017: for one non-mandatory survey (Consumption of Pastureland), we developed the same communication products as mentioned above. The results were disappointing: The response decreased from about 50 percent (in 2014-2016) to 39 percent in 2017.

From these results we may conclude that the higher response rate levels of our agricultural surveys are entirely affected by the obligation. Enquiries with the DAHO revealed that the farmers are focussed on the mandatory surveys. Because of the obligation of the four other surveys, the non-mandatory Survey on Consumption of Pastureland has a lower priority now. This implies that we should reconsider the obligation of this non-mandatory survey.

The additional annual costs coming with the extra communication materials are € 8.500,--, excluding hourly wages. Statistics Netherlands should reconsider whether the advantages outweigh the costs of this approach.

2. A reminder with additional information about the approaching enforcement procedure

In order to determine whether a prior warning about a planned enforcement process would increase response rates, we developed an information card about the upcoming enforcement procedure for the mandatory 2017 Survey on Research & Development. This warning card was enclosed with the reminder letter. Normally we sent this information to the businesses after the enforcement process is initiated.

Results were promising. Compared with earlier years, the response rate level was high in 2017. Before we started the enforcement procedure, we had an additional response rate of 6 percent. We presume the additional card is effective, but we need to repeat the pilot, because we used a new questionnaire as well, which may have interfered with the pilot. To obtain confirmation of the results, we will repeat this pilot with another questionnaire in the autumn of 2018.

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3. A pre-due data reminder card for the non-mandatory Survey on Arts and Culture Education

The non-mandatory Survey on Arts and Culture Education has a very low response rate (34%, while the minimum targeted response rate is 50 percent). Therefore, we tried to improve our communication materials, particularly the pre-due date reminder. We designed an attractive pre-due date reminder card, tailored to the target group. To half of the group of educational institutes (randomly chosen) we sent the card, instead of the standard letter. The results were unexpected: the response rate of the experimental group was significantly lower than predicted. In total, 7,7 percent of the card-receiving group responded before the due date, while the response rate of the letter-receiving group was 10,7 %. At the end of the survey period the difference wasn't significant anymore, because of non-response follow-up interventions like a reminder letter, and expensive telephone reminding: The response rate of the pre-due date reminder-receiving businesses was 25,3 percent for the card-receiving group, and 27,0 percent for the letter-receiving group, respectively.

From these results we may conclude that for this low response-rate non-mandatory survey, a formal pre-due date reminder letter works significantly better than an attractive pre-due date reminder card. At this moment we do not have any information to explain this conclusion.

4. Several changes in the non-mandatory 2017 ICT-survey

The ICT Survey is the largest non-mandatory survey conducted by Statistics Netherlands. In 2017 some major changes were made, both regarding the questionnaire and in the communication strategy. The questionnaire was modernized, put on a new electronic platform, and the paper version was terminated. Due to complains in earlier years, the pre-due date reminder letter was written more friendly. Finally, because of the school holidays and the Easter holidays we changed the time line schedule of contacting businesses. The due date was curtailed (from more than eight weeks to six weeks), the pre-due date reminder was brought forward one week, and the two non-response follow-up reminder letters were sent two weeks earlier.

Because of all these changes, which were implemented at the same time, it is impossible to determine the effects of individual measures. But a closer examination of the cumulative response rate graph did provide some indications.

It seems that an earlier pre-due date reminder caused a faster response rate increase. Thirty days after sending the pre-due reminder letter, the response rates were around 28 percent, both in 2016 and in 2017. The earlier timing of the 2017 pre-due date reminder led to a faster increase of the response. Six weeks after the advance letter, and after the pre-due date reminder in 2017, we reached a response rate level of 43,9 percent in 2017, which is 12,7 %-points higher than in 2016 (31,2 percent). This result is also interesting when taking into account that the pre-due date reminder was sent to an equal percentage of businesses in both 2016 and 2017: costs were equal in both years. A more friendly pre-due date reminder has, in any case, no negative effect on the response-rate.

In 2017 the first and second reminders were sent too early. As a result, the differences in response rates faded away slowly. Eleven weeks after the advance letter (the day the second reminder letter was sent in 2017) the response-levels in both 2016 and 2017 were about equal: 60 percent. After 15 weeks, the response rate was 68 percent in 2016 and 65 percent in 2017. Making it necessary to spend extra money on a third reminder. Sending of the third due date reminder in 2017, increased the response-level to 68 percent, resulting in an equal response rate level in both years. From this we may, yet again, conclude

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that any additional reminder will increase response rates. A clear disadvantage of the 2017-design are the extra costs, 11 percent extra letters plus 4000 letters for the third reminder letter.

5. An incentive experiment and an experiment with a pre-due reminder card in the non-mandatory 2018 ICT Survey

A Year later, in 2018, we examined whether response rates would increase if we would add a small incentive-folder with the main results of the 2017 Survey to the initial letter. Furthermore, we repeated the pre-due data reminder card experiment of the non-mandatory Survey on Arts and Culture Education, to ascertain the effect of the card on a non-mandatory survey with a much higher response rate.

First, we split up the group in large and small businesses. Then both groups were divided into six randomly chosen equal portions, namely: 1. folder & pre-due date reminder card, 2. folder & pre-due date reminder letter, 3. folder & no pre-due date reminder, 4. no folder & pre-due date reminder card, 5. no folder & pre-due date reminder letter, and 6. no folder & no pre-due date reminder letter.

This survey is still running, and analysis is in progress, but already it's possible to draw some conclusions. Adding an incentive folder with the main results to the advance letter, didn't increase response rates, neither for the small businesses, nor for the large businesses. Combination number 5 (no folder & pre-due date reminder letter) has the highest response rates. A pre-due date reminder letter did not result in significant higher response rates than a pre-due date reminder card. Sending a pre-due date reminder letter results in significant higher response rates than no pre-due date reminder at all.

Discussion

To achieve the required response rates for surveys conducted by Statistics Netherlands, several different communication measures and strategies were tested. Because of these pilots, more clarity is obtained about their effects, and the considerations of putting these individual products into production or not.

The results of the agricultural surveys show that as a survey gets a mandatory status, response rates will increase. With that in mind, a reminder with additional information about an up-coming enforcement procedure seems most promising regarding increasing response rates. We did not investigate the effect of a mandatory status on data quality. But one must bear in mind that businesses will focus on mandatory surveys, at the expense of the non-mandatory surveys: when we communicate a lot about the mandatory status of survey A, the response rates for a comparable non-mandatory survey B (to be completed by the same businesses) will decrease. Using tailored communication to improve a survey's image is valuable, provided that the benefits outweigh the costs as there are no effects on response rates.

Regarding a pre-due date reminder, we may conclude that this measure enhances response rates. But when a pre-due date reminder card is compared with a pre-due date reminder letter, a formal letter seems to be more effective in increasing the response rate than a specially designed card, although the differences are not always statistically significant. When designing the pre-due date letter for a non-mandatory survey, it is best not to be too strict; a more relaxed toned pre-due date reminder is

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preferred, preventing people from getting annoyed, i.e. getting a feeling of being chased and pushed. Businesses still have time to respond.

The use of a non-tailored unconditional incentive does not work. In-depth personal interviews show that businesses prefer more detailed personalized information (Dillman et al., 2009, Snijkers and Jones, 2013).

A general conclusion from these pilot studies is that direct communication measures (like advance, pre-due date, and reminder letters) work best to get response; except for an information card about the upcoming enforcement procedure, additional and indirect communication materials (like folders, video clips, etc.) do not seem to have an effect. This means that it is important to have a well-designed and tailored communication strategy. This includes the timing of all measures: What's the best time to send an advance letter? How do you schedule the reminders? How many? What time intervals will ensure an optimum outcome? What else do you need to take into account? The ICT Survey study shows that for this survey an earlier pre-due date reminder letter (sent 5 ½ weeks after the initial letter) works quite well, but it's better to wait a bit longer with the non-response follow-up reminders (it's best to send them respectively 9 and 13 weeks after the initial letter). To determine the optimal timing for several mandatory and non-mandatory surveys on a yearly, quarterly and monthly base, more research is necessary.

Discussion questions

- What are your experiences with additional communication materials, like folders, video clips, etc? Do they have a (positive) effect on response rates? Do you use them to maintain a good customer relationship?
- What are your experiences regarding the effect of cards as compared to letters.

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