EUROPEAN CENTRAL BANK

EUROSYSTEM

Surveys in Policy

SUERF-Banca d'Italia-ECB-EIB Conference

27/04/2023

Caroline Willeke ECB Deputy Director General Statistics

The main pillars of survey design for policy

Ability to fill datagaps in a timely manner

- Provide timely and frequent information accompanied by micro data
- Provide information on unobservables (shadow information) that determine the aggregates
- Provide information on all actors

Moderns surveys should be agile

- Questionnaire design responds to policy relevant events

Use of modern techniques

- Use of randomised control trials (RCTs) based on information treatments
- Use of discontinuities (time, specific rules) to get causal effects

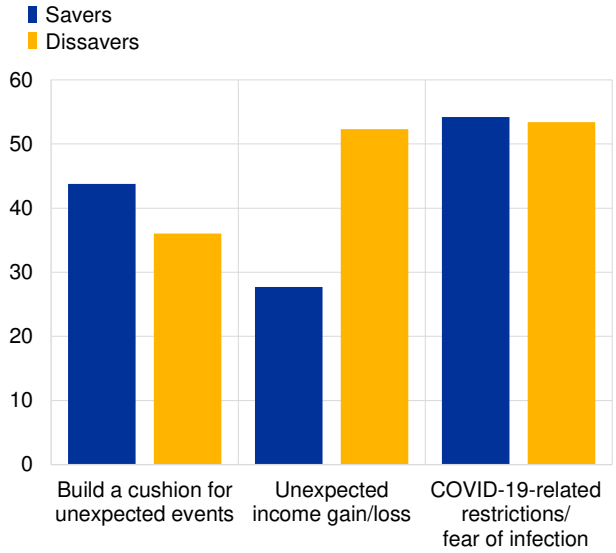
Ability to Inform policy on structural issues

- Combining micro and macro.

How surveys complement the aggregates

Motives behind change in saving during COVID

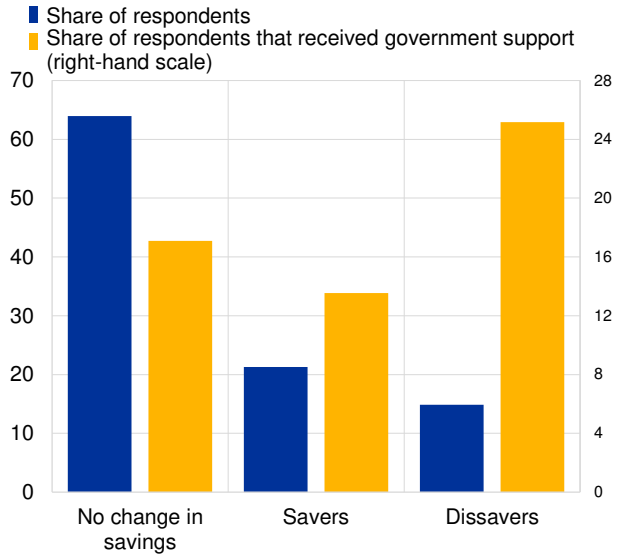
(percentage of respondents)



Source: Dossche et al 2022, ECB (CES).
Notes: Weighted data. Chart shows the share of respondents reporting that (one or more) specific reasons were the most important for their saving behaviour.

Change in saving and government support

(percentage of respondents)

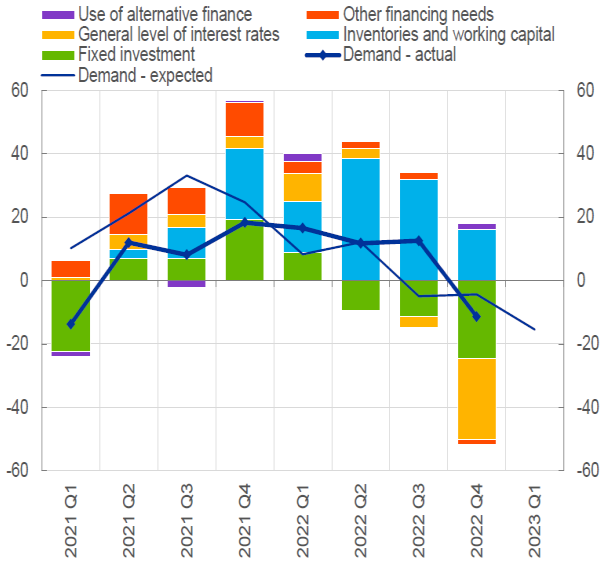


Source: Dossche et al 2022, ECB (CES).
Notes: Weighted data. Secondary axis shows share of respondents receiving government support.

Information from multiple actors: On lending

Changes in net demand for loans or credit lines

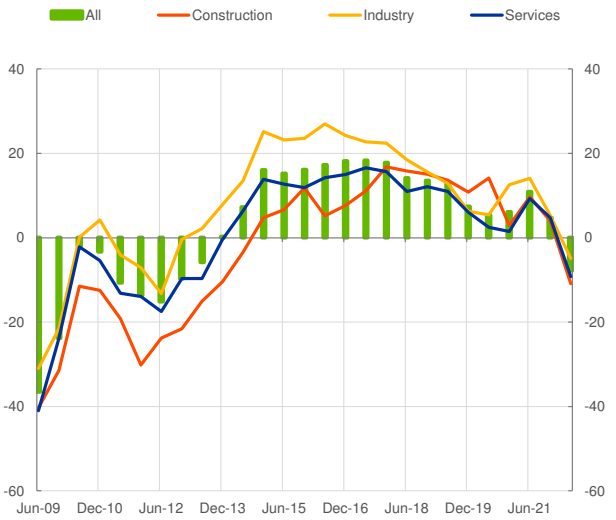
(net percentage changes)



Source: Bank Lending Survey (BLS).
Latest observation: 2022 Q4.

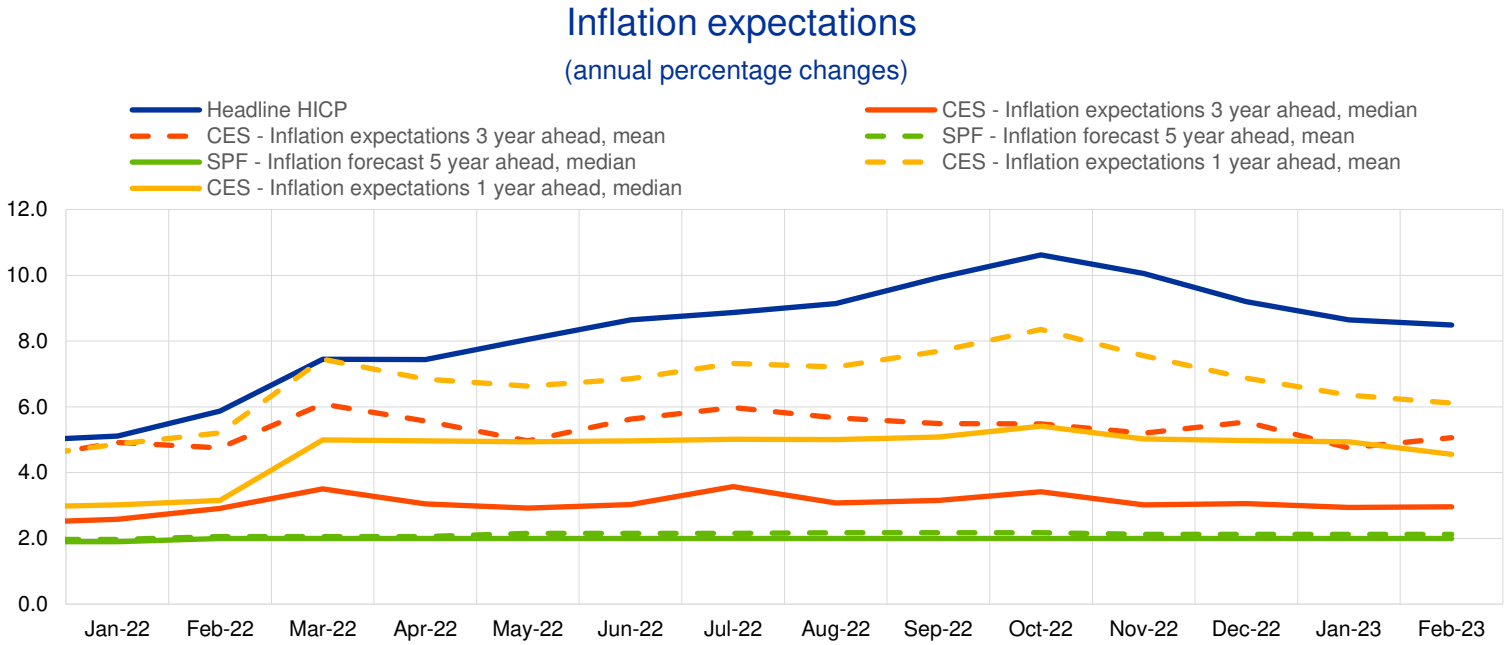
Availability of bank loans

(annual percentage changes)



Source: ECB (SAFE).
Note: Sample restricted to enterprises for which the instrument in question is relevant.
Latest observation: SAFE wave 27 (April 2022 – September 2022).

Information from multiple surveys: Inflation



Source: ECB (CES).
Note: Solid/dashed lines represent the median/mean.
Latest observation: February 2023.

The main pillars of survey design for policy

Ability to fill datagaps in a timely manner

- Provide timely and frequent information accompanied by micro data
- Provide information on unobservables (shadow information) that determine the aggregates
- Provide information on all actors

Moderns surveys should be agile

- Questionnaire design responds to policy relevant events

Use of modern techniques

- Use of randomised control trials (RCTs) based on information treatments
- Use of discontinuities (time, specific rules) to get causal effects

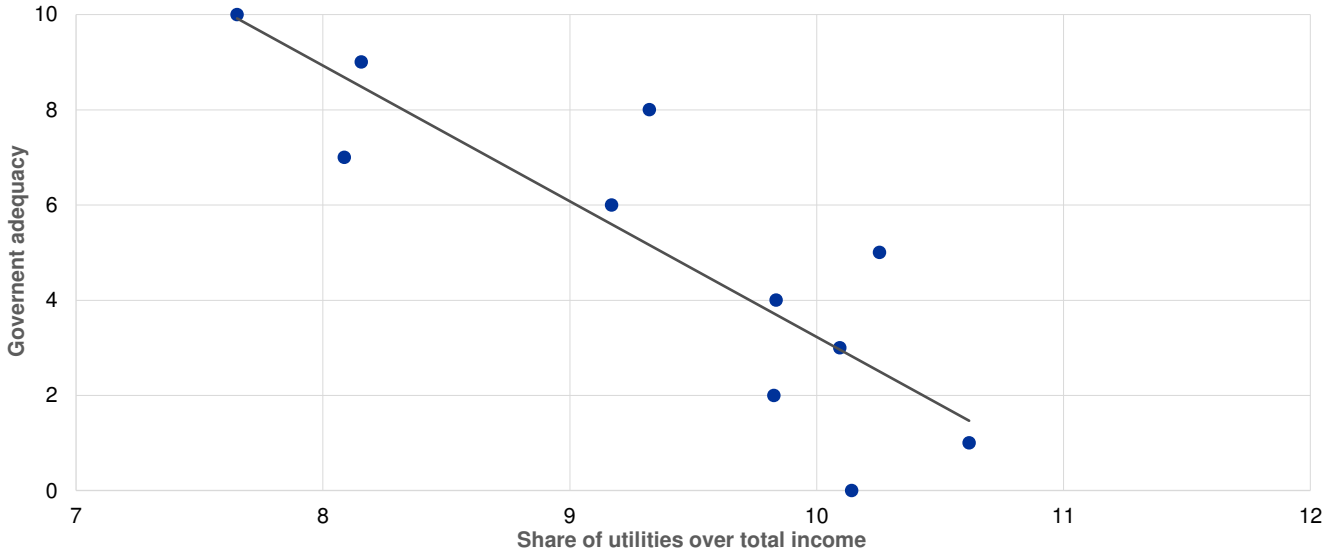
Ability to Inform policy on structural issues

- Combining micro and macro.

How surveys can be agile

Perceived adequacy of government interventions and energy exposure

(adequacy scale of 0 to 10; spending on utilities over total income)



Sources: Niccolò Battistini et al 2022, Consumer Expectations Survey.
Notes: Vertical axis indicates the average score given by households to government measures aimed at reducing the impact that rising energy prices. Households in Germany, France, Italy, Spain, the Netherlands and Belgium are grouped together in 11 equally sized bins based on their spending on utilities as a percentage of total income.

The main pillars of survey design for policy

Ability to fill datagaps in a timely manner

- Provide timely and frequent information accompanied by micro data
- Provide information on unobservables (shadow information) that determine the aggregates
- Provide information on all actors

Moderns surveys should be agile

- Questionnaire design responds to policy relevant events

Use of modern techniques

- Use of randomised control trials (RCTs) based on information treatments
- Use of discontinuities (time, specific rules) to get causal effects

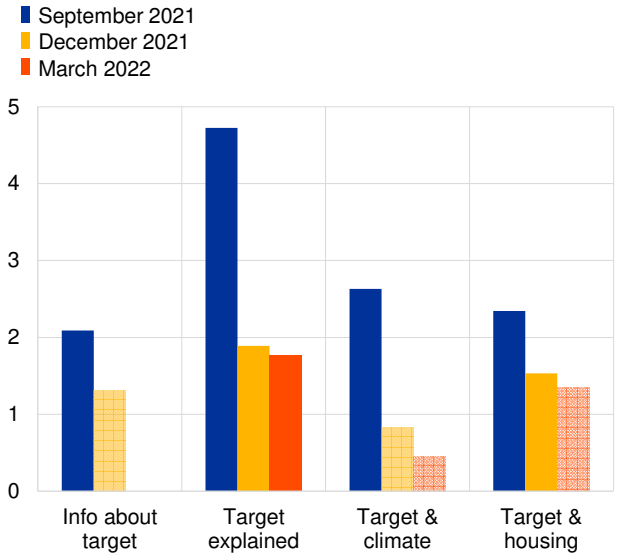
Ability to Inform policy on structural issues

- Combining micro and macro.

Examples of use of randomized control trials (RCTs) and Regressions Discontinuity Designs (RDDs)

ECB credibility gains and information treatment

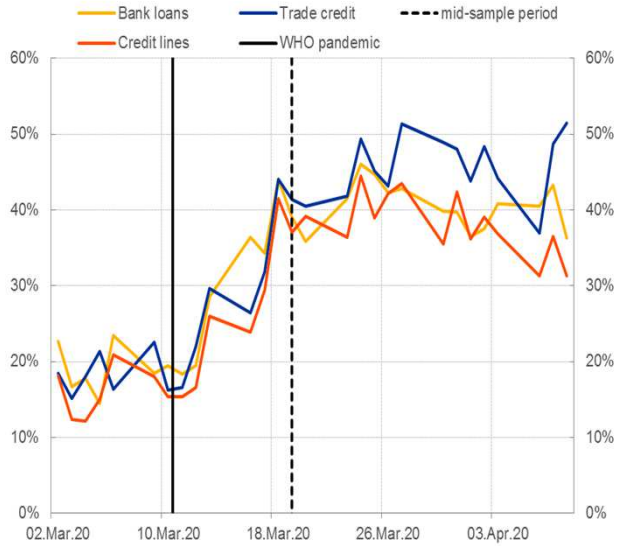
(Gains in percentage points)



Source: Ehrmann, Georgarakos and Kenny (2022) and ECB CES
Notes: Information treatments relative to the control group on the credibility assigned to the ECB. All the coefficient estimates referring to credibility measured in September 2021 are statistically significant at the 1% level. Estimates referring to credibility measured in December 2021 and March 2022 are shown in dark orange/red if they are statistically significant at least at the 10% level, and in light orange/red otherwise.

.

Firms expecting deterioration in availability of external finance



Sources: Ferrando-Ganoulis (2020) based on ECB/EC SAFE
Notes: dummies of a weighted least-squares logistic regression controlling for time and country fixed effects. The weights take into account the number of firms covered in each country/day. The last part of the sample covers few countries as the interviews in most countries were concluded by 3 April.

The main pillars of survey design for policy

Ability to fill datagaps in a timely manner

- Provide timely and frequent information accompanied by micro data
- Provide information on unobservables (shadow information) that determine the aggregates
- Provide information on all actors

Moderns surveys should be agile

- Questionnaire design responds to policy relevant events

Use of modern techniques

- Use of randomised control trials (RCTs) based on information treatments
- Use of discontinuities (time, specific rules) to get causal effects

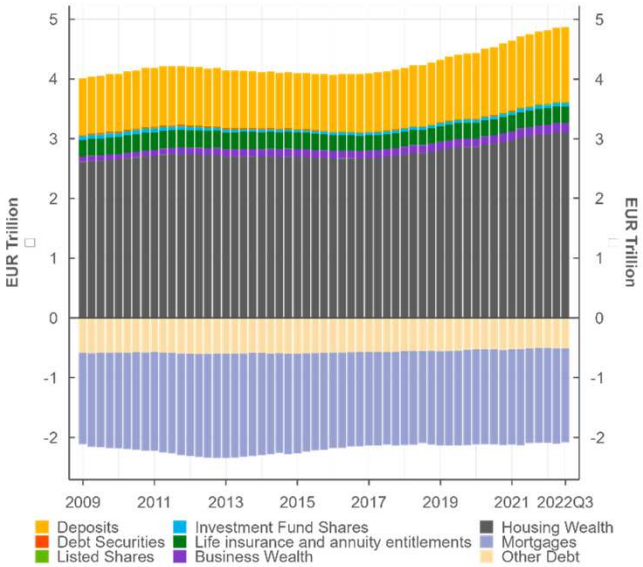
Ability to Inform policy on structural issues

- Combining micro and macro.

From micro to macro: distributional wealth accounts

Portfolio composition of the bottom 50%

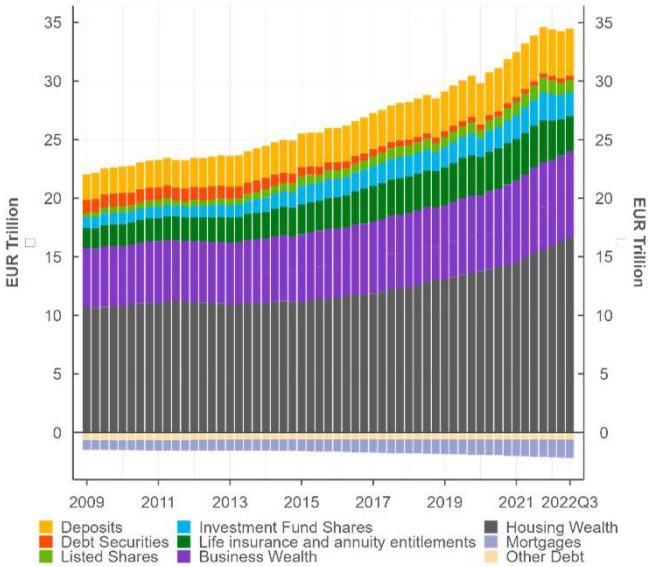
(Trillions of Euro)



Source: Distribution Wealth Accounts (DWA) and HFCS data
Notes: Portfolio composition of an average person, belonging to bottom 50% of net wealth, in the euro area.

Portfolio composition of the top 10%

(Trillions of Euro)



Source: Distribution Wealth Accounts (DWA) and HFCS data
Notes: Portfolio composition of an average person, belonging to Top 10% of net wealth, in the euro area.

The Future of Surveys

- Surveys should be understood **not only as a data collection tool but a process that creates the data**.
- **New tools** allow **create opportunities** in the survey design **but come with challenges**
  - **Online** surveys **allow for flexibility and unmatched timeliness** - However they face **challenges with sample selection and recruitment**
  - They **allow the survey designer to conduct controlled experiments** – However they face constrains due to **increased complexity.**
- **There will always be a need for surveys even in the presence of big administrative data**
  - They can elicit data on shadow questions (e.g. beliefs, perceptions and the process behind an observed outcome) that administrative data are not able to collect.
  - They allow for unmatched timeliness which is crucial in policy decisions

Challenges and trade-offs

- Survey design and implementation for policy **faces trade-offs**
- **Method of collection** (interviewer vs online), **representativity and large sample** sizes against **timeliness, frequency and flexible questionnaire**
- **Different designs for different needs** that can complement each other.

Background

Surveys at the ECB

	Consumer Expectation Survey CES	Corporate Telephone Survey CTS	Survey on Access to Finance of Enterprises SAFE	Bank Lending Survey BLS	Survey of Monetary Analysts SMA	Survey of Professional Forecasters SPF	Household Finance and Consumption Survey HFCS
Target population	Individuals 18+	Large NFCs	NFCs (SMEs, large as benchmark)	Banks	Financial institutions from the ECB Market Contact Groups	Professional macroeconomic forecasters	Households / individuals
Geographical coverage	DE, ES, FR, IT, BE, NL, plus AT, FI, GR, IE, PT since Jan 2022	Euro area	Spring: euro area (12 biggest) Autumn: EU + 9 non-EU countries	Euro area	Euro area and the UK	EU, UK and Switzerland (with EU presence)	Euro area + HR, CZ, HU, PL
Sampling and sample size	Combination of probabilistic and non-probabilistic samples 14,000 individuals (to be increased to 19,000)	50-70 interviews each round from an existing panel of 150 firms	Combination of panel and probabilistic quota sampling 12,000-17,000 interviews	Selection based on representation of bank lending markets and lending categories done by NCBs about 150 banks	Participants of the ECB Market Contact Groups 29 financial institutions	Panel selected by MPC 60 respondents each round from an existing panel of 80	Probabilistic sample design in all countries, some with panel. Around 90,000 households
Frequency	Monthly (+ quarterly and annual modules)	Quarterly	Every 6 months	Quarterly	Six-week cycle of the GovC MP meetings	Quarterly	Every 3 years
Time series	Since Jan 2020	Since 2007Q4	Since 2009H1	Since 2003Q1	Since Apr 2019	Since 1999Q1	Since 2010
Data collection	Online, telephone for recruitment in probabilistic sample	Telephone	Telephone ~ 85% Online ~ 15%	Excel questionniare collected by email	Excel questionniare collected by email	Excel questionniare collected by email	Face-to-face / telephone / online/ administrative data
Institutions	ECB	ECB	ECB /European Commission	ECB and NCBs	ECB	ECB	ECB /NCBs /NSIs