

Benefits of biodiversity protection: Comparing in-person and internet CV survey modes



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Motivation

- Preferences constructed, not there to be uncovered
 > sensitive to data "collection" process
- Traditionally higher emphasis in SP papers on econometric innovation than ensuring data quality
- Use of internet is growing fast in SP surveys
- → How does the internet survey mode compare to a standard in-person interview mode in CV?



Sources of survey mode differences

- <u>Sampling:</u> method, non-response, pop coverage
- Questionnaire delivery "survey mode effect": Two main sources identified in survey literature:
 - Normative & sociological \rightarrow social desirability bias
 - Cognitive & psychological \rightarrow satisficing strategies
- Internet & interviews expected to affect responses differently along the two sources of mode effects



Comparisons of web vs other modes

| Source | Mean WTP comparison | Good valued | Method |
|------------------------|-----------------------|------------------|--------|
| Nielsen (in press) | Web = face-to-face | Air pollution | CE |
| Covey et al. (2010) | Web ~ face-to-face | Rail safety | Other |
| Canavari et al (2005) | Web > face-to-face | Organic fruit | CV |
| Marta-P. et al (2007) | Web < face-to-face | Landscapes | CV |
| USEPA (2009) | Web = mail < phone | Air pollution | CV |
| MacDonald et al (2010) | Web ≠ mail | Water quality | CE |
| Olsen (2009) | Web = mail | Landscapes | CE |
| Dickie et al. (2007) | Web vs PC at location | Skin cancer risk | CV |
| Li et al. (2004) | Web = phone | Kyoto Protocol | CV |



Objectives of paper

- Gaps in existing literature:
 - Mixing sample effects with mode effects
 - Lack of control also with other factors that vary between samples (e.g. survey at different times)
- Objectives:
 - Try better to isolate mode effects in the comparison
 - Probe into reasons for observed effects



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Main hypotheses

(I) Satisficing & social desirability effects

H1 (satisficing):

 Share of "Don't know" responses to the WTP question is higher for the Internet sample

H2 (satisficing):

 The distribution of payment card responses has *lower* variance for the Internet sample

H3 (social desirability):

• The share of stated zero WTP is *higher* in the Internet sample

H4 (social desirability):

 The share of zero respondents that state reasons of protest is *higher* in the Internet sample



Main hypotheses (cont.)

(II) Mean WTP and Construct validity

H5a (classic null of no difference):

• Mean WTP is *equal* between the Internet and in-person interview samples.

H5b (non-equivalence of WTP):

• Mean WTP for the Internet sample is either *higher* or *lower* than for the in-person interview sample by 20 percent or more.

H6 (conformity of data with expectations):

• The relationship between WTP and commonly included explanatory variables is similar between modes in regressions.



Research design

- Fairly standard CV survey, though comprehensive
- Value of forest reserve plans for biodiversity
- Identical questionnaires in both modes
 - Info, questions and pics presented as similarly as practically possible
- Payment card WTP questions for 2 protection plans
- Randomly recruited panel of 35,000 respondents, maintained by survey firm TNS Gallup



Research design (2)

| | Internet sample | In-person sample |
|-------------------|-------------------------|------------------------------|
| Mode | Web | In-home CAPI |
| Population | Oslo, > 15 years | Oslo, > 15 years |
| Sample frame | Gallup access panel | Gallup access panel |
| Sampling | Quota (age, edu, sex) | Quota (age, edu, sex) |
| Recruitment | E-mail with survey link | E-mail + called for appointm |
| Gross sample size | 645 | 398 |
| Time of survey | Oct – Nov 2007 | Oct – Nov 2007 |
| Remuneration | Token | Token |



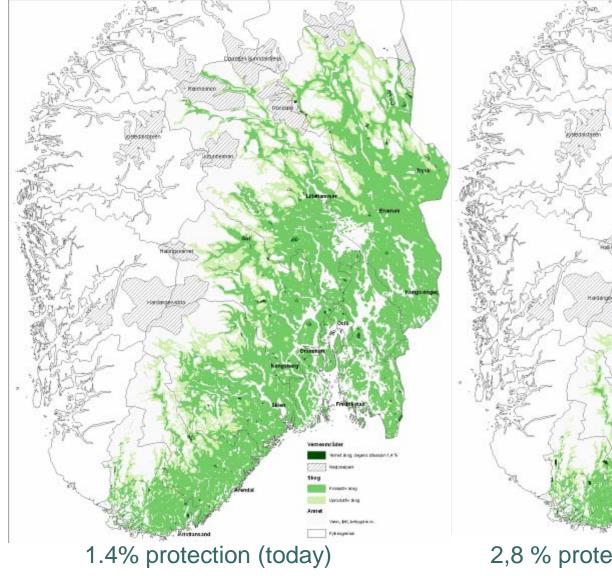
www.nina.no PHOTOS OF "RED LIST" SPECIES INCL WITH CV SURVEY

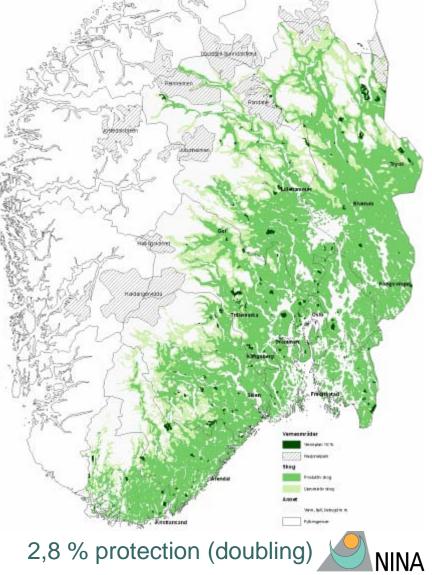
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WTP for alternative forest reserve plans





Open-ended WTP question

"Now we ask you to consider how much the two alternative plans are worth for your household. Think carefully through how much the 2.8% plan is worth compared to the current situation, before you give your final answer to the next question. Try to consider what would be a realistic annual amount given the budget of your household. Your household must choose whether to spend the amount on the forest conservation plan, or on other things."

WTP question: "What is the most your household almost certainly is willing to pay in an additional annual tax earmarked to a public fund for increased forest conservation from today's level of 1.4% to 2.8% of the productive forest area? Choose the highest amount, if anything, your household almost certainly will pay".

Response rates and samples

- Response rates (final stage)
 - Internet: 60%
 - In-person interviews: 75%

No significant differences between net samples in

- Average income, education, age, gender
- Frequency of internet use

 No signs of self-selection of respondents along observable characteristics



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Results: Hypotheses 1-4

| Hypotheses: Satisficing & Social desirability | | Indicator values for each sample | | Mode comparison | |
|--|--|-------------------------------------|---------------------|--------------------|-------------------|
| | | Interview (n=300) | Internet (n=385) | Test statistic | Result (p<0.1) |
| H1 | Share of "don't knows" <i>higher</i> on web | 8.0% | 11.1% | t = 1.38 | Rejected |
| H2 | WTP variance <i>lower</i> on web | $\sigma = .978$ | σ = 1.26 | $\chi^2 = 14.27^a$ | Rejected |
| H3 | Share zero responses higher on web | 19.3% | 18.9% | t = -0.12 | Rejected |
| H4 | Share protest responses <i>higher</i> on web | | | | |
| | - Standard protest classification | 90.65% | 88.06% | t = -0.64 | Rejected |
| | - Strict protest classification | 74.77% | 70.90% | t = -0.66 | Rejected |

No evidence for social desirability bias and lower level of satisficing in the in-person interviews



Results: Mean WTP comparison

Comparison of mean WTP / hh / year **for first WTP question** between modes (in NOK). 1 NOK = 0.16 US \$

| Hypot | thesis | Interview: (n=218) | Internet: (n=269) | Comparison result (p<0.1) |
|-------|-------------------------|---------------------------|-----------------------------------|------------------------------|
| H5a | Equality of mean WTP | (1539, 2100) ^a | 1566 (1261, 1871) ^a | Non-rejection |

Notes:

-Estimated using interval regression in STATA 9.2.

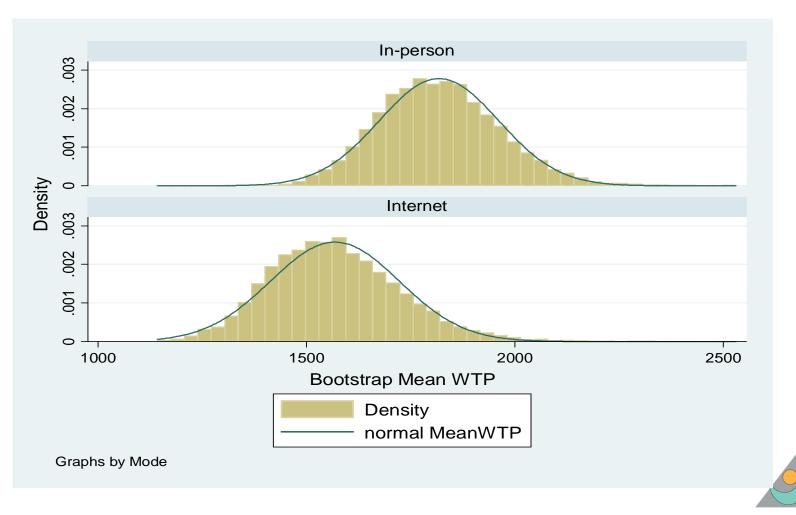
-a: 95% confidence intervals calculated using 10000 bootstrap draws with replacement, following Efron (1997).

- Zeros removed



Results: Mean WTP comparison (2)

Distribution of bootstrapped mean WTP from the two samples (10000 draws)



Results – Last hypotheses

- H5b (non-equivalence of WTP):
 - *Cannot* reject difference > than ± 20%
 - *Can* reject difference > than ± 30% (p<0.08)
- •H6 (conformity of data with expectations):
 - WTP varies in expected ways within both samples
 - No marked differences in significance or signs
- Both samples pass internal scope tests



Conclusions

- Our study is better able to separate mode effects from sample effects, since both samples are drawn from same panel
- No clear signs of:
 - Social desirability bias in interviews
 - Satisficing strategies in internet survey
 - Other differences in data quality, e.g. degree of validity
- \rightarrow Quite encouraging for websurveys



Caveats and cautions

- We could have weighted the sample with observable respondent characteristics
- Self-selection effects left from recruitment process unrelated to observable characteristics?

• Careful in generalizing:

- Complex, non-use good, may not extend to CE
- Cultural issues matter, e.g. "polite" not to disagree
- Are webpanelists really representative of wider population or are they "survey experts"?



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Thank you

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