Survey Research (3): Survey Experiments & Survey Examples

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Office Hours: M 11:30-12:30, W 10:30-12:30
SSB 447
Housekeeping

• No class on Thursday
• Homework 4 is due a week from Thursday
  • I will e-mail it out this afternoon
Experiments (Review Question)

• What are the three components of a true experiment?
  • A. At least 2 groups; treatment precedes the post-test, random assignment
  • B. At least 2 groups, treatment precedes the post-test, non-random assignment
  • C. At least 2 groups, pre-test precedes the treatment, random assignment
  • D. None of the above
Survey Experiments

• The “treatment” is the version of the survey you are given.
  • Generally we vary the information you are provided
• The dependent variable is respondents’ answer to some question on the survey
  • Comes after the treatment
  • Same question for everyone
Survey Experiments: so so good, so so bad

- What is totally awesome about survey experiments?
- Ethically and logistically much easier than “real” experiments
- Random assignment is super easy

- What are some of the drawbacks?
- Does our “treatment” actually look like the concept we’re interested in?
  - i.e. Do people respond to stories the way they respond to real events?
Example

- If you were born in an odd numbered month, you are group A
- If you were born in an even numbered month, you are group B
A terrorist group has taken 100 US citizens hostage and threatens to kill them if the US does not release several of their members currently being held at Guantanamo bay.

What should the President do?

A. Agree to the deal
B. Refuse to negotiate
C. Launch a military assault against the Iranian government
A terrorist group has taken 2 US citizens hostage and threatens to kill them if the US does not release a Yemeni cleric currently being held at Guantanamo bay.

What should the President do?

A. Agree to the deal
B. Refuse to negotiate
C. Launch a military assault against the Iranian government
Survey Experiments

• First we take our sample (randomized, if possible)
  • Then divide it into a treatment group and one or more comparison groups (definitely randomized)

• The treatment is some form of vignette (story). We describe a situation that we can’t actually create.

• Varying the details of a story is much easier than varying actual events.

• Hypothesis: Americans are more willing to support negotiating with terrorists when the risk of US casualties (from non-negotiation) is large.
Another Example

<table>
<thead>
<tr>
<th>Scenario 1: Candidate A is a recent graduate from a reputable academic institution in the Philippines and studied business. He has very good academic credentials, and graduated in the top 10% of his class. He has heard a lot about your firm, and he seems enthusiastic about the work.</th>
<th>On a scale of 1 to 10, where 1 is poor quality and 10 is highest quality, how would you rate this candidate? [C821]</th>
<th>How likely would your firm be to hire this candidate? [C822]</th>
</tr>
</thead>
<tbody>
<tr>
<td>C822: 1- Extremely unlikely 2- Unlikely 3- Somewhat unlikely 4- Neither likely nor unlikely 5- Somewhat Likely 6- Likely 7-Extremely Likely</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 2: Candidate A is a recent graduate from a reputable academic institution in the Philippines and studied business. He has very good academic credentials, and graduated in the top 10% of his class. He has heard a lot about your firm because his uncle is one of the managers, and he seems enthusiastic about the work.</th>
<th>On a scale of 1 to 10, where 1 is poor quality and 10 is highest quality, how would you rate this candidate? [C823]</th>
<th>How likely would your firm be to hire this candidate? [C824]</th>
</tr>
</thead>
<tbody>
<tr>
<td>C824: 1- Extremely unlikely 2- Unlikely 3- Somewhat unlikely 4- Neither likely nor unlikely 5- Somewhat Likely 6- Likely 7-Extremely Likely</td>
<td></td>
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</tr>
</tbody>
</table>
Combining Survey Experiments and Shielded Response

• I want to know if people under-report a particular behavior in surveys
• Group A: Ask the question directly
• Group B: Use shielded response

• If people are under-reporting, what should be true?
Listed below are the various things that businesses can do to improve relations and influence government policy. Please indicate which of these strategies your firm has used in the past.  

(Put 1 to all that apply)

- [ ] D8.1 Contribute to governmental funding for public works and services
- [ ] D8.2 Invite officials for dinner and entertainment in order to get more “face time”
- [ ] D8.3 Privately increase individual officials’ “gray income.” (lagay)
- [ ] D8.4 Contribute to governmental capacity: e.g. gift a new wing to the government building, gift office equipment etc.
- [ ] D8.5 Invite officials to visit/inspect your business to highlight your contribution to the local economy and community.
- [ ] D8.6 Attend business forums and functions organized by the government.

Group A: Ask each item individually.

Group B: Asked how many items on the list they participated in.
Checking Understanding

- We add up the total number of items that each firm in Group A admits to doing, and compare that to the number of items that firms in Group B admit to doing. What should be true about Group A (answered each item individually) and Group B (told us the total number of things they did) if no one is underreporting?
  - A. Group A reports a higher average number of items
  - B. Group B reports a higher average number of items
  - C. Both groups report EXACTLY the same number of items
  - D. Both groups report the same number of items, plus or minus random sampling error.
The Survey

1. First survey to compare diaspora-owned firms to other foreign firms.

2. Random sample of foreign firms in Georgia.
   - Snowball sample of 7 additional diaspora-owned firms

   - 30 diaspora-owned firms
   - 121 non-diaspora-owned foreign firms (10 unknown)

4. Respondents were:
   - 75% firm managers, 25% owners
   - 91% ethnic Georgians
Testing the Diaspora Difference

1. Similarity in terms of firm demographics.
2. Social networks are important to firm location decisions.
3. Diaspora-owned firms use social networks to gain competitive advantages.
4. Diaspora-owned firms do not engage in more pro-development or socially responsible behavior.
Figure 1: Demographic Comparison

Diaspora Mean - Non-Diaspora Mean

- Location = Tbilisi
- HQ = Russia
- Respondent = Owner
- Tertiary Sector
- Secondary Sector
- Primary Sector
- 100% Foreign Ownership
- Greenfield Investment
- Firm Age (Years)
- Small Firm
- Firm Size (# of Employees)

NOTE: Units = standard deviations, horizontal lines give 95% confidence intervals.
1. How important are your owners’ and managers’ family relationships to increasing the profitability of your firm?
   • Also asked about friendships.

2. Has your firm ever rented or purchased real estate with the help of a family member of one of your firm’s owners or managers?
   • Also asked about friends.
Use of Social Networks

Expectations of My Theory
Diaspora Mean - Non-Diaspora Mean

Social Networks and Firm Entry

Family and Profitability

Friendships and Profitability

Family for Real Estate

Friendships for Real Estate

Wednesday, April 3, 13
Use of Social Networks

Actual Findings:
Difference in Means

Social Networks and Firm Entry

Family and Profitability

Friendships and Profitability

Family for Real Estate

Friendships for Real Estate

Diaspora Mean - Non-Diaspora Mean

Standard Deviations Normalized to 1
Pro-Development and Socially Responsible Behavior

Questions include:

1. “Compared to employees at other firms in this sector, employees at this firm are able to provide a higher quality of life for their families.”

2. “This firm contributes to economic development in Georgia more than other firms in this sector.”
Pro-Development and Socially Responsible Behavior

Expectations of My Theory

Diaspora Mean - Non-Diaspora Mean

*Minimize Total Labor Costs
Professional Development
Higher Quality of Life
Pay Higher Salaries
Prioritize Local Labor
Contribute to Development
Contribute to Charity

Diaspora Mean - Non-Diaspora Mean

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Pro-Development and Socially Responsible Behavior

Actual Findings: Difference in Means

Diaspora Mean - Non-Diaspora Mean

- *Minimize Total Labor Costs
- Professional Development
- Higher Quality of Life
- Pay Higher Salaries
- Prioritize Local Labor
- Contribute to Development
- Contribute to Charity

Standard Deviations Normalized to 1

-1.5 -0.5 0.5 1.5

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