

# Findings From The 2004-05 Taxpayer Communications Tracking Study

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## Background, Purpose, Method, Scope & Timing

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- From 1997 to 2003, the IRS conducted both a Taxpayer e-file Ad Tracking Study and an Attitudinal Tracking Study. In 2003-04, these surveys were folded into a single Taxpayer Communications Tracking Study, with...
  - A Pre-Wave conducted prior to the start of each new communications program.
  - And a Post-Wave conducted after the end of each campaign to measure communications impact.
- The pre-post design was repeated in '04-'05. It allows evaluation of the impact of each new communications program on Taxpayer awareness of/disposition toward *e-file*, while identifying and examining impact among...
  - e-file Usage Segments – Current Users, Lapsed Users, and Non-Triers.
  - Filing Behavior Segments – ASAPs, etc.
  - V-Coders.
  - And Return Types – we use the 4-group model here (Self-Simple, Self-Complex, Paid-Simple, and Paid-Complex), since the new 6-group model leaves about half the respondents unclassified.
- Both waves of the study were conducted by telephone from Russell Research's national call center in Wayne, NJ – with Pre-Wave interviewing December 1-12, 2004, and with Post-Wave interviewing April 16-30, 2005.
  - The sample for each wave consisted of ~750 Total Taxpayers, drawn on a nationally-representative basis using Random Digit Dialing (RDD) telephone lists.
  - To qualify for the study, all respondents had to be ages 18-74 (formerly 18-64), employed, and filing taxes in the previous tax filing season (2004 in the case of the Pre-Wave; 2005 in the Post-Wave).
- Note: the '04-'05 tracking results that follow are generally weaker than what we found for the previous campaign. In reading these results, keep in mind that IRS decreased its *e-file* communications spending in the most recent tax season by 44%, spending...
  - \$5.9 million in the current/'04-'05 campaign...
  - Versus \$10.6 million the previous year/'03-'04,
  - And \$6.1 million in the '02-'03 tax season.

# Detailed Findings

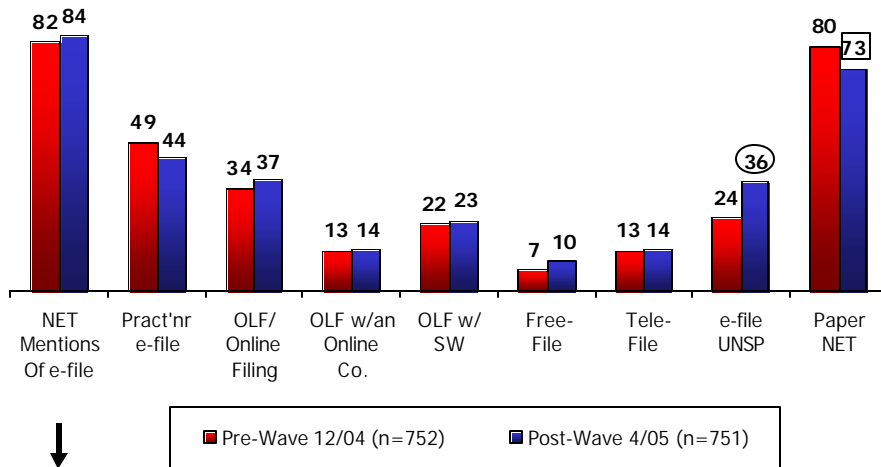
## Statistical Notation Used In Detailed Findings

- Indicates current wave is significantly higher than the previous wave at a 95% confidence level. Or, when sub-groups are being compared, the circle is used to indicate a significant difference between one group and the balance of the sample.
- Indicates current wave is significantly lower than the previous wave at a 95% confidence level. Or, when sub-groups are compared, the circle indicates a significant difference between one group and the balance of the sample.

# Impact Of Communications On Awareness

- In the first of a series of key measures in the tracker, we found that Unaided Awareness of *e-file* products as a group (i.e., net mentions) as well as awareness of each specific product was statistically unchanged after the '04-'05 campaign – though we did find an increase in generalized (non-specific) “*e-file*” mentions and a decrease in mentions of paper filing.

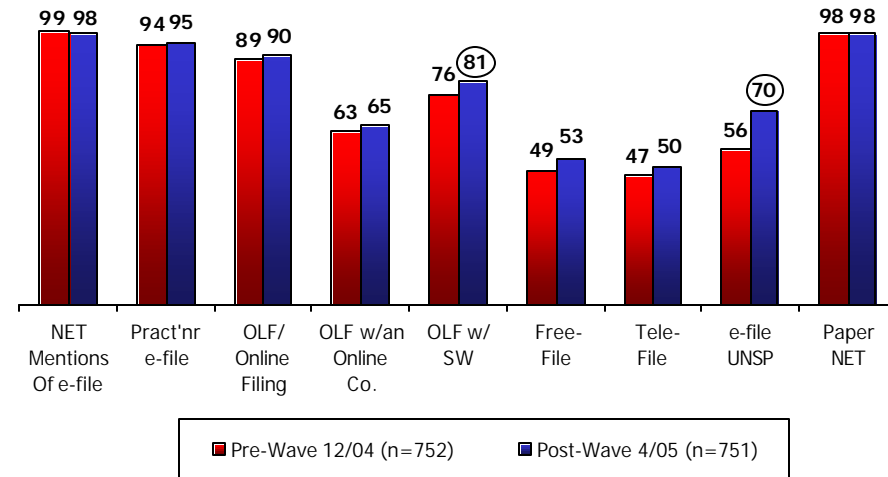
Unaided Awareness Of *e-file*



“NET” = % of Taxpayers mentioning at least one *e-file* product.

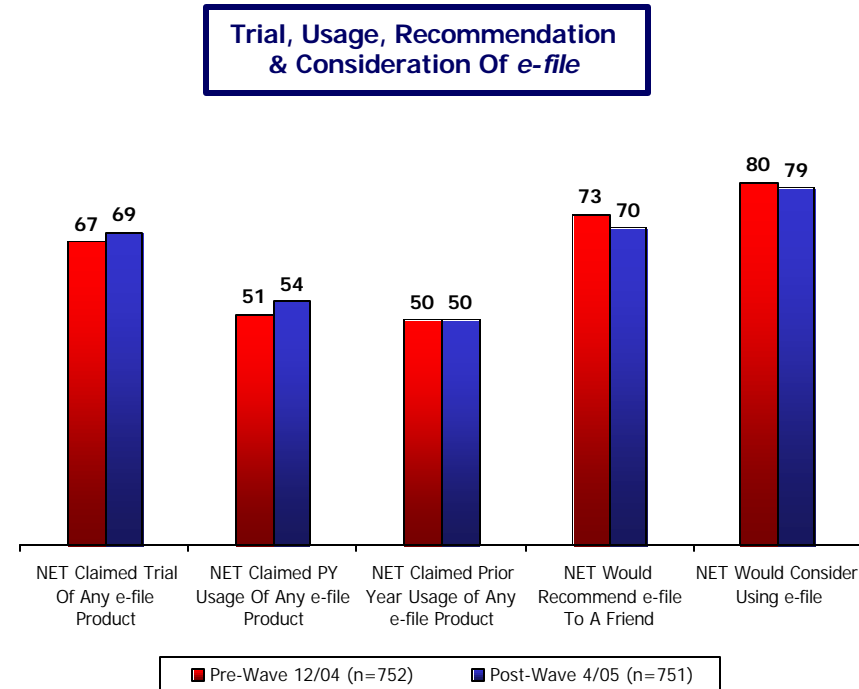
- Meanwhile, the Total Awareness scores (combining unaided plus aided mentions) were also flat for all products except Online Filing With Software and again, the generalized (non-specific) “*e-file*” mentions. Note that the “net *e-file*” and Practitioner *e-file* mentions were already near the 100% level and had little room for growth.

Total Awareness Of *e-file*



# Impact On Claimed Trial, Usage, Recommendation & Consideration

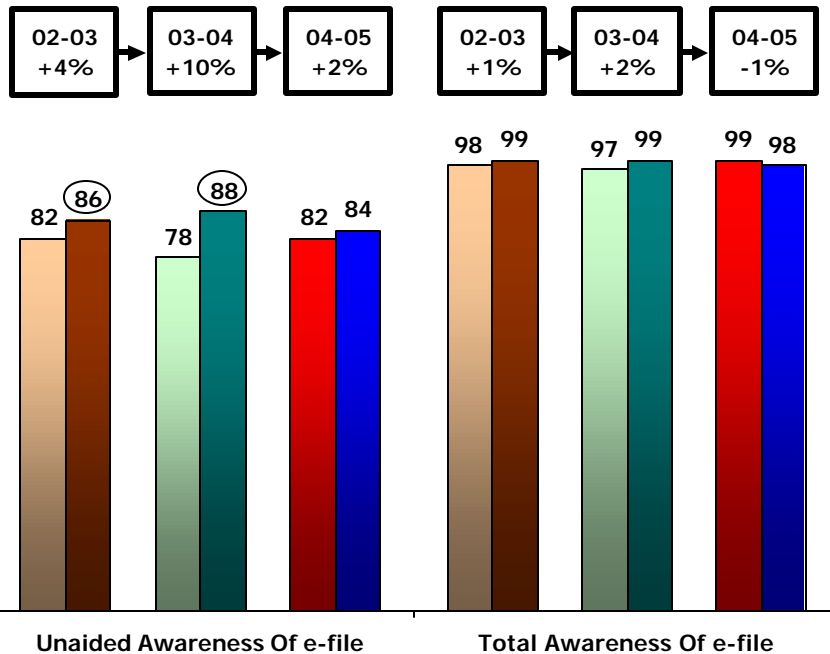
- Results also showed no significant impact from the campaign on Trial, Usage, Recommendation, and Consideration of e-file.
  - The proportion of Taxpayers who Claimed Trial of e-file was statistically unchanged after the campaign, going from 67% in the Pre-Wave to 69% in the Post-Wave, after the campaign.
  - Those claiming Past-Year-Usage increased slightly from 51% to 54%.
  - Prior-Year-Usage was unchanged at 50% in each wave.
  - Recommendation was down slightly (but again not significantly) from 73% to 70%.
  - While Consideration Of Use Of e-file was stable at 79-80% per wave.



# Comparing This Year's Impact To That Of The 2002-03 & 2003-04 Campaigns

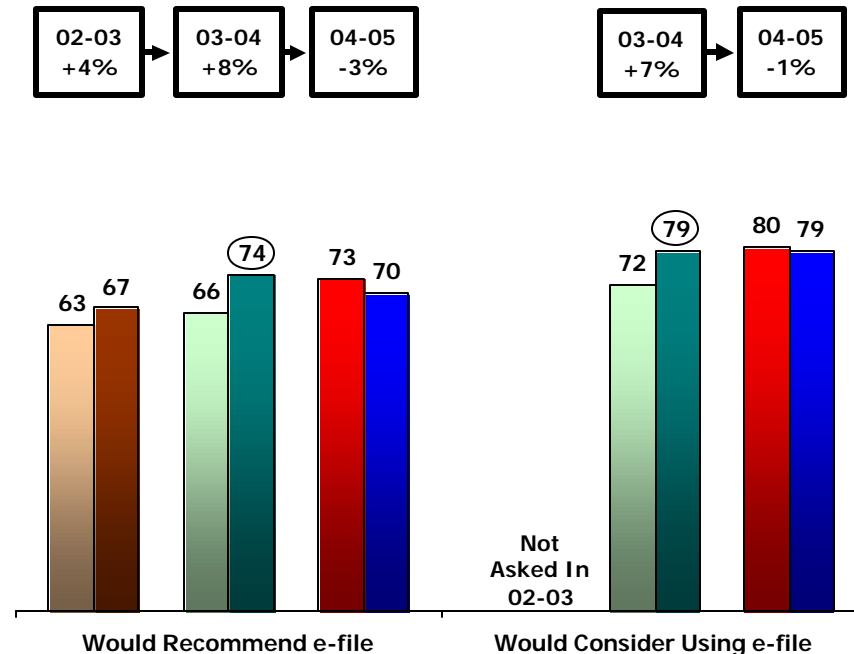
- The lack of impact of the '04-'05 campaign is even more evident when we compare key scores from this year to those of the past – especially the Unaided Awareness score, which barely moved this year after registering significant gains previously.

Pre-To-Post Changes In Awareness Of e-file



- Similarly, we found no positive movement in Recommendation and Consideration of e-file after seeing both measures increase significantly following last year's campaign.

Pre-To-Post Changes In Claimed Recommendation & Consideration Of e-file



# Impact Of Campaign On Image & Personality

- In line with the lack of movement on key measures, we found little impact from the current campaign in terms of improving e-file's Brand Image – with only one image point (“ease of use”) up over last year.
  - However, the long-term trend in e-file image since the start of Russell tracking in 2002 has clearly been one of significant improvement – note the blue-highlighted image changes below.

## Perceptions of e-file & Tax Filing

	02-03	03-04	04-05	Trend
	Post	Post	Post	02...05
BASE: Total Taxpayers	502	750	751	varies
	%	%	%	%
Filing taxes–nobody likes/everybody has to do	92	92	90	-2
<b>e-file faster way to get return to IRS</b>	<b>79</b>	<b>84</b>	<b>83</b>	<b>+4</b>
<b>e-file faster way to get refund</b>	<b>72</b>	<b>79</b>	<b>80</b>	<b>+8</b>
<b>e-file accurate way to file Federal taxes</b>	<b>71</b>	<b>74</b>	<b>76</b>	<b>+5</b>
<b>e-file private/secure way to file taxes</b>	<b>63</b>	<b>67</b>	<b>69</b>	<b>+6</b>
<b>e-file better way to file Federal taxes</b>	<b>58</b>	<b>66</b>	<b>68</b>	<b>+10</b>
<b>e-file inexpensive way to file Fed. taxes</b>	<b>56</b>	<b>62</b>	<b>65</b>	<b>+9</b>
IRS becoming friendlier/more helpful	62	62	54	-8
<b>e-file provides proof of receipt</b>	<b>55</b>	<b>59</b>	<b>62</b>	<b>+7</b>
<b>e-file easy to use w/little hassle</b>	<b>56</b>	<b>57</b>	<b>63</b>	<b>+7</b>
Mailing in Fed. return still safer/more reliable	43	46	46	+3
e-file changes way you look at IRS	35	40	35	nc
Used to taxes on paper/no reason to change	37	38	36	-1

% Agree Completely or Agree Somewhat With Each Statement

- There were no significant changes in e-file Personality Ratings since '03-'04, and the few changes in the IRS Personality Ratings were all negative. In each case, there is little in the way on long-term improvement.

## e-file & IRS Brand Personality

BASE: Rated e-file/IRS (Split "n")	Describes e-file				Describes IRS			
	02-03	03-04	04-05	Trend	02-03	03-04	04-05	Trend
	Post	Post	Post	02...05	Post	Post	Post	02...05
	(255)	(388)	(362)	varies	(247)	(362)	(389)	varies
	%	%	%	%	%	%	%	%

### POSITIVE ATTRIBUTES

Up-To-Date/Modern	89	86	86	-3	64	71	64	nc
Dependable	71	77	73	+2	61	68	64	+3
Helpful	75	77	75	nc	56	64	55	-1
Someone You Can Trust	<b>62</b>	<b>71</b>	<b>69</b>	<b>+7</b>	68	50	47	-1
Interesting	64	62	59	-5	36	38	35	-1
Creative	61	60	61	nc	48	48	45	-3
Confident & Outgoing	61	67	66	+5	55	58	51	-4
A Leader	60	61	57	-3	45	51	47	+2
A Friend	48	50	49	+1	23	33	26	+3
Easy-Going & Laid Back	44	47	44	nc	11	17	14	+3

### NEGATIVE ATTRIBUTES

High-Strung & Uptight	<b>21</b>	<b>22</b>	<b>28</b>	<b>+7</b>	62	58	59	-3
Need To Be Wary Of	35	30	34	-1	66	62	63	-3
Boring	31	29	35	+4	49	50	52	+3
Difficult	24	26	30	+6	72	63	65	-7
A Follower	25	18	20	-5	<b>24</b>	<b>22</b>	<b>17</b>	<b>-7</b>
Old Fashioned	11	10	11	nc	46	40	45	-1
Shy & Introverted	9	11	12	+3	7	7	8	+1

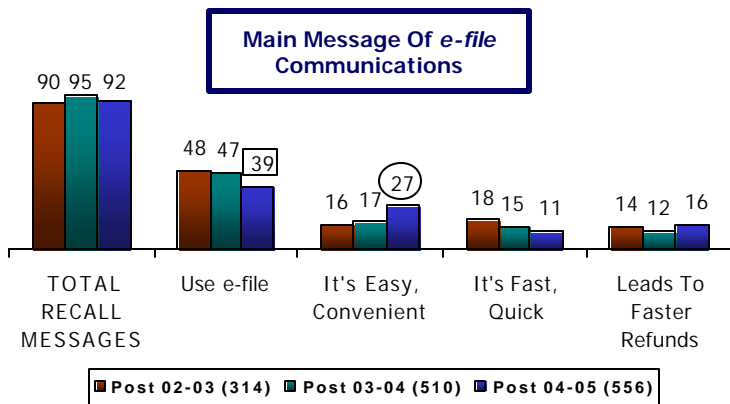
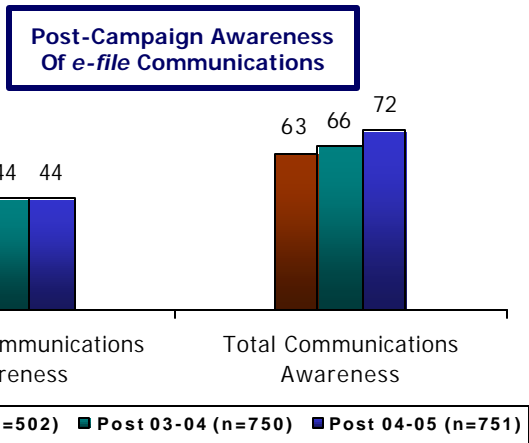
### NEUTRAL ATTRIBUTES

Masculine	39	35	35	-4	60	57	54	-6
Feminine	15	14	15	nc	9	10	10	+1

% Saying Characteristic Describes e-file/IRS

# e-file Communications Awareness, Main Message & Specific Recall

- **Awareness** of e-file communications was similar to that of each of the previous two campaigns – though **main message** take-away is shifting from the generalized “use e-file” to a more specific “ease, convenience” message.



- There was **high recall** of the '04-'05 campaign's visuals and copy – with 1/2 to 2/3rds again (like last year) recalling the key messaging points of *speed, ease, eliminating paperwork, and accuracy/security*.

**Specific Recall Of e-file Communications**

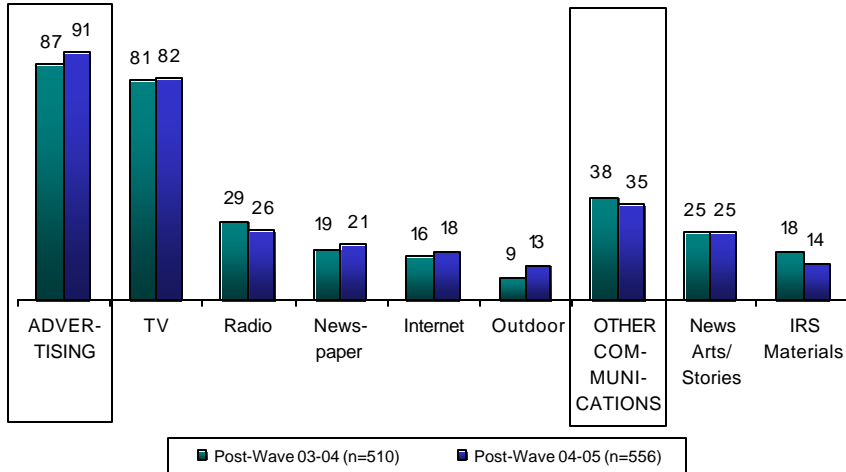
	Post-Wave
BASE: Total Recall Communications	556
	%
<b>Visual Recall (Net)</b>	<b>89</b>
The name e-file	64
“Refund in half the time”	53
A man about to prepare tax return at desk & spills coffee on form	41
The e-file logo or Lightning Logo	39
People going to assistance centers	33
Woman repeated goes to mailbox/gets frustrated	30
<b>Copy Recall (Net)</b>	<b>79</b>
Talked about e-file being a faster way to file taxes	65
Talked about e-file resulting in faster refunds	62
Talked about e-file being convenient/easier than paper	59
Talked about e-file eliminating paperwork	50
Talked about e-file being accurate and secure	50
Talked about e-file in half the time	42
“e-file is the smart way to file”	41
Talked about e-file is better/faster/more secure than paper	39
Talked about receiving confirmation within 48 hours	34
Talked about long lines at Post Office	34
“e-file yourself”	33
Talked about inaccurate returns	32
60 million people filed taxes electronically last year	31
Talked about benefits of e-file for Preparers	28
Tell your Preparer	22
Net Recall Communications For aboute-file.com Website	28



# e-file Communications – Source Of & Reaction To Communications

- Similar to last year's attribution to media sources, about 9 in every 10 communications-aware Taxpayers said they'd seen the communications in Advertising (mainly regular TV Advertising), while 35% attributed it to Non-Advertising Communications (the top sources there being News Articles/Stories and Materials From The IRS).

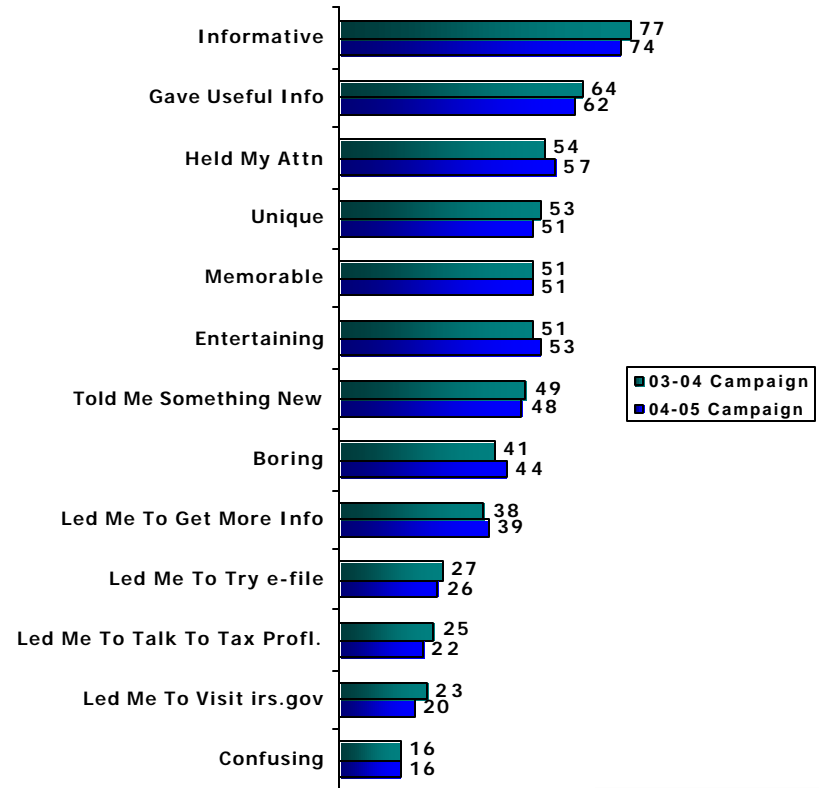
Source Of e-file Communications



Note: these measures were added or modified in the '03-'04 study, with no comparable data from '02-'03.

- Reactions to this year's communications were also quite similar to those of last year – mainly that they were *informative*, gave *useful information*, and *held attention*.

Reactions To e-file Communications



## The e-file Usage Segments: Size & Composition

- In thinking of segmented opportunities this year, we looked first at breakouts in *e-file* usage; specifically Users vs. different groupings of Non-Users – Non-Triers, Lapsed Users, and Quitters (who are very small-based and analyzed only broadly). The high-opportunity segment again has to be the Non-Triers (31% of all Taxpayers) and, to a lesser extent, Lapsed Users (13% of Taxpayers). Following are the outstanding characteristics of each segment.

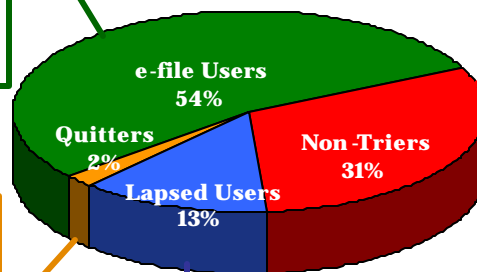
### 2005 e-file Usage Segments

**e-file Users** (past-year) are now 54% of all Taxpayers and they tend to reflect the demographics of Taxpayers generally. Filing-wise, they're still the earliest filers. They are also more likely than other segments to claim EITC, CTC and the Education Tax Credit. And, in key differentiators vs. other groups, 85% say they get a refund, 68% use a Paid Preparer, and – among those using a Preparer -- 96% say their Preparer offers them the *e-file* option.

**Non-Triers of e-file** are again a relatively older segment (avg. age = 48), who are far less likely to have children. Filing-wise, they tend to file later than the other groups. And while they are higher than average in Bal Dues, they are still mainly Refund types (64%). However, the hallmark of this group is that among those who use Paid Preparers (52% -- most of them using CPAs), only 31% say their Preparer offers them *e-file* (vs. 96% among Users).

**e-file Quitters** are a very small group of Taxpayers (only 2%) who have used *e-file* in the past but say they would not consider using it again. Looking at them broadly, we see that their most notable demo differences are that they skew male and have higher income (81K). Filing-wise, they are highest in use of Paid Preparers, highest in Bal-Dues and 2nd highest in receiving tax credits. Notably, 71% of them are V-Coders.

**Lapsed e-file Users** have used *e-file* before (but not last tax season) and would consider using again. This segment differs demographically from others mainly in that they are higher income, skew female (58%), but are less likely to have children (only 33%). Filing-wise, they are lowest in use of a Paid Preparer, somewhat higher in Bal-Dues, and low in receipt of tax credits. 55% of them are V-Coders.



# The e-file Usage Segments: e-file Awareness & Disposition

- When we look at the impact of the '04-'05 e-file communications campaign on the four e-file Usage segments, we find that...
  - While all segments naturally had significantly higher awareness of e-file communications after the campaign than before it...
  - There was no group of readable size showing any impact from the campaign on their Awareness, Recommendation, and Consideration Of Use of e-file.
  - In fact, the Non-Triers had lower Consideration after the campaign – presumably because they would be more “open to” consideration of e-file in the Pre-Wave in December, but then less disposed to it in April, after having filed their taxes using a paper method (i.e., this lower rating may reflect nothing more than pride in choice of filing method).

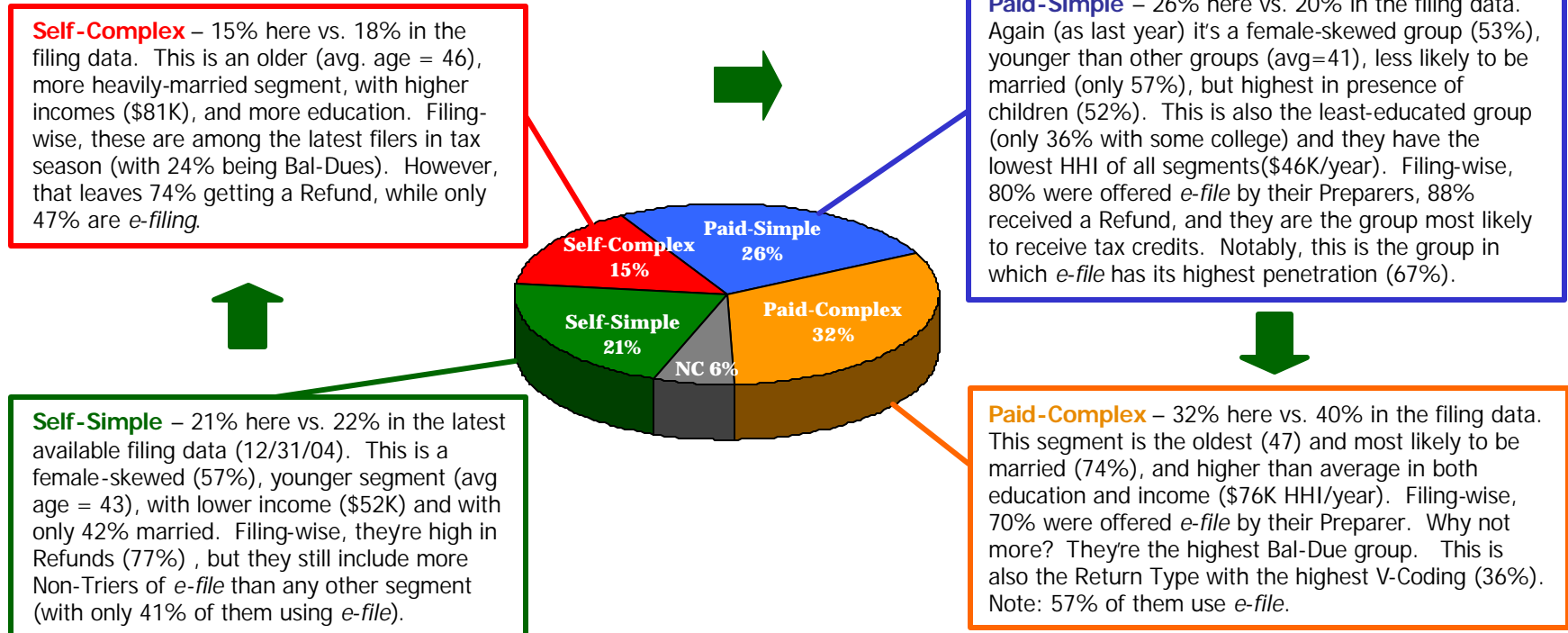
**e-file Awareness & Disposition  
Among The Four e-file Usage Segments**

	<u>Users</u>		<u>Non-Triers</u>		<u>Lapsed Users</u>		<u>Quitters</u>	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post
BASE: Total Interviews	04-05 (381) %	04-05 (386) %	04-05 (244) %	04-05 (232) %	04-05 (90) %	04-05 (95) %	04-05 (24)* %	04-05 (19)* %
<u>Brand Awareness &amp; Disposition</u>								
Unaided Awareness of e-file (Net)	90	90	67	72	89	85	79	95
Total Awareness of e-file (Net)	100	100	97	95	100	100	100	100
Unaided Awareness of e-file Communications (Net)	20	48	11	39	20	43	4	37
Total Awareness of e-file Communications (Net)	31	78	23	60	32	80	8	58
Would Recommend e-file To A Friend	93	92	39	32	83	71	46	34
Would Consider Using e-file	92	94	62	50	100	100	0	0

## The 4-Group Return Type Segments: Size & Composition

- We also classified Taxpayers into return types, based on self-reported use of a Preparer, complexity of return, type of return, etc. With data self-reported, this has always been only a rough approximation of the return type proportions as they are found in IRS Taxpayer data. (Note: we use the 4-group return type model here after finding that the 6-group model leaves about half of the sample unclassified.) In reading the profiles of each group below, it is clear that all but Paid-Simples (who already have high usage of *e-file*) offer opportunities for increasing *e-file* usage.

2005 Return Type Segments



# The 4-Group Return Type Segments: *e-file* Awareness & Disposition

- We analyzed key measures among the Return Type segments to see if there was any impact from the '04-'05 *e-file* communications campaign on any segment's awareness or disposition toward *e-file*.
- We found that...
  - Here too, while all segments had significantly higher awareness of *e-file* communications after the campaign than before it...
  - There was no evidence of any substantial impact from the campaign on any of the groups' Awareness Of *e-file* (unaided or total awareness), Recommendation Of *e-file*, or on their Consideration Of Use of *e-file*.

## *e-file* Awareness & Disposition Among The 4-Group Return Type Segments

	Self-Simple		Self-Complex		Paid-Simple		Paid-Complex	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post
	04-05	04-05	04-05	04-05	04-05	04-05	04-05	04-05
	(133)	(157)	(163)	(133)	(183)	(186)	(213)	(228)
	%	%	%	%	%	%	%	%
BASE: Total Interviews								
<u>Brand Awareness &amp; Disposition</u>								
Unaided Awareness of <i>e-file</i> (Net)	87	86	89	92	70	75	83	86
Total Awareness of <i>e-file</i> (Net)	97	97	100	100	99	99	100	98
Unaided Awareness of <i>e-file</i> Communications (Net)	17	49	23	53	16	35	12	43
Total Awareness of <i>e-file</i> Communications (Net)	27	76	33	75	27	66	24	73
Would Recommend <i>e-file</i> To A Friend	77	68	74	70	74	74	71	70
Would Consider Using <i>e-file</i>	83	77	83	80	79	78	78	81

# The Filing Behavior Segments: Size & Composition

- We asked Taxpayers to tell us when they file their Federal income tax return – is it “as soon as you get your W-2 forms”, “when you get around to it during tax season”, “as late as possible but not at the last minute”, or “at the last possible minute”? We segmented Taxpayers according to their answers. Following are the size and characteristics of the 2004-05 Filing Behavior segments – all of which offer some opportunity for increasing use of *e-file*.

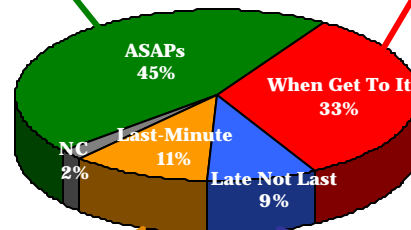
2005 Filing Behavior Segments

### As Soon As I Get My W-2 Forms/ASAPs –

These are the Jan-Feb filers who want to “get it over with” or expect a refund. They are the youngest (42), lowest-income (\$57K HHI/year), and least-educated group. Filing-wise, they’re the most likely to use a Preparer (65%) and most likely to be offered *e-file* by their Preparer (77%) – probably because they’re so high in Refunds (87%). This group is lowest in V-Coding at only 20% and highest in Simple returns (at 60%). 62% already use *e-file*.

### When I Get Around To It –

These are the Feb-March filers, with no clear reason for filing then – it’s just “whenever I get around to it”. Demographically, this group skews male (54%), but otherwise tends toward the average demographically. Filing-wise, they include about as many Refund recipients (79%) as the previous group, are 2<sup>nd</sup> highest in V-Coding (at 27%), and 2<sup>nd</sup> highest in Simple returns (at 40%). 52% of them already use *e-file*, which is about average.



### Last Possible Minute –

Virtually all file April 1 or later, mainly because they owe money or are last-minute types. This is also an older segment (47), but otherwise typical in terms of demographics. Filing-wise, they stand out with low use of a Paid Preparer (only 51%) and only 57% of those using a Preparer say they are offered *e-file*, probably because they are relatively high in Bal-Dues (37%) and also high in Complex returns (66%). As a result, they include more V-Coders (32%) and have the lowest use of *e-file* (only 39%).

### Late As Possible But Not Last-Minute –

They file mainly in the first 2 weeks of April, with about ¼ filing in March – these are the procrastinators. They also skew male (53%) and older (48), and are the most educated, and highest in HHI (\$80K). They are 2<sup>nd</sup> highest in use of a Paid Preparer, with only 68% of their Preparers offering them *e-file* – probably because they’re the highest in Bal-Dues (43%). This group is high in Complex returns, high in V-Coding, and only 42% say they use *e-file*.

# The Filing Behavior Segments: *e-file* Awareness & Disposition

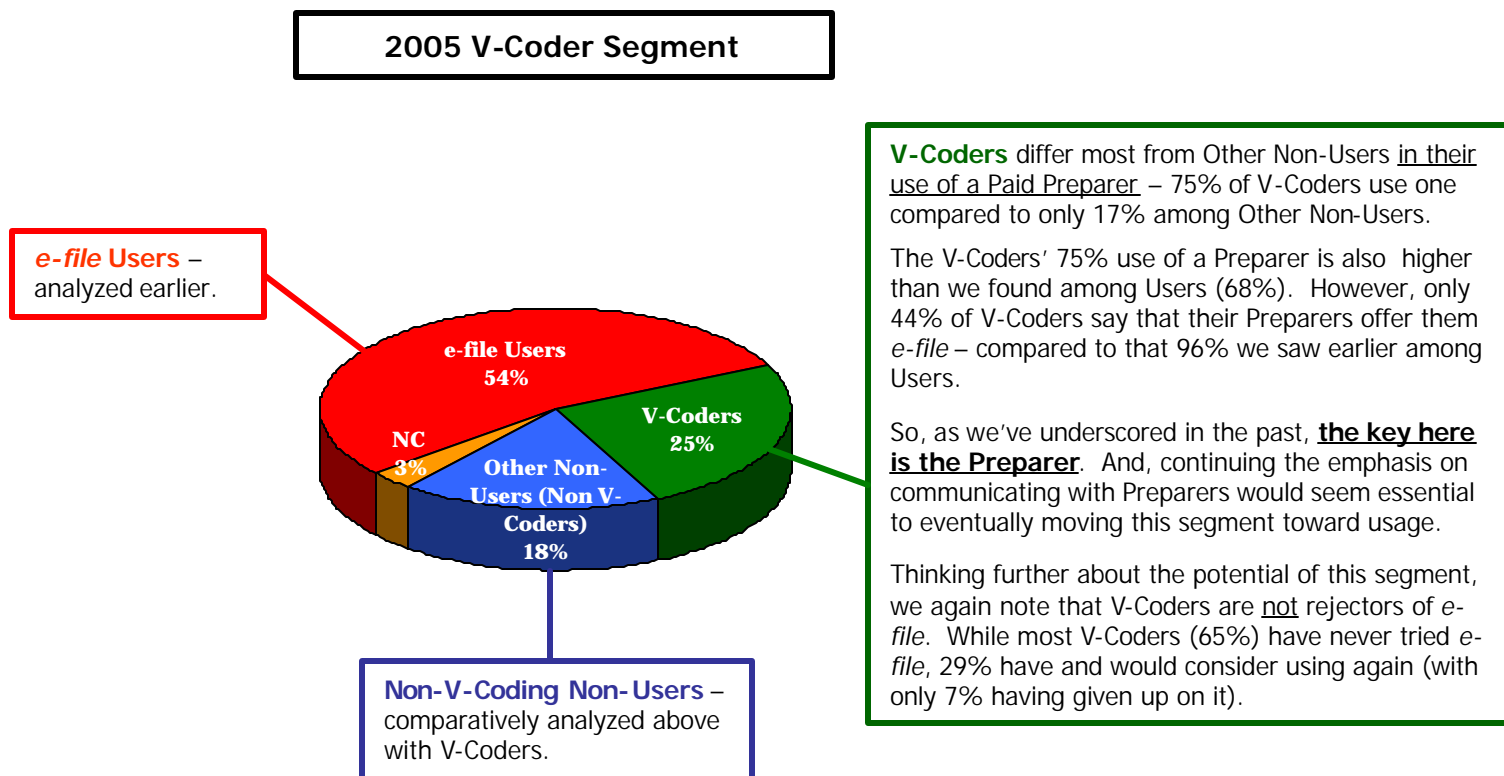
- When we analyzed the Filing Behavior segments, looking for possible impact from the '04-'05 *e-file* communications, we found the same results as for the preceding segments, with...
  - All four Filing Behavior groups having, as expected, significantly higher awareness of *e-file* communications after the campaign than before it...
  - But, with no evidence of positive impact from the campaign on *e-file*'s key measures.
  - And with one group – Late But Not Last – showing signs of slippage in awareness of and disposition toward *e-file*.

***e-file* Awareness & Disposition  
Among The Four Filing Behavior Segments**

	<u>ASAP's</u>		<u>When Get To It</u>		<u>Late Not Last</u>		<u>Last-Minute</u>	
	<u>Pre</u>	<u>Post</u>	<u>Pre</u>	<u>Post</u>	<u>Pre</u>	<u>Post</u>	<u>Pre</u>	<u>Post</u>
	<u>04-05</u>	<u>04-05</u>	<u>04-05</u>	<u>04-05</u>	<u>04-05</u>	<u>04-05</u>	<u>04-05</u>	<u>04-05</u>
	(357)	(330)	(240)	(244)	(57)	(70)	(76)	(86)
	%	%	%	%	%	%	%	%
BASE: Total Interviews								
<u>Brand Awareness &amp; Disposition</u>								
Unaided Awareness of <i>e-file</i> (Net)	82	86	80	86	81	68	88	86
Total Awareness of <i>e-file</i> (Net)	100	99	98	98	98	99	99	99
Unaided Awareness of <i>e-file</i> Communications (Net)	17	(45)	13	(47)	25	37	17	(39)
Total Awareness of <i>e-file</i> Communications (Net)	26	(72)	25	(71)	42	(71)	28	(74)
Would Recommend <i>e-file</i> To A Friend	76	76	73	71	74	58	61	56
Would Consider Using <i>e-file</i>	81	81	80	80	82	74	78	78

## V-Coders: Size & Composition

- For several years now, we've identified V-Coders in the Taxpayer research samples and tracked their size and composition. In the Post-Wave here, 25% of all Taxpayers were V-Coders (vs. 28% last year). Following is a summary of who's in this segment, how they compare to Other Non-V-Coding Non-Users of *e-file* as well as to e-file Users, and why they remain an opportunity segment for *e-file* marketing.





# V-Coders: e-file Awareness & Disposition

- Finally, when we looked for the impact of the '04-'05 e-file communications campaign on V-Coders, we found that here too there had been no real impact, with...
  - Significantly higher awareness of e-file communications after the campaign than before it...
  - But no positive impact on V-Coders' Awareness, Recommendation, or Consideration Of Use of e-file.
  - If anything, there may have been some fall off in V-Coder disposition toward e-file, with directionally lower Recommendation and Consideration.

## e-file Awareness & Disposition Among V-Coders

	<u>e-file Users</u>		<u>V-Coders</u>		<u>Other Non-Users Non V-Coders</u>	
	<u>Pre</u> <u>04-05</u> <u>(381)</u> %	<u>Post</u> <u>04-05</u> <u>(386)</u> %	<u>Pre</u> <u>04-05</u> <u>(213)</u> %	<u>Post</u> <u>04-05</u> <u>(199)</u> %	<u>Pre</u> <u>04-05</u> <u>(128)</u> %	<u>Post</u> <u>04-05</u> <u>(121)</u> %
BASE: Total Interviews						
<u>Brand Awareness &amp; Disposition</u>						
Unaided Awareness of e-file (Net)	90	90	76	75	73	81
Total Awareness of e-file (Net)	100	100	99	98	97	95
Unaided Awareness of e-file Communications (Net)	20	48	14	40	13	44
Total Awareness of e-file Communications (Net)	31	78	24	68	23	66
Would Recommend e-file To A Friend	93	92	55	46	46	42
Would Consider Using e-file	92	94	69	60	68	64

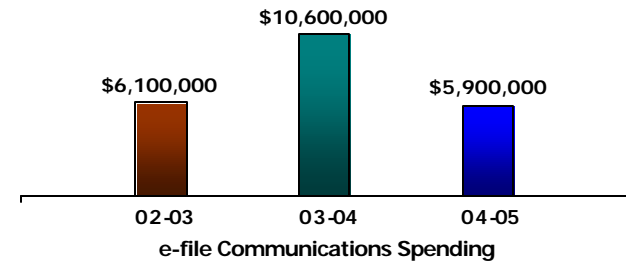
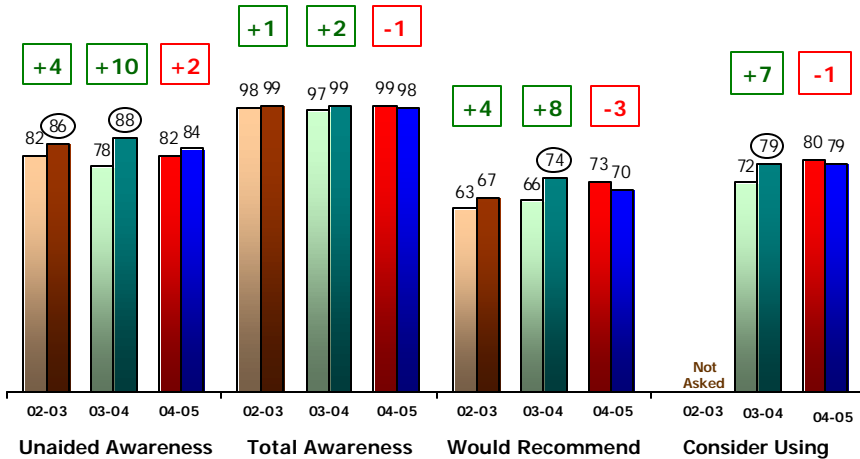
# Summarizing Key Findings

# Key Findings From The '04-'05 e-file Communications Tracking Study

After two years of strong increases, e-file's scores on all key measures were stagnant to declining compared to last year.



This pattern of results tracks with trends in IRS spending on e-file communications, which decreased 44% from '03-'04 to '04-'05.



Finally, as in past waves of the tracker, we segmented Taxpayers by their e-file Usage/Non-Usage, Return Type, Filing Behavior, and V-coding and updated the profiles and opportunity characteristics of each group.

In addition, we looked at the impact of the '04-'05 campaign on each segment and found a consistent pattern of sharply higher pre-to-post awareness of e-file communications, but virtually no impact of the campaign on any segment's Awareness, Recommendation, or Consideration Of Use of e-file.



As scores flattened/declined, there was little change from year to year in e-file brand image. Still, it's important to note that the long-term trend is one of significant improvement on key message points.

	02-03 %	03-04 %	04-05 %	Trend %
e-file faster way to get return to IRS	79	84	83	+4
e-file faster way to get refund	72	79	80	+8
e-file accurate way to file Federal taxes	71	74	76	+5
e-file private/secure way to file taxes	63	67	69	+6
e-file better way to file Federal taxes	58	66	68	+10
e-file inexpensive way to file Fed. taxes	56	62	65	+9
e-file provides proof of receipt	55	59	62	+7
e-file easy to use w/little hassle	56	57	63	+7

**Demographic  
& Cross-Segmentation Data  
For The Key Segments Analyzed  
In The Report**

# Usage Segments: Demographic Summary

	<b>Users</b>	<b>Non-Triers</b>	<b>Lapsed Users</b>	<b>Quitters*</b>
Total Interviews	(386) 100%	(232) 100%	(95) 100%	(19) 100%
<u>Gender</u>				
Male	49	52	42	66
Female	51	48	58	34
<u>Marital Status</u>				
Married	65	63	59	68
Single	19	20	18	16
Separated, Divorced or Widowed	13	14	20	16
Mean Age:	43	(48)	45	43
Mean HH Size:	3	3	3	3
Have Children	55	(31)	(33)	56
College	59	63	66	50
Mean Income	63k	62k	66k	(81k)
Used Preparer	(68)	(52)	(48)	69
Preparer is CPA	(65)	(85)	76	79
Preparer Offered <i>e-file</i> option	(96)	(31)	(57)	49
<u>Balance Due vs. Refund</u>				
Balance Due	(11)	(24)	(26)	32
Refund	(85)	(64)	68	68
<u>Received Tax Credit</u>				
EITC	(61)	(42)	(43)	56
CTC	(31)	(18)	19	26
Education Tax Credit	(45)	(26)	(24)	34
	(19)	12	10	6

\* Caution: Small Base Size.

## Usage Segments: Cross-Segmentation

	<b>Users</b>	<b>Non-Triers</b>	<b>Lapsed Users</b>	<b>Quitters*</b>
Total Interviews	(386) 100%	(232) 100%	(95) 100%	(19) 100%
<u>Cross-Relationship With Other Segments</u>				
4-group Return Type = Self-Simple	16	26	32	0
4-group Return Type = Self-Complex	14	18	14	26
4-group Return Type = Paid-Simple	32	18	22	19
4-group Return Type = Paid-Complex	34	33	22	39
6-group Return Type = Self-Simple	9	16	19	0
6-group Return Type = Self-Intermediate	5	7	4	13
6-group Return Type = Self-Complex	5	7	2	13
6-group Return Type = Paid-Simple	8	10	15	10
6-group Return Type = Paid-Intermediate	8	7	8	24
6-group Return Type = Paid-Complex	13	14	8	10
Filing Behavior = As Soon As Possible (ASAP)	52	37	35	37
Filing Behavior = When Get Around To It	32	32	40	23
Filing Behavior = Late But Not Last	7	12	12	5
Filing Behavior = Last Possible Minute	8	15	12	19
V-Coder	0	52	55	71

\* Caution: Small Base Size.

## 4-Group Return Type Segments: Demographic Summary

	<b>Self-Simple</b>	<b>Self-Complex</b>	<b>Paid-Simple</b>	<b>Paid-Complex</b>
Total Interviews	(157) 100%	(133) 100%	(186) 100%	(228) 100%
<u>Gender</u>				
Male	43	53	47	55
Female	57	47	53	45
<u>Marital Status</u>				
Married	42	77	57	74
Single	31	12	26	9
Separated, Divorced or Widowed	22	7	14	14
Mean Age:	43	46	41	47
Mean HH Size:	3	3	3	3
Have Children	30	47	52	46
College	62	79	36	71
Mean Income	52k	81k	46k	76k
Used Preparer	0	0	100	100
Preparer is CPA	0	0	67	77
Preparer Offered e-file option	0	0	80	70
<u>Balance Due vs. Refund</u>				
Balance Due	16	24	6	26
Refund	77	74	88	66
<u>Received Tax Credit</u>				
EITC	41	51	59	55
CTC	22	12	39	23
Education Tax Credit	23	40	43	37
	10	17	14	18

## 4-Group Return Type Segments: Cross-Segmentation

	<b>Self-Simple</b>	<b>Self-Complex</b>	<b>Paid-Simple</b>	<b>Paid-Simple</b>
Total Interviews	(157) 100%	(133) 100%	(186) 100%	(228) 100%
<u>Cross-Relationship With Other Segments</u>				
Current <i>e-file</i> Users	41	47	(67)	57
Current <i>e-file</i> Non-Triers	(39)	37	(21)	31
Lapsed <i>e-file</i> Users	(20)	12	11	9
<i>e-file</i> Quitters	0	4	2	3
6-group Return Type = Self-Simple	(59)	0	0	0
6-group Return Type = Self-Intermediate	0	(35)	0	0
6-group Return Type = Self-Complex	0	(33)	0	0
6-group Return Type = Paid-Simple	0	0	(37)	0
6-group Return Type = Paid-Intermediate	0	0	0	(26)
6-group Return Type = Paid-Complex	0	0	0	38
Filing Behavior = As Soon As Possible (ASAP)	48	(29)	(65)	(34)
Filing Behavior = When Get Around To It	33	38	(24)	38
Filing Behavior = Late But Not Last	8	11	6	12
Filing Behavior = Last Possible Minute	9	(18)	(3)	14
V-Coder	(12)	23	25	(36)



# Filing Behavior Segments: Demographic Summary

	<u>ASAP's</u>	<u>When Get To It</u>	<u>Late Not Last</u>	<u>Last -Minute</u>
Total Interviews	(330) 100%	(244) 100%	(70) 100%	(86) 100%
<u>Gender</u>				
Male	47	54	53	47
Female	53	46	47	53
<u>Marital Status</u>				
Married	59	65	74	63
Single	21	20	9	17
Separated, Divorced or Widowed	17	12	8	19
Mean Age:	42	45	48	47
Mean HH Size:	3	3	3	3
Have Children	49	40	41	49
College	54	67	66	66
Mean Income	57k	68k	80k	63k
Used Preparer	65	59	62	51
Preparer is CPA	71	67	88	76
Preparer Offered <i>e-file</i> option	77	76	68	57
<u>Balance Due vs. Refund</u>				
Balance Due	10	14	43	37
Refund	87	79	43	55
<u>Received Tax Credit</u>				
EITC	59	52	42	48
CTC	33	20	20	23
Education Tax Credit	38	39	29	31
	15	15	23	11

# Filing Behavior Segments: Cross-Segmentation

	<b><u>ASAP's</u></b>	<b><u>When Get To It</u></b>	<b><u>Late Not Last</u></b>	<b><u>Last -Minute</u></b>
Total Interviews	(330) 100%	(244) 100%	(70) 100%	(80) 100%
<u>Cross-Relationship With Other Segments</u>				
Current <i>e-file</i> Users	62	52	42	39
Current <i>e-file</i> Non-Triers	26	30	39	42
Lapsed <i>e-file</i> Users	10	16	17	14
<i>e-file</i> Quitters	2	2	1	4
4-group Return Type = Self-Simple	22	21	17	18
4-group Return Type = Self-Complex	10	18	19	25
4-group Return Type = Paid-Simple	38	19	18	7
4-group Return Type = Paid-Complex	24	38	44	41
6-group Return Type = Self-Simple	12	10	15	13
6-group Return Type = Self-Intermediate	6	3	8	9
6-group Return Type = Self-Complex	2	7	8	10
6-group Return Type = Paid-Simple	12	7	11	4
6-group Return Type = Paid-Intermediate	6	10	12	10
6-group Return Type = Paid-Complex	9	12	20	21
V-Coder	20	27	32	32

# V-Coders: Demographic Summary

	<b><u>e-file Users</u></b>	<b><u>V-Coders</u></b>	<b><u>Other Non-Users</u></b>
	(386)	(199)	(121)
	100%	100%	100%
<u>Gender</u>			
Male	49	55	45
Female	51	45	55
<u>Marital Status</u>			
Married	65	64	58
Single	19	16	23
Separated, Divorced or Widowed	13	15	16
Mean Age:	43	47	46
Mean HH Size:	3	3	3
Have Children	55	37	28
College	59	63	65
Mean Income	63k	68k	59k
Used Preparer	68	75	17
Preparer is CPA	65	80	88
Preparer Offered e-file option	96	44	27
<u>Balance Due vs. Refund</u>			
Balance Due	11	28	24
Refund	85	62	70
<u>Received Tax Credit</u>			
EITC	61	47	41
CTC	31	22	17
Education Tax Credit	45	29	24
	19	12	11

# V-Coders: Cross-Segmentation

	<b><u>e-file Users</u></b>	<b><u>V-Coders</u></b>	<b><u>Other Non-Users</u></b>
	(386)	(199)	(121)
	100%	100%	100%
<u>Cross-Relationship With Other Segments</u>			
Current <i>e-file</i> Users	100	0	0
Current <i>e-file</i> Non-Triers	0	65	69
Lapsed <i>e-file</i> Users	0	29	28
<i>e-file</i> Quitters	0	7	3
4-group Return Type = Self-Simple	16	10	52
4-group Return Type = Self-Complex	14	14	23
4-group Return Type = Paid-Simple	32	26	5
4-group Return Type = Paid-Complex	34	47	9
6-group Return Type = Self-Simple	9	5	33
6-group Return Type = Self-Intermediate	5	4	9
6-group Return Type = Self-Complex	5	5	8
6-group Return Type = Paid-Simple	8	16	3
6-group Return Type = Paid-Intermediate	8	14	2
6-group Return Type = Paid-Complex	13	18	3
Filing Behavior = As Soon As Possible (ASAP)	52	35	36
Filing Behavior = When Get Around To It	32	35	34
Filing Behavior = Late But Not Last	7	12	11
Filing Behavior = Last Possible Minute	8	14	15
V-Coder	0	100	0