QUIRK'S

Marketing Research Review

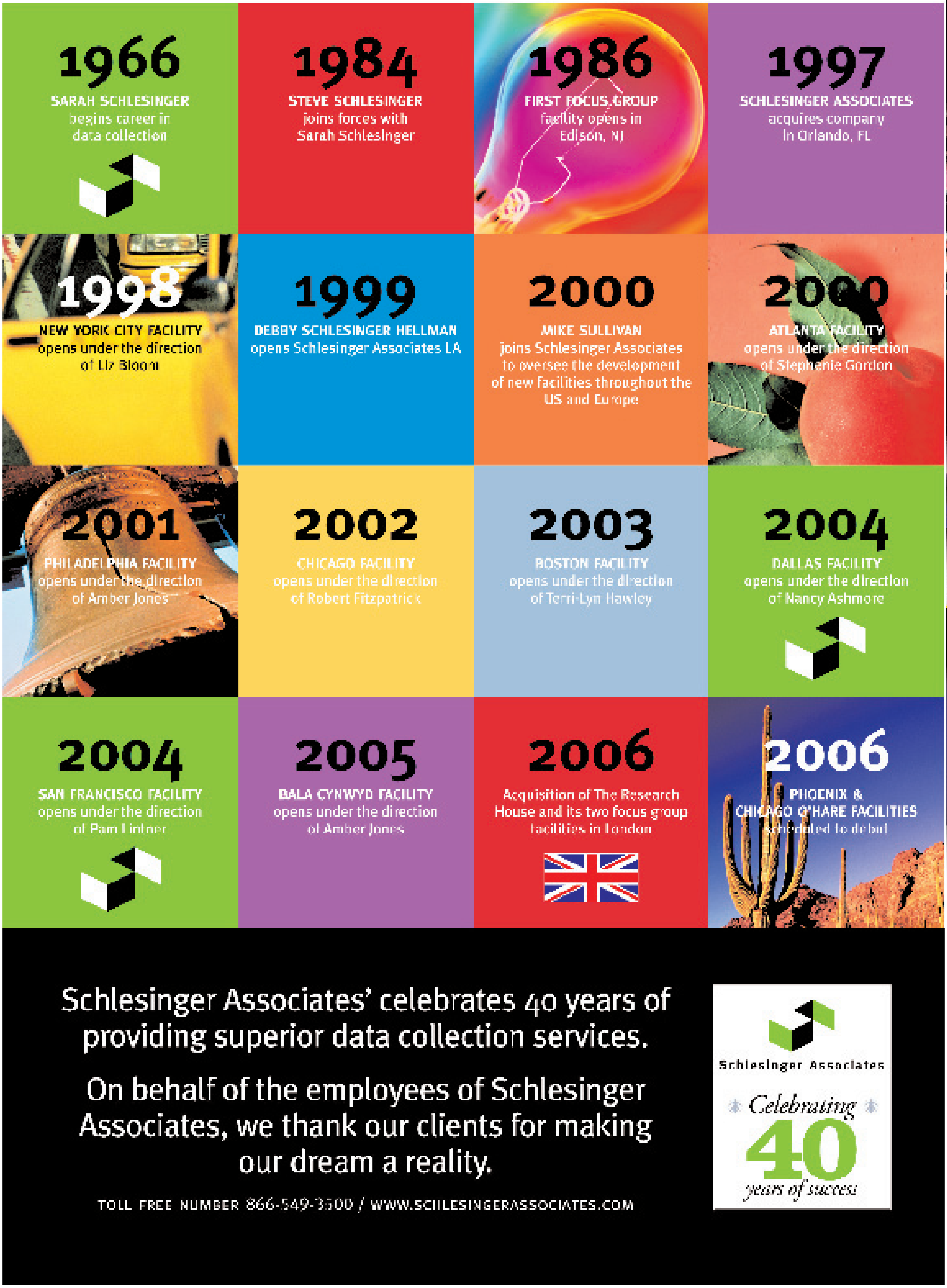
JULY/AUGUST 2006

Online research issue

> Moving diary panels to the Internet

> What factors keep online respondents engaged?

> Global Web adoption rates and their impact on research


1966
SARAH SCHLESINGER
begins career in
data collection
1984
STEVE SCHLESINGER
joins forces with
Sarah Schlesinger
1986
FIRST FOCUS GROUP
facility opens in
Edison, NJ
1997
SCHLESINGER ASSOCIATES
acquires company
in Orlando, FL
1998
NEW YORK CITY FACILITY
opens under the direction
of Liz Bloom
1999
DEBBY SCHLESINGER HELLMAN
opens Schlesinger Associates LA
2000
MIKE SULLIVAN
joins Schlesinger Associates
to oversee the development
of new facilities throughout the
US and Europe
2000
ATLANTA FACILITY
opens under the direction
of Stephenie Gordon
2001
PHILADELPHIA FACILITY
opens under the direction
of Amber Jones
2002
CHICAGO FACILITY
opens under the direction
of Robert Fitzpatrick
2003
BOSTON FACILITY
opens under the direction
of Terri-Lyn Hawley
2004
DALLAS FACILITY
opens under the direction
of Nancy Ashmore
2004
SAN FRANCISCO FACILITY
opens under the direction
of Pam Lintner
2005
BALA CYNWYD FACILITY
opens under the direction
of Amber Jones
2006
Acquisition of The Research
House and its two focus group
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2006
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Volume XX Number 7

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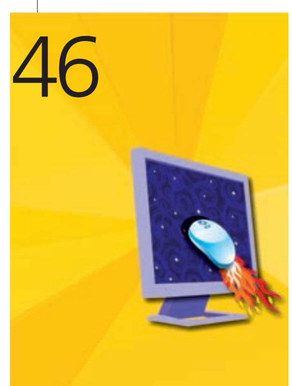

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Novatest
Nueva Investigacion
Oakbrook Interviewing Center
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in case you missed it...

news and notes on marketing and research

CBS launches online outlet

As reported by Wayne Friedman of Media Daily News in May, CBS Corp. has launched innertube, an ad-supported online entertainment channel targeting much-coveted younger viewers and the advertisers desperate to reach them.

Visitors will have free access to original content, companion shows to existing CBS shows, repeats of CBS Corp. shows and material from the CBS library. "It's an era of ideas," said Larry Kramer, president of CBS Digital Media, about innertube. "This is a moment in history where advertisers and programmers have come together. We assume we'll get viewers coming from [CBS] but we hope to get [new] young viewers as well."

Innertube already has a few charter advertisers including Brinkmann Corporation, Cadbury Schweppes, Chili's, Pier 1 Imports and Verizon SuperPages.com.

While the name innertube would seem like a spin off of the popular YouTube.com, CBS says that isn't the case. "But we wouldn't mind if their young viewers came over," said Nancy Tellem, president, CBS Paramount Network Television Entertainment Group.

New shows already on the innertube include: Animate This!, where celebrities narrate personal events with animation; BBQ Bill, a scripted sketch-comedy series. Summer shows include InTurn, in which a group of young hopefuls live together while going through "soap opera boot camp" with the ultimate goal of being cast on CBS's As the World Turns and The Green Room, an entertainment magazine show that takes an offbeat look at CBS programming.

"CBS Caches In On Broadband Craze, Launches Innertube," Media Daily News, May 5, 2006.

Exotic fruits and veggies transform produce departments

As detailed in the May issue of Facts, Figures & The Future (www.factsfiguresfuture.com), an e-newsletter from the Food Marketing Institute, ACNielsen and the Lempert Report, produce - the showpiece department of many supermarkets - is taking on a more ethnic character.

The growing Hispanic and Asian populations in the United States have increased the demand for exotic fruits and vegetables from far-flung nations, in the process adding a new zest to grocery produce departments. The result is not only greater appeal to these surging subgroups but a wealth of tasty treats for adventurous general-market consumers to sample and eventually accept.

Mangoes, papayas and avocadoes once crossed this bridge and are now part of mainstream displays. Today, colorful chili peppers, beans, melons and eggplants are among varieties attempting the same feat.

They bring a welcome taste of the homeland to recently acculturated emigrants and add a colorful touch to produce displays, which are so key to where people decide to shop. "An astonishing 47 percent of general consumers have changed their entire shopping patterns from one supermarket to another based solely on the quality of the fresh fruits and vegetables one offers over the other," said Dan Henderson, director of market research at the Produce Marketing Association (PMA).

Hispanics place an even higher priority on "fresh, high quality fruits" than U.S. shoppers overall: 97 percent rate it a "very important grocery feature" versus 87 percent among the broader population base, according to the PMA's Hispanic and Fresh Produce report.

Hispanics are attractive customers because they cook dinner at home 5.6 times a week and spend 47 percent more on produce than the general-market consumer: $228 annually versus a national average of $157 and a non-Hispanic tally of $152, PMA figures show. "Hispanics do their produce shopping at the supermarket 72 percent of the time, and at supercenters and mass merchants 16 percent of the time, so they're generally satisfied with product availability," said Henderson.

To entice more trial of new items, PMA research indicates that people want more taste tests and staff on hand who can speak of nutritional value, how to store, how to cook and how to make products viable for them. Many consumers first encounter these ethnic tastes in restaurants and want to be able to replicate those positive experiences, Henderson said.

McDonald's tests e-coupon offer in Tulsa

In April, Tulsa-area McDonald's restaurants launched an interactive promotion targeting cell phone owners with a mobile scavenger hunt and electronic coupon offer, said Promo Xtra's Amy Johannes.

The Mobile Whoa promotion let customers "play" with the McDonald's brand via a mobile scavenger hunt that sent consumers to local restaurants to solve trivia questions. To play, consumers had to text the word "hunt" to 62931 or register at mobilewhoa.com. Once registered, consumers received a series of six questions, including trivia specific to McDonald's newly designed restaurants and to Oklahoma.

The first 4,000 consumers who registered via text messaging or online and opted-in to receive McDonald's promotions received a $5 Arch card.

The goal of the promotion was in part to promote recent design changes at Tulsa restaurants. Many of the 74-area restaurants in northeastern Oklahoma have been remodeled to include wireless Internet, cashless technology and plasma-screen TVs.

"This promotion complements the whole goal of making things easier for customers," said Jennifer Smith, McDonald's spokesperson for the West division. "It's a fun way to interact with our customers."

Dallas ad agency Moroch Partners worked with Gamut Industries, a San Francisco mobile marketing company which developed the technology that delivers mobile coupons in SMS, WAP or J2Me formats.

Consumers could also win free music ring tones and wallpapers for snapping pictures of themselves inside newly designed McDonald's restaurants.

This isn't the first time a McDonald's market has offered mobile coupons. Last fall, more than 600 McDonald's restaurants in southern California offered mobile coupons for a free McFlurry dessert.

And other markets are sure to follow. Promotion using cell phones is being considered by "a number" of other McDonald's markets. "As a promotion, this is something that will catch on," Smith said.

"McDonald's Tulsa Market Goes Mobile," Promo Xtra, April 7, 2006, http://promomagazine.com

172 million now online

According to a Harris Poll, the number of adults who are online at home, in the office, at school, a library or other locations continues to grow at a steady rate. In the past year, the number of online users has reached an estimated 172 million, a 5 percent increase.

In research among 2,032 U.S. adults surveyed by telephone in

February and April 2006, Harris Interactive, Rochester, N.Y., found that 77 percent of adults are now online, up from 74 percent in February/April 2005, 66 percent in the spring of 2002, 64 percent in 2001 and 57 percent in the spring of 2000. When Harris Interactive first began to track Internet use in 1995, only 9 percent of adults reported they went online.

The proportion of adults who are now online at home has risen to 70 percent, up from 66 percent in 2005 and 55 percent in the spring of 2002. The percentage of those online at work has not really changed (35 percent now, 36 percent in 2005) yet is still up from 30 percent in the spring of 2002. Adults who are online at a location other than their home or work also remains steady at 22 percent (21 percent in 2005, 19 percent in the spring of 2002).

As Internet penetration rises, the demographic profile of Internet users continues to look more like that of the nation as a whole. It is still true that more young than older people, and more affluent than low-income people, are online. However, 8 percent of those online are now age 65 or over (compared to 16 percent of all adults who are 65 or over), 39 percent of those online (compared to 47 percent of all adults) did not go to college and 14 percent have incomes of less than $25,000 (compared to 19 percent of all adults). The Harris Poll was conducted by telephone within the U.S. between February 2006 and April 2006 among 2,032 adults (aged 18 and over). For more information visit www.harrisinteractive.com.

Lawn and garden market growing like weeds

The increase in U.S. home ownership and the popularity of relaxing and entertaining outdoors are contributing significantly to developments in the U.S. lawn and garden industry, according to a report from Chicago research firm Mintel. The market was projected to reach $95 billion last year, up 5.6 percent since 2004. Mintel partnered with trade magazine *Nursery Retailer* to identify key trends in the industry and support the category's market size.

Most consumers have some outdoor space to use for growing green goods. According to the Hearth, Patio & Barbecue Association, almost 60 percent of the 1.8 million new homes built in 2004 have a patio, porch or deck. In a Mintel survey, 85 percent of respondents have a yard and 48 percent have a garden. Consumers prefer to use this space for retreat and relaxation. "Americans are extending their living space outside the house," says Jeff Morey, president and publisher of *Nursery Retailer*. "They want outdoor areas they can make into havens for personal enjoyment or entertainment. The variety of gardening options, from the water and container category to the herb and vegetable category, provides a means for making this space into an 'outdoor room of one's own.'"

For many, cooking with fresh herbs and produce is the reward for hard work in their gardens. According to the Mintel survey, more than a third of respondents engage in outdoor herb and vegetable gardening. This trend is driven by increased interest in organic and healthy cooking. A separate survey showed that more than 56 percent of nearly 25,000 respondents look for the freshest ingredients when they cook. This figure jumps to 67 percent among those who garden. According to the National Farmer's Market Directory, the number of farmers' markets increased 111 percent between 1994 and 2004. They have introduced consumers to the benefits of greens, herbs and produce.

In general, the growth in home ownership has resulted in more lawn and garden care. Those selling their homes use landscaping to increase the property's value. Those buying want to make the

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names of note

Portland, Ore.-based research firm *Doxus* has named **Eric Coffey** senior project manager.

Cathy Prewitt has joined Cincinnati-based *MarketVision Research* as vice president.

Minneapolis research firm *Information Specialists Group Inc.* has named **Jay Schaefer** director of public sector research. **Charlyn Psihos** has been named account manager supporting the new division. The firm also named **Kelley Loughrey** vice president.

Consumer Pulse, Birmingham, Mich., has named **Eleanor Yates** operations manager.

Stamford, Conn., research firm *InsightExpress* has named **Michele Kennedy** senior account executive and promoted **Bob Flathers** to senior account executive.

Donna Zimmerman has joined *AllPoints Research Inc.*, Winston-Salem, N.C., as research assistant.

The NPD Group, Port Washington, N.Y., has named **Larry Moore** president of the company's Canadian business unit. He will be based in Toronto.

Vehicle parts maker *The Holland Group Inc.*, Holland, Mich., has appointed **Ken Griswold** as director, global marketing services and aftermarket. Marketing research will be among his responsibilities.

The Analytical Group Inc., Scottsdale, Ariz., has named **Deanna Selden** project director. In addition, **Keith Ray** has been named software developer and **Bill Stone** has been named strategic planning manager.

Charles R. Thompson has joined *Abt Associates*, Cambridge, Mass., as domestic health division vice president. In addition, **William Schlenger** has been named principal associate.

Adidas has named **Eric Liedtke** head of global brand marketing for the adidas brand. Market research will be among his responsibilities.

Joyce Neth has joined ag publisher *WATT Publishing Company*, Mt. Morris, Ill., as director, research and insight.

Waltham, Mass., researcher *Invoke Solutions* has named **Ben Cesare** president and chief executive officer.

Boston-based *AMR Research* has named **Steve Hochman, Michael Barrett** and **Ian Finley** research director.

Ottawa research firm *Opinion Search Inc.* has added **Christiane Ballant** as manager of qualitative services. She will responsible for the operation of the firm's Montreal focus group facilities.

Ravi Parmeswar has been named vice president of the central insights group at *Sara Lee Food & Beverage*. He will lead the North American consumer, shopper and retailer research and insights teams.

Synovate has named **Emiel van Wegen** director, client service and training for Europe; and **Shaun Griffin** director, client service and training for Asia Pacific.

Pelegrin Gray Research, Glendale, Calif., has named **Walter Baric** senior vice president.

Millward Brown announced a number of personnel moves at its associated companies. At the Naperville, Ill., office: **Brian James** has been promoted to senior vice president; **Erica Chan, Jeremy Coen** and **Gina DeBari-Bouris** have been promoted to vice president. In Atlanta, **Eric Peerless** and **James May** have been promoted to vice president. **Christian Dorffer** has joined Millward Brown Optimor as senior vice president.

Lightspeed Research has named **David Day** European chief executive officer. He will be based in London.

Research International has announced several appointments. **Julian Bond** has been named CEO of its U.K. company. **Stefano Carlin** will head up Research International in Italy. **Steve Mitchell** has been named U.K. chief operating officer. **Annette Muller** has been named expert units director. **David Walker** has been named client service director. **Dave Phillips** has been named U.K. client development director. **Mark Kingsbury** has been named global solutions director for market strategy. **Grace Dibonaventura Beyer** has been named vice president/account director of global healthcare in Washington.

GfK HealthCare announced four senior appointments to its executive team: **Scott Davies**, healthcare director for Asia; **Alan John**, director of healthcare Thailand; **Clive Marshall**, managing director China; and **Keren Priyadarshini**, director of healthcare Singapore.

Reston, Va.-based *comScore Networks* has named **John M. Green** chief financial officer.

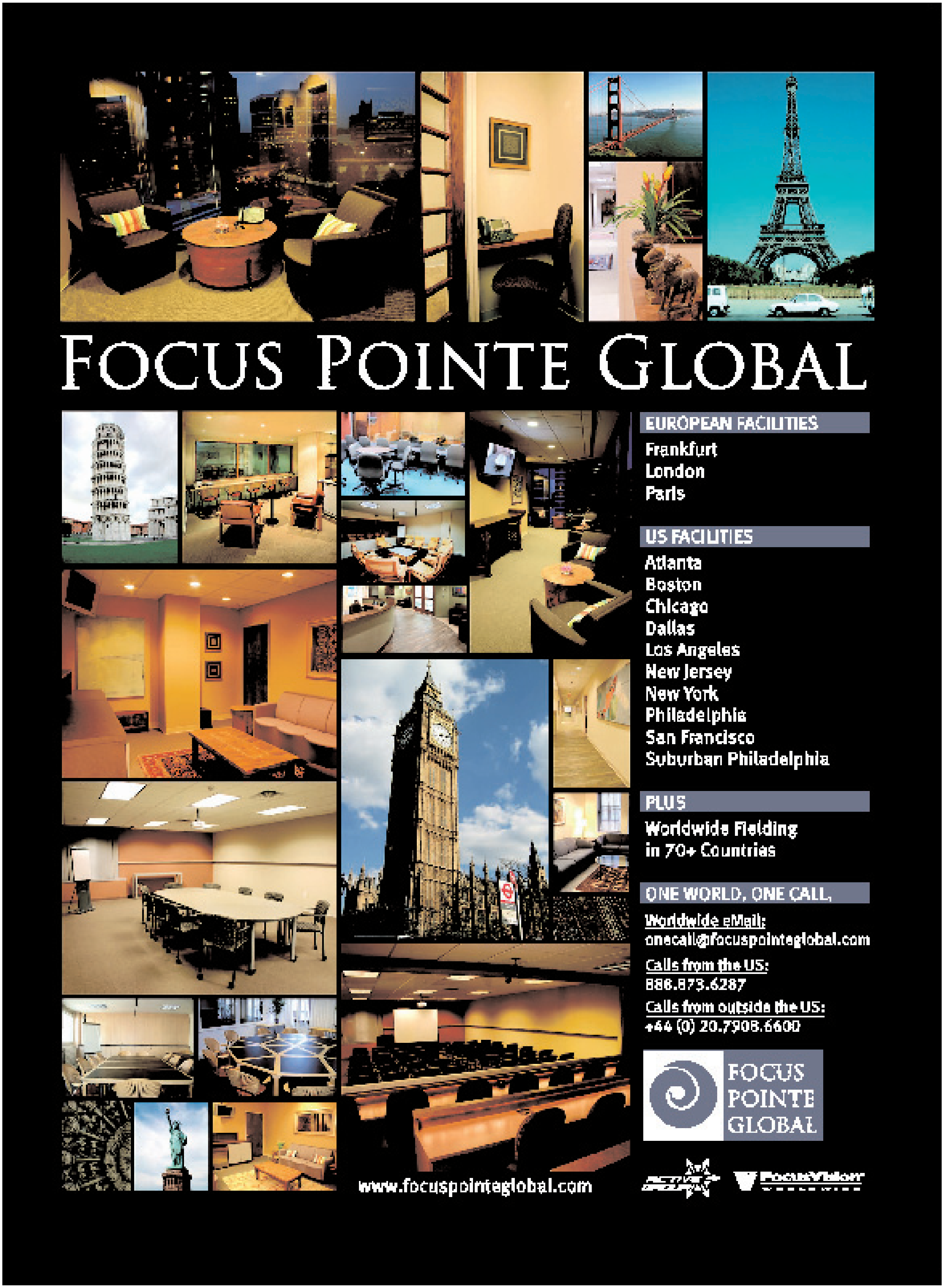
Donna Fitzpatrick has joined *Gilmore Research Group*, Portland, Ore., as senior vice president, strategic services.

TVG Marketing Research & Consulting, Dresher, Pa., has added **Scott Lauder** as vice president, strategic marketing and development.

Linda Schaible has been appointed vice president and director of marketing for the *Orlando Sentinel*. She will oversee the company's database marketing, research, consumer marketing and creative services functions.

Tom Hughes has been named director of research services for *Sentient Services LP*, an Austin, Texas, marketing and advertising firm.

Megan Di Franco has joined *JD Franz Research Inc.*, Sacramento, Calif., as project coordinator.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product and service update

Scarborough adds Claritas products to database

New York-based Scarborough Research has augmented its service to provide more consumer detail in the financial and telecom industries with the addition of the Claritas Inc. segmentation products ConneXions and P$YCLE NE to its database.

Scarborough clients seeking in-depth information on consumer habits in the telecom categories can execute analyses that combine Scarborough's local, regional and national consumer shopping, media, lifestyle and demographic information with ConneXions product usage, purchasing intent, product preference and product switching behavior insights. Similarly, financial marketers can use the consumer investment and financial behavior information in P$YCLE NE along with Scarborough's measurements.

ConneXions is a household-level segmentation system for the telecom industry, designed for video, voice and data services. It differentiates individual households by the types of communications products and services they currently have or intend to purchase, as well as monthly bill expenditures for these services. Scarborough's measurements in the telecom category include cellular, local and long distance usage and spending, television connections (cable, digital cable, VOD, satellite, etc.), and Internet usage, connections and shopping insights.

P$YCLE NE evaluates consumers using demographic factors that have an effect on their financial behavior, such as income, age, presence of children and home ownership. Each of the 58 consumer segments within P$YCLE NE has distinct usage patterns for financial products and services. Scarborough information in this category covers the banks and financial institutions consumers use on the local-market level, as well as the banking services in their household (investments, online banking, checking and savings accounts, credit cards, etc.). For more information visit www.scarborough.com.

New Dub versions from Nebu

Netherlands-based research software firm Nebu BV has released new versions of its software suite. Version 2.3.1 of its Dub Knowledge panel management system includes new features such as rim-based sampling capabilities, enhanced query structures to enable excluding of previous samples, improvements to automated/scheduled "lights out" sampling runs and UNICODE support. The new 6.3 version of its multimode interviewing system Dub Interviewer adds tools for managing a distributed CATI/Web interviewing environment. New releases of the Dub Planner CATI and Dub Planner CAPI field force management tools are also available. For more information visit www.nebu.com.

Simmons launches media engagement study

Simmons Research, Fort Lauderdale, Fla., has unveiled plans for its new National Multi-Media Engagement Study, a measurement system that will provide ratings of the cognitive, behavioral and emotional involvement consumers have with media. Simmons is developing this measure of engagement to help marketers communicate with the consumer. Brand advertising, as well as the media environments supporting that advertising, must resonate on key dimensions that result in an "engaged" prospect or customer.

The Simmons National Multi-Media Engagement Study will enable marketers to evaluate consumer engagement levels both within a single medium as well as across multiple media channels. The study will measure and report on several hundred individual media vehicles across broadcast and cable television, Internet and print properties in both English and Spanish. In addition, Simmons will also link results to the product and media usage behaviors and lifestyle descriptors in its Unified National Consumer Study. This will permit subscribers to look at engagement

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research industry news

News notes

Simmons Research, Fort Lauderdale, Fla., has been awarded a patent by the United States Patent and Trademark Office for a process underpinning its Television BehaviorGraphics. The patent was awarded for the system of integrating information from disparate databases for the purposes of predicting consumer behavior. It protects Simmons' intellectual property rights to the database integration processes developed for Television BehaviorGraphics, Movie BehaviorGraphics, Shopper BehaviorGraphics and the integration of other proprietary databases with Simmons National Consumer Study.

Calendar of Events August-November

Scarborough Research will hold its annual Scarborough Sales, Research and Marketing Conference on August 8-10 at the Venetian Hotel in Las Vegas. For more information visit www.scarborough.com/ssrm.

The Photizo Group will hold review sessions to help marketers prepare for the Product Development Management Association New Product Development Professional certification exam. Training dates are August 23-25 in St. Louis and October 25-27 in Cincinnati. For more information visit http://photizogroup/contact/pdmatrain.html.

The American Marketing Association will hold its annual marketing research conference on September 10-13 in Chicago. For more information visit www.marketingpower.com.

ESOMAR will hold its annual congress on September 17-20 at the Queen Elizabeth II Conference Centre in London. For more information visit www.esomar.org.

The Qualitative Research Consultants Association will hold its annual conference on September 27-30 at the Intercontinental Hotel - Buckhead, Atlanta. For more information visit www.qrca.com.

IIR will hold a conference on improving respondent cooperation and data quality on September 28-29 in Chicago. For more information visit http://iir-ny.com/respondentcooperation/.

ESOMAR will hold a conference on qualitative research on October 8-10 in Athens. For more information visit www.esomar.org.

The Council of American Survey Research Organizations will hold its annual members-only conference on October 18-20 at the Ritz-Carlton, Marina del Rey, Calif. For more information visit www.casro.org.

Mature Marketing and Research will hold a conference, titled Beyond the Boomers: The Transition Years, at the Chicago Hilton on October 20. For more information contact Les Harris at mmrharris@aol.com.

IIR will hold its annual market research event on October 22-26 at the Century Plaza Hotel in Los Angeles. *Quirk's* subscribers can receive 15 percent off the standard price by using registration priority code XM1828QUIRKS. For more information visit www.themarketresearchevent.com.

ESOMAR will hold its annual Latin American conference on October 25-27 at the Sofitel Rio de Janeiro. For more information visit www.esomar.org.

ESOMAR will hold a conference on researching the leisure industry on November 5-7 at the Radisson SAS Hotel in Rome. For more information visit www.esomar.org.

ESOMAR will hold a conference on researching responsible business practices on November 7-8 at the Radisson SAS Hotel in Rome. For more information visit www.esomar.org.

The Marketing Research Association will hold its annual fall education conference on November 8-10 at the Sheraton Wild Horse Pass Hotel, Scottsdale, Ariz. For more information visit www.mra-net.org.

ESOMAR will hold a conference on public sector research on November 9-10 at the Radisson SAS Hotel in Rome. For more information visit www.esomar.org.

IIR will hold its European market research event on November 13-16 at the Riverbank Park Plaza Hotel in London. For more information visit www.iirusa.com.

Parks Associates will hold Connections Europe - Strategies for Digital Living Markets, a conference on digital lifestyle solutions for residential and mobile environments, on November 14-16 at the Adlon Kempinski, Berlin. For more information visit www.connectionseurope.com.

Milwaukee research firm **Market Probe** celebrated its 30th anniversary in May.

Fieldwork International, the field division of the health care arm of research agency Synovate, unveiled new look in May with a complete re-branding.

Sigma: Research Management Group, Cincinnati, is celebrating its 25th anniversary during 2006.

Acquisitions/transactions

Research firm **Technomic** has acquired the practice of **Mount Vernon Strategies** (MVS). MVS specializes in providing marketing research and strategic consulting services to private equity firms and consumer-branded companies. MVS President Charles Collier has joined Technomic as vice president. He will split his time between Technomic's headquarters in Chicago and the MVS offices in Boston.

Alliances/strategic partnerships

Stamford, Conn., research firm **InsightExpress** and Denver-based research company **iModerate** announced that InsightExpress will become an authorized provider of iModerate's one-on-one interview tool. The agreement joins InsightExpress' quantitative survey platform with iModerate's qualitative research technology.

Harris Interactive Service Bureau, Rochester, N.Y., has formed a strategic alliance with Oak Brook, Ill.-based **DM2-DecisionMaker**, a division of Reed Business Information, to co-develop new online expert decision-maker panels.

Association/organization news

Betul Khan, managing director of Millward Brown Turkey, has been elected president of the **Turkish Market Research Association** for a two-year term.

Awards/rankings

Norman Nie, chairman and co-founder of **SPSS Inc.**, Chicago, has received the Lifetime Achievement Award from the American Association of Public Opinion Research for his work in survey research tools, methodology and his award-winning books.

Portland, Ore., research firm **Doxus** ranked No. 4 on Media Inc.'s Top Market Research Companies List. Market research firms in the Northwest were ranked by 2005 development revenue, as reported in surveys submitted to Media Inc.

G & S Research, Carmel, Ind., took third place in the inaugural Best Places to Work in Indiana program in the small-to-medium-sized companies category (comprised of companies employing between 25 and 199 people). The Best Places to Work in Indiana program was created by the Indiana Chamber of Commerce in partnership with the Indiana State Council of the Society of Human Resource Management and Best Companies Group. Rankings were based on employer reports of company policies, practices and demographics as well as employee surveys.

New accounts/projects

CBS Radio has entered into a seven-year agreement for New York-based **Arbitron Inc.'s** Portable People Meter radio ratings when the new audience ratings technology is deployed in the 35 CBS Radio mar-

continued on page 108

> qualitatively speaking

By John Houlahan

Survey finds acceptance of focus group video transmission

Since being introduced in 1990, live video transmission of focus groups has become a frequently used tool in the qualitative research toolbox. Focus facilities worldwide have installed the technology, which allows market researchers to have their projects transmitted live via videoconferencing or video streaming over the Internet to distant viewers. The result for researchers and their colleagues is that now not everyone has to travel to every focus group to participate in this important part of the strategic planning process.

But how is this capability really being used by researchers? Are they getting more people involved in their research or merely replacing their own travel? What is driving usage? What makes a successful transmission in the eyes of users? Why do some not use the technology at all? Will usage increase or decrease in the future?

As a provider of these services, my firm sought answers to these and other questions. We undertook a market survey to determine usage and perceptions of video transmission services for focus groups and other qualitative research within the market research industry. The study was designed, fielded and reported by Stamford, Conn., research company InsightExpress.

A quota sample of 655 respondents was used, all of whom utilize or conduct qualitative research; 421 were end-client researchers who use video transmission and 117 were non-users of the technology; 152 were providers of research services who moderate and conduct qualitative research.

Note the changes

Before turning to the survey results, it is important to note some of the changes that have influenced qualitative research interviewing since video transmission was introduced 16 years ago. A more conservative business climate with reduced staffing and more cost control has certainly evolved over that time. Events of September 11 further reduced corporate travel. Video transmission technology has improved dramatically and has seen a migration from videoconferencing to video streaming over the Internet.

Editor's note: John Houlahan is founder and CEO of FocusVision Worldwide Inc., Stamford, Conn. He can be reached at jhoulahan@focusvision.com.

Focus groups and qualitative research have also increased in status, no longer considered just a "quick and dirty" methodology. Top corporate management is calling for marketing personnel to have intimate knowledge about and personal exposure to customers and prospects. Qualitative research fits these goals. The title of research director is morphing into "director of consumer insights." Almost every marketing research budget includes qualitative programs. As a result there were an estimated 239,000 focus groups or IDIs conducted in U.S. in 2005 and just over half a million (501,000) when the remainder of the world is added.

Bob will try anything to get
to know his customers.

VISIONCRITICAL

Days of Qualitative Research Conducted in Last 12 Months

	Client End Users	Research Providers
Greater than 75 days	10%	39%
Between 26-75 days	32%	26%
Between 11-25 days	38%	28%
Less than 10 days	20%	7%
Total	100%	100%

Percent of Projects for Which Video Transmission is Used

	Client End Users	Research Providers
Greater than 75%	22%	5%
Between 51% to 75%	10%	5%
Between 26% to 50%	12%	13%
Between 10% to 25%	14%	20%
Less than 10%	21%	39%
Never use	21%	18%
Total	100%	100%

So where does video transmission stand today? Here are the survey results:

End-client researchers in the study are primarily department heads and research project managers commissioning qualitative research for end-client organizations. Those in the research provider category include mainly moderators but also project account managers and field coordinators with qualitative supplier organizations. The sample represents a wide range of usage frequency and a significant group of heavy users.

There is also a wide range of frequency of using video transmission for projects, including a number who use the technology for over half of their projects and some who never use it.

Among end-client researchers who use video transmission, the primary usage reasons are to increase exposure to the live sessions so more interested parties can participate overall, or when some team members can't or do not want to travel. Only 10 percent appear to be using video transmission primarily to replace their own travel. This indicates that research personnel often feel they must, or prefer to, attend groups in person, but offer the option of video transmission to team members for convenience and to optimize the value of the qualitative project. These account for 73 percent of primary reasons for usage. Other reasons such as to save money or save time are 10 percent or below.

Non-users seem reasonably open-minded about possible future use. They do not appear to have negative perceptions or serious concerns about the technology; it seems to be more a lack of information.

Perceived high price is a stumbling block for some, but most just don't know about price. Verbatims reveal that there is some apprehension that distant viewers may get distracted or not be fully attentive. Some researchers feel "it is just not the same as being there." And because all viewers are not together under the watchful eye of the research leader, some may jump to premature, unwarranted conclusions.

What users want

The most important attributes that users insist on are very straightforward: audio and video quality, and reliability. And users seem satisfied with the performance of video transmission on these attributes. As a summary measure, 67 percent rated the overall experience excellent/good, 20 percent neutral, and 13 percent fair/poor.

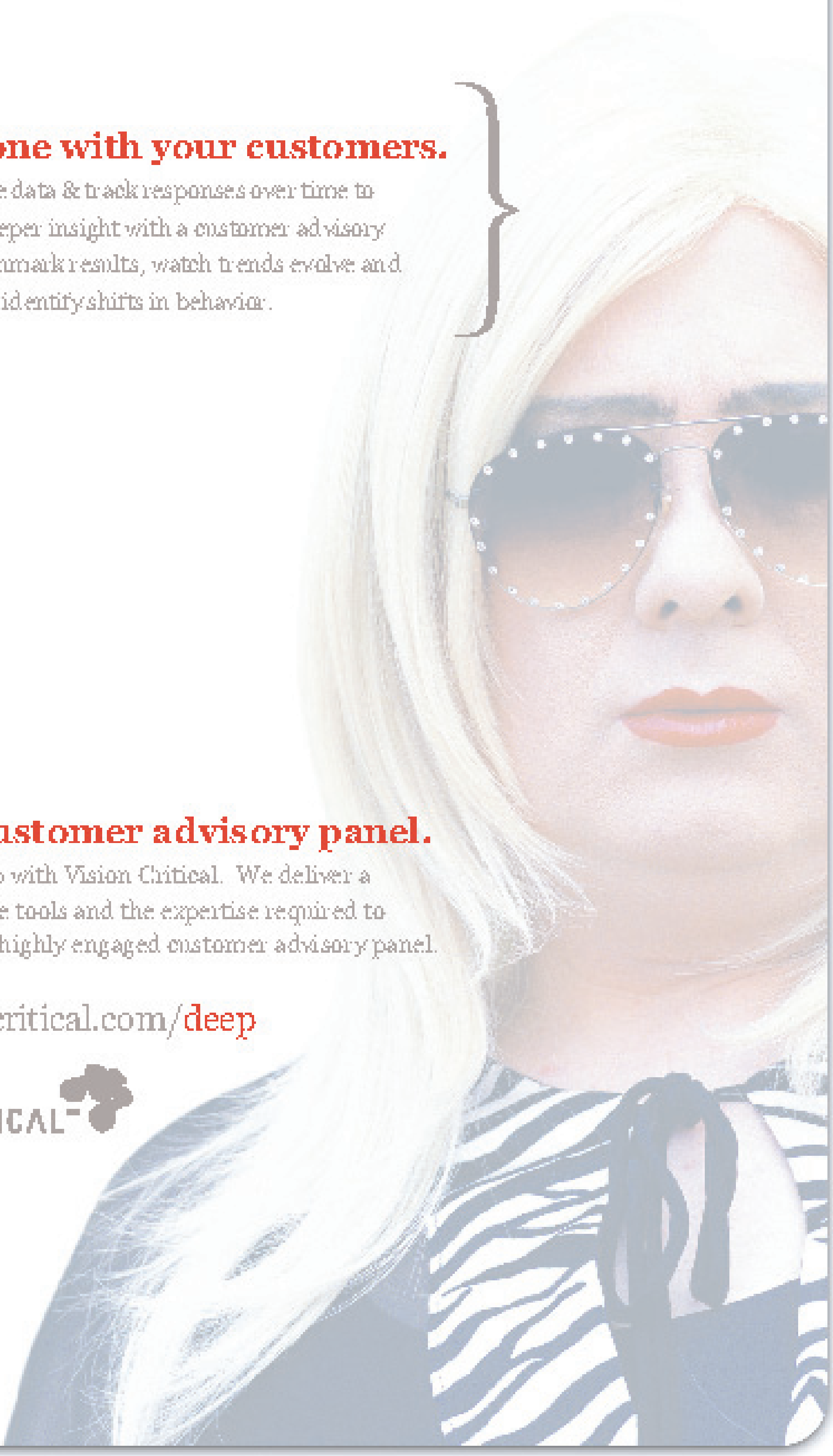
In direct questioning about per-

Primary Reasons End-Client Researchers Use Video Transmission

Use when someone else can't or does not want to travel	38%
Use to increase exposure to and participation to project	35%
Use when I personally can't or do not want to travel	10%
Use to save money	10%
Use to save time	3%
Other	3%

Become one with your customers.

Centralize data & track responses over time to harvest deeper insight with a customer advisory panel. Benchmark results, watch trends evolve and identify shifts in behavior.



Create a customer advisory panel.

Take the first step with Vision Critical. We deliver a suite of innovative tools and the expertise required to help you create a highly engaged customer advisory panel.

www.visioncritical.com/deep

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Importance and Satisfaction with Attribute Rating: 5 Excellent, 1 Poor

Attribute (% Citing as Extremely Important)	Excellent/ Good 5-4	Midpoint 3	Fair/ Poor 1-2
Audio & video quality (72%)	44%	37%	19%
Reliability (83%)	58%	40%	11%
Customer service (34%)	49%	57%	8%
Tech support (53%)	53%	37%	10%
Price (30%)	26%	47%	27%
Overall experience (NA)	67%	20%	13%

ceptions of price, there is a dichotomy. While 46 percent consider the price for video transmission reasonable, 42 percent think it is expensive.

Future usage

The future looks good for video transmission. When asked about future use expectations present users and non-users of video transmission responded, as shown in the tables.

Moderators, of course, need to be at the focus facility in order to conduct the sessions. However, the study showed that research provider experience has been generally satisfactory when clients use video transmission, so if the client wants it, it is OK with them. And many expect their involvement with

Perception of Price Among End-Client Researchers

Reasonable	46%
Expensive	42%
Don't Know	12%
Total	100%

Research Provider Expectations for Future Usage

Expect usage to increase	37%
Stay about the same	63%
Expect usage to decrease	—
Total	100%

User Expectations for Future Usage

Will increase usage	34%
Stay about the same	63%
Will decrease usage	3%
Total	100%

Non-User Expectations for Future Usage

Yes, will consider	20%
Not sure	56%
No, will not consider	24%
Total	100%

video transmission will increase in the future.

Recognition and acceptance

As the survey results show, video transmission has clearly found a place in many corporate research programs. There is recognition and acceptance that this technology can enhance qualitative research by making the live events more accessible for research and marketing personnel who use the information. | Q

> data use

By Keith Chrzan

An overview of pricing research

Marketers take obvious risks when pricing new products or services, or changing the prices of existing ones. Setting price too high or too low will result in lower profits. In arriving at a pricing strategy, firms should consider several factors including: the strategic objectives; the product's fixed and variable costs; the target audience; product positioning; distribution strategy; the competition; the product life cycle.

Pricing decisions typically involve analysis of historical data, competitive benchmarking and a healthy dose of managerial judgment. They should also involve research among buyers, because understanding price elasticity (the sensitivity of demand to price) allows more informed decision-making.

Researchers have several ways to do pricing research, all of them imperfect. People spend dollars in surveys more liberally than they spend them in the real world (in the survey world, your wallet is always full and your credit card is never near its limit). Nonetheless, some pricing methods work better than others and a designed experiment (a discrete choice experiment) often works best. In this article we also review several other approaches to pricing research and discuss relative strengths and weaknesses.

Editor's note: Keith Chrzan is director of marketing sciences, Maritz Research, St. Louis. He can be reached at keith.chrzan@maritz.com.

Designed pricing experiments

Designed choice experiments are appropriate for pricing research when:

- the price of the product can realistically be changed;
- there are competing products in the market, and;
- competitors may change their prices as a competitive response.

The questions that comprise a pricing experiment questionnaire are complicated and require paper-and-pencil or Web-based data collection.

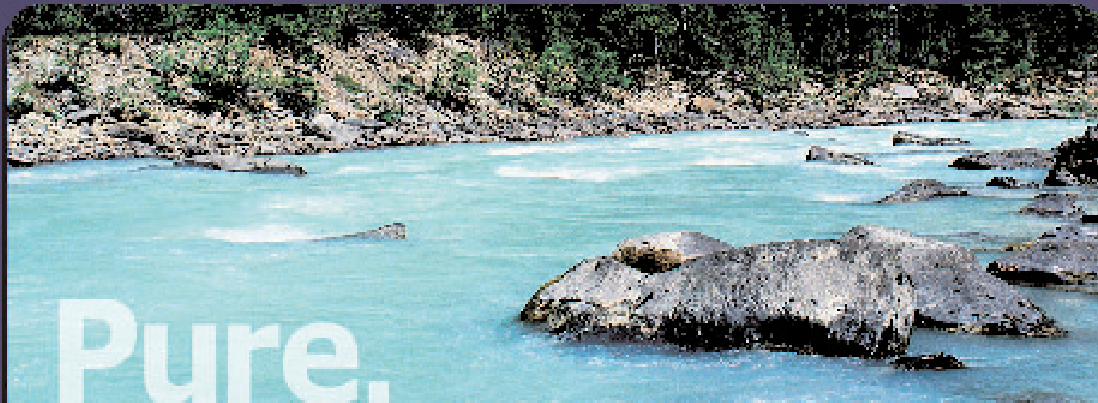
Pricing studies usually involve a random sample of qualified purchasers in the product category, with typical sample sizes of 200-400 per separately reportable group. Variables affecting sample size include:

- number of brands in the competitive set;
- number of price points;
- expected complexity of the price sensitivity function;
- types of "special effects" built into the model, and;
- others.

The guts of a pricing study are several (usually 15-20) questions wherein respondents select from choice sets containing the client's product(s), other products in the client's portfolio and competitors' products, each at different price points. In addition to brand names and prices, the products may also have specific attributes listed.

The first couple of questions from an experiment that has just price and brand in it might look as shown in Figure 1.

Across the several questions, the exact mix of brands and prices varies from one choice question to



Fresh. Unbiased.

Can Your Online Sample Withstand THE OPINION PLACE CHALLENGE?

Surveys Taken in the Past 30 Days*

Surveys Taken	Opinion Place	Panel Average	Panel 1	Panel 2	Panel 3
1	63%	10%	6%	15%	10%
2-4	26%	25%	20%	45%	21%
5-9	6%	20%	21%	20%	18%
10-24	4%	31%	40%	17%	37%
25+	1%	11%	13%	5%	14%
Average # Surveys	2.6	12.3	13.1	7.0	16.8

Researchers agree that exposure to other research can create potentially harmful bias.

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Figure 1

Please imagine you need to buy a half-gallon of ice cream. Each of the questions below shows different brands of ice cream at different prices. Assume the flavor of ice cream you want is available for each of the brands. In each question, please check (☐) the <u>one</u> ice cream you would be most likely to buy.

Q: Which of these half gallons of ice cream would you rather buy?

- ☐ Dreyers @ $4.29
- ☐ Blue Bell @ $3.99
- ☐ Haagen Dazs @ $5.79
- ☐ Breyers @ $3.99
- ☐ Bonnie Doon @ $3.79
- ☐ I would not buy any of these

Q: Which of these half gallons of ice cream would you rather buy?

- ☐ Dreyers @ $4.69
- ☐ Blue Bell @ $3.79
- ☐ Haagen Dazs @ $5.39
- ☐ Breyers @ $3.99
- ☐ Bonnie Doon @ $3.59
- ☐ I would not buy any of these

Figure 2

Which of these widgets would you rather buy?

☐	☐	☐	☐
Widget A	**Widget B**	**Widget C**	**None**
Acme Brand	Honcho Brand	Sam's Choice	I would not buy any of these
Tolerance: 20mm	Tolerance: 15mm	Tolerance: 5mm	
Range: 3	Range: 5	Range: 10	
Contains iridium	No iridium	Contains iridium	
3-year warranty	2-year warranty	No warranty	
Calcium-free	–	Calcium-free	
20 Ohms	30 Ohms	50 Ohms	
Price: $20	Price: $10	Price: $5	

the next according to an experimental design. A design controls how brands and prices appear together and prevents them from being correlated. The benefit of using an experimental design is that the separate effects of brand and price can be extracted and quantified during statistical analysis.

There is a poor man's version of this type of design called brand price trade off (BPTO for short). Rather than using an experimental design, questions are asked in an obvious and particular order so that it is painfully evident a pricing study is being conducted. Game-playing on the part of respondents frequently occurs, and valid measures of price sensitivity do not.

Questions for a multi-attribute experiment (one with price, brand and several other attributes) might look as shown in Figure 2.

As in the previous example, the exact mix of attributes and prices varies from one choice question to the next according to an experimental design. The design allows statistical analysis to quantify the separate effects of brands, prices, other attributes and even unique price curves per brand.

Price sensitivity curve

A basic output of a pricing study is a price sensitivity curve (Figure 3). It shows what preference share the model predicts a product will have at any given price point (at least any price point within the range tested).

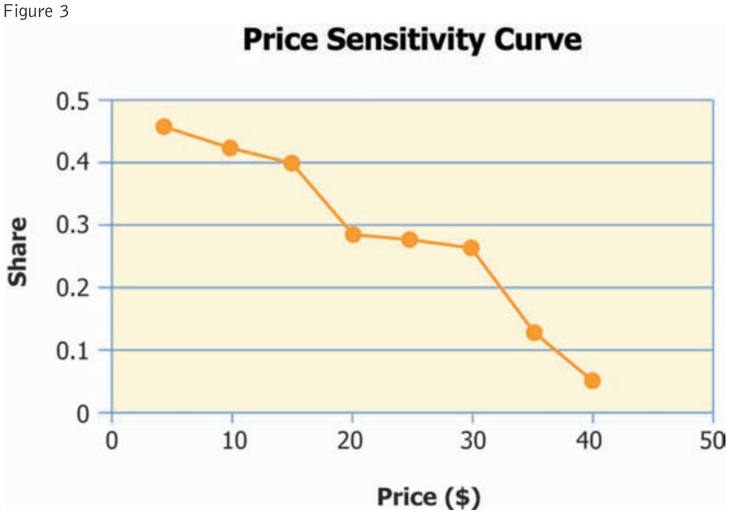
A price sensitivity chart is static, assuming that prices of other brands remain constant. Competitors' prices can and do change, however, so for a more dynamic result we build a decision support system (DSS) or "simulator." Each of the effects the model quantifies can be built into an Excel-based simulator - a user-friendly interface enabling marketers to interact with the complex statistical model. Clients can then play their own what-if games with the effects that result from the analysis.

Not all decision support systems are created equal. While off-the-shelf simulator software sometimes suffices, custom-designed simulators tailored to specific studies usually do a better job of bringing complex models to life.

Realistic complexity

Pricing models can include a variety of kinds of attributes and effects. Standard off-the-shelf analysis programs that require forcing all clients' problems into a single format that fits the specific software may be adequate on occasion. More often,

Figure 3



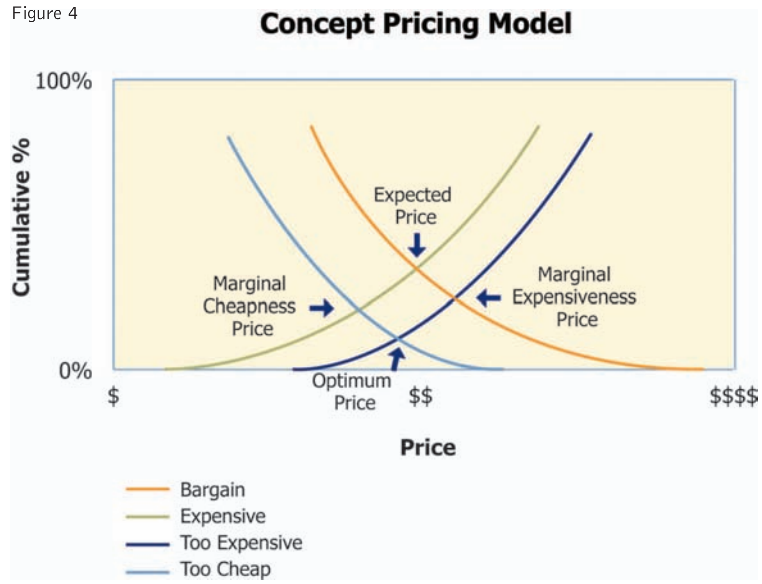
clients' markets are complex enough to warrant a custom design tailored to their particular situations. Real markets are complex, and they are complex in different ways. A best practice involves customizing the design of each experiment to the realities of the client's market.

Some of the realistic design and modeling complexities which custom designs can accommodate are:

• Models incorporating heterogeneity. Because respondents differ from one another, simple models that merely average across all respondents distort and disguise the interesting and managerially informative diversity of respondents. When we recognize and model this diversity, each respondent has a separate model and a unique responsiveness to changes in price. This more realistic approach avoids assuming that everyone behaves like the average respondent and in this way it makes for more accurate modeling, and for the possibility of price-sensitivity-based segmentation.

• Models incorporating "cutoffs." Introduced in the late 1990s, these models work very well. The idea here is that we often go to the store with an idea of what is a fair price for the item we're shopping for, and what is the most we will pay for it. Many pricing studies simply ignore this reality. Others take it into account, but assume that a respondent will NEVER buy something priced above what she claims is the most she is willing to spend (in effect, they attach an infinite penalty to prices above the stated highest price a respondent says she is willing to pay). But we've all gone to the store and paid more than we'd intended for something, either because our selection was limited, or

Figure 4



because it had some new features or benefits that made us willing to spend more than we had planned. A cutoff model quantifies finite penalties for prices over the stated maximum - there is a psychological penalty we pay for going over our planned budget, but the penalty is finite and is sometimes something we're willing to pay.

• Models with "brand-specific" effects. Silly as it sounds, most pricing studies assume that price sensitivity is the same for all brands. It is better practice to design and analyze studies without assuming such uniformity of price sensitivity curves. Such models do not even require that all brands have the same price range (a requirement of the many widely used models). Good price sensitivity modeling does not impose preconceived notions of price sensitivity - it lets the data tell the story.

Price sensitivity meter

Sometimes a product is new to the world. Perhaps it is the start of a new product/service category. Or perhaps it has no direct competitors or even products that could be used as reasonable substitutes. In this case one approach is the price sensitivity meter (PSM), also called the Van Westendorp model after its inventor. After exposing the respondent to a concept description, we ask PSM's four direct pricing questions about the new product:

• What price is so low they would question its quality?

• What is the highest price at which the product would still be a bargain?

• What is the price at which the product is starting to get expensive?

• What is the price at which the product becomes too expensive to consider buying?

These questions have face validity. They are the kind of thing a marketer would like to know about a product. In addition, they make a nice-looking visual. Variations on the cumulative distributions of the four questions are shown on a single line chart, like Figure 4.

Van Westendorp suggested that the intersections of these lines had special meaning. The rightmost one he called the "point of marginal expensiveness," and the leftmost one he called "the point of marginal cheapness." He posits the two interior points - "the ideal price point" and "the optimal price point" - as endpoints of a reasonable range to consider for pricing the product.

Despite its face validity, PSM has no strong theoretical foundation, and no track record of predictive success. It does not provide a way to optimize revenue, profits or net present value. Its complete reliance on direct answers to questions with obvious intent makes many researchers nervous.

However, PSM is easy to do: all it takes is four questions and Excel software. An exploratory pricing model like PSM may be the only way to go when we have a revolutionary or unique product to consider. When a product has competition, however, it requires the kind of realistic, dynamic pricing experiment described above.

Purchase intention surveys
Some pricing situations are not competitively complicated - the firm can change a product's price without worrying about price responses by competitors. In this situation, two approaches come from the practice of concept testing.

In a monadic pricing concept test, there are as many cells of respondents as there are price points to test. Each cell sees the same concept, but members of the different cells see the concept at different prices. For reasons of statistical power, cells should contain at least 200 respondents. To reduce the impact of sampling bias, we may employ quota control measures to make sure we get the same mix of respondents in each cell. We also advise that prices be about 10 percent apart, or much larger sample sizes will be needed to read differences. Analysis consists of weighting the purchase intent measures and constructing a line chart, showing weighted purchase intent (Y-axis) as a function of price (X-axis).

In an effort to use less sample, some researchers use sequential pricing concept tests for price sensitivity modeling. This is simply a bad practice. In a sequential design, each respondent sees the concept and then rates his purchase intent at each of several prices. Even the dimmest respondent realizes this is a price sensitivity study, which pretty much ruins it. Moreover, we get very strong differences depending on whether we ask the prices in increasing or decreasing order (due to "ceiling" and "floor" effects).

Realistic situation
Marketers need to understand the sensitivity of demand to price. Market dynamics make pricing studies necessary more or less often, but companies probably do less pricing research than they should.

A designed choice experiment usually addresses our clients' pricing needs best. This approach puts the respondent in a realistic situation where he can trade-off the various features of a product/service versus price, and it provides valuable information on all of the variables tested. When conducting pricing experiments, it is best to avoid off-the-shelf software packages for design and simulation. Most often these are not flexible enough to accommodate the complexities of real markets and may produce misleading results.

Although designed choice experiments are the current gold standard in pricing research, not all situations lend themselves to this approach. Another kind of pricing research might be more appropriate, such as the widely used price sensitivity meter, or a simple purchase intent study (monadic design). The former is applicable to new-to-the-world products; the latter may be good enough in competitively uncomplicated markets.

> by the numbers

By Leslie Townsend

Online surveys move to wireless devices

Editor's note: Leslie Townsend is president of Dallas-based Kinesis Survey Technologies LLC. She can be reached at ltownsend@kinesissurvey.com.

Thumbpower refers to the use of a tool that is in the pocket or purse of most adults and many teenagers: the cell phone. An entire generation is being raised to send text messages, surf the Web and conduct transactions on their cell phones using their increasingly adept thumbs.

The market research industry has yet to widely embrace wireless data collection using cell phones and PDAs. Adoption of mobile data collection, known as computer-aided mobile interviewing (CAMI), is higher in Europe and Asia than in the Americas. There are numerous barriers to wider adoption of survey deployment on wireless devices. Mobile panels are virtually non-existent and not broadly representative, incentive structures unexplored, and many still struggle with where CAMI might be useful. Wireless survey solutions are analogous to online survey solutions, circa 1995, in terms of deployment.

Even more fundamental than issues of panel source and appropriate incentives is how wireless surveys are best administered. Current wireless solutions on the market support survey administration in one of four modes:

1. In a single, real-time, continuous session via WAP and other wireless Web protocols, supporting the viewing of digital images and other media.
2. In a discontinuous session administered via SMS (Short Message Service). As SMS does not support multimedia, digital images and other media cannot be utilized within the survey.
3. Via a non-real-time solution utilizing downloadable software, and for reasons of practicality generally requiring the use of a device dedicated to survey use.
4. Via MMS (Multimedia Messaging Service). This mode supports the sending and receiving of digital images and other media within a survey question and/or response. MMS works like SMS, so questions and responses are sent and received in discontinuous sessions.

Our firm advocates the use of the wireless Web for most U.S. surveys for several reasons:

- As with other forms of online research, the wireless Web establishes a continuous survey session.
- The wireless Web is generally perceived as a more cost-effective solution than SMS by respondents, since they do not incur per-message charges.
- It is more cost-effective for the market research company to deploy with the wireless Web.
- Digital images and other media can be used within the survey, such as for template-branding or concept display.
- The survey can render the best possible functionality to the device, based upon a library of device capabilities such as browser in use.

Survey functionality

By utilizing the wireless Web as opposed to one of the other survey modes described in Figure 1, the majority of functions of a Web survey are supported. For instance, it is possible to randomize and anchor con-

Figure 1: Advantages and Disadvantages of Mobile Interviewing Techniques

Browser-Based Approach		SMS	
Advantages	Disadvantages	Advantages	Disadvantages
- Continuous survey session	- Respondents may have less familiarity than with SMS and/or may lack an appropriate data plan	- Wide support across devices - Most respondents are familiar with it	- No support for any digital images, branding, or other media - Respondent pays for each question sent (and in some cases, each question received) - Expensive from the MR's perspective as well
Downloadable Software		**MMS**	
Advantages	Disadvantages	Advantages	Disadvantages
- Affordable solution for on-site applications or where dedicated device can be used	- Lack of real-time quota administration - Most wireless devices still do not accept downloadable files and/or respondents do not how to download/upload applications - but popularity is on the increase	- Full multimedia solution	-High cost for each question sent and each answer received -No single MMS standard -Limited availability gateways for receiving returned messages

cepts; include conditional branching; create validation (ensuring that responses fall within a range that is considered reasonable); administer quotas; display images and streaming media; and brand the survey when programming.

On the other hand, many functions associated with Web surveys are not supported, at least currently, on wireless devices. Some survey functionality is device-specific. Most cell phone browsers do not accommodate even simple table structures and many do not enable a back button at all times.

Wireless Web surveys continue to lag behind traditional Web surveys in functionality due to inherent limitations of a small screen size. However, rapid developments in mobile devices, such as foldable screens, ensure that the wireless Web survey rendering will continue to improve for respondents. Figure 2 compares the capabilities of browser-based Web surveys versus browser-based wireless surveys.

Panel and incentive challenges

Within the U.S. market research industry, panels are typically used as the means of obtaining an opt-in group of individuals for survey-taking. Respondents are compensated in various ways - through contests, point schemes that accrue toward cash or prizes, or by electronic gift certificates. Traditional opt-in panels are rare in the wireless survey research world, although there are several established SMS communities that might represent a type of "list" substitute. However, SMS communities are by their very nature biased and focused upon specific types of content (such as dating, or hip-hop music) and most have not opted into the survey-taking process. The entire area of how best to develop, maintain and provide incentives to wireless survey respondents is still under exploration within the U.S., although wireless panels are beginning to emerge in Europe.

In spite of the many challenges to implementation of wireless surveys, areas of promise are emerging. These applications are highlighted in Figure 3, along with some advantages/disadvantages.

The best approach with wireless surveys is to begin with the least complexity possible. Keep surveys short - less than 20 questions is best. Keep validation to a minimum. Avoid progress bars and other unnecessary images as these may slow the survey down. Where more complex images and videos are to be included, make certain that the survey detects the capabilities of the device and renders in the best possible way (a best practice even where images are not included). Think carefully about how the user will access the URL - URLs are cumbersome to type on mobile phones if you have never done it before. Avoid open-ends wherever possible, as not all thumbs are equally adept.

Find solutions

So where do we take it from here? The wireless industry itself is leading in terms of utilizing its own technologies to solve research problems. Moving wireless survey research to other segments requires a demonstrable need to find solutions for genuine research problems.

One example is the need to find motivating ways to study teen behavior and buying habits through the survey-taking process. Teens may be

Figure 2: Online Surveys - Full-Size Screen Versus Mobile Device: What is Possible Today?

	Online Survey Functionality	Wireless Survey Functionality
Browsers supported	Most support only one or two browsers (Internet Explorer, Firefox, Netscape)	There are many more browsers to support in the wireless environment
Tables	Tables, including multi-question, multi-part tables, are easily supported	Many devices do not support rendering of table structures
Back button	Back button is easily enabled or disabled	Back button is device-specific with no ability to control when the respondent sees/does not see it
Passing along query strings	Web browsers fully support	Differs by carrier; some carriers allow only single-variable data passing while others permit more
Cookies	Web browsers support cookies across multiple browsing sessions	Some wireless browsers support cookies only in a single session; others support across multiple sessions
Accept software downloads?	Software downloads can be incorporated into the survey-taking function	Many devices cannot accept software downloads
Multimedia support	Multimedia is easily supported in Web surveys	The survey software must detect device capabilities in order to render multimedia appropriately to the device
Invitations	Survey invitations can be sent in plain text or HTML to support graphic design	Practically speaking, invitations must be sent via SMS. SMS does not support graphics but does support hyperlinks. Messages are limited in length to as little as 180 characters
Javascript	Supported by all Web browsers	Device-specific; dynamic Web pages should be avoided

Figure 3: Applications for Online Wireless Survey Research: What is Possible Today?

Applications	Advantages	Disadvantages
Longitudinal diary	- Respondent usually always has the device with them - Easy to see who is participating and send them messages when they are not participating - Easier to capture situational details (shelf placement, purchase experience, whether immediate consumption occurs)	- Expensive solution - respondent either bears a cost burden or device must be supplied as part of the project and/or incentive
Wireless ad testing	- Only true way to test a wireless ad is using a wireless device	- None
Ethnographies	- Excites/motivates certain demographic segments - such as teens - and the result is higher participation than normal	- Expensive, logistics/recruitment are complex
Mystery shopping	- Capture the moment with images of displays, bar code readings, sound recordings, short video clips of consumer behavior, and questionnaires	- More expensive than other modes as mystery shoppers must possess cameraphones, access to the wireless Web, and/or possibly other wireless accessories
On-site surveys (stadiums, malls, convention centers)	- Real-time results and quota management	- Cost may be higher than other solutions

tired of Web surveys, but they are enthusiastic respondents to any task that is asked of them on a wireless device.

Similarly, buying behaviors, moods, and other situational data often are overlooked in many types of research because the respondent is not taking the survey at the point of purchase or purchase intent. The capture of location information will enrich the meaning of both qualitative and quantitative data, showing, for instance, how far consumers travel to purchase various types of items, or how many locations they visit to make those purchases.

Wireless scanning devices or cameraphones may be used to log purchases on the spot. Personal area networks such as Bluetooth might be used to trigger invitations to take surveys at fast-food chains or similar locations, tied in with new product testing, on-the-spot incentives or coupon delivery to the cell phone. Megapixel cameraphones are appearing on the market with near-DVD quality video capture, MP3 players, videoconferencing capability, and Flash technology - just visit the nearest wireless retailer if you have any doubts about the richness of the media experience on wireless devices. (Some devices are now equipped with two cameras - one for recording high-resolution images and the other for videoconferencing applications.)

With these exciting developments in technology, wireless surveys will continue to be implemented in a more complex and applications-specific fashion while addressing the issues that cannot be readily tackled with typical Web-based solutions. Without a doubt, the future of research activity will include the harnessing of "the power of the thumb." | Q

By Terry Brazeal

New problems, new solutions

Moving diary panels to the Internet

During the last few years, much of the data collection done in the research industry has moved from traditional telephone interviewing, mail surveys and some types of central location testing to the Internet. Rapidly developing and often inexpensive online technology has made it possible for respondents to do more and more things online: "pick up" product packages and turn them over to read the fine print; view magazine ads in a magazine-like context, complete with a realistic page-turning mechanism; and visit a virtual supermarket section and choose among the competing items. Today's technology even allows us to put an avatar on the survey page to provide audible encouragement: "We're almost finished now – just a few more questions to go."

In the steady movement from ink to pixels, diary panels have not been exempt. Both long-term open-ended panels covering multiple categories and brief ad hoc projects have made the transition. It seems logical, natural and even inevitable: If so much other research can be done online, why not diary panels? Specifically, why not longitudinal diary panels – panels that collect the same information from the same people, continuously, over time?

Now that several years of data exist, some answers to that question are becoming clearer. Diary panels, due to their nature and complexity, present unique problems in translation from one mode to another and require new solutions.

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Longitudinal diary panels have been around since the mid-1940s in custom and syndicated environments. The diaries have served a wide variety of needs across the consumer packaged goods, textiles and soft goods, and financial services sectors, measuring usage and consumption, behavioral tracking and many other areas.

In the CPG industry in the United States, these panels began migrating away from paper diaries in the 1980s as shoppers' cards and in-home scanners provided by A.C. Nielsen and Information Resources made it possible to run a "no-diary" diary panel by directly collecting the UPC codes of items purchased by known groups of consumers. Unfortunately, UPC codes were not always available in usable ways from some important trade channels, and they offered no assistance in tracking consumption or other types of behavior, so the in-home paper diary continued to play an important role.

Since 2000, the research community has worked in earnest to move paper diaries online. Sometimes the transition involved a major shift in design philosophy - surrendering the "longitudinal" aspect of the sample. Since it might be difficult to keep the same people reporting online month after month, some researchers opted to convert longitudinal diaries into online tracking studies, collecting the same information every month but from a changing sample of respondents. This method offered much of the same information supplied by diary panels - share, volume and price tracking - but sacrificed some of the most powerful types of longitudinal analyses, such as brand shifting, buyer flows and behavior-based buyer groups (heavy/light, loyal/non-loyal, etc.). By their nature, these types of analysis require continuous reporting from a constant group of individuals, and when longitudinal samples disappeared, so did they.

Other researchers were not willing or able to make that sacrifice, or did not agree it was necessary. They transitioned longitudinal panels from paper to the Internet while maintaining the basic structure - a longitudinal sample consisting of the same panelists continuously reporting. As a result, the industry is beginning to understand and manage the differences in the data induced by this fundamental change in reporting methodology.

Questionnaire design

It is a well-established research

principle that changes in questionnaire design can significantly change the results of a study, even if delivered by the same methodology. This result is amplified when an altered questionnaire is delivered and returned via an entirely different channel.

To address this concern, early online questionnaire designs mimicked the paper diary format as closely as possible. Researchers hoped the familiar look and feel of the diary would induce panelists to continue to report. Eventually, however, to ease respondent burden and promote panelist tenure, online diary designs started to take advantage of interactive capabilities like drop-down menus, guess-ahead completion of entries and automatic duplication of recurring entries, etc. These innovations did succeed in reducing panelist burden, improving longevity. But inescapably, online questionnaires differ from their paper counterparts. The potential differences in results can usually only be guessed at in the absence of parallel tests, which are often expensive, time-consuming and impractical.

Sample characteristics

The U.S. online population available to respond to an interactive diary is demographically different than the total population, most notably in age, education and race. (These variations are declining as the online population grows to approximate the total population.) While some differences can be dealt with by sample management - over- or under-recruiting in key areas, demographic weighting of the sample, either by cells or at the margins, etc. - these techniques can only deal with variables that are: known or suspected to be relevant; measurable; measured.

For instance, dimensions such as "general comfort with technology," or "willingness to innovate," may characterize online diary panelists. As an example, in comparing mail to online diary panel members, it became clear that online panel members are much more likely to own and use a digital camera than members of a paper diary panel. In hindsight, this makes perfect sense, but it was not foreseen before the panel began. Another comparison of two panels revealed that online panelists are more likely to make transactions at an ATM machine. Even if such a possibility had been anticipated in a particular category, how might it be dealt with? What demographic variable is a proxy for "feels comfortable with an ATM machine?" How could the sample be weighted to balance for it?

Fortunately, this type of problem has a limited future. In 10 years or so, the probability of someone being intimidated by a keyboard or a mouse will be as low as the probability of being intimidated by a ringing telephone or a ballpoint pen. But a lot of research must be done, used and validated during that next 10 years.

Reporting consistency

An obvious difference between a paper diary and an online diary is physical presence. The paper diary is there, sitting on the kitchen counter or stuck up on the refrigerator with a magnet. A new diary comes in the mail every month, along with an envelope to mail back the old one. The presence of the diary and the arrival of the new one are reminders to complete and return the diary every month.

On the other hand, the online diary has an intangible existence - even seeing it requires initiative. The panelist must sit down at the computer, get on the Internet, go to the correct Web site and log into the diary, usually with an ID and password. Is it any wonder that reporting may be uneven, or that return rates may sag after a while? Remedies for this are available, but it is a problem that must be addressed.

What matters in getting panelists to report online?

Several key factors impact getting reliable, representative reporting from online panelists. Understanding these factors will not solve every problem, but it will make it possible to move ahead and focus attention on data analysis rather than on the mechanics of data collection.

1. Incentives matter

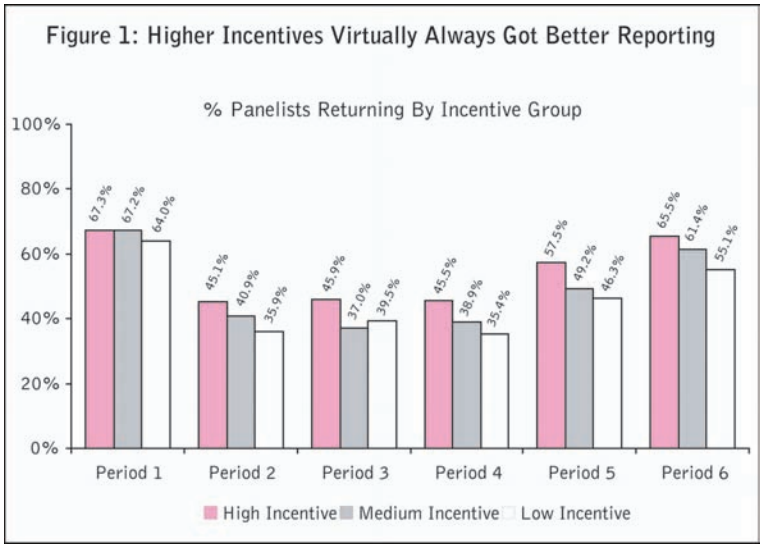


Figure 1: Higher Incentives Virtually Always Got Better Reporting

While this might seem obvious, it is not always possible to test the impact of varying an incentive for an ongoing diary panel. We have had the opportunity to test this and the results have been eye-opening.

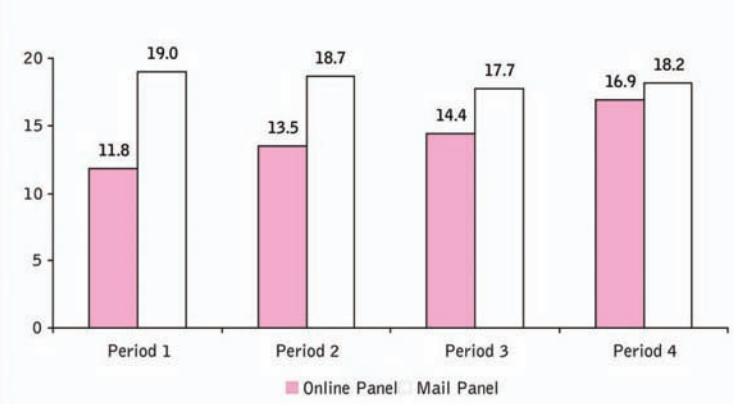
Figure 1 shows the results. To protect proprietary information and our client's confidentiality, the dates and the actual incentive levels used are masked and shown as "low," "medium" and "high." In virtually every one of the six time periods studied, response rates varied directly with the amount of incentive paid.

Despite the difference in response rates, the reported data did not vary significantly by incentive level. Panelists in the "low" incentive group reported purchase and behavior levels similar to those in the "medium" and "high" groups. However, significantly more of the "medium" and "high" incentive panelists actually returned their diaries. Since many longitudinal diary panel analyses rely on a large static sample – a panel that has returned most or all of the diaries – this is extremely important.

2. Experience matters

Online reporting of even moderately complex behavior involves a learning process. Figure 2 shows purchases of a high-incidence category over time reported by a new online diary panel versus a long-existing mail panel. It is clear that reporting improved steadily as the online panelists learned and remembered their new responsibilities.

Figure 2: Category Purchases Per Buyer



The nature of the category as well as the data from the paper diary make it very unlikely that the actual purchasing behavior of the online panel changed. The true purchasing levels of the two panels were almost certainly fairly consistent. Over time, the experience and learning of the online panelists (aided by ongoing training and reminders from the panel operators) gradually improved their reporting. Decisions based on the early reporting of the online panel might have led to unfortunate consequences.

A recent test yielded experimental confirmation of the impact of experience on online panelists. A few periods after the beginning of an online test, a large number of new recruits were introduced into an online panel. Overall reporting levels immediately dropped, relative to the mail panel. This result was analyzed by separating the experienced online panelists from the new recruits. As Figure 3 shows, the experienced online panelists tracked much closer to the mail panelists, while the new recruits had not yet climbed their learning curves.

To be clear, the paper diary had been operating for several years, and many of the panelists were members of reasonably long standing. Although there might originally have been a learning curve for the paper diary, for most panelists it was well in the past.

3. Diary design matters

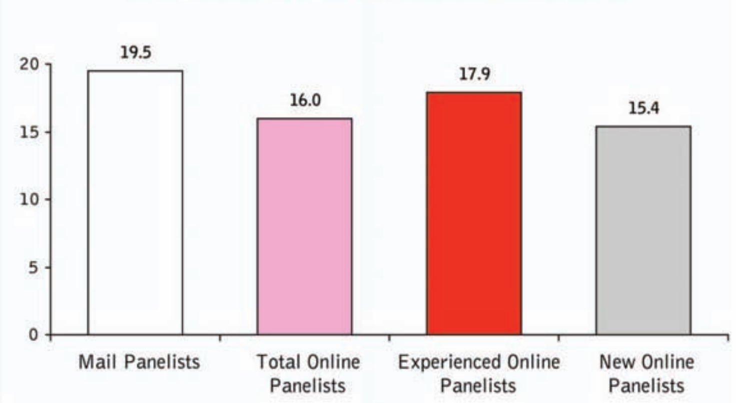
The design of the questionnaire makes a big difference - pixels are not paper. As previously discussed, the online diary lacks a physical presence in the home. This presents two problems:

- Without the reminder of the diary in the purse or on the refrigerator, panelists often forget to report all their purchases or behavior. This is especially true for purchases involving small amounts of money, or behavior that may take place away from home.
- Without the reminder of the new diary arriving in the mail, panelists may forget to "return" the online diary. In our system, a panelist must log in and click a button to indicate the report is complete for the month.

Several activities can be done to help panelists remember to report smaller purchases or away-from-home behavior.

- Small, printable sections of the online diary can be created. Panelists can click an icon and give themselves a "mini-diary" to carry in their pocket or purse, or post on the refrigerator where the old one used to be.
- Reminder tools - for example, small vinyl receipt collectors - can be given to the panelists, providing them with a place to store their purchase receipts during shopping,

Figure 3: New Versus Experienced Online Panelists



and making it easy for them to recover the information they need when they get home.

• E-mail reminders sent near the end of the reporting period help stimulate return of the reports. This is a potentially dangerous technique that must not be over-used. If panelists start perceiving mail about the diary as spam, the relationship will end long before it should.

• Hybrid mail/online panels may be useful. These panels use paper diaries for daily recording. At the end of the month (or other reporting period) panelists log on and transcribe their already-collected information online. The arrival of the new diary provides a reporting reminder. Although this method combines the speed, economy and operational efficiencies of online reporting with the benefits of having the diary present in the household, panelists are, in effect, asked to record data twice. To control respondent burden, its application should be limited to categories involving relatively few purchases and a limited amount of detail.

Learning continues

The movement of diary panels from mail to online modes will undoubtedly continue, and much remains to be learned. Indeed, there a have been discussions about diaries on PDAs and even cell phones. The issues involved in maintaining reliable reporting from a longitudinal online sample are, to date, only partly overcome. But learning continues, and perhaps in the near future the current set of issues will look trivial and quaint - at least when compared to the entirely new set of problems that will inevitably have arisen by then. | Q

online research

Maximize your multimedia

By John Pillsbury

Offering lower costs, faster survey turnaround and almost instant access to a diverse online audience of respondents, Web surveys are now an invaluable data capture methodology for most consumer topics. Increasingly, with broadband connections, quality multimedia audio and video content is delivered within surveys. However, in this new digital age the opportunities and advantages for using digital multimedia also bring new IT threats and even business risks.

So how can market researchers ensure that audio and video content plays properly while at the same time protecting sensitive client content from theft or other similarly dire fates?

As the music industry has learned at a high price, the digital age is not any friendlier or more ethical than older ages. New words like scanning, burning, ripping, scraping, downloading and file sharing are the lexicon of the modern audio and video pirate. Professional market researchers have to navigate these dangerous waters with their precious client cargo of tests for TV ads, new product images, new audio taglines and even new store concepts. Is there a safe passage? As a market researcher, you may have signed non-disclosure agreements and be the most reputable firm, but are you capable of safely delivering this digital multimedia content across the Internet high seas? Here is a rough chart for delivery and defense of your client's multimedia content in your next online survey.

The playing and protection of digital media in online surveys

Reliable delivery

Fast, reliable delivery the first goal of using multimedia in online surveys. The respondent must be able to easily, clearly and quickly view the media presented. If the user is required to wait unreasonably for a player to load or the content to download, then each second moves these respondents closer to quitting your survey. In my experience with hundreds of online surveys, and from industry discussions, I have uncovered a number of critical factors that contribute to suspend rates as high as 50 percent with multimedia in surveys.

The top three causes of failures to play media are: no speakers; wrong media players; slow Internet connection. Internet survey

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developers struggle to overcome these obstacles by: asking respondents to test their speakers early in the survey; encoding in multiple media formats (Windows Media, Real, QuickTime); delivering via the most reliable server networks and trying to target broadband respondents (without skewing the panel to richer households, urban or tech people with DSL). Like so many apparent solutions, however, each of the above fixes introduces a new set of complex tech issues that affect the core goal of easy playability.

In response, survey software programmers are introducing a new generation of media delivery vehicles, with words like "playerless," "no plug-ins," and "automatic bandwidth detection." Recent Macromedia Flash 8 formats (www.macromedia.com) are now being better understood, and the cost of programming is being reduced. Also the latest version of Java (www.java.com) is built into 96 percent of PCs and Macs. This allows secure Java streaming as an increasingly popular delivery option (see www.clipstream.com). Other technical delivery formats are under investigation and active development.

But even as these technologies are helping more multimedia files play in surveys, the astute market researcher must assure it plays securely for only the authorized audience.

Ongoing war

Just like the human body needs multiple defenses to prevent or treat the threat of illness, our experience shows that it takes both a strategy and new weapons in the ongoing war against ever-morphing digital thieves. Here are few proven protections against online media attacks:

1. Be sure all audio and video content is at least in some way watermarked, so that all viewers know who the rightful owner is. Now content can even be marked with the IP address of the viewer, so if it is compromised, then the source of the leak is known (see www.promoonlympe.com).

2. Encrypt all content so that it is locked to the Web site that is delivering media and can't be played locally by download.

3. Add protection at the desktop level on the viewer's PC. The signed applet developed by Destiny Media Technologies actually disables during a survey any program on a viewer's PC that is capable of copying, scraping or printing content. Most respondents are completely unaware of these protective actions, but the pirate will be thwarted.

4. Provide human safeguards around the delivery and encoding process by only using trusted staff and proven vendors. Get references and assure accountability. For initial delivery of original materials be sure DVDs and servers are password-protected.

Control quality

Just as you control the list of participants in your online surveys, you likewise need to control the quality of your digital media. Only by asking the right questions can we get the right answers. Is the original source the highest quality avi, mpeg, or mov file? What pixel frame size is best for your survey and within file size limits? Do you want the video to automatically play? Do you want the user to have player controls, fast-forward/reverse? Or do you want no controls, and restrict to play once? Do you want an end image or blank page?

While the options are many for displaying and playing your videos in surveys, we have found that initial testing works best, and then establishing spec standards with the client that can be adjusted later. A good start and guidelines will always save much time and money in survey preparation. Each market researcher will have varied preferences, so not one digital size fits all. Keeping track of what is working and doing some fine-tuning yields constant improvement, so be sure qualified staff are assigned key responsibilities.

Can you guess the most frequent cause of problems in preparing the multimedia files for inclusion in a survey? That's right: human error caused by rushing the job. Short deadlines are the norm, and multimedia is usually the last item created for a survey. In order to control the pressure to rush, we try to manage expectations. If we say 48-hour turnaround, we do not try to deliver too far ahead of schedule (and hopefully not behind!). Beating the clock only creates a new standard. Get things done on-schedule and you'll remove major source of error.

Of course the clock is not the only enemy of quality in multimedia in surveys. Another is the incompatibility of media software with survey creation software. Not all HTML codes are created equal. Therefore, survey creation software companies are striving to make systems that integrate with media delivery formats. We have begun to trade ideas with other vendors in the development stage (not just the sales stage), and provide beta release media licenses to survey software companies. We can then look market research companies straight in the eye and say, "We work with and play your media safely together."

Been transformed

The delivery of survey multimedia has been transformed in the past five years from mailing VHS tapes and DVDs to offering TV-quality audio/video experiences on the Web. We no longer simply watch the Web page, but enter into the Web experience. The Web 2.0 generation of multimedia delivery technology is paving the way for effective testing of commercials, new product concepts, online banner ad campaigns and more. The future of multimedia in market research surveys is moving rapidly from possibility to reality. | Q

Capture their interest

By Jamin Brazil,
Aaron Jue,
Chandra Mullins
and Jayme Plunkett

It's no surprise that more and more companies are using Web-based surveys to conduct market research. Market researchers feel increasingly confident that they can reach the audience they need via the Internet as the online population grows. According to Internet World Stats (www.internetworldstats.com/index.html), Internet usage has doubled from 500 million users to over a billion in the past five years. Web-based surveys also offer cost- and time-saving advantages over traditional paper-and-pencil-based questionnaires. Instead of taking weeks to field a survey, now quotas can be filled in a matter of days. Additionally, there is no longer the need to deal with costly and error-prone data entry practices to convert your data into statistical packages such as SPSS.

Given the advantages, it's no wonder market researchers have been quick to adopt Web-based surveys. However, it is important to take a step back and evaluate some key issues. First and foremost: How does the use of this new medium for conducting surveys affect the quality of our research? A key concern is with dropouts and the resulting time, cost and data integrity implications. If it is found that few respondents are finishing the survey before they drop out, then extra energy must be spent to recruit more sample. Also, Web-based surveys with high dropout rates experience higher potential non-response error and consequently greater concerns over the accuracy of the data. How does the resulting non-response error impact data quality?

Variables that influence dropout rates and data quality in Web surveys

Incentives have long been used with traditional data collection methodologies, however their impact on Web-based surveys remains unclear. Is it best to use a guaranteed cash incentive or a cash prize drawing? How are data quality and dropout rates affected by incentives?

Web-based surveys also provide more choices with the cosmetic appearance of the questionnaire such as color, shading and the use of HTML tables. Do aesthetics matter? If so, what impact do they have?

Decipher Inc. conducted an online study aimed at measuring the effect of survey design, cosmetic elements and incentives on three key measures: completion rate, data quality and respondent satisfaction. The

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Figure 1 - Plain

Figure 1 - Fancy

Continue

purpose of this research was to further enhance knowledge about Web-based survey design and share this knowledge with the research community.

The survey was conducted using a domestic customer list provided by eBay Inc. Over 1,900 eBay members participated in a seven-minute online survey. The recruits were sent an e-mail invitation containing a link that directed them to the survey.

Our study employed four parallel cells:

	Survey Design	Incentive
Cell 1	Plain	None
Cell 2	Fancy	None
Cell 3	Fancy	1 in 500 chance to win $1,000
Cell 4	Fancy	Guaranteed $2 cash to first 500 qualified completes

As can be seen from the setup, a comparison between Cell 1 and Cell 2 measured the effect of a plain versus fancy survey design. Color, the use of tables and the right-aligned buttons distinguished the fancy from the plain survey design (see Figure 1).

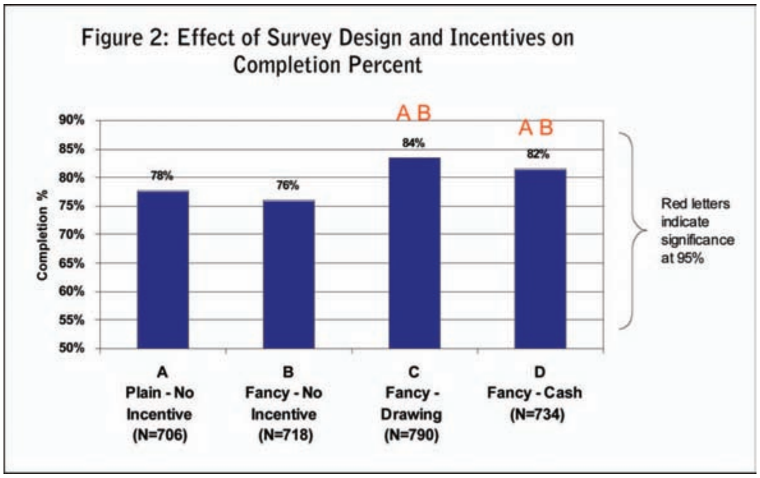
A comparison between Cells 2 and 3 or Cells 2 and 4 measured incentive effects. Finally a comparison between Cells 3 and 4 measured the effects of the different types of incentive: a cash prize drawing or a smaller, guaranteed cash incentive.

There is always the chance that respondents would complete the survey at a higher rate, based on the type or value of the incentive offered. In order to reduce the possibility that one incentive is viewed as more valuable than the other, both of the incentives offered in Cells 3 and 4 had equal expected values of $2. Expected value is calculated as the probability of obtaining incentive x incentive value. For example, the expected value for a 1 in 500 chance to win $1,000 is calculated by multiplying the probability of receiving the incentive (1/500) by the value of the incentive ($1,000).

Results

Completion rates

The first objective of this study was to measure the effect of survey design cosmetics and survey incentives on completion rate. The completion rate is measured as the number of respondents/number of people who viewed the first page. Respondents are defined as the number of qualified completes plus the number of non-qualified completes. The results, shown in Figure 2, indicate that the aesthetic appearance of the survey had no measurable impact on completion rate. In both instances, approximately 77 percent of respondents completed the survey. The use of an incentive, however, affected completion rate in a number of ways. First, while the type of incentive did not affect completion rates, respondents who were offered either of the two incentives were approximately 10 percent more likely to complete the survey.



Incentive offers also significantly reduced the dropout percent near the beginning of the survey. A detailed examination of the results suggests that a majority of the dropouts occurred during a critical period of the first 90 seconds. Figure 3 examines the cumulative dropout percentage (number of people who did not complete the page divided by the number of people who saw the page) by cumulative time spent taking the survey (in minutes). For all cells, dropouts occurred primarily over the first 90 seconds after a respondent entered the survey. Approximately 11 percent of respondents who were offered an incentive and 16 percent of respondents who were not offered an incentive left the survey during this time period. Respondents who were offered an incentive were significantly less likely to drop out after the first page than respondents who were not offered an incentive (see Figure 4).

However, while the presence of an incentive significantly reduced the number of respondents that dropped out of the survey in the first minute-and-a-half, incentives had no impact after this critical period. Over the remaining six minutes, there was only an increase of approximately 8 percent in the number of dropouts. Respondents who were offered an incentive dropped out at a similar rate to those who were not offered an incentive.

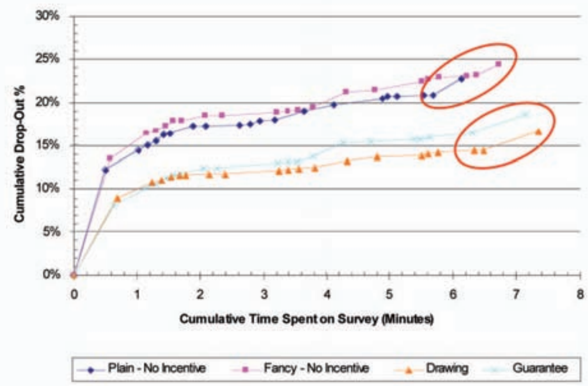
The results shown in Figure 3 also highlight the effect that personal questions have on respondent dropout rate. The final question in the survey asked respondents for personal contact information, including first/last name, e-mail address and phone number. Spikes in the dropout rate occurred for each of the four cells after respondents viewed this question. On average, the cumulative dropout rate increased by 2 percent following this question. This increase accounts for 25 percent of the total increase in dropout percent in the last six minutes of the survey.

In sum, these results suggest a number of things about completion rates. First, researchers wanting to increase completion rates should consider offering an incentive, as the presence of an incentive significantly reduced dropout rates. Contrary to prior studies that indicate that respondents prefer guaranteed incentives (see Westergaard, November 2005), these findings suggest that when the expected values of the incentives are equal, the guaranteed incentives do not affect completion rate differently than sweepstakes incentives. These results also demonstrate the need to quickly engage respondents within the first minute-and-a-half, as well as to make the respondent aware of the incentive offer as soon as possible. Once respondents commit to the survey beyond the first minute-and-a-half, they are likely to stay through completion. This is true regardless of the presence of an incentive.

Data quality

We also set out to examine the impact that survey design and incentives had on data quality. To measure data quality, we linked survey responses back to pre-existing information provided by eBay. Based on records supplied by eBay, we knew the gender of the recruits and the number of items bought on eBay in the past year. Measuring accuracy of the survey data was a simple matter of comparing the data provided by eBay to the responses given by participants. As Figures 5 and 6 show, neither survey design cosmetics nor incentives had any measurable impact on the data quality of objective questions. The percentage of incorrect answers provided by respondents (as compared to the data provided by eBay) was similar across plain-versus-fancy and incentive-versus-no-incentive comparisons. In addition, there were no systematic differences

Figure 3: Rate of Increase in Cumulative Dropout Percent



BASE: Plain - No Incentive: N=706; Fancy - No Incentive: N=718; Drawing: N=790; Cash: N=734

Figure 4: Effect of Survey Design and Incentives on Dropout Percent After the First Page

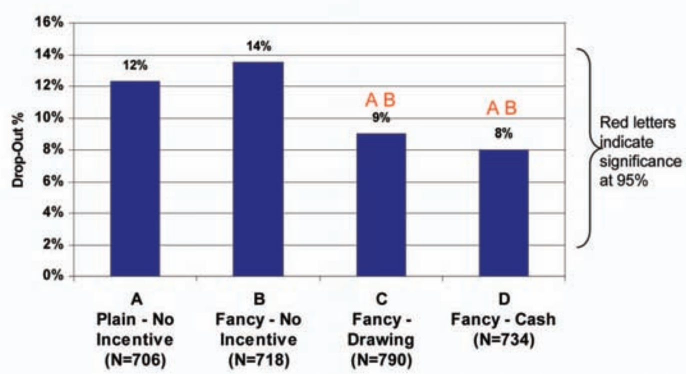


Figure 5: Effect of Survey Design and Incentives on Data Quality - Gender

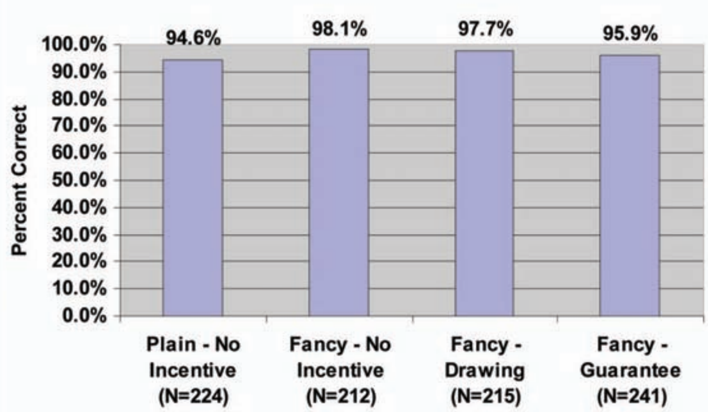
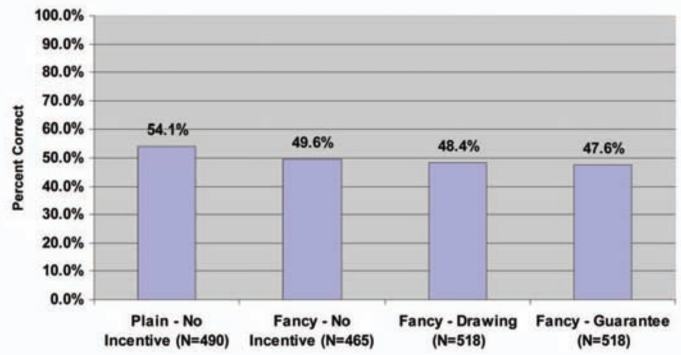


Figure 6: Effect of Survey Design and Incentives on Data Quality - Number of Items Bought on eBay in the Past Year



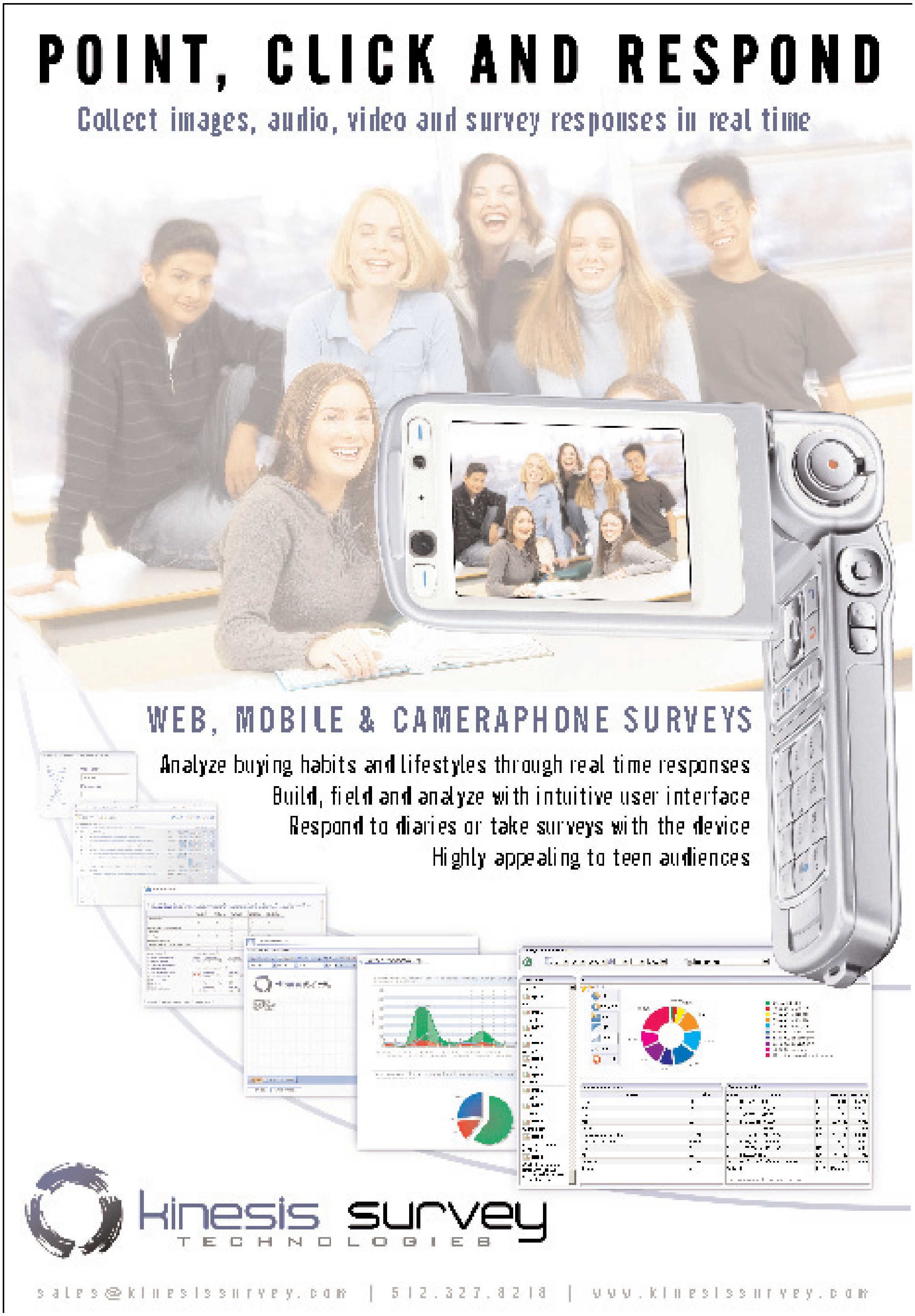
between the comparison groups in the way in which participants responded to survey questions, with the exception of product interest and respondent satisfaction with the survey experience.

While survey design and the use of incentives did not affect the data quality of the objective questions (such as gender or number of items purchased in the past year), the presence of an incentive did impact the data quality of the more opinion-based or subjective questions (see Figure 7). The survey asked the respondents to rate their interest level for several eBay products. For each product, respondents who were not offered an incentive were significantly more likely (at the 95 percent level) to express disinterest.

These results suggest that while researchers may be pushed to offer incentives in order to increase survey completion rate, there are some drawbacks to this approach. Though data quality may not suffer for objective questions, the presence of an incentive may be a source of bias by inflating respondents' self-reported levels of interest in the products or services of interest to market researchers.

Respondent satisfaction

Finally, this study aimed to examine the impact that survey design and incentives have on respondent satisfaction with the survey experience. At the end of the survey, we asked respondents to provide feedback about their survey experience. Incentives, not surprisingly, enhanced respondent experience with the survey (see Figure 8). Respondents who were offered incentives expressed sig-



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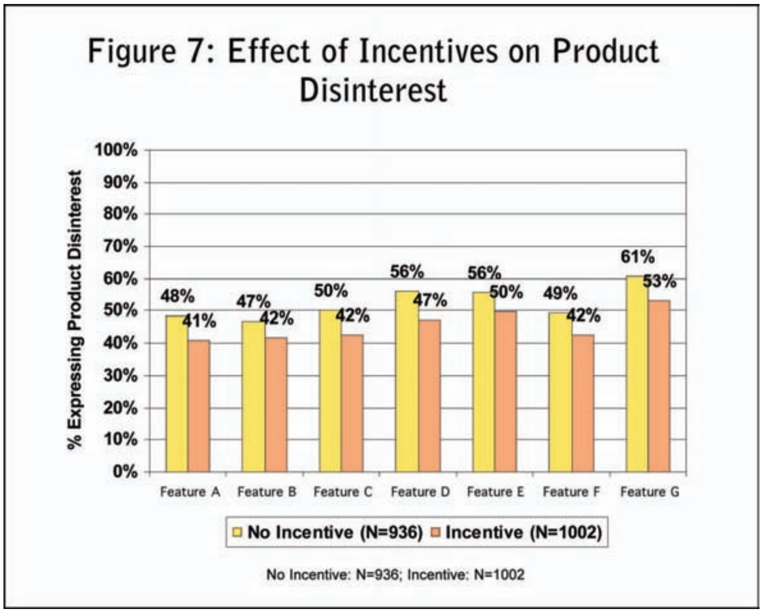

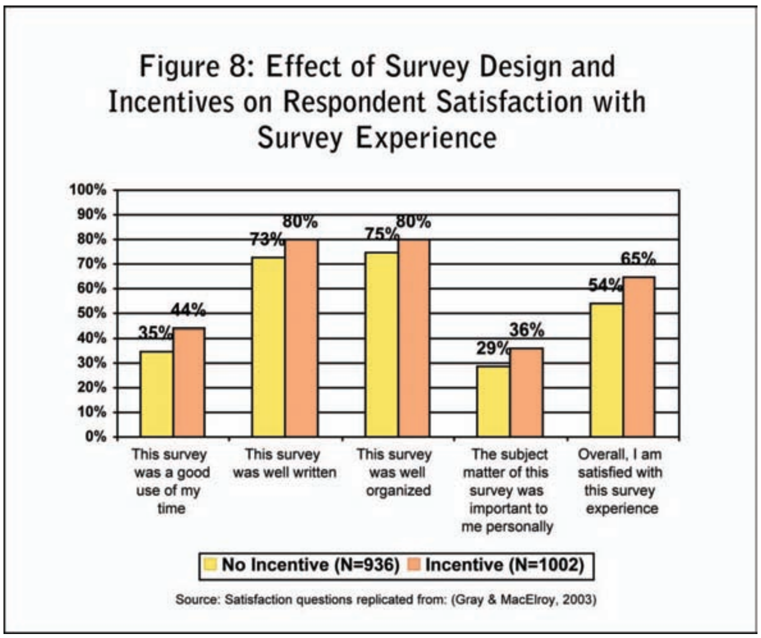

nificantly higher levels of satisfaction with their survey experience. Previous research has shown that higher satisfaction levels will also lead to greater repeat survey participation. Therefore, it can also be speculated that these higher satisfaction levels influence the elevated product interest levels that were observed in the survey.

Further research needed

The goal of this study was to examine the effect of survey design and incentives on completion rate, data quality and respondent satisfaction with the survey experience. The results indicate that survey design aesthetics do not influence data quality or response rates. Minor changes in the look and feel - such as the use of color - in an online survey should not be a market researcher's primary concern. Further research is needed, however, to better evaluate the impact of more intensive survey designs and formats, such as the use of animation, multimedia or Java applets.

On the other hand, offering any incentive (as opposed to none at all) increases the overall completion rate. Respondents who were offered an incentive completed the survey at a higher rate than those who were not offered an incentive. The type of incentive - be it a smaller, guaranteed cash incentive or a chance to win a cash drawing - does not matter. However, the impact that incentives have on completion rate occurs in the first minute-and-a-half of the survey. Therefore, it is crucial to engage respondents at this point. Dropout rates are twice as high at this stage of the survey compared to later on. (This is true whether you offer an incentive or not.) Decipher is currently conducting additional research to pinpoint exactly what aspect of survey writing will help keep respondents engaged past the all-important two-minute mark.

Finally, careful consideration must be made when applying incentives because they will, potentially, introduce a bias into the data. Respondents show elevated satisfaction levels when compared to those who did not receive an incentive. An increased interest may also appear in product concepts or ratings that fall more on the positive end of the spectrum. It cannot be said whether this is a good or a bad thing - there may be an equally powerful negative bias with those who do not receive an incentive. Incentives may encourage respondents to be more thoughtful about filling out surveys; yet incentives attract professional survey takers who simply do what it takes to receive the incentive, paying little regard to the survey itself. Given their impact, we recommend that as much consistency is maintained as possible when it comes to offering (or not offering) incentives. | Q

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online research

When do you turn to the Web?

By Ron Weidemann and Chuck Sinks

One of the first questions researchers ponder when planning to conduct a quantitative study is whether the data should be collected via the Web, phone or snail mail. Today, the most common modes of quantitative data collection are online or by phone. Data collection by mail is used less frequently due to dropping response rates and higher data entry errors, but that is a subject for a future article. When determining the best survey data collection mode, two key elements of your research need to be considered: target audience and survey content.

Who do you want to survey?

The optimal survey mode - Web or phone - will have the capability of reaching a projectable sample of your research target market. What is interesting about studies using the Web mode is the ongoing and rapid penetration of the Internet into business and consumer markets. Current estimates indicate that more than 80 percent of U.S. businesses and about 60 percent of U.S. households have some form of online capability. Among U.S. businesses and households with Internet access, broadband penetration is approaching 70 percent - making data-intensive survey designs (with images, video, etc.) more practical than in the past. In other countries, the volumes of broadband subscribers is even greater (the U.S. ranks about 15th worldwide) with Korea, Hong Kong, the Netherlands and Denmark leading the way.

Before conducting an online survey, ask yourself a few important questions

Despite the Web's penetration into business and households, there is still a perception that Web studies, especially using Web panels, cannot yet be projected to the general U.S. population. In the infancy of Web surveys this was true, but oh, how the times are changing.

Nowadays it's the demographics/psychographics of the target respondent that indicate the mode researchers should utilize. For instance, approximately 8 percent of the U.S. population has already cut the cord of their landline telephone - that is they use cell phones and other communication devices instead of a landline. The percentage of U.S. "cord cutters" is growing at a rate of nearly 2 percent a year. Presently, those who have cut the cord are typically less affluent, most likely single and generally more liberal politically. Clearly, a

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landline phone study using random-digit dial is not practical when trying to reach these target respondents. Thus far, the cell phone-only group is not quite large enough to impact RDD survey projectability and accuracy to the general population - but that day is fast approaching.

Going forward, researchers need to be aware of the potential biases that could be created by not reaching the rapidly growing pool of respondents who no longer have a landline phone.

• Subject characteristics

Frequently, the subject of the research - the product or service we are researching - will be a driver in determining which mode is best for collecting data from your target market. Searching for computer users? A projectable sample or panel can be easily found online from a number of excellent sources. Statistically, the vast majority of computer users are also online. While phone studies can certainly identify computer users, a Web survey is a much less expensive and a preferred alternative to reach these targeted respondents. Of course the contents, objectives and design of the survey must be compatible with an online mode - but computer users would be excellent candidates. Other natural examples of products where projectable online sample can be found are digital cameras, photo printers and flat-screen monitors.

• People characteristics

Online research is best when your focus is more about reaching specific demographic groups of people rather than general product usage. Younger, less affluent singles are more likely to rely on e-mail, text messaging and cell phones to communicate. For example Jane, a college student, may not have a landline telephone. She relies on her cell phone, PDA and computer for her communication needs. Text messages and instant messaging are a way of life for keeping in touch. The most effective means of contacting Jane and others who are tech-savvy is through an e-mail survey invitation including a link and a password to an online survey.

Another good time to select a Web methodology is when you're trying to reach extremely busy people. As you might imagine, we've seen higher response rates when busy people are given the opportunity to complete the survey on their own time. An IT system administrator is someone who is always busy, often on-call 24/7. Rarely (if ever!) does an IT professional have 20 minutes to sit on the phone and answer questions at the exact time an interviewer calls. However, IT pros are generally anxious to provide input on new technologies and are better than most of us at checking e-mail. You'll increase your response rate and lower costs by giving busy people like this the option to complete the survey at their convenience - morning, noon or even midnight! Additionally, most online surveys have the capability to stop and restart the survey - in the event the respondent needs to break while in the middle of completing the survey.

What do you want to know?

Content also has a lot to do with determining the best mode for data collection. The Web is a good candidate for studies when 1) product concepts need a visual representation, 2) new product concepts need a detailed explanation, 3) a choice needs to be made between products with multiple attributes, and 4) there are so many options that it would be difficult for the respondent to remember them all without being able to see all options.

Being able to see words or pictures helps the respondent maintain focus. When listening to an interviewer over the phone, respondents have shorter attention spans - it's difficult to recall a large number of items on a list. In fact the drop-off rate for telephone surveys over 20 minutes in length increases quickly as respondents fatigue. Online surveys enjoy 15-20 percent more questions than phone surveys before respondent drop-off rates begin to accelerate.

A picture can convey more about a product than words. If you were to describe every visual aspect of a product, the respondent would likely get bored. If you didn't describe every visual aspect, you could be missing the one aspect that matters most to the customer. Take advantage of visuals if you can; the Web is the best medium for this. Of course the best visual aids are real products that can be shown in-person, but that is not always practical - financially or otherwise. There was a time when conducting an online survey with visual aids would have been difficult to do successfully because of bandwidth limitations and the inability to view images because of a lack of software (i.e., not having

Adobe Acrobat, etc.). This is changing as broadband Internet connections are becoming more common. Software for video streaming and image projection has made it easier to view images online.

One scenario requiring visual aids is a home builder trying to decide between two layouts for houses. The home builder wants to identify which layout will sell more houses. It is too expensive for the builder to construct the models and have individuals tour the facilities. Instead the home builder can build a model, take photos or video and show it online. The respondents can then give their feedback on preferences.

There are other situations where a product concept has been conceived but a physical model has not been developed. Before making an investment in developing a physical model, interest in the concept needs to be assessed. This will require providing respondents a product description instead of a visual image. It is easier for people to understand a description in writing than over the phone. And, people can better visualize a new concept when they are reading it at their own pace than when someone else is explaining it to them at a pace that may not be appropriate for that individual.

With some conjoint studies, respondents need to identify whether a new product would be chosen over existing products. Photos of all the products can be shown with prices, brands and product descriptions. The respondent chooses which product they want. This helps to capture information that would not be included if only a product description were shown. The product description would not provide the aesthetics of each product and it could leave out one of the key features that respondents prefer.

Sometimes the choices respondents have are numerous. Being able to see the options visually is better than having them read over the phone. On average, people can only remember seven things at a time. Phone surveys require individuals to remember the list that was read to them while online surveys allow the respondent to look through the list and go back and forth.

Who and what

Identifying who you need to survey and what you want to know will indicate which methodology is best. Once the study parameters of who and what are established, it is easier to identify whether online surveys are most appropriate. Online surveys are most practical when reaching groups of people that are very busy and when the survey topic is related to computers or technology requiring the usage of computers. It is also preferred over the telephone for abstract concepts or topics that require the usage of visual aids or a detailed explanation. | Q


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One billion and growing

An overview of global Web adoption rates and their impact on online research

By Kira R. Signer and Andy Korman

The world Internet population is currently estimated at .97 to 1.1 billion users - almost one-fifth of the world population overall. In the United States alone, with Internet penetration at 68 percent (spanning every socioeconomic, educational and ethnic divide), it seems that the Web has arrived - specifically as a research tool as well as a mass-market technology woven into every element of our society.

Sampling for online research in the U.S.

After years of discussion, validation research and proving-out of online research conclusions in the business world, most researchers are willing to accept that online research can, under appropriate conditions and restrictions, accurately represent U.S. consumers as a whole. Several key factors usually cooperate to argue that online panels (lists of Internet users who have agreed to participate in surveys) are sufficiently representative for good research.

Online consumers can now represent almost the entirety of the U.S. market. With the Internet following an accelerated but otherwise typical innovation-diffusion product cycle, the classic Rogers curve (accepted by sociological and business researchers) is the model most widely applied to illustrate the diffusion of Internet penetration. This model proposes that the bulk of the market is composed of innovators (2-3 percent), early adopters (12-13 percent), early-market (34 percent) and late-market (34 percent) mainstream consumers, so according to the Rogers curve, at 68 percent, U.S. Internet penetration has reached well into the late-market mainstream. The only consumers disproportionately excluded from online representation are thus the late-market "laggards" or "dinosaurs" - consumers who tend to resist purchase until they find it absolutely necessary, or who "are, well, never going to adopt." This consumer rarely represents an enthusiastic consumer or a key target for most companies. For new products, especially novelty products or those that represent an innovation, the opinions of these late adopters may have even less direct impact on product success.

These laggards are disproportionately likely to be older, low-income consumers (aged 65+ with household income less than $30,000) who

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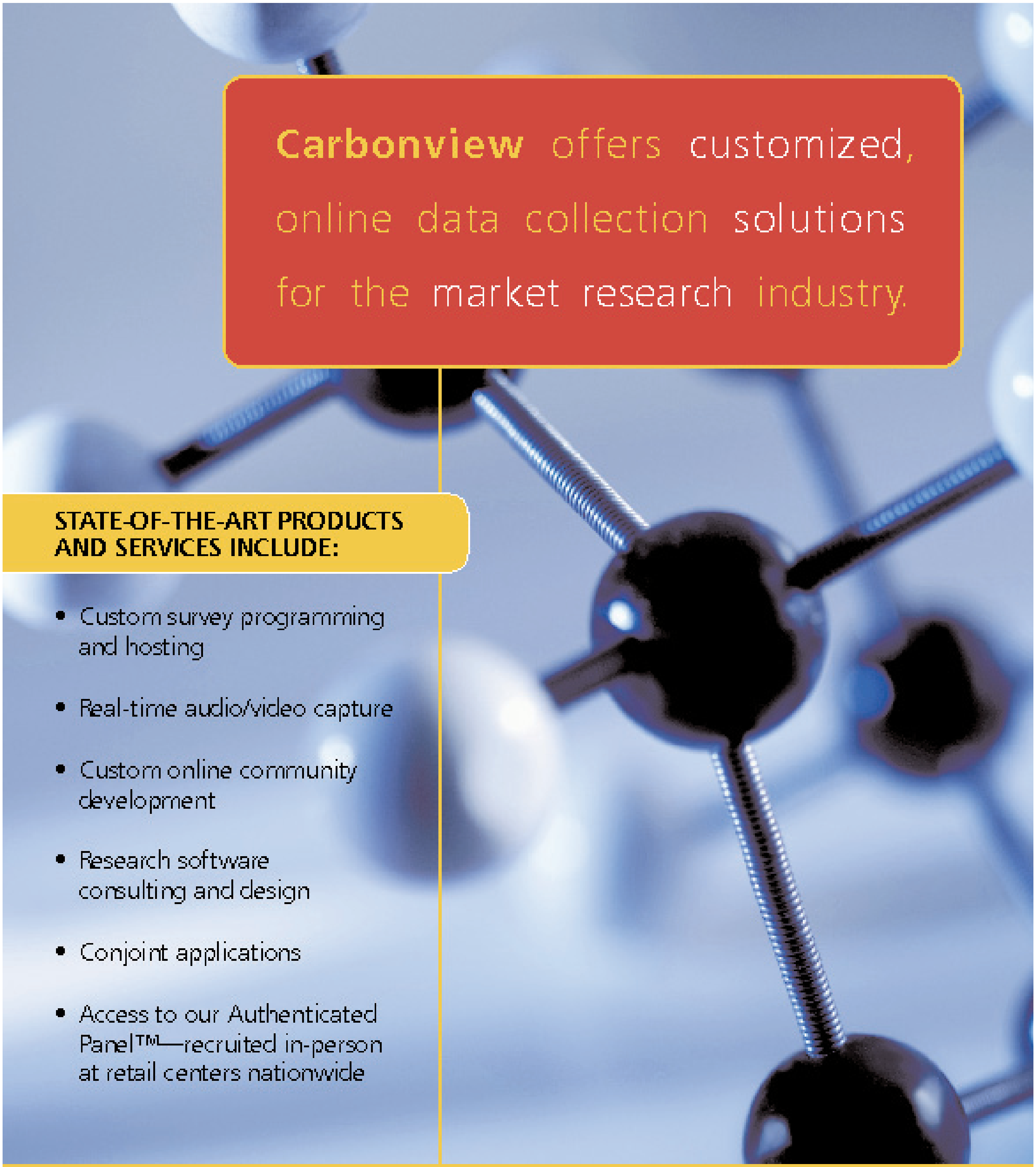
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are unlikely to represent most companies' target consumers. However, penetration of the Internet among users 65 and older grew to 26 percent in 2005, suggesting that penetration will continue to increase.

Internet panels are now sufficiently large to represent a notable proportion of the underlying population. A large pool of respondents reduces the threat of bias from systematic sampling. If samples are selected carefully from a large base panel, a wide range of attitudes, opinions and experiences are equally likely to be included. Panels need only to be large enough to counteract low representation of any specific demographic subgroups. Even older, low-income consumers can be well-represented within online panels. For example, though only 2 percent of a typical online panel fits the above definition of a "laggard," with member lists varying from 150,000 to one million, panel companies can generally access 3,000-50,000 individuals meeting this definition.

Even as Internet panels become more representative, telephone surveys and other trusted methodologies become less so. More consumers are abandoning landlines for cell phones (landline penetration has dropped 5 percent in the past eight years, at an accelerating rate), rendering them unavailable for random telephone surveying. As telemarketing, over-surveying and push polls increase respondent frustration, and answering machines complicate respondent contact, industry participation rates are declining. One recent study shows telephone refusal rates up to 75 percent among the sub-group of potential respondents who actually answered the phone. Further, while recent "do not call" legislation in the U.S. does not apply to surveying, respondents may not know of the exception and can assume they should not be contacted by any firm via telephone - with such resistance pushing refusal rates even higher.

The online population in the U.S. skews wealthier, more educated and more Caucasian than the U.S. population as a whole. In some cases, these targets are more preferred for market research sampling to begin with. For more mainstream surveys, appropriate sampling techniques will correct for this. Careful and proportionate stratified sampling will result in a survey sample that reflects the U.S. as a whole instead of the Internet or panel demographic. Demographic representation in a survey sample depends more on the panelists who were invited and respond, not the overall panel composition. In many cases, research companies can ensure appropriate representation by inviting low-incidence populations disproportionately to the survey. Instead of making the target's share of invitations proportionate to the panel or the Internet user, specific low-response strata are over-represented to ensure that they will respond at a rate that will reflect their proportion in the underlying population as a whole.

In the U.S., Internet users are

Region/Country	Country Population (millions)	Internet Penetration	Demographic Notes	Go/ No-Go
Americas				
Argentina	37.6	26%	Advanced infrastructure; sophisticated online government resources encourage wide use, with privacy following open international standards; predominantly white, educated and English-speaking urbanites (like much of the population); good representation of older users	Consider for some surveys
Brazil	181.8	14%	Some regional representation/mostly but not all urban; small but definite representation of women, older users; highly educated; free access and low-cost computing are available; penetration increasing rapidly; users mostly ignore a history of privacy issues	√
Canada	20.5	71%	Broadband is widely available; adults are fairly heavy users (avg. almost 20 hrs./week online); historically, good gender balance; like the U.S., mature market of Internet users who are broadly representative; MR privacy guidelines follow CASRO	√
Mexico	103.9	16%	Predominantly "elites" who are white, highly-educated and English speakers; limited to very large urban centers with good telecom lines (unlike most of the population); most access is through Internet cafes; info sharing strictly prohibited except in aggregate	X

"more socially connected than non-users, have a stronger sense of efficacy (perceived control over one's life), and consume more media (including newspapers, TV, mobile phone usage, etc.) than non-users." This suggests that Internet targets might have more developed and articulate opinions than non-Internet targets. Anecdotal evidence with online surveys has shown a wide quality range in open-ended responses. Some can be extensive and very rich with thoughtful information. Further, since they are heavier consumers of all forms of media - including print and television - than non-users, Internet users would be more likely to be consumers of advertising.

Sampling for online research internationally

Clearly, there are many factors influencing whether valid online research can be reliably collected. The accompanying tables synthesize and summarize relevant information on selected countries, in order to provide a recommendation as to the viability of online research in each country.

Internet penetration can vary widely by country - from 2 percent to 78 percent. Some may argue that the efficacy of online research is limited to countries with mature markets for Internet access. However, in many countries with moderate to minimal penetration, there is a sound rationale for believing Internet research to be representative.

• Demographically representative

Globally, Internet users are typically more likely to be younger and higher-income. For example, Internet penetration in Italy skews low on older, lower-income and Northern respondents (see tables). In many cases, research companies can ensure appropriate representation by careful and proportionate stratified sampling just as easily abroad as they can in the U.S.

• Representing the mass market

Internet penetration in some countries is recent, limited and still accelerating. Following the typical pattern of the technology adoption curve, online panels in some of these countries will represent early adopters predominately or disproportionately. It may be less of a concern in some countries with low and/or recent Internet penetration if the Internet has been made broadly available across socioeconomic strata. For example, Brazil has followed a program to distribute free Internet access and training to people of all

Region/Country	Country Population (millions)	Internet Penetration	Demographic Notes	Go/ No-Go
Asia-Pacific				
Australia	20.5	68%	Like the U.S., mature market of Internet users who are broadly representative; note that rural areas don't have broadband; MR privacy guidelines follow AMSRS	√
China	1,296.1	9%	103 million users (more than any other Asian country) who are educated and extremely urban, with access from work; average online per week is 16 hrs., more even than U.S.; gender and age are evenly represented; penetration increasing rapidly with government support, up to 71% in Hong Kong; minimal data collection restrictions exist, but a few may be restricted from going online	Consider for some surveys
India	1,094.9	5%	Penetration rate is 1.6%, one-sixth that of the world average; only 39 million users who represent only 9% of urban dwellers. No govt. protections for personal info online. Low penetration is partly from costly equipment; Microsoft plans a $1.7 billion investment in low-cost computing for the country	X
Japan	128.1	67%	Fair representation of lower-income households; even gender split; sophisticated online government resources encourage wide use; still younger, and heavily urban; developing protection laws combat widespread privacy concerns without greatly restricting survey industry	√
Singapore	3.5	67%	Online since 1991, government programs ensured early awareness and interest in being online; browsing by English, Tamil and Chinese speakers; most usage from home; privacy limits only on disclosing personal info without alerting user, but government widely believed to be monitoring Internet use	√
South Korea (Republic of Korea)	49.9	67%	World leader in broadband access, more heavy users than U.S.; sophisticated online govt. resources encourage wide use with privacy protection as in U.S. and Japan; fair representation of lower-income households, women; low representation of older people	√
Taiwan	22.8	60%	Over four million broadband subscribers, sophisticated online government resources encourage wide use; respondents can request personal information deletion	√
Thailand	65.7	13%	Regular university use since 1991. Penetration rate is accelerating, but use is heavily affected by tsunami; penetration is 46% among the top three-fourths of earners; strong data protections do not interfere with survey data collection	Consider for some surveys

Region/Country	Country Population (millions)	Internet Penetration	Demographic Notes	Go/ No-Go
Mid-East				
Israel	7.0	45%	Ranked in top 20 countries worldwide for broadband availability; sophisticated online government resources encourage wide use; historically, little skew on gender; given low penetration among Palestinians (see below), Israeli Arabs may potentially be underrepresented. Panel managers must register with the Registrar of Databases and report their purpose, use, means of data collection, and data security measures	Consider for some surveys
Palestine	4.0	8%	West Bank penetration at only 5%, but participation is on the rise; representation of residents, refugees, children and women	X
Saudi Arabia	23.1	11%	Middle East shows extreme gender disparity – women comprise 4% of online population – but online penetration is expected to rise precipitously; Saudi government has no regulations restricting survey or protecting privacy	X
United Arab Emirates	3.8	36%	Disproportionately high penetration for the region; since Middle East shows extreme gender disparity - women comprise 4% of online population - UAE online population heavily samples UAE males (est. 60%); freedom of expression and privacy are constitutionally guaranteed	Consider for some surveys

incomes (see tables). In other countries, such as India, recent penetration and a preponderance of early adopters can lead to exaggeratedly positive findings through online research, if early adopters are more positive about the survey topic than the overall population.

Some countries with incomplete Internet penetration have been pursuing connectivity for decades; in countries like Spain or Thailand, barriers to expanding infrastructure limit the market more than adoption diffusion (see tables). Since the Internet in these countries has been available for a relatively long time in well-connected urban areas, late-market consumers can be well-represented in surveys by ensuring high participation of urban respondents - who are in any case more likely to be close to available channels for companies' products.

For surveys that target the opinions of early adopters, a skew to this target is ideal. In countries where Internet penetration is still a new and evolving phenomenon, this natural skew can be an advantage for some survey topics. For more mainstream topics, several steps can and should be taken to minimize the impact of early adopters on study results for more mass-market surveys. First, surveys should include both recent and long-term users. Second, results from studies in early-adopter countries suggest that new Internet users can report disproportionately positive answers to surveys. Intelligent questionnaire design can help minimize the impact of this effect.

• Representative of market targets

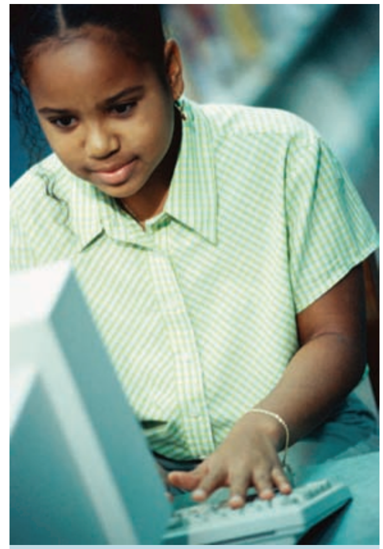
In many countries, even though few may be online, those who are online represent a much larger proportion of consumer targets than those who are offline. For example, Internet penetration in China is extremely urbanized, and represents fewer than 10 percent of the population overall - but since only one-third of the country lives in areas with populations of at least 2,500, online penetration represents roughly one-quarter of those who shop in stores. Any company targeting potential retail customers can thus effectively consider China to be a country with moderate Internet penetration of their target customer. |Q

Region/Country	Country Population (millions)	Internet Penetration	Demographic Notes	Go/ No-Go
Europe				
Denmark	5.4	70%	With high incidence of personal computers and phone lines, historically among the countries with highest penetration; sophisticated online government resources encourage wide use; age balance moderate, but similar to U.S.; respondents must explicitly agree to share their personal information; compliance is monitored by Registertilsynet, the Danish Data Protection Agency; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√
Finland	5.2	63%	Sophisticated online government resources encourage wide use; even gender distribution; wide representation of low-educated users; age balance moderate, but similar to U.S.; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√
France	60.6	42%	High proportion of broadband users; online adoption is maturing; disproportionately young; highly similar to total pop. on gender, employment; previously data collectors had to register, but E.U. law is being adopted	√
Germany	82.7	57%	Wide public access; sophisticated online government resources encourage wide use; sample must be pulled carefully as users are more wealthy, younger, college-educated and disproportionately male; penetration slightly lower in East Germany; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√
Greece	11.2	34%	Internet population skews urban and disproportionately young, male, highly educated; broad use of TV-based Internet counters island geography; recent accelerating penetration (from only 16% in 2002) suggests critical-mass breakthrough into early market; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	Consider for some surveys
Italy	58.6	49%	Good representation by gender and education,but is heavily skewed on youth and wealth; better representation in the North; typically access from home; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	Consider for some surveys

Region/Country	Country Population (millions)	Internet Penetration	Demographic Notes	Go/ No-Go
Europe				
Netherlands	16.3	66%	Historically heavy infrastructure development investment; good gender balance; note that response rates are typically lower than U.S. response rates; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√
Norway	4.6	68%	High proportion of broadband users; income of users skews high but there is still broad representation of low-income users (~40% are users); male skew is slight, users skew young but moderate use by older persons mirrors U.S.; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√
Poland	38.1	28%	Usage is twice as common in urban over rural areas and 5-6 times as common in the highest over the lowest income bracket; usage is primarily hobbyist or e-mail; in spite of high IT/IC employment, PC concentration is very low; must have paper signature on file to survey individual online	✗
Russia	144	17%	Primarily urban heavy users, with the fourth-highest proportion of LiveJournal users; users most commonly belong to one of two populations – younger residents, or older top and senior managers – and skew male/higher educated; long wait for telephone line slows Internet growth, but many access from work, friends' computers or libraries; personal data collection is consent-only	Consider for some surveys
Spain	43.4	37%	Poor infrastructure and high PC cost limit penetration, but two-thirds of users have broadband; somewhat balanced on gender; skew far more heavily young than other European countries (60% under 35); skew urban and civic-activist; by implication of PC cost, higher-income; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	Consider for some surveys
Sweden	9.0	75%	Named the "Web-savviest" nation in 2003, subscribers are almost exactly gender-balanced and only slightly skewed by age; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√
United Kingdom	59.9	63%	Differences in Internet vs. non-Internet populations mirror U.S.; however, less pronounced due to wide access through public locations; by E.U. law, personal data can be collected if used only for explicitly stated purposes and kept up-to-date	√

online research

In their element



By Robin Hilton

Researchers who have advocated online methodologies over the last decade have had a fairly tough fight of it but are being vindicated. Online is now recognized to be the fastest-growing area within the research industry and this is set to continue over the next few years. This growth is driven by the increasing use of online surveys and the provision of access panels to complete these. Additionally, slowly but surely, the public's acceptance, comfort with and trust of the Internet means that qualitative research is catching up and we are seeing more companies adopt the Internet for in-depth research, mimicking traditional techniques as well as creating new ones.

One demographic that is more accepting of the Internet than others is young people. This generation has grown up with the Internet as part of their daily lives and as a tool for communicating. The use of blogs, forums, chat rooms and community sites means young people are comfortable sharing personal information online - they even create their own identities online to portray themselves. Blogs enable people to reveal their thoughts and opinions online where once they were kept under the pillow in a diary, although I accept that there are things written in a diary that do not find their way online! The point is that young people trust the Internet and this is helped by the sense of anonymity and security provided by giving the information from the comfort of their own bedroom or house.

Online methods are a natural way to research Web-savvy kids

These are some of the key reasons why the use of the Internet to research young people should be a preferred method. Young people are not as confident in conversing face to face and expressing themselves - they are keenly aware of how other people perceive them and will change their behaviors and responses to fit in. Many moderators have experienced a room of children or teens where it has taken half the allocated time to get them to converse. Or instances where their responses are so monosyllabic, the transcripts have taken no more than a sheet of paper! The skill of the moderator can help get young people to open up, but the anonymity and security their own habitat offers ensures more accu-

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rate and valid responses.

Online focus groups – or other forms of online qualitative research – do not always meet the needs of a research project but they can be used more often that not. Other researchers have debated the pros and cons of online qualitative techniques and I do not want to go over old ground (anyone who says young people cannot converse as easily through typing as they can through speech has not experienced the world of MSN and text messaging and needs to get out of youth research quick!) but there are some developments that may make people consider online where once they did not.

Encountered worries

Amongst clients who were shying away from using online, we have encountered worries about the mood-setting for the groups (in a study of cinema you can recruit on site and run groups at the location so the participants are already thinking film and cinema), the buy-in of the participant (ensuring their attention throughout the group), and questions about how accurately respondents represent themselves online (are they using a persona instead of their "real" self?). Clients were feeding back that lines of text on a computer screen were hardly stimulating and moderators were advising that kids were simply not interested.

In addressing these concerns we realized we needed to really engage the participants of any group online, get them interested, give them the opportunity to invest time in themselves online and make them feel they are going to have a real impact.

Our firm owns and runs a 3D community site that contains chat using avatar figures based in rooms on an island as well as forums and blogs and other interactive features. We found that young people were attracted to and spent time in the site's rooms that reflected their profile. For example, the goths hung out in the graveyard and the skaters hung out in the skate park. We looked at this further and realized that the more young people are able to invest time in themselves online, the truer their reflection of self became and the more likely they were to be honest and retain an interest in what was being said.

Additionally we realized that young people were associating their online environment with the real-world environment and could affect their mood. For example if young people were talking about vacations, they were on the beach and if they were talking about pizza, they were in the pizza parlor. Obviously this was not exclusive and people did talk about vacations in the pizza parlor, but over the period of two weeks, 84 percent of conversations about vacations took place on the beach and 87 percent of conversations about pizza took place in the pizza parlor.

We realized that by combining the technologies from the community site and applying them to the online research environment we could allow participants to develop themselves online while allowing us to set the mood and tone for the research topic and engage the participants by wowing them at the same time.

The virtual viewing facility

Every participant invited to attend an online focus group is provided with the URL, a username and password. Having accepted to be part of the group each participant is contacted by phone to confirm their attendance and to ensure we have the correct details and a photo of them.

By entering their password the user is given access to the focus group site and is provided with the 3D character that most closely represents them from the profiling information and photo they have provided. They are able to further personalize their avatar, choosing from different combinations including hair style/color, skin tone, clothes and accessories. This helps engage the participant and allows them to spend time online creating themselves, ensuring better buy-in. Having selected their look, the participants enter the room - this is where the opportunity lies to set the mood and to further immerse them. The room is built in 3D and our designers can create the room to suit the research theme. For example, if testing cinema and film we create a cinema hall, if we are testing packaging for a new sports drink, we can create a sports hall.

The moderator invites the respondents to sit down on the allocated seating and is then able to manage the group. To see the profile of each participant you click on them to see their age, sex, location and picture. As with other online focus groups the moderator and client are able to communicate in private with the client viewing the group without appearing in the room and stimulus can be shown to the group in a variety of ways including videos and still images.

Recruitment is crucial

The success of any group relies heavily on the recruitment and it is essential that your participants are honest and who they say they are. To ensure this we retain a panel of young people in the U.K. aged 7-24, with those under 16 having parental permission. This panel is profiled and we also ask them to provide a picture of themselves, either uploaded or sent through the postal mail. This enables us to recruit more accurately for our clients and where we do not have the relevant profiling information we invite the panel to complete an additional profiling survey. This is completed without them knowing what client the groups are for – we can therefore ensure that the information they are providing is more accurate and then recruit from those that fit the criteria.

We always recruit more than the required number for our clients and advise those who may not be needed so they are aware of this in advance. Another advantage of the online groups is that the participants (and their parents) do not have to travel and so the inconvenience is limited and they are always compensated.

Getting teenagers to open up

A good example of the effectiveness of the online groups and the importance of good recruitment is a study we ran to understand teenage girls' attitudes and feelings towards magazines. This on the surface appears straightforward but gaining insight into particular articles concerning very personal issues isn't easy. We wanted to encourage open debate about these issues in a group environment but found that the girls were very wary of one another in a face-to-face group.

To recruit the participants for the online group we ran a survey to identify readers of the magazine titles we wanted to compare and frequency of purchase. Those who fit the profile of the groups we needed were then contacted to attend their group at an allocated time. We benefited here as we were obviously not bound be the location of the girls and we were able to recruit and arrange the groups quickly.

Sitting in their room at home (or school) with magazines and attending the group online in a room that is designed as a "chill out area" encouraged the girls to be far more responsive than they had been face to face. They were supportive of each other when talking about problems and issues they had and this in turn encouraged each of them to open up even more.

The obvious savings in terms of time and cost were aided by the ability to ask questions that girls in a face-to-face environment may have shied away from answering honestly. The profiling information gathered prior to the groups allowed the moderator to have an insight into each participant's life and allowing the girls to change their characters and the colors of their wall in their online room was a great way to break the ice. In addition to the research, the girls have also gone on to remain friends and are active in recruiting other young people on to our panel.

Retaining and growing a panel

The word-of-mouth activity that the girls in the case study above conduct on our behalf is essential to the growth and representative nature of our panel. This is important as the panel is also retained as an access panel, used by other panel companies, research agencies and clients as well as providing a source for recruitment to attend focus groups. We employ a panel manager and use panel software which ensures members are not overused.

Also key to the validity of our panel is that it remains as independent of parents as we can make it. We therefore recruit directly amongst the youth audience and where we have need for children under 11 years old to complete surveys, we retain a schools panel consisting of over 300 primary schools across the U.K. This schools panel allows younger pupils to complete surveys online in a controlled environment with the support of a teacher who is briefed by us prior to the fieldwork.

Finally, to retain the panel and also to encourage those who would not normally spend time online we pay for every survey they participate in. This payment is important but just as important is the regular communication and engagement we have to have with members.

The future is bright

I have covered here how we use our technology to engage participants in research online. There are many other ways researchers are using online to add value to their studies and these are proving very effective. So what does the future hold for research online?

There is a risk of research burnout - as more and more companies seek to get the responses of their audience, invitations to complete surveys could become as annoying (and ignored) as pop-up advertising.

But generally the future is bright. Advances in broadband and Web cam technology are allowing researchers into people's homes and providing 24-hour access to people's lives without the intrusion of an ethnographer in their house.

The focus group will continue to be the mainstay of most qualitative research, at least for a while, but there will be a few changes. We are already conducting one-on-one depths over the Internet using Web cam technology. We are running paired groups using Web cams where the respondents can see each other and the moderator and the client can see the expressions of the participants and how their body language. We will soon be able to run focus groups of six to eight people, each participant in the comfort of their own home or office and each being able to see everyone in the group.

Not all research needs will be fulfilled online, but in a world where time is becoming the most valued commodity, what client is not going to want to use it when the outcomes are exactly the same? | Q

online research

Immersive research

By Steve August

Since qualitative research came online in the late 1990s, focus groups, the dominant framework for offline qualitative research, have also been the dominant framework for online qualitative research. As such, the focus group has driven the development of online qualitative solutions such as bulletin board groups and chat-based groups (sometimes called online focus groups). And as Internet adoption rates have reached nearly 70 percent in the U.S., bulletin board focus groups and chat-based online focus groups have become increasingly accepted qualitative methods for qualitative researchers and the clients they serve.

However, over the past few years, two trends have converged to extend the possibilities for online qualitative research beyond the focus group framework:

Trend 1: The emergence of Web 2.0

While there are probably as many definitions of Web 2.0 as there are people who care to define it, Web 2.0 serves as a handy rubric for the current state of the online experience. Marked by high levels of broadband Internet access, ubiquitous digital media (images, video and sounds), integration of mobile digital devices (wireless phones, camera phones, PDAs), and the evolution of social software from simple forums and chats to XML-driven blogs and collective spaces like MySpace and the photo-sharing site Flickr, Web 2.0 appears to be delivering on the initial promise of the Internet.

The fusion of Web 2.0 and contextual research methods creates the opportunity for something new

While there is not room in this article to delineate all the facets of Web 2.0, the net effect of Web 2.0 for researchers is that we now have the tools to not only capture individual experiences in rich detail wherever and whenever they occur but also to categorize and aggregate those experiences on a scale not previously feasible.

Trend 2: Increased use of contextual methods for market research

Over the past decade, the idea of researchers leaving the focus group facility and observing customers in their natural environments has become increasingly accepted. In-depth qualitative research methods

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such as ethnography have repeatedly proven their worth in understanding customer behaviors, experiences and cultures and identifying opportunities for successful products, services and messaging. J.C. Penney, Starbucks, Intel and GM are just a small sampling of prominent companies that have integrated ethnography into their new-product development process.

Taken together, the fusion of contextual methods such as ethnography with Web 2.0 technology creates the opportunity for a new framework for online qualitative research. This article proposes to define the goals, characteristics and applications of this new online qualitative research framework and give it a name: immersive research.

Capture participant experiences

Whereas current online qualitative research is mainly rooted in the focus group framework, immersive research draws from a number of offline methodologies - ethnography, longitudinal qualitative studies, contextual inquiry - and blends them in a Web 2.0 online environment. Like these traditional contextual methods, the goal of immersive research is to capture participant experiences and behaviors as they happen, and make those experiences meaningful in the context of a business question.

The following are five main characteristics of immersive research:

1. Online

Immersive research is a framework for in-depth online qualitative research, and the impact of being online manifests in two important ways. First, it gives researchers the ability to simultaneously capture the experiences and behaviors of a large number of geographically dispersed participants - something that would be extraordinarily expensive to execute via offline methods. Second, because this research occurs online it enables any person within an organization, from product and marketing managers to CEOs, to access the data generated by an immersive research study. In this way, entire organizations could be immersed in the experiences of their customers. (Note: In a recent study executed by my firm, at the start of the project there were three client observers. By the end of the project there seven client observers, some of whom were working on different offerings than the group who originally commissioned the project.)

2. Primary interaction is individual

Like the offline methods it draws its inspiration from, the primary interaction for immersive research is on an individual basis. Researchers capture the experiences of individuals, often using blogs or other tools that allow private participation, and aggregate those experiences to identify patterns and themes. Because of the ease of including both individual and group interaction in the online environment, there may be group interactions that support the individual interactions.

3. Captures experiences and behaviors and emotions as they happen

Like ethnography, immersive research seeks to capture the behavioral and emotional moments in context as those moments happen. However, a big difference between ethnography and immersive research is that immersive research tends to rely almost entirely on participant self-reporting, whereas observation is the very heart of ethnography. Like ethnography, immersive research can produce two different data types. The recording of behaviors - uses, occurrences, purchases, etc. - often generates volumes of structured data delineating the what, where, when and why. On the other hand, the emotions and attitudes that accompany behaviors often generate open-ended text responses that need to be coded. The presence of both of these data types is a strong indicator of immersive research.

4. Sustained interactions

Another important aspect of immersive research is that interactions with participants are sustained long enough to capture applicable behaviors. Spending time with participants over time is an important part of capturing the natural rhythm of participant experiences. Whether it's over the course of days, weeks or even months depends on how often experiences of interest tend to occur during the course of participants' everyday lives.

5. Rich media used by participants

Perhaps the most powerful part of the immersive research experience is the ability to literally see through the

eyes of participants. The use of digital images or video to record behaviors and experiences lets participants tell their stories with a richness that text descriptions simply cannot match. On occasion, images posted by participants can simultaneously capture both the behavior and the heart of the emotion underlying the behavior. The use of rich media by participants to convey their experiences goes a long way in creating an sense of immersion in participants' lives.

Applications and examples

Like the in-depth qualitative research methods that it draws from, immersive research is best applied in early-stage discovery efforts, when the goal of the research is to understand the "white space" of customer experiences. The understanding generated by immersive research studies can provide the fuel for creative efforts such as creating new products, services and messaging.

Here are two brief examples of immersive research studies:

KDA Research recently executed a study over the course of 10 weeks, with two different segments of participants. Each participant was given their own private blog, where, for the duration of the study, they recorded specific information regarding a number of behaviors of interest, as well as participated in a variety of weekly research activities. Participants answered questions, created photo tours with their digital cameras and reacted to a collage of pictures. The intent of the project was to capture the day-to-day experiences and emotions of participants regarding the topic over the course of a specific season.

In another study we conducted as the first part of a three-phase rapid innovation process, two segments of participants (moms with kids; teens) documented the consumption of a particular food item over the course of one week by posting a digital photograph in their own private blogs. Participants also answered questions regarding their attitudes and preferences in their blogs. The study generated an insightful side-by-side comparison of the consumption habits and drivers of moms and teens, and helped generate a number of product concepts.

Full utilization

The idea behind the immersive research framework is to acknowledge that the fusion of Web 2.0 technology and context research methods presents the beginning of a new chapter in the evolution of online qualitative research. Where previously, online qualitative research has been predominantly rooted in the focus group framework and text-based bulletin boards and chats, this new chapter will be marked by the adaptation of in-depth qualitative frameworks and the full utilization of the latest technologies to help researchers put hundreds of customer stories at our fingertips. Online qualitative 2.0 has arrived. | Q

online research

Preventing speeders and cheaters

By Debbie Peternana and Keith Strassberg

As providers of data collection services to our clients, we view Web survey validation as an important topic. While it is important for Web data collection providers to ensure the validity of the data they collect via the Web by verifying their panel members, we also must use well-written screeners and processes to guarantee the validity. Many data collection companies have recognized the need to ensure the quality of their data and have implemented a validation process, but many companies have not, expecting the client to be solely responsible.

It is imperative to question the data collection companies you utilize and ask them to explain their data validation process. If you are satisfied with the process there may not be a need to add any additional steps. If you aren't satisfied, you will find some suggestions below to incorporate into your project management which will save you time and difficulty in the end.

We do not wish to insinuate that respondents are fraudulently completing surveys, but a small percentage may alter their responses to gain access. Therefore the screener questions are much more important in keeping out those who are not qualified.

Since respondents do not know (or, should we say, "should not know") what qualifications will grant them access, it would be difficult to make up the responses. Unfortunately some data collection companies give far too much information when sending an invitation to their panel members. Some respondents are not fraudulently completing the studies but may not take their time, may misunderstand the direction or just not pay attention. These types of errors often are the cause of invalid data as well.

Work with your data collection providers to keep respondents honest

Ask to see the invitation the respondents will receive and verify the following:

• There is no indication of the topic in the e-mail subject line or the invitation. Respondents should not know the subject of the survey when they choose to respond. Knowing the topic results in panel members choosing not to take the survey because they do not like the topic. In some cases mention of the topic will give away information that could help panel members gain access. For example if the invitation mentions "snow skiing" and one of the screener questions asks "Which of the following sports do you participate in…" with

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snow skiing being a choice, panel members may select it as an answer because they believe doing so will gain them access into the survey.

• Make sure the information in the invitation includes the length, the end date if there is one and the incentive. The incentive should be enough to motivate the respondent to participate but not enough for the respondent to want to fraudulently access the survey more than one time to receive the incentive.

• Ask about the method of accessing the survey and make sure that the survey is password-protected. This can be done a number of ways and each company may do it slightly differently. Normally, this is done by including a link in the invitation to which a unique identifying number has been appended. This unique number can be linked to the profile information provided by the panel member when he or she signed up on the panel. It will allow the respondent one-time access into the survey unless the survey has been designed to allow a respondent to come back to a survey and complete it. This is usually offered if a survey is exceptionally long. When the respondent returns to the survey, they will begin where they left off. The program does not allow for the respondent to go back and make changes. Additional efforts include real-time and automated checking and back-end manual checking.

• Real-time automated checks. At the beginning of each Web survey, include the following introduction:

"To ensure that this survey is not being completed by a computer or a professional survey taker, we have included easy-to-answer validation questions. The questions will be readily apparent to you. Please follow the instructions to answer these few questions. If you do not answer these questions correctly, we will not be able to include your opinions and your survey will not count.

"In addition, we expect it will take time to read and answer all of the questions properly. Please take your time to consider each question and answer it honestly. If you are racing through, and take the survey in a less than acceptable time based on the time you were told it would take, we will not be able to include your opinions and your survey will not count.

"Thank you in advance for participating in our survey. Your honest opinion counts."

Doing the above allows the respondents to understand that these questions are being verified and respondents will be answering questions that could effect their participation and receiving their incentive.

• Time test. Work with your data collection provider and the final survey instrument to determine estimated length of the survey, and estimated length of certain sections of the survey. Through Web pretesting and monitoring tools, you should be able to determine estimated lengths.

Then, during programming, if your programming tool allows, we suggest including timers in the sur-

vey. If a respondent completes a section in less than half the estimated time, they receive a speed warning. "So far, you have spent less than half the time it has taken others to reach this point in the survey. Please ensure that you are reading all of the questions and giving us your honest answers." All surveys (and sections) completed in less than half of the estimated time will be flagged, and individual responses will be manually reviewed for accuracy. Surveys will be discarded if they don't pass validation.

• Validation questions. For each 25 questions, randomly insert one validation question. Every survey will include at least three validation questions. If a respondent fails two out of three validation questions, the survey will be immediately discarded. If a respondent fails one out of three validation questions, the survey will be flagged and manually reviewed for validation.

— Validation question type # 1 - single-punch
To ensure quality, please (enter the number X/check choice X) below.
ENTER X
(letter or number is randomized for each survey participant)

— Validation question type # 2 - multi-punch
To ensure quality, please select choices X, X, and X below.
SELECT CHOICES X, X, and X
(X) (X) (X) (X) (X)
(letters or numbers are randomized for each survey participant)

— Validation question type #3 - logic checks
(Some data collection partners will work with you to determine certain logic checks.)
How many hours per week do you watch TV?
Enter number of hours.
Of the X number of hours you watch TV each week,
how many hours do you watch TV in the morning, that
is between 6 a.m. and 10 a.m.?
Enter number of hours.

• Back-end manual checks. In addition to manually checking each survey that is flagged for review, each day, review all open-ends to make sure they are applicable. Either train individuals in your office to review the open-ends and know what to look for or speak with the data collection partner to verify they have someone assisting in the verification. Surveys that don't pass validation will be discarded.

While the processes above can help to reduce fraudulent responses, as well as invalid data caused by respondents who do not take their time and misunderstand the questions, there will likely be some inconsistencies. Therefore, it is important to include the processes above but make sure that you and your data collection partners work together on steps to further reduce these inconsistencies.

In summary, remember to:

1. Speak to your data collection partners and request they provide to you the process they use during the project, as well as the steps they would take if a question about the validity of the data arose after the completion of a study.

2. Review the screener questions and questionnaire to ensure the qualifications are what you originally thought they were and that the screener questions are strong enough to keep out respondents that do not qualify. The goal of the screener is not to trick the respondent but determine if they are qualified to participate in the survey.

3. Review the invitation being sent to ensure it includes no mention of the topic, but does include the length, the end date (if applicable) and a unique ID which will allow only one access into the survey.

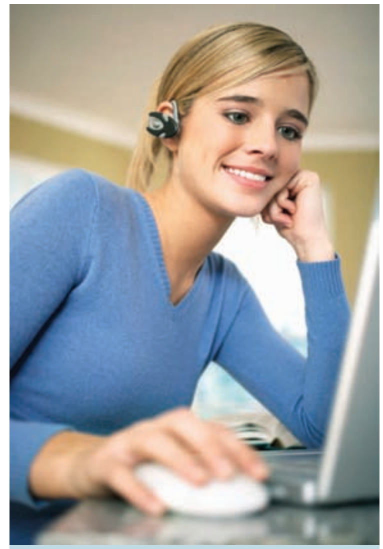
4. Include the statements listed above, which let the respondents know that the time it takes them to complete will be monitored and that there will be validation questions to guarantee validity.

5. On a daily basis review your data and check the open-ends for relevance. Also look for straight-line responses and examine time completed and any other logic tests that would verify data validity.

6. Keep in mind you may find a small percentage that do not stand up to the rigorous validation process you put in place. Work with a data collection partner that will allow you to collect extra responses and completed interviews to make up for any that are discarded. | Q

online research

Snaring the Netizens



Marketing to the new generation of techno kids

By Ted Mininni

What are the best methods to market to today's teens and college-aged kids, who are still engaged in conventional activities but spending more and more of their time on technology-driven activities? How can we reach them right where they are?

Savvy marketers know that the potential of the Internet, cell phone and viral (a.k.a. buzz) marketing initiatives have to be fully explored and better utilized. That also means assessing the value and impact of the latest Web-fueled craze: social networks.

While teens watch a lot of TV, they spend even more time on the Internet. Conventional advertising doesn't work with teens or college students. Advertising on TV, radio, newspapers and magazines is out of synch with a group that uses TiVo, iPods and satellite radio. In a survey titled "Born to be Wired," commissioned by Yahoo and Carat, the Internet was found to be the top medium among kids 13-24 years of age.

Teens spend more time online and they multi-task, watching TV, listening to music, doing homework, talking on their cell phones or instant-messaging friends. Teens seem to be able to do any combination of these things simultaneously. Their brains are now wired to multi-task at a high level, and they seem to thrive on all of this stimulation, thanks to being born into the great Technology Age.

Teenaged "Netizens" are adept at using search engines to research school work as well as information about the newest brands, products and trends. Research shows it is just as important to this group to be able to research information as it is to find cool new activities and products online. When surveyed, teens cited their preference for the Internet, which they feel lets them manage and personalize their experiences. This demographic wants control over their brand interactions, and they expect enjoyment from their Internet activities.

Along with instant-messaging, teens use news groups, chat rooms and blogs among large groups of users and peers to spread the word about cool music, fashion and consumer products, which have all given rise to viral or buzz marketing. Buzz marketing is perfect-

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ly suited to the Internet and teens. Savvy marketers go out to metro areas, finding the trendsetting kids in their communities and seeking their approval by having them use or wear their new products. When the all-important endorsements are given, the buzz begins.

Create a bond

Research has found that, for teens, cool status is not achieved for a brand or product unless it is perceived to possess the attributes of quality and value. It must also deliver on an emotional level. Research by my firm has shown that if a product or service's "Enjoyment Assets" are uncovered during the pre-branding process, an undeniable emotional connection is made. Then, the brand image of being cool is established and reinforced for and by teens.

Products and services that appeal on an emotional level - that is, that deliver "enjoyment moments" - truly create a bond with their audience.

Another major opportunity for reaching teens exists in marketing using cell phone technology. While advertising via cell phone is a fact of life in Europe and Asia, only 20 percent of U.S. mobile phone users received advertising text messages on their cell phones in 2004, and the majority of them deleted them.

Media experts have said it is always advisable to reach demographic groups using the platforms they use and enjoy. Teens, tweens and cell phones are a natural. In order to be effective, marketers will have to be sensitive and not appear to be engaged in hard-sell advertising to these groups also. Cell phone marketing should become a factor in the U.S. in the near future. There are almost 200 million cell phones in use in this country now, and brand advertising dollars are being redirected by many major consumer goods companies away from television and print and reinvested in the Internet and other tech platforms. Creative marketers will find a way to effectively reach teens through their cell phones to develop meaningful dialogue between them and their brands.

Social networking

With the Internet, there is far more to consider than the utilization of banner ads and pop-ups on sites frequented by teens and collegians. The newest online vehicles that are already reaching millions of kids are social networking Web sites. On the scene for a very short time, they are already a force to be reckoned with. This phenomenon has large corporations queuing up to tap into these sites to test new products and create brand consciousness in a highly desirable demographic: teens and


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Social networking Web sites are increasingly a medium of choice for American youth. The numbers tell the story:

• MySpace.com has 40 million members.

• Xanga.com has an estimated 21 million members.

• Facebook.com, used by the college crowd with an 18-25-year-old demographic, is hot. Facebook was involved with 882 colleges as of last fall, of the estimated 2,000 in the U.S. including community colleges. That's 3.85 million members! Facebook is now seeking to expand by creating a high school network. The site accepts advertising from regional and national advertisers. This offers brands wanting to reach young consumers a huge bang for their buck.

There are also regional and metro social networks popping up all over the country. This has caused corporate giants like Coke, Apple and Procter & Gamble to find creative ways to market to teens and collegians using these social networks. Just by sponsoring the sites, Coke and Apple have both enjoyed the status of becoming part of these networks. Apple, for example, gives away iPod Shuffles in weekly contests, makes product announcements and provides links to its student discount program on some of these networks. Companies that have done this are, in essence, making themselves lifestyle brands. Kids don't buy because ads tell them to; they buy because the buzz generated by their fellow netizens tells them to.

However this new phenomenon unfolds, and whatever form social networks take as they grow from infancy into a more mature communications platform, one thing is certain: Generation Online will be the ones adapting it to make it their own. And we, as marketers, also need to adapt and be part of it.

Brand values

No matter which of the kids' demographic groups marketers are trying to reach, basic brand values speak loudly. When a large group of teens were polled by researchers (the Yahoo-Carat study cited above) as to the top requirements on which products and brands have to deliver, they cited: worth the money/value for the money; high quality; keep the brand promises; make appropriate products for teens; make products that are easy to use; know what teens like and listen to them to develop products they want to buy and use; always exceed teens' expectations; friendly; fun; innovative.

Note that the majority of these brand attributes really center around Enjoyment Assets, as we've previously cited. Perhaps kids' criteria aren't much different from ours as adults! | Q

Survey Monitor

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property their own, planting their favorite flowers and plants. With the wide availability of gardening and green care options, from potted goods for container gardening to trees and water gardens for those with land, the market offers something for every gardener. "There are many different types of green thumbs," says Erin Fowler, analyst at Mintel. "Our research shows that half of respondents with outdoor growing space refer to gardening as an enjoyable pastime, while 30 percent call it 'a chore.' Some 11 percent say it is 'a passion.' Industry players need to recognize the variations in the market and customize products based on the level of consumer interest." For more information visit www.mintel.com.

Docs detail e-detail likes and dislikes

An online survey of physicians conducted by Lathian, a Plymouth Meeting, Pa., promotional firm, sheds light on what physicians like and dislike about electronic details (e-details). Lathian contacted a group of psychiatrists, oncologists, nephrologists, neurologists, pediatricians, cardiologists and general practitioners for the survey earlier this year. To qualify, physicians must have participated in at least four e-details in the past year, with one of them occurring within 60 days of the survey. The 20-minute survey contained 30 questions.

Nearly 60 percent of participants prefer e-details with streaming video and audio content, especially those featuring key opinion leaders (KOLs). Indeed, 87 percent of respondents said they consider KOLs who appear in e-detail videos to be knowledgeable and credible, while 71 percent said that KOLs add significant value to the e-detail experience.

More than half of the physicians surveyed described e-details as hard to use. For example, many e-details use red and green, which colorblind participants cannot distinguish. Likewise, there is a lack of keystroke navigation, which would help physicians who have trouble using a mouse.

E-details that combine academic integrity with fun are highly appealing. Case in point: Over 60 percent of respondents said they enjoy short, quiz-show-style games that let them compete. The physicians also gave high marks to crossword puzzles and memory-style games, where they have to match the e-detail drug's features to the benefits they provide to patients.

Respondents agreed that only about 35 percent, or eight questions, of an e-detail should seek out market research information about their practice and online behavior. More than eight questions was considered burdensome or intrusive.

Almost 95 percent of respon-

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dents said they have a broadband Internet connection, an enormous jump from just five years ago when only 20 percent had one. This permits the high-bandwidth e-details with lots of interactive audio and video that were favored by responding physicians. For more information visit www.lathian.com.

Some churches show no faith in the Web

One out of every four Protestant churches in the United States has virtually no involvement with the Web, according to research reported in the January/February edition of *Facts & Trends*, a bimonthly publication from LifeWay Christian Resources of the Southern Baptist Convention.

The study, conducted by Ellison Research, Phoenix, Ariz., among a representative sample of 871 Protestant church ministers nationwide, explored how churches use Web technology. It shows 27 percent of all churches have no connectivity at all - no staff e-mail, no Web site and no Internet connection.

While the research shows 58 percent of all churches provide Internet access for their staff, a similar study conducted in 2004 by Ellison Research showed 91 percent of all ministers have access to the Internet. The current study demonstrates that in many cases, ministers have personal access but not access through their church.

Only half of all churches provide staff with e-mail, and just under half maintain a Web site. The proportion with an active Internet site has not changed significantly over the past year.

Relatively few Protestant churches use e-mail prayer chains (23 percent), have an e-mail church newsletter (18 percent) or have an online member directory (4 percent).

The number of churches making some use of the Internet is lower in the South (65 percent) than it is in other parts of the country. The smallest churches (with fewer than 100 in the congregation) are much less likely to use the Internet (60 percent) than are mid-size (100-199 people - 86 percent) or larger churches (200 people or more - 96 percent). Churches led by older ministers are also much less likely to be connected than are those with a pastor under the age of 60.

Presbyterian churches are the major denominational group most likely to be using the Internet (92 percent). Most other major denominational groups were about average, but Baptists from outside the Southern Baptist Convention (such as Progressive Baptist, Missionary Baptist, American Baptist) are much less likely than others to make any use of the Web (54 percent). In general, mainline and evangelical churches do not differ much in church use of the Web.

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Quality research never relies on a "one-size-fits-all" approach. Recognizing the variation in quality and coverage of Internet resources available to researchers, we've assembled a number of "best-in-class" approaches – whether it's household panels, youth panels, minorities, or other targeting variables – and utilize our time-honored, multi-sourced approach to provide a solution tailored to your particular Internet project.
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The study also explored Web content among churches with active Internet sites. Only four types of content are provided by a majority of all Protestant churches with a Web site: a map and/or directions to the church (70 percent), a calendar of upcoming events (65 percent), a statement of beliefs (60 percent), and pages for specific ministry departments (56 percent). In addition, half provide staff e-mail addresses on their site.

Other types of information provided by a significant proportion of churches include denominational information (43 percent), staff biographies and/or backgrounds (42 percent), special pages for youth and/or teens (42 percent), a regular church newsletter (38 percent), a way to submit prayer requests online (27 percent) and information about joining a small group (25 percent).

Among content less likely to appear on a church Web site are Bible study material or helps (19 percent), sermon transcripts (16 percent), upcoming sermon titles or topics (14 percent), sermons available in streaming audio (13 percent), a bulletin board, forum or chat room (12 percent), sermons in streaming video (4 percent), testimonies (4 percent) and a way to donate online (2 percent).

Larger churches are not only dramatically more likely to have a church Web site than are smaller churches, but their sites tend to be more sophisticated, with far more content. For example, 60 percent of large churches with a Web site provide special pages for youth or teens, compared to only 25 percent of small churches. Forty-five percent of large churches provide information about joining a small group, compared to just 8 percent of small churches. And 65 percent of large churches provide staff e-mail addresses, versus only 37 percent of small churches. About the only common type of content equally likely to appear on church Web sites regardless of the size is denominational information.

Mainline and evangelical churches differ somewhat in their Web content. Mainline churches with a Web site are more likely than evangelical congregations to have a regular church newsletter on their site (46 percent to 32 percent). But evangelical churches tend to have more content and more diversity on their sites, as they are more likely than mainline churches to provide a statement of beliefs (72 percent to 36 percent), special pages for youth/teens (48 percent to 34 percent), a way to submit prayer requests online (27 percent to 15 percent), Bible study materials or helps (26 percent to 10 percent), sermons in streaming audio (17 percent to 6 percent) and testimonies (7 percent to 1 percent).

Ron Sellers, president of Ellison Research, says that this study confirmed the company's previous research showing a growing technology gap between larger and smaller churches. "Not only are larger churches far more likely to have a Web site, but they have much more content available for visitors to their sites. Their sites are also much more interactive, with ways to contact staff, learn about upcoming events, watch streaming audio or video, and submit prayer requests," Sellers says.

However, even large churches infrequently take advantage of the many ways the Internet can impact ministry and communication. "Even among larger congregations, only a minority have a Web site where visitors can interact with other visitors, get help studying the Bible, get involved in a small group, learn about the pastor's background or submit a prayer request," Sellers says.

The sample of 871 Protestant ministers included only those who are actively leading churches. The study's total sample is accurate to within ±3.2 percentage points at the 95 percent confidence level with a 50 percent response distribution. The study was conducted in all 50 states, using a representative sample of pastors from all Protestant denominations. Respondents' geography, church size and denomination were tracked to ensure appropriate representation and accuracy. For more information visit www.ellisonresearch.com.

Social networking sites grow 47 percent

April data from New York-based Nielsen//NetRatings showed that the top 10 social networking sites collectively grew 47 percent year over year, increasing from an unduplicated unique audience of 46.8 million last year to 68.8 million in April 2006, reaching 45 percent of active Web users.

MySpace, which has attracted significant media attention of late, topped the list with 38.4 million unique visitors and a remarkable year-over-year growth rate of 367 percent. Blogger took the No. 2 spot, garnering 18.5 million unique visitors and growing 80 percent year over year, followed by Classmates Online with 12.9 million unique visitors and a 10 percent year-over-year increase. Newcomer YouTube and the more established MSN Groups rounded out the top five, with 12.5 million and 10.6 million unique visitors, respectively.

"Social networking sites are the reality television of the Internet," says Jon Gibs, senior director of media, Nielsen//NetRatings. "The content is relatively inexpensive for publishers to produce, and social networking is not a fad that will disappear. If anything, it will become more ingrained in mainstream sites, just as reality TV programming has become ubiquitous in network programming.

"However, again like reality programming, the concept of 'reality' alone, or in this case 'social networking,' is not enough. In this competitive marketplace, sites also have to provide consumers with distinct content they can identify

Top 10 Social Networking Sites, April 2006 (U.S., Home and Work)			
Site	**Apr-05 UA (000)**	**Apr-06 UA (000)**	**YOY Growth**
MySpace	8,210	38,359	367%
Blogger	10,301	18,508	80%
Classmates Online	11,672	12,865	10%
YouTube	N/A	12,505	N/A
MSN Groups	12,352	10,570	-14%
AOL Hometown	11,236	9,590	-15%
Yahoo! Groups	8,262	9,165	11%
MSN Spaces	1,857	7,165	286%
Six Apart TypePad	5,065	6,711	32%
Xanga.com	5,202	6,631	27%

Source: Nielsen//NetRatings, May 2006

Top 5 Social Networking Sites Ranked According to Retention Rate, April 2006 (U.S., Home Only)	
Brand	**Retention Rate**
MySpace	67.04%
MSN Groups	57.62%
Facebook	51.73%
Xanga.com	48.92%
MSN Spaces	47.33%

Source: Nielsen//NetRatings, May 2006

with."

The interactive nature of social networking sites keeps visitors coming back. MySpace enjoyed the highest retention rate among the group, with 67 percent of all March at-home visitors returning in April. MSN Groups and Facebook also benefited from a loyal following, with 58 and 52 percent of visitors returning month over month, respectively. Xanga.com and MSN's new social networking site MSN Spaces rounded out the top five sites ranked by retention rate, with 49 and 47 percent, respectively.

"The social networking sites that are seeing strong growth have developed a unique online presence that is continually refreshed by user generated content," says Gibs. "This promotes ongoing consumer interest and visitor loyalty. However, while these sites have seen explosive growth over the past 12 months, this is a fickle youth audience, and the masses that have rushed to these sites could turn their attention elsewhere. The question that remains is, how strong are the social networks that consumers are building on these sites?" For more information visit http://nielsennetratings.com.

Marketers should wake up to insomniacs

According to a recent national study by New York research firm Guideline Inc., consumers are looking for both prescription medications and innovative sleep aids for relief of their insomnia. When asked what new products they were interested in using to help them sleep, 42 percent of those with symptoms of insomnia were interested in a prescription medication for their sleeplessness. Yet notably, 64 percent of those suffering from sleep difficulties said they would pay 5 percent or more for a hotel room if it promoted sleep.

When asked about other non-conventional sleep aids 35 percent of those with sleeplessness said they would consider special bedding that wicks away perspiration; 30 percent are willing to try lotions and scrubs with special aromas; 30 percent would use a pillow that holds essential oil beads; and 18 percent would consider a pillow with speakers playing music.

While it's no secret that Americans sleep significantly less than recommended, of the 800 U.S. adults surveyed online in

Guideline's national survey, 76 percent of total respondents reported having sleep difficulties, rising to 83 percent among women. Only 4 percent of respondents said they have been diagnosed as suffering from insomnia.

"The appeal of a prescription medication for insomnia taken on a regular basis reflects the depth and pervasiveness of insomnia in the U.S.," says Morris S. Whitcup, managing director, Guideline Inc. "While OTC sleep aids still top the list as the No. 1 choice to help Americans sleep, U.S. companies are willing to spend millions to convince consumers to buy premium bedding and non-traditional approaches for relief."

Nearly half of those surveyed with sleep difficulties said they do not feel productive at work or school as a result of their sleeplessness, and over 13 percent admitted to falling asleep while driving.

Although consumers with insomnia reported being open to a variety of solutions for their sleeplessness, several key statistics stood out as the most widely-taken actions: four in 10 people reported taking medication, often a non-prescription remedy; one in five reported taking a prescription drug; 26 percent exercised more; 23 percent listened to relaxing music or sounds; and 17 percent bought new bedding. The importance of bedding is underscored by the fact that 74 percent of travelers cited it as an important factor in their selection of a hotel or motel.

"Insomnia represents a vibrant consumer market that is open to both large and small players," says Jessica Hogue, relationship manager, Guideline Inc. "From the significant company expenditures by the major hotel chains to the less obvious offerings such as ear plugs and eye mask kits, marketing opportunities are endless. As long as people are looking to achieve sleep nirvana, the insomnia market offers substantial opportunities for a variety of products." For more information visit www.guideline.com.

Product and Service Update

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levels for both English- and Spanish-language media vehicles and consumers. Simmons will provide the metrics and the platform for marketers to identify on which specific dimensions consumers are most engaged and how they can tune content, programming, creative and message strategy to drive ROI. For more information contact Ken Wollenberg at 212-863-4569 or visit www.smrb.com.

Historical business demographics for 1998 to 2002

The Demographic Data Center is now offering the Historical Business Demographics DVD, a five-year set of the U.S. Department of Commerce's County and Zip Code Business Patterns from 1998 to 2002 on a single DVD. This set of the annual county and zip code business patterns gives users the historical data to do trend analysis of local and regional industrial growth. The industries available include: forestry, fishing, hunting and agriculture; mining; utilities; construction; manufacturing; wholesale trade; retail trade; transportation and warehousing; information; finance and insurance; real estate, rental and leasing; professional, scientific and technical services; management of companies and enterprises; administrative, support, waste management and remediation services; educational services; health care and social assistance; arts, entertainment and recreation; and accommodation and food services. Also included is the Census 2000 dataset from the U.S. Census Bureau 2000 SF3 (Long Form). This database includes information on age, sex, race, marital status, households, language, citizenship status, transportation, school enrollment, education, employment, occupation, industry, disabilities, poverty status, income, housing, rent, mortgage status and more. For more information visit www.usa-demographics.com.

New online ad measurement platform

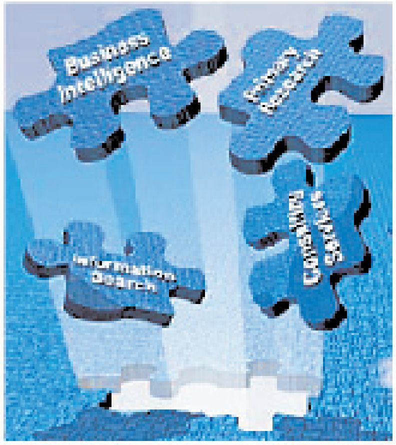
Marketing Evolution, an El Dorado Hills, Calif., research firm, and InsightExpress, a Stamford, Conn., research firm, have partnered to create an online advertising measurement platform called ADI Plus, which links creative testing, online campaign tracking and online campaign reach-and-frequency reporting and market mix model input.

The ADI Plus system employs a test/control survey methodology, allowing marketers to isolate and understand the attitudinal impact of specific campaign elements. The platform also generates reach and frequency data that may be used to plan against different market conditions and brand scenarios.

ADI Plus will allow marketers to measure incremental sales and profit from an online campaign using sales analytics models. Plus, the data provided makes it possible to plan over time optimal reach and frequency based on pre-determined creative strength. For more information visit www.marketingevolution.com or www.insightexpress.com.

System tracks beverage advertising

Adams Beverage Research, Norwalk, Conn., has launched Featuretrac.com, a Web-based retail advertisement tracking application. Featuretrac.com provides customizable geographies and competitive sets, three years of online historical brand data, a pricing module, chain-store aggregation, flexible reporting periods, user-defined data views and vehicle circulation numbers. The product is third-party hosted, eliminating any capacity limitations, and all processing is real-time. On-screen output is formatted with drilldown capabilities, brand-level aggregations, and hide/unhide functionality on key fields. Custom queries can be saved



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Briefly

Nichols Research has opened a new East Bay focus facility in Fremont, Calif. The San Francisco-area facility offers a 20' x 16' focus room with an observation room featuring three-tiered seating for 15, T1 high-speed and wireless Internet access and other technological amenities. For more information contact Aaron Nichols at 510-794-2990, ext. 102 or visit www.nicholsresearch.com.

Research firm Ipsos has introduced its Product Precision product testing system, which features data-driven direction and consulting for developing new products, enhancing existing products and making decisions about cost reductions. Product Precision addresses business issues that arise throughout the product lifecycle, using test designs tailored to the client's specific business objectives, whether measuring the success of a new product, improving product performance, assessing reformulation risk or reducing costs. For more information visit www.ipsosinsight.com/products/productprecision.aspx.

New York-based Charney Research is making its focus group facility available for rental to companies and focus group moderators. Recording and transcription services are available, as are moderators. For more information contact Dwayne Allen Thomas at 212-929-6933 or visit www.charneyresearch.com.

Global Market Insite Inc. (GMI), Seattle, has introduced MedPerspective, a global online medical panel of over one million doctors, nurses and chronically ill patients from over 200 countries, representing over 35 languages. As incentive to participate, panelists are offered either cash honorariums or, for every survey taken, 30 days of access to Vivísimo (http://vivisimo.com/) a biomedical search engine developed by GMI and Pittsburgh-based Vivísimo Inc. For more information visit www.medperspective.com.

Synovate Healthcare has extended its Tandem Global Oncology Monitor into China, Korea and Australia. For more information visit www.synovate.com/healthcare.

London-based Research Now has launched three online panels in Eastern Europe. The panels in Russia (www.vazhnoemnenie.ru), Poland (www.cenneopinie.pl) and the Czech Republic (www.cennazory.cz) are standalone, locally recruited entities with their own local country incentive choices. All three panels have been recruited solely for market research purposes. For more information visit www.researchnow.co.uk.

FocusVision Worldwide, Stamford, Conn., now offers Privacy Plus, which locks the CD recordings of videostreaming projects so they can only be opened using the project password. Privacy Plus is available at no additional cost and by request only. For more information visit www.focusvision.com.

Richard K. Miller & Associates, Norcross, Ga., is offering the 2006 Entertainment, Media and Advertising Market Research Handbook. Now in its eighth edition, the 340-page book offers an assessment of the media and

advertising markets including television, radio, newspapers, video games, online advertising, sports marketing, licensing and sponsorships. For more information visit www.marketresearch.rkma.com.

The Analytical Group Inc., Scottsdale, Ariz., has released new versions of CATI, CAPI and Web interviewing software WinQuery 6.0 and QueryWeb 6.0. New features include the ability to define custom data locations, real-time CATI reporting via the Web and direct sample loading for Excel and Access files. For more information visit www.analytical-group.com.

Seattle research firm QuestionPro has added the Spotlight Report feature to its online survey tool. The Spotlight Report enables participants in multi-question surveys to see how their answer on each question compares to the aggregated responses of all other survey respondents. At the end of a survey, a participant can see the aggregate answers to each question, along with how he or she answered. For more information visit www.questionpro.com/spotlight-report.

Arbitron Inc., New York, has posted its Comprehensive Resource Guide to Next Generation Electronic Measurement on its Web site at www.arbitron.com/portable_people_meters/industry_main.htm. The guide contains information on the company's Portable People Meter technology and associated issues and questions raised by clients and the industry.

Anderson Analytics, a Stamford, Conn., research firm, unveiled a new research tool, AA-Projective, which combines psychoanalytic projective techniques from the social sciences with Anderson Analytics' text mining techniques to help clients explore the subconscious motives of customers. For more information visit www.andersonanalytics.com.

Waltham, Mass., research firm Invoke Solutions and Norcross, Ga., research firm The Marketing Workshop Inc. have partnered on Da Vinci ForeSight, which uses Invoke's technology platform to combine qualitative and quantitative researching techniques in live Internet sessions with a large, targeted audience. The platform can be used for projects from brand exploratory research to final copy testing and product concept tests to in-home use studies. For more information visit www.invokesolutions.com or www.mwshop.com.

Russell Herder, a Minneapolis marketing communications firm, has opened the Insight Café, a research facility created by researchers for researchers. Located in the agency's Minneapolis office, the facility features leather furniture, a plasma television and a fireplace. For more information visit www.theinsightcafe.com.

LexPark Studio, a new focus group facility, is now open in New York City's Union Square. The facility hosts one client at a time. The space offers a variety of arrangements, from informal to conventional, with features including a mezzanine-style observation room, digital projection, a Web usability lab, digital recording, Web conferencing, simultaneous translation and note-taking services. For more information visit www.lexparkstudio.com.

New York researcher Guideline Inc. has launched its Sales Intelligence Services, which give sales executives a range of business and market research information to aid the sales process. After consultation with a Guideline research manager, a sales executive will receive a briefing that analyzes the information and provides business profiles, current financial data, competitor information and prospecting angles, among other customized strategic intelligence. For more information visit www.guideline.com.

Research Industry News

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kets encompassed in Arbitron's previously announced PPM rollout plan. **RAJAR**, the industry radio ratings consortium in the United Kingdom, has also selected the Portable People Meter system for an electronic radio and television audience measurement panel in London. And radio station **WBEB-FM** has signed a four-year contract for a Portable People Meter-based audience ratings service in Philadelphia. The contract anticipates a start date of January 2007.

Vancouver, B.C., research firm **Vision Critical** announced that Toronto marketing firm **Lang Marketing Network** will use Vision Critical's custom panel software to conduct research for its clients.

The AGF, which represents the German TV stations of ARD, ProSiebenSat.1, RTL and ZDF, has commissioned **GfK Fernsehforschung** (TV research) to gradually replace the existing metering technology from mid-2007 onwards. The new technology facilitates the collection of data on future TV usage, which results from technological change in terms of reception and the introduction of new ancillary equipment.

The German TV research contract, which runs from 2005 to 2011 with an extension option until 2013, was supplemented by a contract for new metering technology. The AGF has commissioned GfK Fernsehforschung to switch to the new metering technology from mid-2007 onwards. This enhanced contract will be valid from 2007 to 2011 and also contains an extension option until 2013. The total volume now amounts to around EUR 100 million. In addition to the existing measurement of analog TV, the new agreement covers all digital platforms, such as DVB-T, DVB-C and DVB-S. The use of traditional video recorders will continue to be measured, but will be supplemented by the metering of recording devices including personal video recorders and DVD recorders.

The new metering device is called Telecontrol score and is being developed and produced by GfK's Swiss subsidiary, Telecontrol AG, which also produced the predecessor equipment. TC score comprises a centralized terminal which stores all measured data and several additional metering modules that can be added as required. These can be installed in the centralized terminal or located in additional equipment.

New companies/new divisions/relocations/expansions

MarketTools has moved to 150 Spear St., Suite 600, San Francisco, Calif., 94105-5119. Phone 415-957-2200. Fax 415-957-2181.

U.K.-based **Operations Centre** has changed its name to **Kantar Operations.**

Millward Brown has opened a new office in Geneva, Switzerland, and tapped Sana Carlton to lead it.

Company earnings reports

Menlo Park, Calif.-based **Knowledge Networks** announced record quarterly revenue of $9.4 million for Q1 2006, surpassing a high set in Q4 2005. This year's first-quarter revenue represents 34 percent growth over the same quarter one year ago, as well as the company's second consecutive quarter of positive net income.

Norway-based **FIRM** reported a 24 percent revenue increase in first-quarter 2006 to $4.8 million, up from $3.9 million in the corresponding quarter of 2005. Adjusted for currency fluctuations the growth rate was 29 percent. Operating results (EBIT) for the first quarter in 2006 were $334,000 compared to $154,000 in the corresponding quarter of 2005. The cash flow from operations was $2.5 million in the first quarter of 2006.

In the first quarter of 2006, Paris-based **Ipsos** generated revenues of EUR 188 million, a 31 percent increase on the first quarter 2005. It was the firm's strongest quarterly growth in the past five years. The company attributed the performance to good news on three fronts. The currency effect was very positive in early 2006, contributing 7.1 percent of overall revenue growth. Changes in the scope of consolidation also had a very positive impact, adding 14.6 percent of growth, following the integration of MORI in the U.K., Understanding Unlimited in the U.S. and Camelford Graham in Canada. This performance reflects the size of the newly integrated companies and their volume of business during the first quarter. And, as in fourth-quarter 2005, organic growth held above 9 percent.

In the first three months of 2006, Germany-based **GfK Group** reported a rise in sales of 54.6 percent from EUR 160.8 million to EUR 248.5 million. Adjusted operating income climbed 51.3 percent from EUR 14.0 million to EUR 21.1 million. The margin, that is the ratio of adjusted operating income to sales, stood at 8.5 percent and, despite the first-time consolidation of NOP World, the margin was almost on a par with the prior year's figure of 8.7 percent in the first quarter. At the end of April, GfK had already recorded 58.4 percent of its target sales for 2006. This is slightly down on the prior year.

SPSS Inc., Chicago, announced net revenues for the quarter ended March 31, 2006 of $62.2 million, an increase of 8 percent from $57.5 million in the first quarter of 2005. New license revenues were $29.9 million, up 15 percent from $26.0 million in the 2005 first quarter. Diluted earnings per share (EPS) were $0.24, an increase of 85 percent from $0.13 for the same period last year. 2006 first-quarter EPS includes a $0.03 charge for the expensing of share-based compensation. Operating income for the first quarter of 2006 increased to $7.0 million or 11 percent of total revenues, from $4.0 million or 7 percent of total revenues in the same quarter last year. Cash totaled $100.4 million as of March 31, 2006, up from $84.4

million as of December 31, 2005.

Greenfield Online Inc., Wilton, Conn., reported total net revenue of $21.5 million for the first quarter of 2006 as compared with $15.3 million for the prior year period. Total gross profit was $16.0 million or 74.2 percent of revenues for the first quarter of 2006, as compared with $10.8 million or 71.0 percent of revenues in the prior year period. Operating income was $1.3 million for the first quarter of 2006 or 6.1 percent of revenue, including the $0.17 million restructuring charge, as compared to $2.5 million or 16.7 percent of revenue for the prior year period.

Net income for the first quarter of 2006 was $0.84 million, as compared with $2.5 million for the prior year period. Cash flow from operations was $5.0 million for the first quarter of 2006 as compared to $2.3 million for the prior year period. For the first quarter of 2006, adjusted EBITDA excluding restructuring charges, was $5.2 million or 24.2 percent of revenues, as compared to $4.0 million or 26.0 percent of revenue for the prior year period. Operating free cash flow, a non-GAAP financial measure, was $4.2 million for the first quarter of 2006 as compared to $1.6 million for the prior year period.

In results for the first quarter ended March 31, 2006, **NetRatings Inc.**, New York, reported revenues of $18.3 million for the first quarter of 2006, an 11 percent increase over revenues of $16.4 million in the first quarter of 2005. Net loss for the first quarter of 2006 was ($255,000), or ($0.01) per share, on approximately 34.7 million shares. This compares with a net loss of ($1.6) million, or ($0.05) per share, in the first quarter of 2005, on approximately 35.8 million shares. Related to the company's adoption of SFAS 123(R) on January 1, 2006, NetRatings' first quarter 2006 results included stock option compensation expense of $364,000, or $0.01 per share, which was offset by the one-time benefit of the cumulative effect of a change in accounting principle - also related to the adoption of SFAS 123(R) on January 1, 2006. On an EBITDA basis the company earned $1 million, or $0.03 per share, during the first quarter of 2006.

At **Harris Interactive**, Rochester, N.Y., revenue for the third fiscal quarter ended March 31, 2006 was $52.2 million, up 3 percent when compared with $50.9 million of revenue reported for the same period a year ago. U.S. revenue was $42.4 million, up 9 percent from the $39.1 million of revenue reported a year ago. European revenue was $9.8 million, down $2.0 million (including $0.8 million of unfavorable foreign exchange rate differences), or 17 percent from the $11.8 million of revenue reported for the third fiscal quarter of 2005.

Global Internet revenue for the third fiscal quarter of 2006 was $31.2 million, up 8 percent compared to the $28.9 million reported for the same period a year ago. U.S. Internet revenue was $28.0 million, up 9 percent when compared to $25.8 million in the third fiscal quarter of 2005. European Internet revenue was $3.2 million, up 3 percent from the $3.1 million of Internet revenue reported for the same quarter last year. Internet revenue comprised 60 percent of total revenue, 66 percent of the U.S. revenue and 32 percent of the European revenue for the third fiscal quarter of 2006, versus 57 percent, 66 percent and 26 percent respectively last year.

Operating income for the third fiscal quarter of 2006, which included $1.0 million of severance and non-cash stock-based compensation expenses, was $4.1 million, or 8 percent of revenue, up 274 percent when compared to operating income of $1.1 million, or 2 percent of revenue, for the same period a year ago. Operating income for third fiscal quarter 2005 did not include any stock-based compensation expense, but did include pre-tax restructuring charges of $1.1 million.

Net income for the third fiscal quarter of 2006 was $2.5 million, or $0.04 per diluted share, as compared with a net loss of $2.7 million, or $0.04 per diluted share for the same period a year ago.

Revenue for the first nine months of fiscal 2006, which ended on March 31, 2006, was $156.0 million, up 9 percent when compared with $142.8 million of revenue reported for the same period a year ago. U.S. revenue for nine months was $123.2 million, up 14 percent from $107.6 million of revenue reported for the same period a year ago. European revenue for the nine month period was $32.8 million, down $1.8 million (including $1.7 million of unfavorable foreign exchange rate differences), or 5 percent when compared with $34.6 million of revenue reported for the same period a year ago.

Global Internet revenue for the first nine months of fiscal 2006 was $91.5 million, up 16 percent from Internet revenue of $78.8 million reported for the same period a year ago. U.S. nine-month fiscal 2006 Internet revenue was $82.0 million, up 16 percent when compared to the $70.6 million reported for the nine months of fiscal 2005. European Internet revenue for the first nine months of 2006 was $9.5 million, up 17 percent from the $8.1 million of Internet revenue reported for the same period a year ago. For the first nine months of fiscal 2006, Internet revenue comprised 59 percent of total revenue, 67 percent of U.S. revenue and 29 percent of European revenue, versus 55 percent, 66 percent and 24 percent respectively last year.

Operating income for the first nine months of fiscal 2006, which included $2.4 million of severance and non-cash stock-based compensation expenses, was $10.1 million, or 6 percent of revenue, as compared to operating income of $6.2 million, or 4 percent of revenue for the same period a year ago. Operating income for the first nine months of 2005 did not include any stock-based compensation expense, but did include pre-tax restructuring costs of $1.1 million.

Net income for first nine months of 2006 was $6.1 million, or $0.10 per diluted share, up significantly when compared with net income of $0.4 million, or $0.01 per diluted share reported a year ago.

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Trade Talk

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ing competitors, generating names for products and services, and measuring satisfaction. Some of the best chapters focus on topics not often covered in research-related texts, namely conducting surveys to garner news coverage and/or publicity, using information-gathering to add impact to sales presentations, and surveys of internal audiences (employee satisfaction, compensation, etc.).

Setting aside the whole snapshot survey context, Corder's book has a lot of solid information for any researcher on the many uses of research, from tons of specific mini-case histories to tips that will make any research process - "snapshot" or otherwise - more effective.

And readers at smaller firms or organizations will also glean a wealth of marketing information from Corder, such as guidelines for crafting an e-newsletter or improving a corporate Web site. A chapter on measuring marketing ROI is quite good, especially for B2B firms and smaller organizations that are working with limited budgets.

The third book, *Don't Get Fooled Again*, also aims to educate the reader but doesn't assume he or she is the one conducting the research. Rather, using a fictional case study format and a lighthearted tone, author Walter Zultowski dispenses basic guidelines for working with and understanding market research results in a quick 100 pages.

Sample chapter titles include "Watch Those Open Ends" and "What About the 90 Percent Who Didn't Respond?" There are no revelations - one chapter's aim is to remind the reader that focus group findings aren't projectable - but all of the points he makes are worth re/learning and repeating.

Seasoned researchers won't find much of interest here but for anyone with a research-challenged marketer to whom they must report, the book may be of help as an easy-to-read educational tool. Just make sure they aren't allergic to groan-inducing wordplay (sample characters in the book's numerous hypothetical examples include Hugo Phishing and Carol Nummerkruncher)! | Q

Guerrilla Marketing Research (234 pages; $29.95), by Robert Kaden, is published by Kogan Page (www.koganpage.com).

The Snapshot Survey (272 pages; $22.95), by Lloyd Corder, is published by Kaplan Publishing (www.kaplanpublishing.com).

Don't Get Fooled Again (100 pages; $19.95), by Walter Zultowski, is published by Integrity Graphics, Inc. (for more information call 860-673-0089).

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By Joseph Rydholm
Quirk's editor

DIY is OK

When I hear the phrase do-it-yourself attached to the marketing research process, I usually cringe. Countless articles and books over the years have argued that marketers don't need to listen to the so-called research experts and their fancy talk about response biases and sample sizes. Nor do they have to wait weeks for survey results or pay outrageous consultant fees. These sentiments have grown increasingly common with the arrival of the Internet and the advent of things like surveymonkey.com.

I don't begrudge anyone wanting to save a little money. What I worry about most with DIY research is the broader impact of poorly-done research on respondent cooperation. There's no doubt that plenty of rotten research is perpetrated by the experts. But my fear is that DIY researchers will over-survey their audiences and/or subject them to poorly-designed questionnaires, thereby poisoning the well for researchers of a more prudent and judicious ilk.

With that backdrop, I approached with great trepidation the reading of two of the three new books that are the focus of this month's column. The respective subtitles of both *The Snapshot Survey* and *Guerrilla Marketing Research* raise red flags: "Quick, Affordable Marketing Research For Every Organization" and "Marketing Research Techniques That Can Help Any Business Make More Money." But I was pleased to find that each book is well-written, well-informed and properly aware of the value of conducting quality research, even as they argue that doing so doesn't always have to entail picking up the phone to call an outside vendor.

Part of Jay Levinson's Guerrilla Marketing series, Robert Kaden's book *Guerrilla Marketing Research* is an odd but effective hybrid. Kaden - who has his own research firm - spends the bulk of the book passing along tips and advice on how to conduct your own marketing research, giving the do-it-yourselfer a crash course in qualitative and quantitative research. Aiming primarily at readers at small- and medium-sized businesses, he covers questionnaire writing, sampling, analyzing results, statistical techniques and also includes a chapter on brainstorming.

At the same time, the early chapters function as kind of a buyer's guide to research services for those who'd rather hire a pro, including some of the most detailed price breakdowns of qualitative research and phone studies I've ever seen in print. These sections have a refreshing feistiness and candor.

To my mind, the book works best not as a guide to the DIYer but as a reference for the research buyer who wants to be more knowledgeable about the research services he or she purchases. But if organizational budgets (and/or management prejudices) don't allow for the hiring of outside suppliers, the motivated in-house researcher will find Kaden's book a helpful and valuable resource.

Readers at small- and medium-sized businesses will also find a lot to like in *The Snapshot Survey* by Lloyd Corder. Rather than always mounting a large-scale survey, which could be expensive and take a long time to field and analyze, Corder argues firms can benefit from doing what he calls snapshot surveys, which entail asking a "limited sample of a target audience" 10 to 15 highly focused questions, including two or three open-ends.

He explores the methodology through applications such as analyz-

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