



A SOCIAL, BEHAVIORAL, & EDUCATIONAL RESEARCH (SBER) CASE STUDY OF BUSINESS RESEARCH

“MYSTERY SHOPPER” DEALING WITH COMPANIES AND GOVERNMENT OFFICES

By Ken Carson, JD

with the SBER Subcommittee of Harvard Catalyst’s Regulatory Foundations, Ethics, and Law Program

OVERVIEW

The social, behavioral, and educational research (SBER) case studies provide education and guidance on how to identify and mitigate risks associated with SBER. These studies may be used by both IRB administrators and investigators when reviewing and designing research studies that involved SBER components.

Case studies follow a standard format that includes: 1) a fact pattern, 2) regulatory, cultural, and ethical issues, and 3) a risk/benefit analysis and risk management options. This format was created to allow for flexibility in applying the case studies.

By identifying common themes, linking them directly to federal regulations and guidance, and outlining risk mitigation options, the case studies can be used in a variety of ways, which include: 1) as an education tool for training individuals in human subjects research, 2) as a basis for developing reviewer checklists/worksheets, and 3) as a tool in designing research projects.

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CASE STUDY

SCENARIO/FACT PATTERN:

A team of researchers led by a business school professor is studying the implementation of loan modification programs following the financial crisis of 2007, with the goal of evaluating government interventions in markets during times of stress. Using publicly available records from registers of deeds, the researchers intend to collect information on mortgages from a variety of communities known to be severely impacted by the crisis (inner city neighborhoods in Rust Belt cities, newly developed communities in the suburbs of Las Vegas, and inland California). Information will also be collected from communities thought to have weathered the crisis without high foreclosure rates.

The researchers plan to call the servicers of several thousand mortgages under the ruse of “calling to find out about the availability of a loan modification” for the property in question. They will not explicitly represent themselves to be the homeowner, or say they are working for the homeowner, only that they want to know if loan modifications are available, and what the requirements are to obtain one. If pressed, they plan to say they are calling “on behalf” of the homeowners, on the grounds that the published research will benefit homeowners by providing important information about loan modification programs.

The responses will be scored based on accuracy, and the extent to which they offer help; names of the service representatives of the mortgage companies will be collected. The plan is to publish results comparing companies, as well as comparing overall responses by community, i.e., are similar mortgages treated differently depending on where the property is located?

The researchers also plan to call a variety of non-profit organizations and government offices, and for these calls, they will pose as distressed homeowners from these communities, asking for information and guidance about loan modification programs. The purpose of these calls is to evaluate the accuracy of the information they receive, and determine whether callers from some communities get more encouragement than others.

Studies like this come with many variations, but the standard approach is to have the researchers interact with company or government representatives in the guise of a job applicant, prospective customer, consumer with a complaint, or any call with another routine transaction. The researcher also presents his/her identity characteristic diversely: age, gender, race, or, in a recent prominent published study, length of time out of work. In the case of the last example, when otherwise identical resumes were submitted, with variation for time out of work, “ask backs” for interviews occurred significantly more frequently for those with a shorter out of work time.

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DISCUSSION

Questions/Comments for the researcher:

- Will the mortgage servicers log the call in the file of the property owner, and if so will it be considered evidence of financial distress?
- If it appears from the way they are answering that the service representatives are mistaking callers for the property owners, will you explain that you are researchers, and not the property owner, or a representative or agent of the property owner?
- What is the reason for taking the name of the representatives you speak to?
- How long will each call to the non-profit or government office take? How many of these calls will be made to each entity?

REGULATORY, CULTURAL, & ETHICAL ISSUES:

- There is deception in this case, but is it human subject research: Is there anything that the researcher is learning “about” the subject?
- If it is determined that this is not considered human subject research because information “about” an individual is not being collected, but that researchers are interacting with individuals and deceiving them in order to obtain information that could harm the interests of their employers, are there policies of the university, apart from the Common Rule, that permit the IRB or another office to oversee the research?
- Are the subjects identifiable, and could their employers take action against them?
- Costs are being imposed on the targets: these ‘false’ interactions take time and resources to handle.

RESOLUTION & DISCUSSIONS:

Risk/Benefit Analysis:

This analysis depends on the particular question being asked. In this case, the prevalence of discrimination, dishonesty, or systematic failure to make known the availability of benefits to which a citizen may be entitled seem like reasonable justifications for interacting under false circumstances.

Mitigation/Management of Risks:

- Examine the number of interactions planned, and possibly require a pilot, to determine the number that’s needed and to “fine tune” the intervention to minimize burden and degree of deception.
- While debriefing is preferred in deception studies, it is rarely if ever practicable (and maybe not desirable) in these cases.
- Careful stipulations about disguising names of companies or offices can protect individual employees.
- In research like this, much depends on the particulars: Are the interactions in person, over the phone, or paper or online? Sometimes the goal is to discern company policy, other times, bias on the part of the individual subject (or dishonesty, if studying differential solicitation of bribes!)

- Even if this is not human subject research, university policy may require IRB review. E.g., Harvard University's policy requires IRB review of "explicit or implicit deception of the subjects in any aspect likely to be significant to them."
See: http://provost.harvard.edu/policies_guidelines/human_subjects.php

Alternate Details:

- In communicating with financial institutions researchers want "mystery shoppers", to ask questions that could elicit encouragement to commit fraud, instead of asking very neutral questions, for example "Do I have to put down my real earnings, or can I round up or use the earnings I had in my last job?"
- Along the same lines, researchers want to study clinical trial recruitment integrity by having "mystery shoppers" respond to advertisements, listen to selection criteria, and admit that they did have one of the exclusion criteria, but downplaying it by saying it's not a problem anymore, to see if they will still be invited to enroll.
- The researcher proposes an amendment to record telephone "mystery shopper" conversations with the company representatives. When the IRB points out the legal prohibition against secret recording, the researcher replies that there is no secret – before every call goes through there is an announcement that the call may be recorded for quality assurance purposes. The PI contends that the research can be considered a form of quality assurance.

Other Events:

- Investigative reporters learn of the study and submit a Freedom of Information Act request to the federal sponsor of the study seeking identities of financial institutions and the results broken down by financial institution.
- A young research assistant, incensed at what appears to be corporate wrongdoing uncovered by the study, posts extremely critical remarks, naming a company, on Facebook.
- A company learns that its call center has been the target of the researcher's "mystery shoppers" and the CEO, who happens to be an alumna with a history of making major donations, complains to the University President. While this is not a human subjects concern, one consideration is whether an IRB has a procedure for alerting the institution about research that may generate headlines; the IRB is not charged with protecting the institution, but it may wish to inform the institution regarding potentially controversial studies.

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