While consumer research panels have been a popular marketing research tool for decades, they little resemble their counterparts of 40 years ago. At once on the vanguard and considered traditional in the new consumer research landscape, the evolution of panels is the latest example of what happens when forms of media merge. And, anecdotally, at least, research panels now are an increasingly preferred method of quantitative research.

“Definitely consumer panel research is the way to go,” asserts Tom Kadala, president of Hastings-on-Hudson, N.Y.-based ResearchPays Inc. “It is an increasingly popular method of quantitative research. It’s taking the focus group (which, like the consumer panels, is based on recruited participants) and applying it to the science of quantitative research.”

Consumer panels are large numbers (into the tens of thousands) of consumers who have agreed to respond to research inquiries. Typically, the make-up of panels is controlled for accurate representation of various audiences. In working with the respondents, researchers have borrowed techniques from quantitative research, such as random telephone surveys, Internet surveys and mail questionnaires, and from qualitative research, such as focus groups, to create a unique hybrid form of primary research.

“Sometimes, when the response rates are skewed because some segments may be more eager to respond than others, the less responsive segments can be supplemented to yield properly representative yield,” says Joe Adler, managing partner at Bannockburn, Ill.-based The Angell Research Group Inc. “They can certainly be representative. And time and again, that’s what marketers seek.”

In recent years, researchers have increasingly leveraged technology against traditional methods of convening these large numbers of participants.

“What we’re seeing is people adapting principles of panels to other methods of survey,” explains Jonathan Jephcott, executive vice president in charge of online and offline panels for Chicago-based market research giant Synovate Inc. For example, Jephcott touts the benefits of mobile-phone based panels that use Short Message Service text messages. He also uses online panels, which offers nearly instantaneous findings to the client.

Elsewhere, highly targeted touch-tone tele-
Paper view
In 2005, Maastricht University, based in Maastricht, the Netherlands, conducted a survey for an American multinational office equipment maker to determine the popularity of online research, which is more cost-efficient and offers faster response rates than mail-based research. Nearly 1,000 people participated. The findings suggest that while online research garners higher response rates, enough people prefer mail-based research for it to remain a vital part of the quantitative research mix.

Checking boxes
Percentage of respondents indicating a preference for surveys administered through each channel*

<table>
<thead>
<tr>
<th></th>
<th>Mail</th>
<th>Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>16.58%</td>
<td>28.47%</td>
</tr>
</tbody>
</table>

* Most had no preference.

Source: Maastricht University, the Netherlands

The future is now

<table>
<thead>
<tr>
<th>Key trends expected to affect the marketing research industry in the next five years, using data collected from national market research associations and industry analysts from 73 countries</th>
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<tbody>
<tr>
<td>Clients will require more creativity and business intelligence from providers</td>
</tr>
<tr>
<td>Internet research will continue to revolutionize the business</td>
</tr>
<tr>
<td>MR will become more important because of greater incorporation in strategic planning</td>
</tr>
<tr>
<td>There will be much more data available from different sources</td>
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</tbody>
</table>

Source: ESOMAR Vision 2010

PANEL / From page 25

TECHNIQUE EVOLVED WITH TECHNOLOGY

phone-based panels and mail-based panels rely on traditional methods of conducting the research but take advantage of technology to make data-gathering more efficient.

“Nowadays you can define the composition of your sample and select it quickly,” says Jephcott, who explains that researchers typically use a variety of media in preparing the panel. Recruited participants are often asked to complete an online registration survey (with three out of four American consumers having Internet access, researchers no longer are concerned about leaving out significant segments of the population) in which they offer household and other demographic information. That data is compiled in a database from which participants may be chosen for highly targeted consumer panels based on their data. The research itself may be conducted by telephone-based panels to online panels to face-to-face panels, depending on the population.

The care and maintenance of consumer panels hasn’t always taken such a holistic approach. Jephcott says that smart marketers should understand how the research method has evolved to understand where it is headed.

There was a time in the ’50s and ’60s when consumer panel research was conducted through field work. Consumers and marketers met face to face in semiformal settings to discuss products and preferences—essentially, they were focus groups.

The next decade brought about an era of self-completion, when mail questionnaires were sent to consumers to complete at their leisure. It coincided with the rise of prerecruited panels, in which large numbers of households were recruited and screened to determine their likelihood of participation. The step was absolutely necessary: “It became more and more expensive to use postal methods as the cost of postage and printing increased,” Jephcott explains.

By 1980, telephone-based methods began to catch on. “It used to get good response rates, but over time due to abuses of the technique (such as telemarketers posing as researchers) and an era of caller ID, it gave rise to a very low response rate and a lot of hostility, too,” Jephcott says.

So the advent of the Internet brought exciting prospects for new applications for consumer panels. Initially, however, it also posed a new challenge. With little or no access to e-mail addresses, researchers found it difficult to conduct random surveys. Furthermore, Kadala says that random e-mailed Internet surveys were “unfriendly” because users were asked to click on an unfamiliar link to a survey with an unknown endpoint. “So, because you’re busy and you don’t know when it’s going to end, you have a tendency to just click through in hopes of getting that incentive they promised you,” he explains.

The evolution to online panels was a natural, then. Participants were familiar with the researchers and had already indicated their willingness to participate; meanwhile, researchers could target their efforts efficiently and complete their work cheaply and quickly.

Researchers then reintroduced the telephone—an old medium put to new use—and the consumer panel took on a fresh new identity. Telephone-based research, once a tool for random data collection, became an efficient means of conducting in-depth interviews with scores of people who were available and willing to participate in the research rather than eager to hang up and return to the dinner table.

While these modern-day consumer panels aren’t always cheap (a mid-sized online panel of 200 to 400 participants may cost as much to set up as using five interviewers, Adler says), they became cost-effective when conducted in larger sizes—almost half as much as traditional telephone surveys.

This evolution from random mail questionnaires and telephone surveys to cross-channel consumer panels that target highly specific segments of the population has taken time, but researchers agree that it all leads back to the need for efficient primary research. “Consumers are an endangered resource, and they need to be handled gingerly,” Adler says.

N.H. govt., ski industry up ad spending to lure tourists

State government and the ski industry are more than doubling their spending on winter tourism advertising to promote a new message: Come to New Hampshire, whether it snows or not.

The decision to spend an additional $175,000 on advertising came from a brainstorming session in mid-January of 40 North Country business leaders with Gov. John Lynch and state officials. A record-warm December and a lack of snow have hurt businesses for ski areas, snowmobile dealers, lodgers and retailers.

Most of the extra money will come from the state. The state and Ski New Hampshire—the industry group representing the state’s ski areas—each usually spend about $75,000 a year on winter advertising.

—The Associated Press