

What does the evidence say about monetary survey incentives?

Beyond response rates

The research consensus on monetary incentives suggests that monetary payments increase response rates by reducing refusal rates, but the effect is diminishing as incentive size increases.¹ In low- and medium-income countries (LMICs), the impact on response rates ranges between two and ten percentage points.² There is some evidence, but a limited amount, on the role that incentives play on the quality of responses. This evidence suggests monetary incentives may not affect sample composition substantively but may affect response quality. This brief investigates existing evidence on outcomes beyond response rates.

Motivation

Considerable attention has been paid to questions of response bias in surveys. Changing characteristics of the interview also may affect how individuals respond to various survey items. The effect of incentives on reliability, validity, and sample composition are open questions in the literature.³ This is relevant in the COVID-19 context, where interviewers have less ability to monitor respondent's reactions in a phone survey.

In LMICs, there may be additional complications: respondents might be motivated by experience or expectations that the survey may be there as a targeting tool for an aid organization, lack of network or airtime availability, as well as lower rates of mobile phone ownership.⁴ For surveys to accurately measure what they set out to, researchers need to understand how these factors affect who responds to their surveys, especially when these results are used for policy creation or eligibility for a benefit such as a transfer program. .

Existing Evidence

A study in Karnataka, India randomly varied the size of incentives offered to face-to-face survey participants. This had little or no effect on the demographic makeup of the sample as well as on responses to potentially sensitive items such as household decision making, or knowledge of the project underlying the survey.⁵ However, the authors found that participants who had been randomized into the incentive group reported lower income, expenditures, and assets. The reduction in reports of consumption came primarily through luxury spending (Figure 1).

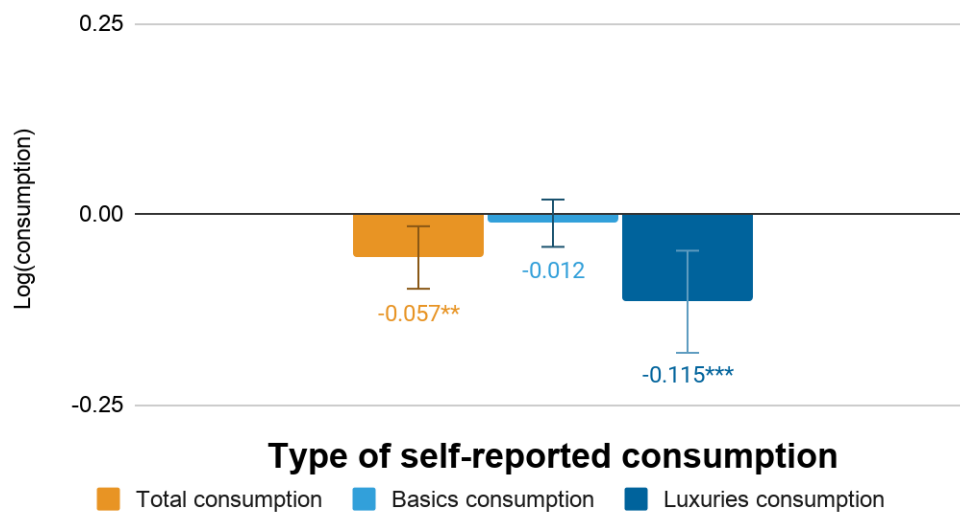
¹ [Singer & Ye, 2013](#)

² [Gibson et. al., 2019](#); [Morello & Leo, 2016](#); [Ballivian, Azevedo & Durbin, 2015](#); [Leo et. al., 2015](#)

³ [Singer & Ye, 2013](#)

⁴ https://www.itu.int/en/ITU-D/Statistics/Documents/statistics/2019/Mobile_cellular_2000-2018_Dec2019.xls

⁵ [Stecklov, Weinreb & Carletto, 2017](#)

Figure 1. Effects of Monetary Incentive on Reported Consumption

Note: Face-to-face survey; $n=2,276$, * $p<0.10$, ** $p<0.05$, *** $p<0.01$. Source: [Stecklov, Weinreb & Carletto, 2017](#)

The authors suggest several possible explanations for higher incentive payments leading to lower self-reported income. One plausible explanation would be that a high enough incentive payment induces a desire to prove oneself needy and thereby deserving of assistance. They report evidence consistent with this explanation in the types of income, expenditures, and assets where treatment differences were seen. Evidence in the U.S. found different incentive effects, where respondents' willingness to report undesirable behaviors such as not voting increased with a survey incentive.⁶

Mechanisms

The literature proposes two pathways for incentives to affect response distributions: (1) individual response quality changes and (2) sample composition changes. Disentangling these mechanisms is compounded in phone surveys due to low response rates, although there is suggestive evidence that incentives do not substantively affect sample composition.⁷ Qualitative research on survey responses provides three types of rationales for why respondents complete surveys: (1) altruism, (2) egoism, and (3) survey characteristics.⁸ There is little evidence on if various external motivations have downstream effects on response quality by motivating strategic reporting or crowding out altruistic motivations. Additional complexities may arise due to the cultural context that the survey is delivered in. An experiment varied incentive size and timing in a web survey delivered to university students in Ghana. Results provide suggestive evidence that the incentive literature is partially relevant to LMICs.⁹

As part of IPA's research methods initiative, IPA is investigating the effect of various forms of survey incentives on sample composition and response quality in phone surveys. These experiments are primarily concentrated on non-monetary incentives.

⁶ [Medway, 2012](#)

⁷ [Morello & Leo, 2016](#)

⁸ [Singer & Ye, 2013](#)

⁹ [Meuleman et al., 2017](#)

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