QUIRK'S
Marketing Research Review

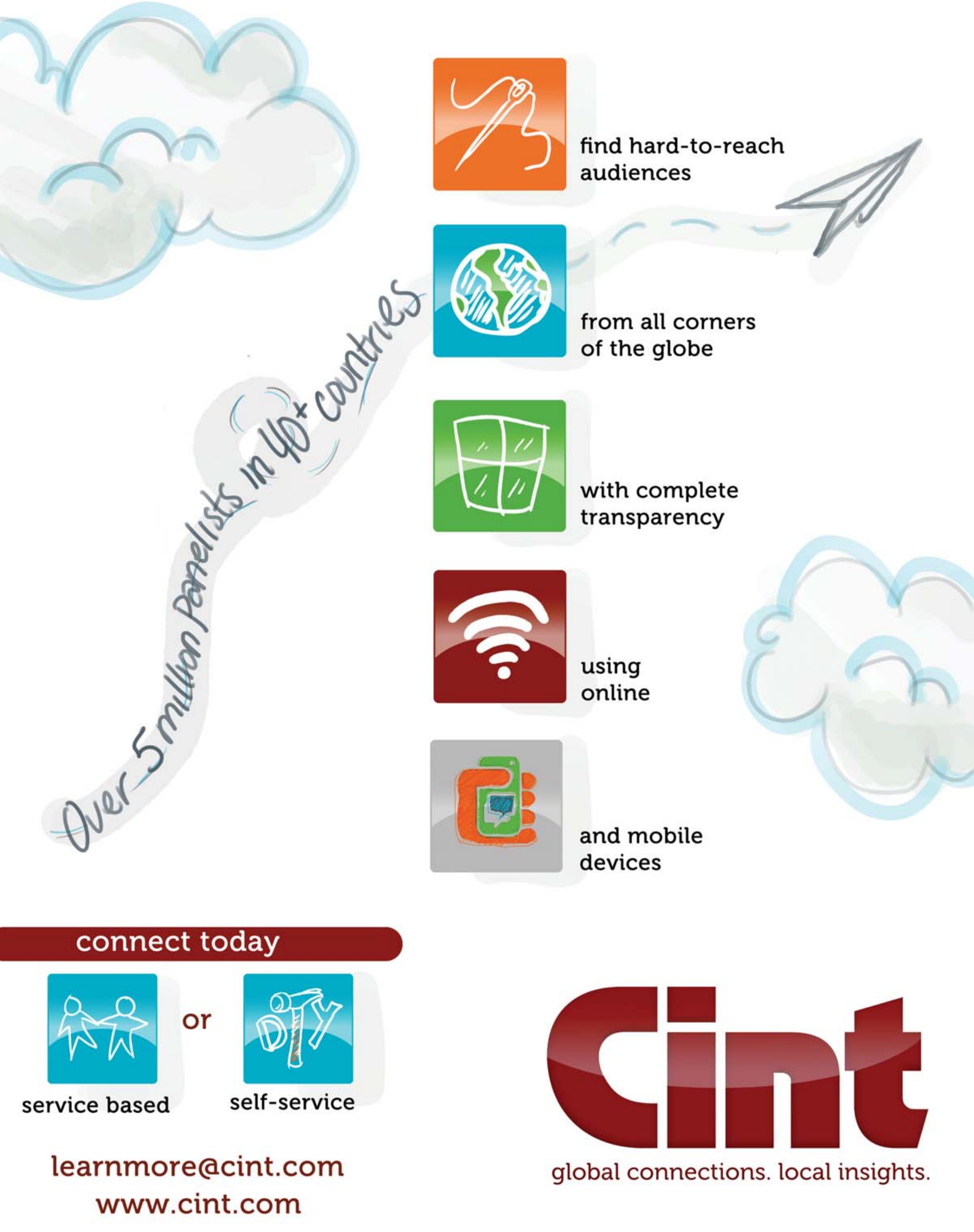
JULY 2011

Research clarifies car-shopping for AutoTrader.com

> 2011 client-side salary survey results

> P&G targets data quality

> The pros and cons of mixed-mode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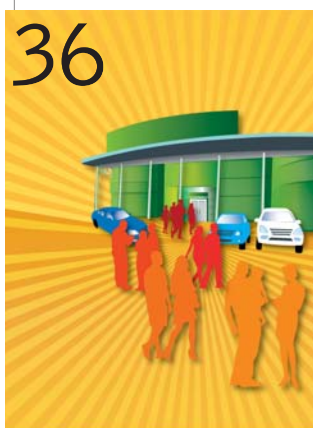

Illustration by Jennifer Coppersmith

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in case you missed it...

news and notes on marketing and research

Get your Groupon - who are you LivingSocial with?

Daily deal sites in the U.S. have changed the business landscape, shifting how consumers search for bargains and connect with businesses large and small, national and local. New York researcher The Nielsen Company looked at the audiences of two major players - Groupon and LivingSocial - to see what online couponers really want.

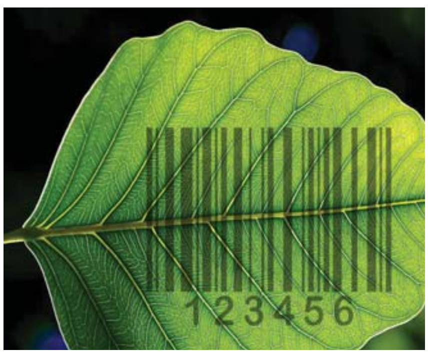
Visitors to Groupon and LivingSocial are similar in that nearly two-thirds are female and more likely than the average U.S. Internet user to be affluent. LivingSocial's visitors trend slightly more affluent and more educated than Groupon's, with 46 percent having a bachelor's or post-graduate degree, compared to 39 percent for Groupon (the national average for Internet users is 25 percent). Visitors to LivingSocial are also 49 percent more likely than the average American online to earn $150,000+, while Groupon's visitors are 30 percent more likely.

Groupon has a higher concentration of visitors ages 35-64 (57 percent compared to 51 percent for LivingSocial), with the Internet average being 48 percent. LivingSocial has a higher concentration of younger visitors, with 21-to-34-year-olds making up 33 percent of their audience compared to 25 percent for Groupon and 21 percent across the Web.

While both sites offer deals in many cities across the country, Groupon is most likely to have visitors from the Northeast while LivingSocial has a high concentration of visitors in the South and Pacific regions.

Among adults online who visit coupon/rewards Web sites, nearly half are interested in gardening, while roughly one-third are interested in home repair/renovation, religious involvement and landscaping. Other standouts include knitting/sewing (coupon/rewards site visitors are 19 percent more likely than the average adult Internet user to be interested) and gourmet cooking (18 percent more likely).

Shop smarter: Barcode scanning helps novice gardeners make the right landscaping choices



It's grow time. Summertime always brings out the master gardeners and green-thumbs but for the average home improvement-store shopper, the simpler the better. Instead of waiting around for a Home Depot or Lowe's nursery employee to help suss out the hardy - and hardest-to-kill - shrubs and flowers, what if your smartphone could do it for you? Big-box home improvement stores are introducing some help to provide customers with immediate information for their buying decisions, according to Elizabeth Olson's May 6 article, "The Bar Code That Tells You How Much Water, Light and Fertilizer," in *The New York Times*. These stores are adding barcodes to certain products that give potential buyers on-the-spot access to product reviews and ratings, how-to guides and videos.

Garden plants sold at Home Depot and Lowe's have barcodes on each plant tag designed to allow customers with smartphone scanners to check out whether the plant, for example, grows in low light or needs frequent watering. The information goes beyond the brief instructions for care on the little white tag and can help consumers find the perfect plants for their climate and how to care for them - saving time and money by skipping the trial-and-error. Depending on how Home Depot and Lowe's patrons respond to the technology, it could be expanded for use in other departments so consumers can see just how simple assembly and installation is on a new set of shelves.

Viewers cutting the cord but not the connection

Since the mid-20th century TV has served as a source of information, entertainment and companionship for Americans. The way viewers through the decades have connected emotionally to TV programming raises the question of how, in this online age, the Web is different as a medium for those emotional connections. It seems that as the mode of viewership has indeed shifted, the emphasis on quality programming has only increased, according to The Paley Center for Media's J. Max Robbins' April 29 article, titled "The Truth About The So-Called Cord Cutting Phenomenon," summarizing a discussion with some of the country's elite digerati.

Robbins reports that the essential take-away from the discussion was that the more social media is integrated into our lives, the more vested we are in the programming and the more we demand in terms of quality narrative.

How we watch that quality programming is key. Many are choosing to cut the cord, so to speak, and receive their programming via online and mobile mediums. Netflix announced quarterly earnings that revealed the service had 23.8 million subscribers domestically, which is equal to Comcast, and that it was sending out more programming via the Web than mail.

Digital access to on-demand programming has only fed the hunger for - and the emotional connection to - quality programming. Robbins believes that digital connection has raised the stakes for incumbent networks, as well as startups like Netflix, to make good shows and to make them easy for us to watch when and where we want.

Financial worries causing a decline in consumer WOM

Despite an explosion in consumer conversation technology, Americans have cut back substantially since 2008 on the opinions they share by word-of-mouth (WOM) about companies and their offerings, according to research from Cincinnati loyalty marketing company Colloquy. Fifty-eight percent of respondents said they often have conversations with family, friends and co-workers about products and services they've used. That's down from 73 percent in 2008.

Additionally, 57 percent of respondents said they often recommend products and services to others, compared to 75 percent in 2008 - a 24 percent decline. The reduction in WOM activity can't be attributed to a shortage of ways for WOM views to spread. There are face-to-face conversations, landlines, cell phones, e-mail, instant messaging, texting, blogs, microblogs like Twitter, review sites and, of course, Facebook.

The tough economy over the last two years may be to blame for the dampened willingness to engage in brand WOM. For example, of respondents who reported their households are doing better economically this year than last, 71 percent said they often have conversations with others about the products and services they use. That's very similar to what Colloquy found two years ago, before the recession became the meltdown. Yet, among those who now see themselves as worse off, just 56 percent reported having brand conversations and 55 percent said they make product recommendations. For more information visit www.colloquy.com.

Discount airlines find favor in the eyes of flyers

US Airways scored the worst of 10 major airlines while discount airlines Southwest Airlines Co. and JetBlue Airways topped the ratings on comfort and extra fees in a customer survey conducted by *Consumer Reports*, Yonkers, N.Y. Uncomfortable seats and excessive fees are the top gripes of air travelers and a reason many said they are flying less.

US Airways was at the bottom based on responses from 14,861 *Consumer Reports* subscribers taken between January 2010 and January 2011. The survey covered 29,720 domestic round-trip flights. The 10 airlines were scored based on overall satisfaction, check-in ease, cabin-crew service, cabin cleanliness, baggage handling, seating comfort and in-flight entertainment.

Consumer Reports also asked questions about charging fees for checked bags, choice seats and pillows and blankets. Southwest and JetBlue had the best scores for overall satisfaction. Southwest was the only airline to receive top marks for check-in ease and the cabin-crew service. Passengers also gave Southwest high marks for cabin cleanliness and baggage handling. The survey was conducted before Southwest's problems in April 2011 with cracks in several of its Boeing 737 planes.

JetBlue was the only airline to earn top scores for in-flight entertainment - its seat-back television screens offer passengers 36 channels. Eight of the 10 major airlines received low marks for seat comfort. US Airways ranked last in its overall score, the same unenviable spot it held in *Consumer Reports*' last airline report in 2007. Survey respondents gave US Airways the worst marks of any airline for cabin-crew service.

The proliferation of added fees at, or after, check-in by many carriers contributes to passengers' low opinion of flying and even to their decision of whether to fly at all. Forty percent said they were flying less and cited increased fees as the major reason - more than flight delays, poor service or any other reason.

Low-cost airlines took the five top spots, while traditional large network airlines ranked at the bottom of the *Consumer Reports* rankings. Airlines were scored on a zero-to-100 scale: Southwest - 87; JetBlue - 84; Alaska - 79; Frontier - 78; AirTran - 74; Continental - 72; American - 65; Delta - 64; United - 63; and US Airways - 61. For more information visit www.consumerreports.org.

Sacrifice: What are high gas prices costing Americans?

While gas prices have dropped a bit from their late-spring highs, the year-long climb in fuel costs has Americans hunting for ways to compensate for the rise by making cuts in other areas of their household budgets. On the chopping block, in order of likelihood, are meals at restaurants; new clothes and shoes; summer driving vacations; and movies and concerts, according to survey findings from Encino, Calif.,

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names of note

Rhinebeck, N.Y., research company *Phoenix Marketing International* has named **Maxine Harrington** research executive. Harrington will be based in Surrey, U.K.

Itracks, a Saskatoon, Saskatchewan, research company, has named **Jeffrey W. Hayzlett** chairman of its advisory board.

Jason Buchanan has been appointed managing director, Asia-Pacific, at *Survey Sampling International*, a Shelton, Conn., research company.

New York research company *StrategyOne* has appointed **Robert Moran** as president, U.S.; **Matt Norquist** as executive vice president; and **Steve Lombardo** as global CEO. Lombardo will be based in Washington, D.C.

Moran Bergstrom

Nunwood, a Leeds, U.K., research agency, has hired **Alan Bergstrom** as head of brand and communications strategy. Bergstrom will split time between Madison, Wis., and New York.

New York research company *Ipsos in North America* has hired **Michael Rodenburgh** as vice president, product development, Ipsos Open Thinking Exchange. Rodenburgh will be based in Vancouver, B.C.

Ipsos OTX MediaCT, a Los Angeles research company, has hired **Lorraine Hadfield** as president, audience measurement.

Rebecca S. Kuchar has been appointed director, global insights and innovation, at *Sylver Consulting*, a Chicago research company.

ICM Group, a London research company, has hired **Graham Brown** and

Brown Lukas

Justine Lukas as research director.

Cincinnati research company *MarketVision* has hired **Jenna Mason**

Mason Verrill

as research director and **Peter Verrill** as research associate, client and project management and Internet data collection. MarketVision has also promoted

Starr Sparks

Anne Starr and **Missy Sparks** to senior graphic designer.

Vancouver, B.C., research company *Vision Critical* has hired **David Williams** as senior vice president, retail consumer insights. Williams will be based in Minneapolis. Separately, the company has appointed **Jodene Vining** as account director, Australia and New Zealand. She will be based in Sydney.

Insight Research Group, London, has hired **Paul O'Shaughnessy** as director, client services, new business.

O'Shaughnessy Potts

Deborah Potts has joined Corvallis, Ore., research company *InsightsNow* as assistant director, consumer marketing sciences, qualitative insights and innovation.

Miami marketing intelligence company *Geoscape* has hired **Doug Diem** as vice president, business intelligence, and **Thomas Verna** as vice president, marketing.

Ipsos ASI, a Beijing research company, has restructured its Asia-Pacific unit, appointing **Kym Penhall** managing director, ASI Asia-Pacific; **Javier Calvar** managing director, ASI Greater China, and director, regional programs; **Peter Fairbrother** managing director, ASI India and Southeast Asia; **Keith Spencer** director, product and knowledge, ASI Asia-Pacific; and **Yang Kil** director, ASI Northeast Asia.

BrainJuicer Group PLC, a London research agency, has hired **Federico Trovato** as chief client satisfaction officer.

Ken Wisniewski has been appointed to lead the analytical consulting practice

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Tobii tool takes eye-tracking to mobile devices

Stockholm, Sweden, research technology company Tobii Technology has released its Tobii X60/X120 mobile device testing solution, an eye-tracking system designed to enhance the precision of usability studies for mobile devices and mobile applications to allow manufacturers to understand what consumers see when they use their devices.

Tobii X60/X120 and its accompanying testing stand are intended to test a wide range of mobile devices, operating systems and graphical user interfaces to provide a platform to eye-track mobile products in a test setting that allows natural user interaction with the device, regardless of size or configuration. For more information visit www.tobii.com.

New opt-in solution allows owners to 'Personyze' Web site experience

Tel-Aviv, Israel, research software company Personyze has debuted its Web site personalization, segmentation and analytics platform. The Personyze platform is designed to allow Web site owners to quickly and easily increase personalization to their visitors and return content in real time based on each visitor's past site activity, online search history, Facebook preferences, location, etc. Personyze aims to let Web marketers personalize the whole site, beyond banner ads and landing pages.

After a visitor opts in, Personyze's Facebook integration allows site owners to post messages, featuring promotions or offers, on visitors' walls. Other features include offline tracking to measure the effectiveness of campaigns, e-mail personalization, custom event tracking and AdWords integration.

For example, if a visitor arrives at a Web site after searching "discount toys," with Personyze a Web site owner can redirect the visitor to the "Toys on Sale" page and sort the product display by lowest to highest price or display a banner that offers customers a 10 percent discount if they buy that day. Personyze also allows owners to send a follow-up e-mail advertising a special promotion on toys for a set number of days if they did not buy something on their first visit. For more information visit www.personyze.com.

Research Now goes mobile, launches another dimension to ad campaign assessment technology

Research Now, Plano, Texas, has launched an app for iPhone and Android owners who are existing members of the Valued Opinions Panel in the U.K., with plans to launch in Australia, Canada, the U.S., France and Germany in the next year. The app is intended to provide mobile access to Research Now's profiled panels and allow survey routing, with survey data delivered to clients in formats consistent with – and if appropriate integrated with – traditional online survey research. From a panel member perspective, surveys can be downloaded when online and completed later without Internet connection. Panelists can download the Valued Opinions App for free in at the iTunes App Store and Android Market.

Additionally, Research Now has debuted ADimension, its online campaign measurement technology. Using San Francisco research company Quantcast's online measurement tool and Research Now's global opinion panels, ADimension aims to provide aggregated views of overall online advertising campaigns while providing detailed demographic data of respondents and their opinions, attitudes and behavior toward ads, promotions and products. For more information visit www.researchnow.com.

Globalpark releases Enterprise Feedback Suite 8.0

Cologne, Germany, research company Globalpark has released version 8.0 of its Enterprise Feedback Suite (EFS). The software platform aims to give marketing and research teams the ability to capture the voice of the customer through multiple channels and convert this feedback into actionable insights. EFS 8.0 includes a Facebook interface and Analysis Suite, which includes the Reporting+ and Qualitative Analysis modules. Reporting+ is designed to run complex analyses of statistical data with a graphical user interface and generate charts in PowerPoint, Excel and HTML. Qualitative Analysis is used for coding and analyzing open-ends. For more information visit www.globalpark.com.

Companies partner to provide online video content analytics

Annapolis research software company OpenAmplify has integrated New York research software company Kantar Video's Videolytics platform into its semantics platform to create Videolytics Social, designed to track online and mobile video ads and content while analyzing the social discussion around specific client videos during and after airing. Analysis includes sentiment tracking, topics being discussed, the actions viewers are considering and the ability to view aggregated comments.

The solution uses Kantar's ability to track and monitor online video with OpenAmplify's natural language processing technology to

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research industry news

News notes

Research companies **Survey Sampling International** (SSI), Shelton, Conn., and **Opinionology**, Orem, Utah, have agreed to combine, pending regulatory approval. The two companies will operate under the SSI brand.

The Council of American Survey Research Organizations, Port Jefferson, N.Y., and **ESOMAR**, Amsterdam, the Netherlands, submitted a position paper offering conditional support of the Federal Trade Commission's Do Not Track legislation, stating: "We support do-not-track proposals to the extent that they allow consumers to opt-out of online behavioral advertising. The scope of do-not-track should be limited to this activity and tracking where there is criminal or malicious intent. Web site analytics and tracking activities conducted by research organizations for legitimate research purposes should be excluded."

Scottsdale, Ariz., research company **The HSM Group** has received national certification from the **Women's Business Enterprise National Council**, Washington, D.C., as a business that is at least 51 percent owned, controlled, operated and managed by a woman or women.

Acquisitions/transactions

New York researcher **The Nielsen Company** has acquired **NeuroFocus Inc.**, a Berkeley, Calif., research company. NeuroFocus will become a part of Nielsen's product innovation practice and will continue to be led by founder and CEO A.K. Pradeep.

London research company **dunnhumby Ltd.** has agreed to acquire Boston social marketing company **BzzAgent**. BzzAgent will become a subsidiary of dunnhumby and operate as a stand-alone business. Dave Balter, CEO and founder of BzzAgent, will continue in his current role and will also join the dunnhumby executive team.

New York accounting company **Deloitte** has purchased all assets of **Oco Inc.**, a Waltham, Mass., research software provider.

Forrester Research Inc., Cambridge, Mass., has acquired **Springboard Research**, Singapore. Springboard employees will join Forrester.

Chad Hurley and Steve Chen, the founders of **YouTube**, San Bruno, Calif., have acquired **Tap11**, a social media analytics company.

Palo Alto, Calif., research company **SurveyMonkey** has acquired **Infinity Box Inc.**, a Tampa, Fla., Web application company and creator of Wufoo, an app for creating online forms. The Wufoo team will relocate to Palo Alto to join the combined company.

Echo Research, London, has been acquired by London research company **Ebiquity**. Echo's team and name will remain the same.

Plano, Texas, research company **e-Rewards Inc.** has agreed to acquire **Conversition Strategies**, a Toronto social media data collection company.

Alliances/strategic partnerships

Rochester, N.Y, research company **Harris Interactive** and **Sybase**, a Dublin, Calif., software company, have partnered to launch Harris Interactive's mobile research capability on the three primary mobile platforms.

Research companies **ActiveGroup Ventures Inc.**, Atlanta, and **Kantar Group**, London, have partnered to bring ActiveGroup's videostreaming, online interview tools and bulletin/community boards to Kantar's suite of research offerings and methodologies.

Awards/rankings

Orem, Utah, research company **Opinionology**'s Opinion Outpost panel was recognized as "perfectly consistent" in a blind and unrestricted audit performed by **Mktg, Inc.**, an East Islip, N.Y., research company. The test includes 50,000+ interviews gathered in three waves from June 2010 to March 2011. Opinionology's panel varied less than 1 percent on each of the evaluated behavioral, psychographic and demographic indicators.

AbsolutData Technologies Inc., a San Francisco research company, has been listed as one of the Top 10 Companies in Marketing Services Outsourcing by **International Association of Outsourcing Professionals**.

Service Management Group, a Kansas City, Mo., research company, was awarded the 2010 Purveyor of the Year award by **OSI Restaurant Partners LLC**, Tampa, Fla., for its work across OSI brands.

Bethesda, Md., research company **Abt Associates** has been recognized as one of the world's top-40 development innovators by **Devex**, a Geneva business intelligence and recruitment services provider. The award recognizes leading development organizations that have been the most innovative in meeting the

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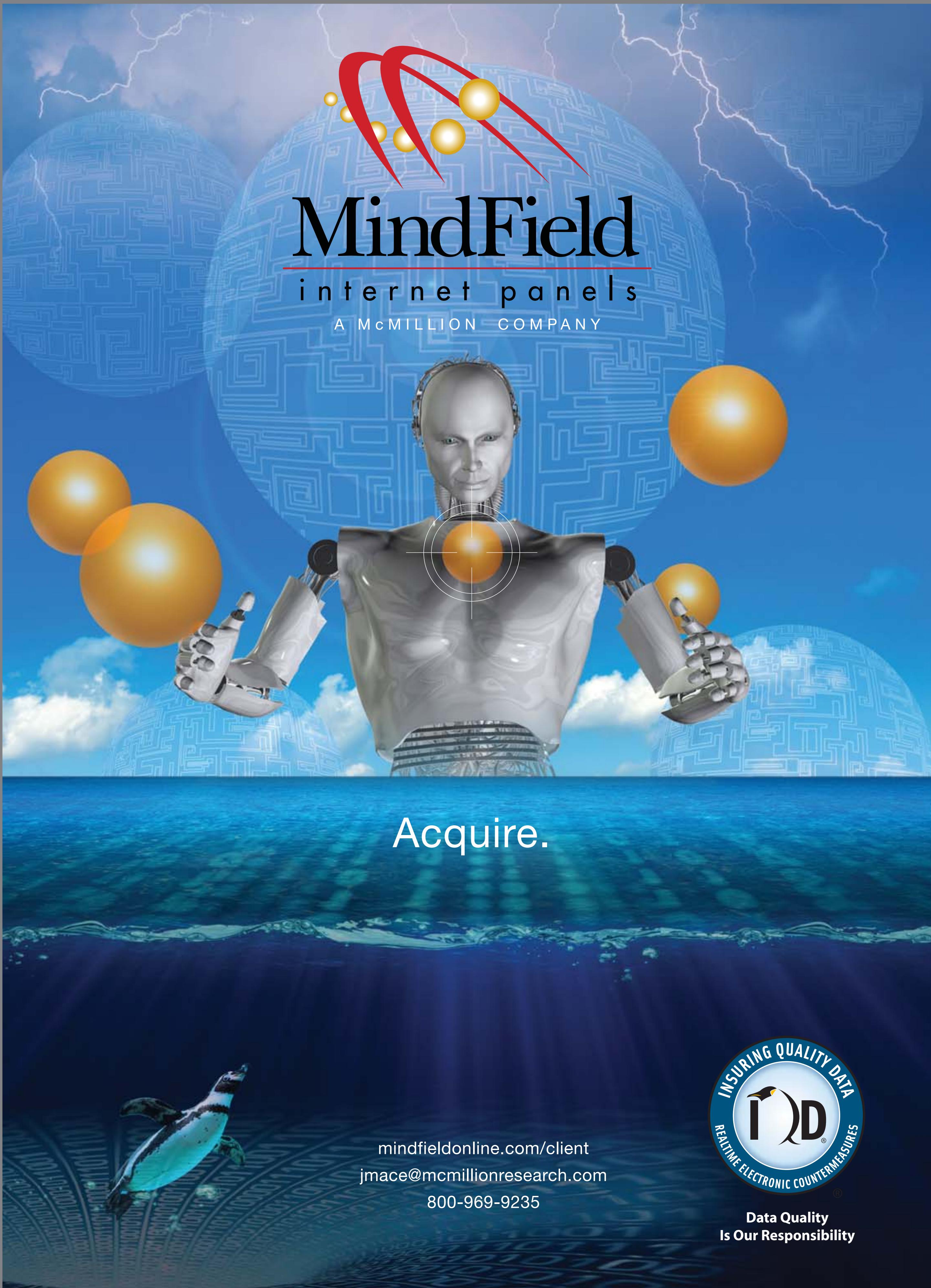

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Is Our Responsibility

By Gavin Johnston

What storytelling means for brands and their customers

A life as led is inseparable from a life as told. It's not about how it was but how it is interpreted and reinterpreted, told and retold. Narrative, or storytelling, is a mode of thinking that relates to the concrete and particular as opposed to the abstract and general. Stories make brands real.

Stories serve a number of cultural, social and psychological functions that can and should be used in positioning your brand. The choice of words and subjects in a story conveys to the creator and the listener what meaning a brand has beyond the surface. For example, a sporting goods store like Cabela's may symbolize father-son bonding - a sense of shared identity around which they can distinguish themselves from the rest of the family, a repository for cultural ideals like fair play and what it means to be a man. While none of these directly reflects the products being sold, they are the underlying currents that draw customers in.

From a business perspective, defining what the brand means to the customer allows marketing and creative teams to communicate on a deeper level and therefore increase brand relevance and market share. But loyalty and commitment to a brand come into existence when consumers give meaning to it. They control the brand; we do not. Any time a brand is identified, given a name or designed to represent a known storyline it is separated from the undefined world around it. The sense of brand commitment is enhanced by the stories handed down over time and portrayed as part of the collective myth.

snapshot

The author asserts that by listening to and analyzing the stories customers tell - and how they tell them - companies can better position their brand to increase resonance, relevance and market share.

Editor's note: Gavin Johnston is chief anthropologist for Two West, a Kansas City, Mo., design firm. He can be reached at gavinj@twowest.com. To view this article online, enter article ID 20110701 at quirks.com/articles.

Uncover systems of meaning

Stories are conveyed through language, which is by definition a symbolic system. The key to successful engagement is to uncover systems of meaning that resonate with potential customers and compel them to action. Conceptualizing your brand through narrative ties the signifying components to a powerful symbolic system.

Symbolic dimensions that emerge in the narrative add value to products by fulfilling culturally-constructed concepts (i.e., quality, status, age, belonging, etc.). A brand is a signal that triggers a field of meanings in the consumer's mind. These meanings are conveyed directly and inferentially through stories. By harnessing the symbolic power behind these meanings, strong brands move beyond the codes governing a

product category and enter the personal space of the consumer.

As each narrative unfolds, it is contextualized by the purposes of the interviewer in terms of the research and of the participant in terms of self-presentation. No single story provides a full understanding of the meaning of an event, activity, etc., but it provides pieces for a total concept. Repeated patterns of behavior and repeated storylines are important in uncovering the meaning of a brand.

Building a story-based strategy

The first step in building a story-based strategy is recognizing that descriptive and symbolic systems conveyed through stories serve different but equally important functions in developing a brand identity. Descriptive aspects of a brand come out through stories and provide a narrative frame. The goal in a narrative frame is to provide as much information as possible to a creative or marketing team so they can incorporate subtle triggers into messaging and the overarching brand experience.

The audience is drawn into the story created and is meant to relive the experience - insofar as that is possible - rather than interpret it. The emotional impact of seeing and hearing descriptions provided through storytelling sparks interest and long-term associations with the brand. They do more than remember you, they come to associate your brand with themselves.

Directly invested

Ownership is a key element to a story gaining ground. Feeling directly invested in the story fosters a personal connection. With ownership comes the need to share your experience and the desire for collaboration in the retelling of the story. Shoppers who are encouraged to interact with others in a non-transactional way, creating new configurations of the story, are more inclined to interpret themselves as part of the storyline. This gives us a new tool to understand what matters to people and uncover triggers that have a major, often unconscious, affect on their buying decisions.

The power of the emotionally-influential, culturally-relevant, dramatic story in the beginning of the retail branding process can mean the difference between seeing innovation and failure. The narrative serves as a launching pad for brand devotion. Bore the shopper and there is almost no chance of affecting change and growing revenue.

What they say and how they say it

In Gary Witherspoon's *Language and Art in the Navajo Universe* (1977) he writes, "The greatest value of learning the language of another people does not come from being able to interview informants without interpreters or from providing native terms in ethnographic writings; it comes from being able to understand what natives say and how they say it when they are conversing with each other."

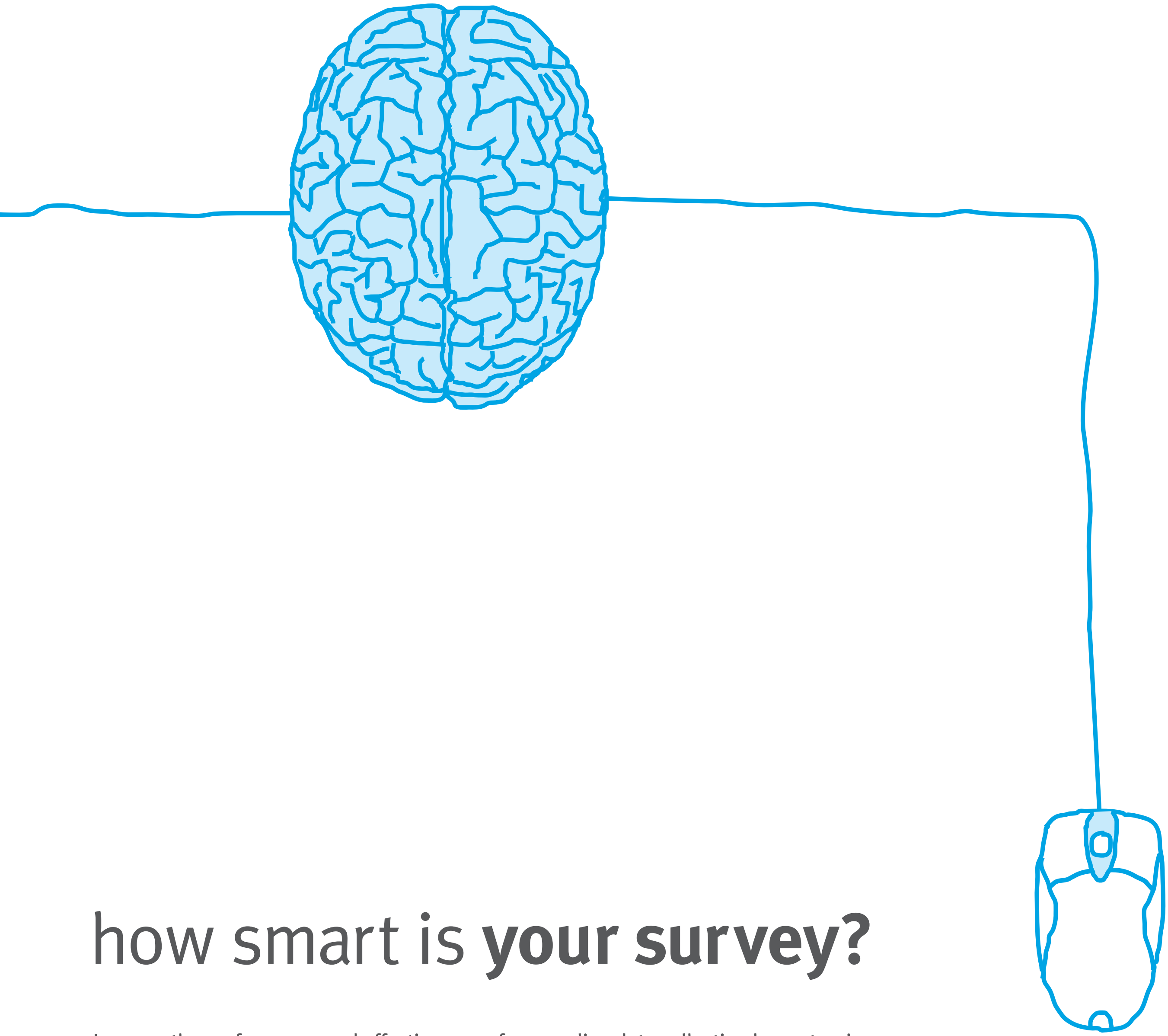
This holds true equally for the people who buy our products or shop our stores. People are often thinking about things other than the goods they need to procure when shopping. They are thinking and living out the experiences of motherhood, play, obligation, etc. Learning the communicative norms and processes of individual groups allows us to better grasp and define our audiences, adapting our methods of presentation to be understandable and meaningful.

A way of life

Take the Sam Adams brand as an example. The authenticity of brand is not a set of traditions in the standard sense. They talk, of course, about the product and the flavor but they reach beyond that to explain the story behind the beer. They humanize and historicize the company and its people, turning beer into a way of life rather than an object. Marketing becomes less about selling a product than it does about ongoing engagement between the people buying the products and the producers themselves. Rather than being a purely transactional engagement, the consumer and the company, the brand, become part of a shared interaction. The company becomes a member of the population rather than an external force with whom people interact only at the cash register.

Not a simple task

Admittedly, selling narrative analysis is not a simple task. Generally speaking, the process is intensive and takes time, which in turn means it is not inexpensive. Furthermore, buy-in is typically found in companies that have very creative and sophisticated marketing departments. But the advantage is an unparalleled understanding of your customers. Narrative analysis digs deeper than the story, uncovering symbolic triggers and stumbling blocks. It isn't just the tale, it's in the telling that insight lies. | Q



> data use

By Michael S. Garver

Adaptive choice is a good choice

Editor's note: Michael S. Garver is a professor of marketing at Central Michigan University, Mount Pleasant, Mich. He can be reached at garve1ms@cmich.edu. To view this article online, enter article ID 20110702 at quirks.com/articles.

snapshot

Using an example of a transportation company client, the author outlines why adaptive choice-based conjoint analysis is a useful tool for developing market segmentations.

The author was hired by a transportation company to assess how market research could better support its current and future strategy, given that the company had undertaken a relatively new strategic direction. While this is the story of one company, many of the themes discussed within are common to many companies in a range of industries.

The client is one of the top transportation companies in the industry. In the past, most transportation companies have obtained success through operational excellence. But in today's business environment, a better understanding of the marketplace is also key to success.

For the client's customers, the process of selecting a transportation vendor is complicated, with a large number of variables factoring into the choice. From experience and prior research, it is believed that customers do not evaluate all vendors. Rather, in this fast-paced environment, customers have their go-to vendors with which they have a relationship. In addition, customers usually have certain levels of performance that must be satisfied to win the order.

The company believes that a market segmentation strategy is the road to excellence. Its belief is that not all customers are created equal and that different types of customers have different needs and require different service levels. As a result, segments need to be served in different ways. Currently, the company is segmenting the market by revenue (i.e., bronze, silver and gold), so that it can focus on those customers with the most financial benefits. The company wants to build its organization around these market segments and have total company alignment, where all functional areas are focusing on the same market segments. Currently, this is not occurring.

Monitoring the marketplace

From a market research standpoint, the company is monitoring the marketplace through a number of different customer listening tools. For example, the company gathers quarterly customer satisfaction data, focusing on attribute satisfaction relative to the competition, the importance of different trans-

portation attributes and which transportation attributes need to be prioritized for improvement.

Additionally, the company purchases an industry-wide annual competitive benchmark customer satisfaction study that surveys the customers of the industry's top 12 companies. In addition to examining attribute importance, this study shows the satisfaction levels for each key competitor and highlights their strengths and weaknesses. While other ad hoc research studies are conducted, these are the major research studies conducted annually.

The questions facing the author were: Given the company's strategic direction, how well does its current market research support and direct its strategic direction? And, what market research recommendations could be provided to better support and drive the client's strategy?

Prior to attempting to answer these questions, key market research gaps needed to be addressed, including the lack of customer acquisition market research and issues with market segmentation.

Lack of customer acquisition market research

A customer retention strategy has become universally recognized as mission-critical over the last 15 years. The quality movement, along with the emergence of the balanced scorecard, has highlighted the importance of customer retention as a key driver of future growth and strong financial performance. This company has adopted this philosophy and thus places a premium on obtaining customer satisfaction data to support this strategy.

Market research needs to support both customer acquisition and retention strategies. The pressure of continual business growth also places a premium on effective acquisition strategies. Customer satisfaction research is an excellent source of information to support a retention strategy but is not well-suited to support a customer acquisition strategy. Almost all of this company's market research dollars are spent on customer retention research. In contrast, customer acquisition research is non-existent.

Choice modeling (i.e., conjoint analysis, choice-based conjoint analysis, discrete choice) is an excellent research approach to support a customer acquisition strategy. While customer satisfaction data focus on attribute importance, choice models focus on attribute importance and various levels of performance for each attribute. For example, customers of this company consider transit time to be a very important attribute. Yet this is only part of the story. What level of transit time is needed and what level of performance are they willing to pay for? Would a three-day transit be acceptable or does the customer require two-day? If a two-day transit is needed, is the customer willing to pay for it? Or would this customer prefer a three-day transit for a lower cost of service? These subtle but key issues are ignored in traditional customer satisfaction research yet are incorporated into choice modeling.

Issues with market segmentation

This company makes a common market segmentation mistake as well: creating market segments with either demographic or financial variables and not creating market segments by customer needs. Best (2011) describes this mistake as the "demographic trap." Best (2011) argues that many companies fall into the demographic trap, suggesting that they segment markets first and foremost using demographic or financial variables. Best (2011) offers that companies should first form need-based segments and only then should these segments be described with the use of demographic or financial variables.

This company segmented the market based on the customer's revenue with it rather than on customer needs. In other words, based on the customer's importance to the company and NOT on what was important to the customer. In fact, later research showed that the needs of the different revenue segments were virtually the same - defeating the purpose of segmenting the market in the first place.

A choice modeling approach

The recommendation was to use a choice modeling approach that addresses both issues previously discussed: the current overreliance on customer retention research as well as segmenting the market by revenue. Choice modeling will provide data for customer acquisition strategies as well as allowing researchers to first form need-based segments, which can then later be described with financial and other demographic variables.

While choice modeling is a sound approach, there are limitations associated with traditional choice modeling techniques (herein referred to as conjoint analysis) that are particularly troublesome to this company's situation. Specifically: assumption of compensatory decision-making; irrelevant choice tasks; and large sample-size requirements.

Compensatory decision-making

Conjoint analysis studies assume a compensatory decision-making process. Researchers suggest that this assumption may be invalid for many different types of products and services. For example, Hauser and Wernerfelt (1990) suggest in one study that 90 percent of the customers use some sort of non-compensatory decision-making process. Non-compensatory choice models suggest that customers simplify their choices by narrowing down their purchase alternatives to a small, manageable number of choices (i.e., evoked set).

This limitation was particularly relevant for this firm. While customers have a large number (15) of potential transportation companies to choose from, they quickly narrowed down the choices to three or four.

Typically, customers use screening rules to determine their evoked set of acceptable products and services. These evoked sets are developed by must-have or must-avoid decision rules (Best 2011) - which were common with this company's customers. For example, some customers may "have-to-have" a two-day transit time for a particular shipment and thus would only consider services that deliver a two-day transit time. Furthermore, customers may "have to avoid" companies with late pick up times.

In short, if customers use a non-compensatory decision-making process, then this is a major limitation of conjoint analysis studies. The research team felt confident that the majority of transportation customers were using screening rules to determine their evoked sets and simplify the choice.

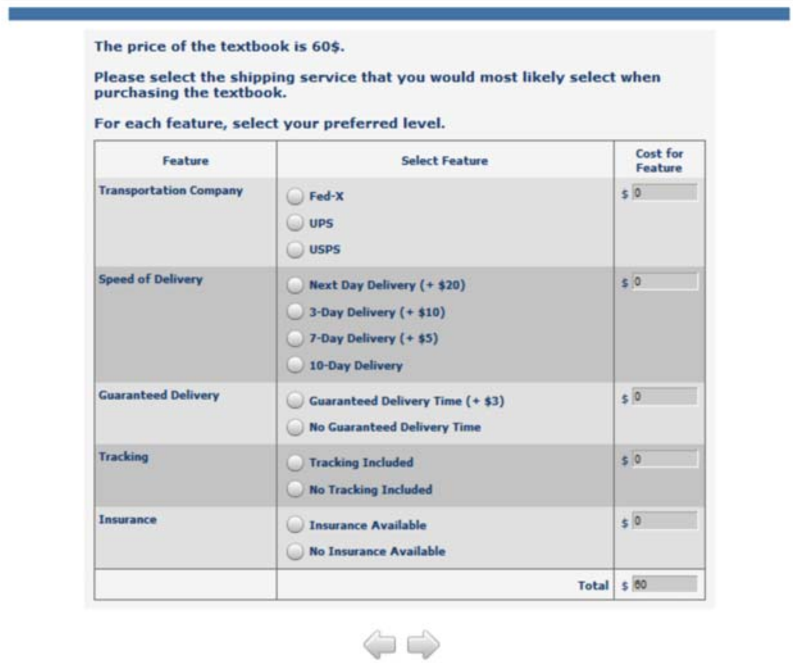
Irrelevant choice tasks

Because choice-based conjoint analysis studies ignore the customer's non-compensatory decision-making process, many of the choice tasks in a traditional conjoint analysis study are irrelevant to respondents (Orme 2009). For example, a customer in a conjoint analysis study who "must-have" a two-day lead-time will find all of the choices that ask about a three-day or four-day lead-time to be irrelevant. Given this problem, it is likely that only one of the choices is feasible. Not only is this inconsistent with reality but it may also skew the results significantly.

Large sample-size requirements

Finally, conjoint analysis data that is analyzed with hierarchical Bayes typically requires relatively large sample sizes. This can be problematic for studies conducted in a business-to-business environment, where large samples are difficult to obtain.

Figure 1



Overcomes some of the limitations

Adaptive choice-based conjoint analysis (ACBC) is a recent innovation in conjoint analysis and choice modeling, developed by Sawtooth Software (Johnson and Orme 2007), that overcomes some of the limitations associated with conjoint analysis. Most importantly, ACBC does not assume a compensatory decision-making process and thus is better aligned with how respondents actually make choice decisions (Johnson 2008). As a result, the choice tasks are significantly more relevant and the survey experience is more engaging and enjoyable to the respondent. Finally, sample-size requirements are much smaller than conjoint analysis studies (Johnson and Orme 2007), which make this technique more relevant for business-to-business customers.

ACBC builds on a number of choice modeling techniques and integrates them into an adaptive modeling framework. The ACBC survey has three sections, each of which will now be discussed.

Build-your-own concept

ACBC studies start with respondents completing a build-your-own exercise in which they design their ideal product or service (see Figure 1). This ideal product or service is the foundation on which the ACBC experimental design plan is built. Specifically, ACBC uses a "near-neighbor" methodology, which means that competitive product choices are created which are close to the ideal product. In a typical study, 24 near-neighbor product concepts are created on-the-fly.

At this stage, ACBC allows the researcher to specify different price points for different levels of performance. So, if your company wants to charge a premium price for a premium service level, as did this transportation company, this can directly be tested in ACBC. For example, the transportation company in this case study wanted to test whether the market was willing to pay for faster delivery times.

Possible buy/no-buy screening rules

In the second part of the process, respondents examine each of the near-neighbor concepts (Figure 2). For each one, the respondent makes a binary choice, stating either that it is a possibility ("possible buy") or that it is not a possibility ("no-buy"). Based on the respondent's decisions, possible screening rules are detected from their choices.

If such screening rules are detected, the respondent is asked to confirm them (Figure 3). Once confirmed, respondents will see only concepts that are consistent with their screening rules. For most respondents, approximately half of the concepts will be removed in this section.

Tournament-style choice exercise

The final exercise requires participants to choose the best product concepts that survived the "possible buy/no-buy" exercise. From this pool of surviving concepts, respondents are asked to select the one they prefer the most (Figure 4). In a typical tournament style of play, three concepts are presented together and the exercise continues until a final winner is chosen, typically about five to six choice tasks.

Support its segmentation strategy

ACBC was the research method recommended to this transportation company. In short, the company needed to add choice modeling or acquisition research that would support its segmentation strategy. It was strongly believed that its customers used a non-compensatory decision-making process when selecting transportation services. Additionally, ACBC requires smaller sample sizes.

Finally, recall that the transportation company wanted to pursue a need-based market segmentation strategy. Researchers suggest that ACBC delivers more robust and stable individual-level results, making this approach much more appropriate for segmentation analysis (Johnson and Orme 2007).

As with all research methods, ACBC has limitations. The first and most relevant limitation is that these studies generally take 50 percent to 200 percent longer to complete than a comparable conjoint analysis study (Johnson and Orme 2007). Second, because of its adaptive properties, ACBC works best with five or more attributes. Third, while ACBC can test market

Figure 2

Here are a few shipping scenarios for your textbook that you might like (60$ plus shipping costs). For each one, indicate whether it is a possibility or not.

(2 of 6)

Transportation Company	UPS	Fed-X	Fed-X	USPS
Speed of Delivery	3-Day Delivery	7-Day Delivery	3-Day Delivery	Next Day Delivery
Guaranteed Delivery	Guaranteed Delivery Time	No Guaranteed Delivery Time	Guaranteed Delivery Time	Guaranteed Delivery Time
Tracking	Tracking Included	Tracking Included	No Tracking Included	Tracking Included
Insurance	Insurance Available	Insurance Available	Insurance Available	No Insurance Available
Price	$56	$63	$94	$92
	A possibility / Won't work for me	A possibility / Won't work for me	A possibility / Won't work for me	A possibility / Won't work for me

Figure 3

We've noticed that you've avoided shipping scenarios with certain characteristics shown below.

Would any of these features be totally unacceptable?

If so, mark the one feature that is most unacceptable, so we can just focus on shipping solutions that meet your needs.

Speed of Delivery - 10-Day Delivery

None of these is totally unacceptable.

Figure 4

Among these three, which is the best option? (I've grayed out any features that are the same, so you can just focus on the differences.)

(1 of 5)

Transportation Company	Fed-X	USPS	UPS
Speed of Delivery	Next Day Delivery	Next Day Delivery	Next Day Delivery
Guaranteed Delivery	No Guaranteed Delivery Time	Guaranteed Delivery Time	No Guaranteed Delivery Time
Tracking	Tracking Included	No Tracking Included	Tracking Included
Insurance	No Insurance Available	Insurance Available	Insurance Available
Price	$76	$73	$98

reactions to charging premium prices for premium services, it is important that these price changes are relatively small compared to the overall price of the service. If not, price sensitivity analysis might be skewed as a result.

Adjust its offering

The transportation company learned

Is ACBC right for you?

While ACBC is a robust approach for modeling customer choices, it is not a panacea for all choice modeling situations. To decide if ACBC is the right tool to examine how your customers make choices, ask yourself the following questions:

- Do the majority of our customers use a non-compensatory decision-making process, whereby they use screening rules to simplify the choice?
- Do we want to learn about screening rules that customers may use to make purchase decisions?
- Do our customers have to make a complex decision that would typically involve five or more attributes?
- Do we want to use this data to create need-based market segments?
- Do we want to test the market reaction to charging premium prices for premium levels of performance?

a great deal about the marketplace following the suggested approach. By better understanding how its customers select transportation vendors (not just their satisfaction), it was able to adjust its offering to be aligned with customers' desired performance levels. More importantly, identifying need-based segments was a critical link in truly gaining a deep understanding of customers. Undoubtedly, the "average" customer does not exist in this marketplace! Instead, market segments have very different needs and marketplace "averages" actually disguise these differences among customers.

Once recognized and profiled, the company prioritized and targeted segments in its acquisition strategy and developed service levels that would attract and retain these targeted segments. As a result, it was able to focus on the important customers, better utilizing scarce resources for an improved ROI.

Does not assume

ACBC is a new choice modeling approach that overcomes some of the drawbacks associated with traditional conjoint analysis. Most importantly, ACBC does not assume a compensatory decision-making process and thus is better aligned with how respondents actually make choice decisions. As a result, the choice tasks are significantly more relevant and sample size requirements are smaller. Finally, ACBC data are excellent for creating need-based segments. | Q

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A short history of conjoint

Enter article ID 20040711 at www.quirks.com/articles to read Bryan Orme's overview of the growth of conjoint.

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software review

By Tim Macer

NVivo 9

The Internet has become a very natural place to carry out qualitative research, as it is an environment where many harder-to-reach groups like senior professionals or the under 25s are to be found, not just in abundance but often in a conveniently loquacious mood. And therein lies the hidden cost of online qual - it can be easy and inexpensive to collect large amounts of textual data, without the normal burden of room hire or transcription fees. But the text arrives unobserved, often in a silent, relentless avalanche that can overwhelm the researcher. It takes time for the researcher to read and organize and assimilate all this data - there is no equivalent to being in on the groups and being able to get thinking right away on what to put into the report. The only way to the findings is by reading and reading and reading.

Coping with the silent avalanche

While some researchers experiment with using sentiment analysis or text mining, one overlooked remedy is that stalwart of the academic social researcher - NVivo - as it still places the researcher at the center of the interpretation while leaving plenty of room for her or his skill and intuition.

With the arrival of NVivo 9 at the end of last year, offering capabilities to work with many other kinds of data, I though it was time to see how it would shape up in the context of commercial market research - a sector where the software currently has few users.

On first opening the software, the interface can be bewildering - but think back to the first time you opened Word or Excel, if you can remember that far back. In NVivo, a number of sections and tree-structures in a panel on the left allow you to organize your work and a varying, context-specific set of tools are presented at the top, organized into tabs. The rest of the space is organized into two horizontal panels. The upper one

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NVivo 9, computer-assisted coding and analysis tool for unstructured survey data, from www.qsrinternational.com

Pros
- Offers considerable flexibility in how you wish to code and organize your work
- Offers automated and auto-assisted coding including word frequency and word cluster analysis
- Multi-user feature allows teams of researchers to work concurrently on the same project
- Highly efficient and intuitive interface

Cons
- Can't currently import Web pages or PowerPoint documents
- Text mining capabilities limited to a few diagnostic measures

Cost
- Perpetual license for single user: $2,275, with 10-25% discount for multiple purchases. Subsequent upgrades available at a reduced price.

displays selectable lists or catalogs from which you can select items. The lower panel is a tabbed window where source documents, recent reports or any other content appears.

Working with a tool like this you are likely to follow a rough workflow of discovery and exploration, classification and gathering together and then working through what you have gathered in order to extract meaning and summarize the findings. However, NVivo is not at all prescriptive about how you work: You can start with all your analysis frameworks fully developed or you can let them fall out organically from the data or steer a course somewhere between those two extremes.

The stepping stones

There are a few key concepts in the software it is worth understanding, as these are the stepping stones over which you will make your journey through the data.

"Sources" are the documents or transcripts you will work on, which NVivo will import into its internal database. Sources can also include other notes, reports or stimulus materials – and a wide range of formats are supported such as Word files, PDFs, tables in Excel and even photos or video. NVivo offers excellent support for video, making it a great tool to use to analyze conventional focus groups or vox pops too.

The next key concept is the "node," which is your principal means of categorizing information. If you have an interview guide, this could be imported and used as a set of nodes – nodes can be hierarchical to any depth and they are easily reorganized simply by dragging and dropping. A common way to use NVivo is to run through your transcripts, marking up sections and dropping them into the appropriate node. The interface makes that task pretty efficient – just a few mouse-clicks to post words or phrases into the right node.

You can also create node structures on the fly, adding categories or subcategories when they start to emerge. But there are some other smart ways to create nodes which are particularly helpful in dealing with very large volumes of text. One way is to use "autocoding," which probably does not do what you think it might. If your documents are already structured in some way (e.g., the heading structure denotes the question, the topic or the speaker in a group) autocoding can be used to create nodes from the heading structure and then populate these with all the relevant passages. It makes a lot of sense if there are several transcripts that share a similar structure.

Word frequency counting

Perhaps more interesting to those handling Web transcripts is another autocoding method based on word frequency counting. NVivo identifies words and phrases that occur multiple times across your sources, creates nodes for them and then posts sections of the text around that word into the node along with all the context, such as the person and their demographics. There are a total of seven different query tools for creating advanced searches based on other attributes such as demographics and the results of any of these can also be used to create and populate nodes. All of these tools can provide useful alternative perspectives to the ones you may start out with.

An increasingly common feature of Web-based qual, particularly projects that have an auto-ethnographic side to them, is the use of photographs taken by the participant and even video or audio recordings. This is an area very well-supported by NVivo. Files in any of these formats can be imported and then these too can be categorized.

The third and more obvious concept is that of the "classification," which makes most sense when used to apply demographics or other fixed categorizations such as location. Classifications tend to apply to the whole document or source element, rather than specific passages within the source.

Once you have categorized and coded your source material, it is time to start pulling out the findings - and there are two vehicles to use here. There is a series of built-in reports that reveal all of your coded snippets in, for example, node or category order. A report wizard also lets you create your own reports based on any organizing principle you can construct. You can view these or export them to work into your final report.

An explore tab in the tools area at the top also provides you with a broad selection of ad hoc query tools that you can use to interrogate your data. Alongside these, there are also tools to visualize data that nudge you in the direction of text mining. For example, you can perform cluster analysis on the word similarities between different documents or sections, with a resulting visualization showing word proximity. Cluster analysis can also be performed on nodes, with clustering revealing the similarity of the different coded fragments within each node. None of these tools on their own provide an automated means of analyzing the data but they provide very useful diagnostics and can also help to reveal connections you could easily overlook. However, this is not a text-mining tool - the options on offer are limited in scope.

A multi-user version of the software is also available, which I did not test for this review. This allows researchers to collaborate on a shared set of documents, so they can work on coding and analysis in parallel - another practical way to speed up getting the results to the client.

NVivo in the hands of a researcher

Marleen Morris & Associates is a research and strategic planning consultancy in Vancouver, B.C., that uses NVivo to analyze conventional qualitative research transcripts and also, increasingly, unstructured comments provided through the Web from members of the public invited to engage in consultation processes.

"We work with clients to develop strategic plans," says Marleen Morris, the firm's principal. "We will often design a quantitative survey instrument as well as use focus groups, interviews and input received through a purpose-designed Web site in order to develop a body of evidence for planning and decision-making purposes.

"NVivo can make a huge difference for organizations and researchers who want to invite input through a Web site. When you open up a site and invite comments, you quickly receive a very large amount of input. If we were to try to analyze that volume of information without NVivo, we would be facing a long and difficult process. NVivo makes the whole task manageable," she says.

Asked how NVivo achieves this, Morris explains: "The software makes the process of analyzing this kind of data very easy. As you start to code your data to the different nodes, around the common themes, you quickly start to see the patterns. When there are large volumes of data, you can start to lose track of what you have read. NVivo keeps track of everything in a very efficient way."

Morris is aware that qualitative researchers can be skeptical of software playing any part in the analysis qualitative data, for the risk this brings in turning a creative activity into a mechanical one that leaves no place for skill or intuition. "I'd say NVivo has helped me be more creative and intuitive as it helps me to see the patterns more easily. Using NVivo means that you do not have to try to hold all the data in your head. If anything, it frees you to become more creative," she says.

Asked which features she finds particularly useful when analyzing research data, Morris highlights the query functions for the way they help you understand the relationships between the themes in the data. "For example, you can query the data to discover how many times a specific theme was mentioned in concert with other themes. You can also do a word search, which gives you a different perspective on the data."

She emphasized that people should not be put off by the quantitative aspects of these query reports – in her view, the query function simply helps you explore and understand the data, which in turn facilitates the discovery of meaning. These are just tools that serve to sharpen the qualitative researchers' intuition.

Morris is also impressed with the software's capabilities in handling rich media and other sources of data. "If you are working on a project wherein you are asking people to think creatively about the future, you want to allow people to be creative in the way they provide their input as well. NVivo facilitates that."

Morris notes that NVivo easily deals with video and audio input. "We had one project recently in which young kids did collages for us. We were able to upload photos of these collages and describe them."

She estimates that a new user familiar with PC office software would be able to master the basics of the NVivo software in just a few hours. "We use it for the qualitative aspects of most of our research and I have not yet run into anything that it hasn't been suited for. So far, I have not found any limiting factors."

A role to play

NVivo clearly has a role to play in market research. Not everyone will find it as easy to get started as Marleen Morris – anyone used to working directly from transcripts and other sources on paper may feel the software provides a less direct route to getting to the findings in the initial stages. It is definitely worth persevering. The return on that early investment of time comes when you have complete mastery of all of the data. And all the evidence to back your skilled observations – and your intuition – is only ever a few mouse-clicks away. | Q

automotive industry

By Joe Richards

Driving out the uncertainty

How AutoTrader.com uses primary research to clarify the car-shopping process

With 15 million+ unique monthly visitors and an aggregate of millions of new, used and certified pre-owned cars from thousands of auto dealers and private sellers, AutoTrader.com is in the business of connecting car buyers and car sellers. Along with private sellers buying ads to list their car(s), automotive dealers and associations, ad agencies and auto manufacturers also advertise on AutoTrader.com. Just like any other media buyer, these advertisers often raise the question of measurement. We often hear, "How can I measure and truly understand the impact of my advertising dollars?" or "If I only knew which parts of my advertising were working, then I could save a lot of money and increase my business."

Unfortunately, one of the most common misperceptions today among the media-buying community is that online media is automatically more measurable than traditional media. This belief is, in part, our own fault. When most dot-coms started out in the '90s, a primary message communicated across the board was that online advertising was more measurable than traditional advertising. And, in theory, that is true. Online media can actually offer advertisers more trackable activity via click-through rates and other analytics than traditional media does, but that's only if online consumer behavior aligns with these trackable metrics. However, time and experience has painted a much different reality about how consumers actually engage and respond to online advertising.

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snapshot

Store intercepts and other forms of research have helped arm AutoTrader.com with data to show car dealers where sales leads are coming from.

Used primary research

As a result, AutoTrader.com has used primary research to dispel many advertisers' limited focus on specific metrics and to examine the halo effect that online advertising has on traditional brand metrics. For example, when our customers advertise on AutoTrader.com or with any other media outlet (traditional or non-traditional), their ultimate goal is to drive people into their dealership. However, when it comes to their online advertising, dealers expect to be able to measure the advertising effectiveness by tracking phone calls and e-mail leads. The reality, though, is that among automotive shoppers, very few actually call or e-mail the dealer while shopping for a car. Given this information, how can you measure the immeasurable?

The answer, of course, is via survey research. The first question that our research team wanted to answer was: How do dealers believe car shoppers initially contact them? After conducting primary research, we learned that dealers think that 42 percent initially make contact via phone, 17 percent send an e-mail and 41 percent walk into the dealership. Our first impression - based on our site data and other research statistics - was that the phone contact rate seemed high.

We also wanted to understand the dollar value dealers place on phone calls, e-mail leads and walk-in traffic. Our hypothesis was that walk-in shoppers are more valuable because it is easier to sell to a car shopper in-person versus over the phone or via e-mail. The findings were, for the most part, what we expected. Franchise dealers would pay on average $65 for a walk-in shopper, $37 for a phone call and $30 for an e-mail.

Understand shoppers

Now that we had established the dealers' perceptions, we needed to understand how shoppers truly made initial contact with the dealer. After many internal discussions, we defined the main objective for our consumer research: determine the impact of advertising on the volume of walk-in traffic at dealerships nationwide among AutoTrader.com customers and non-customers.

We concluded that the best way to do this was to intercept car shoppers as they exited dealerships and administer a short survey, asking them, "How did you initially contact this dealership?" and "What was the primary source that led you to visit this dealership?" To ensure we were interviewing car shoppers and car buyers only, we also would distinguish between actual car shoppers and other customers visiting the dealerships for parts, service, etc.

To guarantee the most objective and accurate representation of the current national market, car shoppers were interviewed at a variety of geographi-

Figure 1: How Do Shoppers Initially Establish Contact?

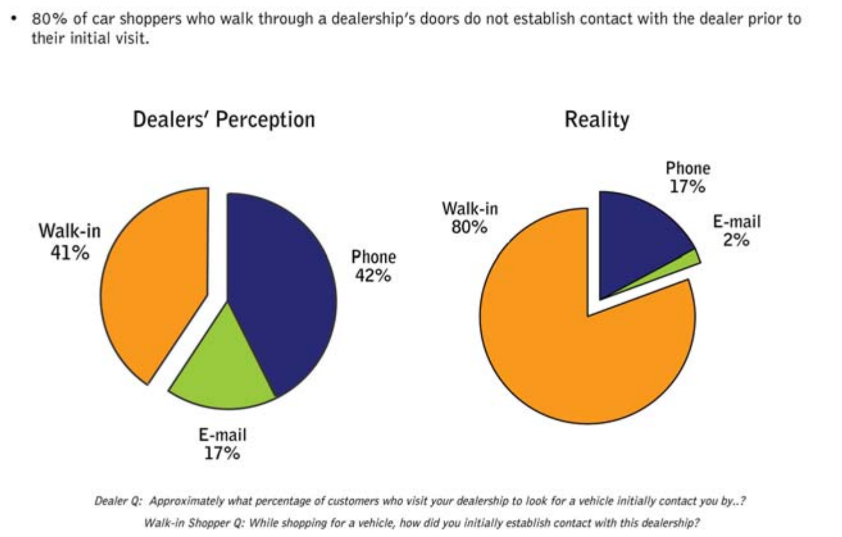
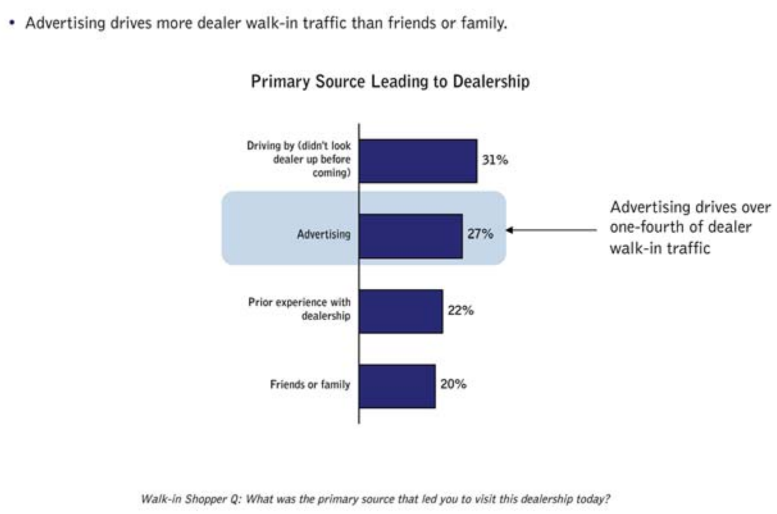


Figure 2: What Are The Primary Sources That Drive Dealer Walk-in Traffic?



cally-diverse dealerships, which included a mix of manufacturers, independent and franchise dealership types, luxury and non-luxury brands and new and used. We spent two days at each dealership and varied the time throughout the week to encompass both low- and high-traffic days. At the end of the research, we had interviewed car shoppers at 59 dealerships in 17 markets (stratified by population size).

Do not align

So what did we learn from the consumer intercept study? Dealers' perceptions do not align with consumers' actual behavior (Figure 1). Dealers perceive that 41 percent of shoppers who walked through their doors did not establish contact with them prior to their initial visit. However, the research revealed that the number was much higher. In fact, 80 percent of shoppers surveyed did not make contact with the dealer prior to walking into the dealership.

For the first time ever, we were also able to quantify the impact that advertising had on dealer walk-in traffic (Figure 2). According to the research, advertising accounted for roughly one-fourth of all dealer walk-in traffic - the No. 1 source for this type of traffic. This finding was closer to dealers' perception than their view of how shoppers made initial contact with them; however, there was still significant disparity in these numbers as well. Dealers previously thought that 32 percent of their walk-in traffic could be attributed to the Internet when, according to the research, 54 percent of shoppers were primarily being led to the dealership by the Internet (Figure 3). Dealers also believed that newspaper advertising was driving more traffic than it actually was (27 percent versus 13 percent).

Another goal of the research was to quantify which specific Internet sites were responsible for driving dealership walk-in traffic. The study demonstrated that independent sites like AutoTrader.com were the primary source for walk-in traffic followed by dealer sites (Figure 4). Independent sites drove three times more walk-in traffic than search engines and seven times more than manufacturer sites. Dealership sites drove twice that of search engines and five times more than manufacturer sites.

The results of our study effectively "measured the immeasurable" and finally demonstrated to dealers the value of their online advertising. Or so we thought.

When we shared our findings, some dealers were still skeptical. They believed the research was not representative of what was actually happening in their dealerships because the study was controlled and the data was weighted (type of dealer, store traffic, geography, etc.). We had to take the research to the next level.

Had to be modified

Following the national dealer walk-in study, we rolled out a pilot research program called the AutoTrader.com Sourcing Program and began conducting research at individual stores among those dealer customers who doubted our findings. However, this type of individualized research was expensive, so the methodology of the original study had to be modified. With the AutoTrader.com Sourcing Program, we focused only on car buyers at the individual store instead of all car shoppers visiting their dealership. We collaborated with AutoTrader.com salespeople to obtain buyer lists from their dealer clients and we contacted their customers over the phone post-purchase and

Figure 3: What Advertising Drives Dealer Walk-in Traffic?

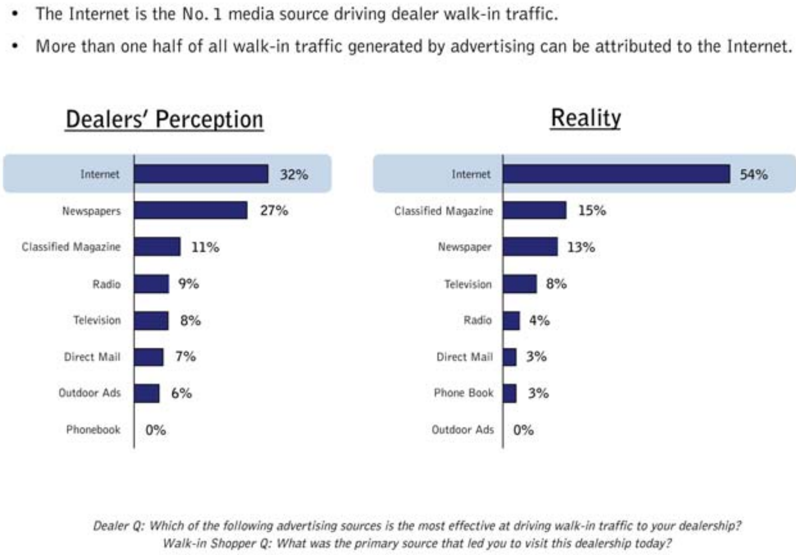
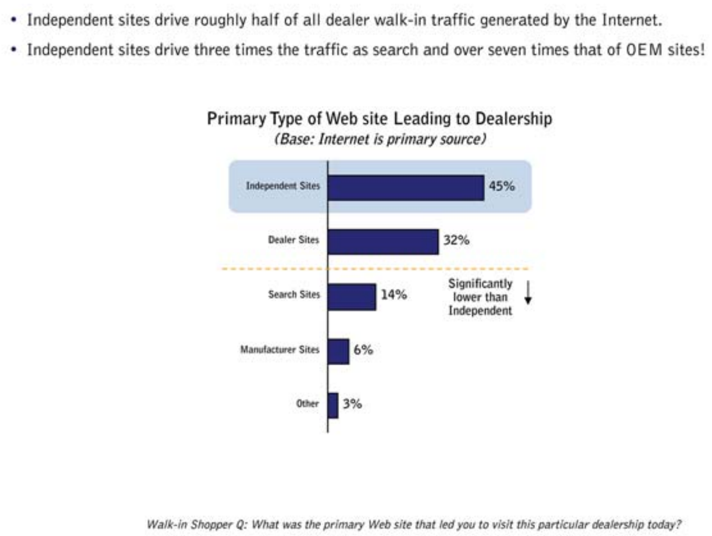


Figure 4: What Web Sites Drive Dealer Walk-in Traffic?



administered a short, three-to-five-minute survey, which consisted of the following key questions:

1. Which of the following source(s), if any, did you use or see while vehicle shopping?
2. Please tell me the names of the specific Web site(s) that you used?
3. Which of the following source(s), if any, primarily led you to purchase from [DEALER NAME]?
4. While shopping for your [MAKE AND MODEL BOUGHT], how did you initially establish contact with [DEALER NAME]?

To coordinate and manage the logistics and reporting of a program of this magnitude, which would consist of hundreds of "mini" research studies, we chose to collaborate with an independent third-party research partner to assist us with administering the program. Choosing an independent administrator also contributed to the objectivity of the program.

To date, we have completed 565 individual sourcing studies from all types of dealers throughout the country and have interviewed over 75,000 car buyers. We have created a turnkey program that allows AutoTrader.com salespeople and their dealer customers to source car buyers. Our senior vice president has said the program is "one of the most effective consultative tools we have in our toolkit to assist our dealers with their success."

Here are some specifics of the program:

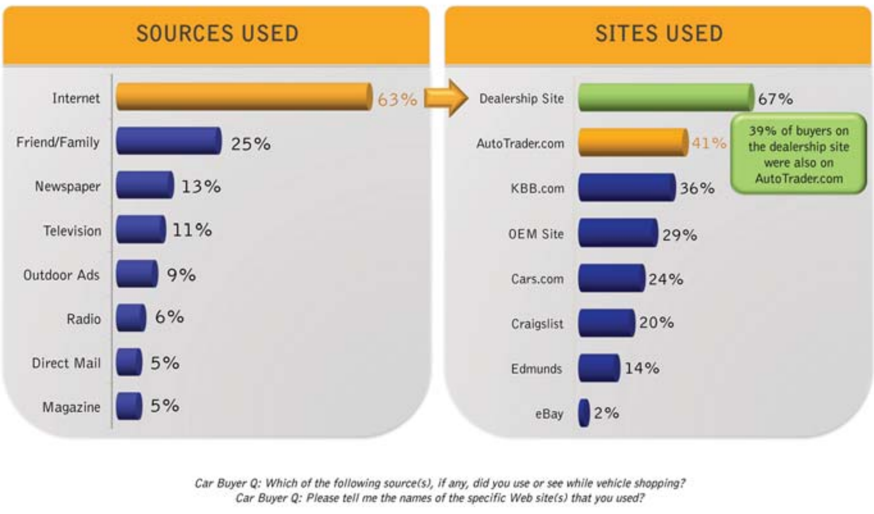
- With the permission of the dealership, the dealership phone number is displayed on their customers' Caller ID.
- We interview roughly 40-50 percent of all buyers at each store.
- It takes approximately two to three nights of calling depending upon the number of buyers at the store.
- To date in 2011, we've sourced approximately 15 dealerships per week.
- The only days we do not call dealership customers are Fridays and Sundays.
- We record all calls and post them on a portal for the dealership to listen to. This creates transparency.
- We ask a question at the end of the survey for feedback on the dealer. We send the verbatims to our salespeople to share with their dealer. The dealers love it because it provides them an opportunity to turn unsatisfied customers into satisfied ones.
- Reports are issued to our sales consultants seven days after the last interview.
- Dealers can insert a custom question if they so desire.
- We can conduct interviews in Spanish for dealers whose client base consists predominantly of Hispanic buyers.
- We database the survey results and site metrics for each dealership.
- We conduct a follow-up survey to understand the impact of sourcing as well as to perform advanced analytics, which allows us to better consult future clients and offer case studies.

Easily understand them

The reports we provide to our dealer customers are short and concise so that our salespeople and the dealership can easily understand them. They consist of three main metrics: usage multiple; one source that led to the dealer; and how they initially made contact with the store.

Each report contains around nine data slides, with one slide for each metric that breaks out the total number of buyers, used car buyers (Figure 5)

Figure 5: What Sources/Sites Do Used-Car Buyers Use To Shop For Vehicles?



and new buyers. This information helps to affirm the credibility of the national study since the results of the Sourcing Studies align with the results of the dealer walk-in study. We discovered that there were geographic differences in the results, so we release normative data in collateral by state.

We also collect the reasons why we are conducting sourcing studies and we also review the outcome of a sourcing study by surveying our salespeople three months after the study is complete. As you can see from these numbers (Figure 6), the program has been very successful and the ROI has been three to four times the investment.

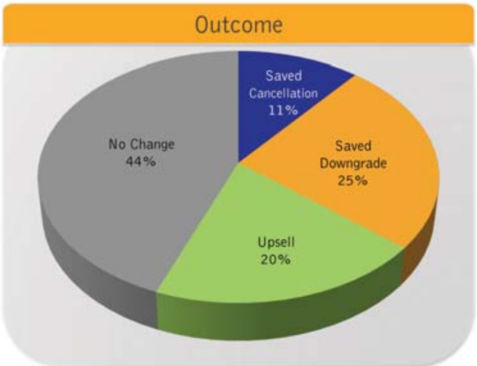
Understand the impact

In addition to the sourcing studies, we are using primary research in other ways to help our salespeople consult our customers. For example, for our national customers who buy display advertising on our site, we conduct exposed/unexposed ad effectiveness research for them to help understand the impact of their campaigns. We have normative data for our site to help put the results in perspective. We also are able to link it with site behavior.

Further, we just finished conducting a max-diff messaging test to understand what messages appeal to car shoppers when selecting the dealer. We tested 39 different messages and are creating a simulator for our salespeople to use when discussing marketing messages with customers. For example, if I am a Ford dealer targeting new-car shoppers and my differentiators are “ease of financing,” “free vehicle history reports,” “family-owned business” and “free maintenance service,” then the

Figure 6: Why Did You Conduct Research? What Was The Outcome?

Reason(s) for Requests	% of Requests
Show Value	73%
Potential Up-sell	42%
Save Downgrade	34%
Save/Win-back Cancellation	17%



salesperson would select "New Car" along with these differentiators to filter the data. The simulator, lovingly called the AutoTrader.com Messaging Wizard, ranks from highest to lowest which of these messages is the most motivating to the shoppers they are targeting. It automatically removes the utilities (zeroing them out) for those features not selected and takes the average of the remaining rescaled messages. It is a great tool to use while consulting clients about their marketing plans and messaging on AutoTrader.com.

Of course, none of the endeavors explained in this article would be possible without our research vendor partners so I would like to thank KS&R, Morpace Inc. and Harris Interactive for all of the "stuff" they do for us.

We can't measure everything

While I have to keep reminding myself that we can't measure everything – there will always be shoppers who show up at the dealership and don't buy for various reasons (didn't have the car, couldn't agree upon price, etc.) – using research to assist our salespeople and improve our clients business is a win not only for AutoTrader.com and our dealer customers but also for client-side researchers like me.

Among other metrics, I track the return-on-research of how much we saved from downgrades/cancellations and how much we upsold. That type of information has a lot of internal impact. When I attend sales and executive meetings and show them how we are helping them help our dealer customers and, in turn, help AutoTrader.com, I'm pretty certain that they walk away with a new appreciation for the research function and what we do. | Q online research

Taking the reins

How Procter & Gamble worked to develop online data quality guidelines

By Don Gloeckler

One of the best aspects of working in the consumer and market knowledge (CMK) organization at Procter & Gamble is that the impact of our consumer insights is reflected in just about every major decision that the company makes. This is because we believe that we exist to serve consumers - to touch and improve lives.

The challenge associated with this is that we must be vigilant to ensure that the insights we deliver meet the high standards required to support our far-reaching business objectives. We know that research quality benefits not only our company but also our industry and, most importantly, the consumers we serve worldwide. To meet that quality standard, we need to be confident that accurate data are always at the foundation of our recommendations, whether those data are collected face-to-face, via mail, over the telephone or online.

This has been our goal over P&G's decade-long history with online research. Having done more online quantitative research than many companies in the world, we have certainly had our share of illuminating experiences, sometimes finding work that was poorly done. The challenges we faced in our years of experience with online research required us to take an active role in pursuing online research data quality. In 2009, we developed online research quality principles and requirements to deliver consistent, reliable online research across all of P&G and with our suppliers. In this article, we want to provide an account of why and how we did it, explain why we believe online research quality guidelines are important to the industry and how market research buyers can drive that change to benefit everyone - including our suppliers.

Experiences were less-than-perfect

Let's start with why P&G's CMK organization took the quality requirements path. It begins with our experience with online research. Some of our experiences were less-than-perfect, including test/re-test inconsistencies, illogical research results and even a product test that delayed a major product launch. We discovered firsthand the difficulties that a lack of guidelines can cause to major business decisions.

The Advertising Research Foundation's Foundations of

snapshot

P&G's Don Gloeckler details his firm's quest to define and implement a set of online data quality guidelines and explains how other researchers can get involved in the same process.

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Quality initiative pointed to issues with the sample we, and other research buyers, rely on for conducting online market research surveys. The ARF fielded a landmark survey across 17 online panels, a telephone panel and a mail panel. That research showed that there is 41 percent e-mail address overlap across panels, which means that sample that comes from multiple providers could result in the same panelists being invited to a survey more than once. The study also found that longer surveys increase nearly six times the likelihood of undesirable survey-taking behavior such as speeding and straightlining.

There are a number of industry reports that question online data quality but P&G's own learning was sufficient to drive us to action. Our experience with online research made it clear that two of the largest contributors to data quality are the sample and the survey instrument. This article largely focuses on our work with sample quality.

Complicated by a few factors

It sounded simple enough; we needed a solution that would consistently deliver high-quality sample and ensure well-designed survey instruments. This need was complicated by a few factors.

First, online sample and survey instruments frequently are not controlled by a single entity; they are the shared responsibility between clients and suppliers (and the suppliers' technologies for execution).

Second, each supplier has its own approach to data quality - some of which are inefficient (post-survey data cleaning), reactive (data weighting) or not visible to the client (no reliably auditable metrics demonstrating quality). As a whole, these approaches are inconsistent across suppliers.

The bottom line was that P&G lacked a consistent, cross-supplier set of online quality expectations and solutions.

Today, P&G has online data quality specifications and delivery standards built into our research allocation process. The path to get there involved defining online data quality, developing expectations for how we expect suppliers to deliver on our definition of quality and addressing both internal and supplier challenges.

Here are the highlights of that journey.

What online data quality means

Using our sample and survey instrument quality learning for guidance, we first defined what online data quality means for P&G sample and surveys.

What would constitute "high-quality online sample" and alleviate the issues we confronted? Our experience indicated that online sample must include only respondents who: are real people whose identity and location can be authenticated; are qualified to answer the survey based on screening and behavioral criteria we determine; only take each survey once; and answer questions thoughtfully.

With respect to the survey instrument, we found that poorly-designed, complex surveys encouraged undesirable survey-taking behavior (straightlining, speeding, etc.). We needed a way to systematically predict, measure and benchmark the performance of our survey instruments for their impact on respondent engagement so that we could improve them and prevent poor surveys from ever being fielded.

Needed objective measures

Simply asking our suppliers to deliver our definition of online sample and survey quality was insufficient to ensure that our results would be replicable - across time, sample sources, technology platforms or geographies. We needed objective measures to indicate that the requirements were met; we needed a process to ensure all projects were using the same quality requirements; and we needed a mechanism to make certain our suppliers uniformly applied our requirements.

With these challenges in mind, we developed requirements for how we expect our suppliers to consistently and transparently deliver on our definition of online sample and survey instrument quality. Specifically, we established that suppliers' online data quality solutions must:

- use objective quality criteria that are predetermined, replicable and standardized;
- rely on automated processes to meet quality requirements;

- ensure that potentially fraudulent respondents cannot easily identify or circumvent the quality measures in place;
- uniformly apply quality requirements to all projects when requested, regardless of sample source, survey technology and geography;
- deliver reports demonstrating the impact of applying the quality requirements; and
- protect and secure all personally identifiable and confidential information collected from respondents, suppliers and/or clients.

These requirements supported replicable results and objective, auditable measures of compliance with our quality criteria that, importantly, allow us to compare across suppliers. With our requirements in hand, we had to put a process in place so that they were consistently followed throughout our organization. Our goal was to ensure all projects were using the same quality requirements.

We institutionalized our requirements by building them into our research purchasing process. We got internal buy-in that only suppliers capable of delivering our quality standards should be considered for research allocations and that meeting our requirements would be a key criterion on the list of supplier priorities.

We felt strongly that we could work with our core suppliers to deliver our requirements because they were supported by empirical evidence, feasible for the suppliers to implement and verifiable. With ongoing communication, collaboration and executive support we found our suppliers were willing to adopt third-party data quality technologies to meet our requirements.

Faced challenges

The process of institutionalizing online research quality requirements may sound straightforward in its recounting. However, we faced challenges in the development and implementation of our online research quality expectations. Researchers were concerned that results might not be comparable with previous research. Both research managers and panel suppliers were worried about fulfillment due to concerns about potentially high rates of respondent failure on sample quality criteria. Research managers and suppliers shared an anxiety that our requirements would slow our research. Finally, nearly every stakeholder was concerned about the cost implications.

These challenges to online quality standardization were not insurmountable. We ran pilot studies and, where necessary, we conducted parallel tests and examined any differences to evaluate the impact of the requirements on comparability. We rejected the notion that fulfilling a project with questionable respondents should be an option in research execution. In the end, the respondent rejection criteria did not slow us down. Additionally, our suppliers are now in an even better position to tout the quality of their panelists.

The automation required in the requirements and the real-time rejection of fraudulent or duplicate respondents has the potential to reduce the time spent on post-field manual data cleaning, ultimately decreasing the time spent on projects.

We were not willing to sacrifice quality for questionable data. We recognized that ensuring better data quality could cost a little more and we were willing to manage that fact.

Reaping the benefits

Today, our online quality requirements are in effect and we are reaping the benefits of their implementation. We evaluate suppliers and select them for projects based on our quality criteria. We're confident that there is a consistent set of quality standards being deployed across our suppliers. In addition, we have greater confidence that we get reliable and accurate research results. We've gained valuable visibility into our suppliers' sample quality practices through auditing reports and we are confident that we are reducing costs associated with re-fielding surveys and over-sampling due to incidents of poor-quality data. Most importantly, we are more confident that the decisions our company makes are based upon valid insights that accurately reflect the needs of the consumers we serve.

Our approach to online quality standardization came down to this: We developed our requirements based on our experience and empirical evidence; garnered the requisite internal buy-in; worked with our suppliers, who came to understand the rationale of the standards and delivered on them; built our requirements into our purchasing process; and now we receive reports verifying that our standards are met for each project. As a result, we have come a long way toward bolstering our confidence that we have accurate data and solid recommendations that enable us to better serve our consumers around the world.

Drive change

P&G's story of online sample quality guidelines demonstrates that it is possible for research buyers to drive change in the quality of the research we buy. Knowing now what is possible, our research team strongly encourages other research buyers to adopt their own guidelines to foster broader quality improvement. As more buyers take the reins of online research quality, greater strides can be taken toward rooting out low-quality data, which will benefit the entire industry.

You may be asking yourself, "If P&G has standards in place and feels confident that it is getting reliable, accurate research, why does it care what other companies do?" The answer is that without this kind of strong quality effort, the credibility of our companies - and the credibility of the research industry at large - will suffer. A lack of quality expectations fosters a "race to the bottom" on costs, too. Poor quality is bad for everyone.

We believe that overall online data quality will improve if more buyers insist on their own objective, consistent and verifiable measures of quality. As consumers of online market research, we believe each company needs to establish thresholds for what it considers an acceptable level of quality. Anything less than these thresholds should be considered unacceptable and suppliers will not want to sell it.

Create a new base

Today, research suppliers each take their own approach to quality and there is no consistent and transparent way for buyers to assess quality across suppliers. Research clients must create a new base for what is considered acceptable - a minimal expectation of what is considered useful research. If research buyers set quality standards, overall industry research quality will increase.

Hopefully, P&G's experience with online quality requirements has made clear the buyers' incentives to adopt guidelines. Buyers who adopt quality expectations can readily evaluate suppliers, using a common set of criteria, be confident that common guidelines are being used across all their projects and feel secure they are receiving reliable research whose quality can be verified through auditable measures.

Research suppliers also benefit by broad adoption of guidelines. David Haynes, CEO of Opinionology, explained the quality premium this way in his August 2010 *Quirk's* article ("Are Internet access panels a lemon market?") on Internet access panels: If suppliers can demonstrate objective measures of data quality, research buyers may be more inclined to pay a premium for better quality. Suppliers will be able to certify their quality after the sale through auditable metrics. Second, if buyers are using an objective set of measures to validate quality, then suppliers can more efficiently implement a standard process to meet and deliver on those measures. If there is broad adoption of guidelines for quality, then each client won't require a custom approach. Suppliers will also be able to more efficiently address quality concerns with templatized RFP responses that address quality. Ultimately, the sales and delivery process becomes more efficient and suppliers will get a fair market price for quality.

The end result? Research buyers will be able to select suppliers by a measure other than price. Those suppliers who can deliver quality and demonstrate it will be rewarded. Providers of lower-quality data will be identified and will pay the price in lost market share. Online data quality should improve - industry-wide.

Have become active

At P&G, we feel so strongly about online research quality that we have become active in the development of guidelines that could be used industry-wide. We have been participating in industry forums that advocate improvements in online research quality, including the Advertising Research Foundation's Online Research Quality Council and the TrueSample Quality

Council. The latter organization includes market research industry leaders, suppliers and Fortune 500 buyers who share the common goal of markedly improving online sample and research quality. Collectively, 14 companies are involved, including representatives from General Mills, MarketTools, Microsoft, Nestlé, Opinionology, Research Now and Samsung Electronics, among others.

In late 2010, the diverse members of the TrueSample Quality Council worked together to issue a set of online consumer research quality guidelines that built upon requirements that P&G and Microsoft presented at the Forrester Marketing Forum earlier that year. While the guidelines are rooted in P&G's and Microsoft's quality requirements, the Council did a great deal of work to modify them for broad adoption. (See http://marketing.markettools.com/rs/markettools/imagesMarketToolsOnlineConsumerResearchQualityGuidelines.pdf.) Ultimately, the Council collectively endorsed a set of quality guidelines that: can be readily used to determine whether suppliers meet quality conditions; are easily implemented in the research buying process by inserting into RFPs or statements of work; can be met by a variety of suppliers; and will ensure consistency and reliability in research.

Our goal in participating in the development of the online consumer research quality guidelines was to make it easier for other research buyers to be proactive on online research quality. We want more buyers to be in a position to encourage the industry toward better-quality data. With these guidelines, buyers will have alternative means to selecting suppliers, beyond price or simple claims of quality. When buyers select suppliers based on the verifiable quality of their product, data quality will improve across the industry.

Take the reins

So what can you do? You can take the reins of research quality today. You can take advantage of the RFP-ready guidelines that are already available. You can start including them in your buying process and awarding projects to suppliers who meet them. You can start requiring that your own quality standards are being met for your research. You can feel confident that you are getting high-quality data. You can support elevating research quality for the entire industry.

Broad adoption of online research quality guidelines can change the client/supplier relationship for mutual benefit. Buyers will be able to evaluate suppliers based on the quality of their product in addition to price and speed. Suppliers can build their business by ensuring the delivery of consistent online research quality. Ultimately, variability in the quality of online data will be diminished. Online research data will be better, for everyone, and all of us will know that because we will have the reports to prove it. | Q

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Many means to a common end

Understanding the pros and cons of mixed-mode research

By Michaela Mora

The concept of mixed-mode surveys is nothing new, but it seems to be gaining traction in the research community. Among the issues pressing the use of mixed-mode survey designs are the need to reduce coverage bias, increase response rates and lower costs.

Reduce coverage bias

The advent of new technologies combined with fast-paced demographic and cultural changes have put a dent in the ability of traditional and newer data collection methods to cover all segments of the population.

In-person interviews. The increase of gated communities and locked apartment buildings in tandem with safety concerns has made it very difficult to access people's homes for in-person surveys.

Telephone surveys. The trend toward not listing addresses in phone directories; increased use of answering machines with Caller ID; and listing of phone numbers in the Do Not Call Registry have introduced problems with coverage in phone surveys. While survey research is exempted from the Do Not Call Registry, most consumers are unaware of this. Telemarketers have been blamed for much of this change. In the '90s telemarketers began using some of the techniques used to conduct surveys, making people less willing to answer unsolicited sales calls and let their phone numbers be public.

Population coverage. Population coverage via phone surveys has also been affected by the proliferation of multiple phone lines in homes (i.e., fax, Internet), cell phones and voice-over-IP lines. Landline-based samples can't guarantee high coverage rates any longer. Research from the National Center for Health Statistics indicates that by the end of 2009, at least 25 percent of adults could only be reached on a cell phone – a proportion that is even higher in certain groups (i.e., young adults ages 18-29 and Hispanics). Analysis of data from Pew Research Center's dual-frame surveys also shows that only 7 percent of adults 18-29 can be found in landline samples, while 65 percent are adults ages 50 and older.

Online surveys. Web surveys

snapshot

Mixed-mode surveys are gaining steam in the research industry but researchers need to be aware of the limitations and potential measurement error involved. Questions must be presented so that the meaning conveyed is the same across multiple modes to yield comparable results.

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have grown exponentially in the last 10 years. At the same time, online surveys have always raised concerns about coverage. Although a large portion of the population has Internet access, it doesn't mean they are all accessible for online surveys. Most primary market research conducted online uses samples sourced either from online panel providers or from clients' own customer databases.

Online panel samples are, by definition, convenience samples. Even when their composition may resemble the general population, they are populated with people who want to participate in surveys in exchange for incentives. We can select random samples from the panel population but the fact remains that not all individuals in the population will have the same chance to participate in surveys, as not all belong to an online panel.

There are always groups that will be underrepresented (e.g., Hispanics, young males, low socioeconomic strata, etc.) or overrepresented (e.g., white, educated, etc.) in the online panel population. A typical example is Hispanics, separated by different acculturation levels. Most online panels have acculturated, bilingual Hispanics but very few, if any, unacculturated Hispanics. Consequently, if we want to survey less-acculturated Hispanics we have to use phone or in-person interviews to reach them.

Mixed-modes can be used to reach respondents and invite them to take the survey in another mode. This is the case of postal mail, in-person and phone interviews used to recruit respondents for online surveys, which can be taken at a central location or at home, if the person has Internet access. By combining different data collection modes - and reaching different segments with the mode that is more effective for each - we can improve coverage.

Increase response rates

Data collection fit. Survey response rates across all data collection modes have experienced a steady decline for decades. Often a mixed-mode approach is used to increase response rates by providing different alternatives to participate in surveys, depending on respondents' preferences or resources. Some people may not have access to a computer at home or may not feel skilled with computers; in these instances a phone or in-person interviews are more appropriate than online surveys. In studies about sensitive topics with people that can only be reached via in-person interviews, computer-assisted personal interviews can be mixed with computer-assisted self-administered surveys so that the person can answer - directly on the computer - questions that feel too embarrassing to answer out loud in front of the interviewer.

Survey length. Another factor, which usually affects response rates negatively, is long surveys, which unfortunately have become too common. Faced with tight budgets and short deadlines, many research clients often cram as many questions as possible, particularly in online surveys, trying to capture data on all possible issues (current and old) in the few studies they can afford. Research has shown that as the survey length increases, response rates increase and data quality deteriorates. The best way to reduce drop rates related to survey length is to make surveys shorter, although it has been argued that good survey design can also reduce drop rates in long surveys.

In cases when inevitably we have to ask a large number of questions, a mixed-mode approach may help to increase response rates. Examples of this are studies that require respondents to record activities or media consumption, like the National Consumer Survey conducted by Experian Simmons, in which in-person, phone and mail are used to recruit, remind and capture data.

In our effort to increase response rates by using mixed-mode surveys, we should never lose sight of the goal of achieving a representative sample of the target market. It may be easier to increase response rates in certain segments using a data collection mode but we may end up skewing the sample.

Lower costs

Cost is often one of factors that weighs heavily on the decision about what data collection mode to use. Multiple data collection methods can help mitigate the cost of certain research projects, especially if the study requires reaching low-incidence groups or groups not accessible with a certain mode.

Currently, online surveys are the most cost-effective of all data collection methods, so they are often combined with other more expensive modes like phone or in-person interviews to reach smaller subsets of the sample to increase coverage. For instance, in tracking studies that require samples from the general population and the Hispanic segment, we may direct the general population sample and part of the Hispanic sample to online surveys, while the rest of the Hispanic sample is recruited by phone-to-Web, phone-to-central location or phone-to-central location-to-Web. These combinations cost less than if we were to conduct only phone or in-person interviews with the whole sample, Hispanics and non-Hispanics. Of course, none of these combinations would cost less than doing online surveys only but sometimes this is not feasible without introducing coverage bias and non-response errors.

Introduces measurement error

Despite all the benefits of mixed-mode surveys, researchers and clients must be aware of a major limitation of using multiple data collection modes in the same study. The use of different modes introduces measurement error because people answer questions in different ways depending on the collection mode. There are three key factors that usually influence how people answer.

Question formulation

Question wording and format tend to be different between data collection modes. For instance, in selection questions, while respondents are able to read answer options in mail and online surveys, the same questions asked over the phone often require changes in wording so they sound natural when spoken.

In mail and online surveys, respondents tend to put more thought in the items listed early but as they go down the list and more information is added it becomes more difficult to consider all the options at the same time (Krosnick and Alwin, 1987). In this case, respondents tend to choose among the first items listed if they are in agreement with what the respondents had in mind (primacy effect). In phone interviews, on the other hand, respondents don't have enough time to process all the items being read and the last answer options heard are more likely to be remembered and selected if they confirm what the respondents are thinking about the subject in question (recency effect).

To avoid burdening respondents' memories with too much information, multiple-choice questions are usually asked as a series of forced yes/no questions in phone interviews. However, the same questions are commonly asked as multiple selections (i.e., "check all that apply") in online surveys. It is common practice to treat the results from both types of questions as equivalent but in fact, they are not. Research has shown that respondents answering forced yes/no questions spend more time processing the question and mark "yes" more than with the check-all question format when used in phone and online surveys (Smyth et al., 2003). This suggests that forced yes/no and check-all formats are not comparable.

Sense activation

Respondents' comprehension of a question is greatly influenced by the senses activated by the data collection mode. In phone surveys, respondents have to actively listen and remember the questions and answer options. As they interact with the interviewer, they can't avoid being influenced by the meaning conveyed by the interviewer's tone of voice, intonation, accent and other characteristics. In online surveys, visual representation of words and graphic elements such as page layout, colors, font size and images become more important and have a greater impact on how respondents answer. In short, there is always a potential risk that the same question asked in an online survey and in a phone interview will be interpreted in different ways by the same respondent yielding different answers unless efforts are made to make sure the same meaning is conveyed in both modes.

Rating questions seem to be particularly sensitive to oral and visual presentations. Many studies (Dillman et al., 1984; Krysan et al., 1994; Christian, 2007) have shown significant differences in responses to rating questions when asked by phone, IVR, online surveys and self-administrated paper surveys. The results in all the studies indicate that the same rating questions may produce more positive ratings when the respondent is not able to see the rating scale, regardless of scale length; use of labels on all rating points or just the end points; or respondents rating in one or two steps (Dillman et al., 2009).

Presence of interviewer

Data collection modes such as phone and in-person interviews can't escape the influence of the interviewer on respondents' answers, as the activation of social norms is inevitable during the interaction. When interviewers are present, respondents are more likely to acquiesce and provide socially-desirable answers than when interviewers are absent - even if not very sensitive questions are asked.

Another factor to consider is the fact that interviewers control the delivery of the survey. They ask the questions and can probe further to better understand respondents' answers, which is not possible in paper or online surveys. Further probing can improve measurement but it creates more interaction with the interviewer and potentially a higher risk for bias driven by social norms. Acquiescence and social desirability can also be present in online surveys depending on how the questions are formulated but the risk is mitigated by the absence of interviewers.

Part of the future

Whenever it makes sense and is feasible, we should always try to keep surveys within a data collection mode to minimize measurement error produced by the use of multiple methods but mixed-mode surveys are part of market research's future.

The solution is to find a balance between the need to make the questions work for each specific mode and the need to create questions for each mode that produce comparable results. This was precisely the goal of the survey design guidelines developed for achieving commonality across mail, Web, phone and handheld computer modes in the 2010 U.S. Decennial Census. The underlying principle for these guidelines was described as:

"Universal Presentation: All respondents should be presented with the same question and response categories, regardless of mode. While one might assume that this principle requires questions, categories, instructions, etc., to be identical across modes, this assumption turns out to be neither feasible nor desirable. Rote repetition would result in awkward and difficult-to-administer instruments that are unlikely to achieve consistent response data. Rather, Universal Presentation says that the meaning and intent of the question and response options must be consistent. In some cases, questions or instructions need to be modified so they can be communicated to, attended to and understood by respondents the same way in different modes. The goal is that instruments collect equivalent information regardless of mode. By equivalent, we mean that the same respondent would give the same substantive answer to a question regardless of the mode of administration."

Work across multiple modes

Many times the differences between how questions are designed are a matter of tradition and researcher specialization in one data collection mode. Market researchers need to think about designing surveys that work across multiple modes and provide comparable results. | Q

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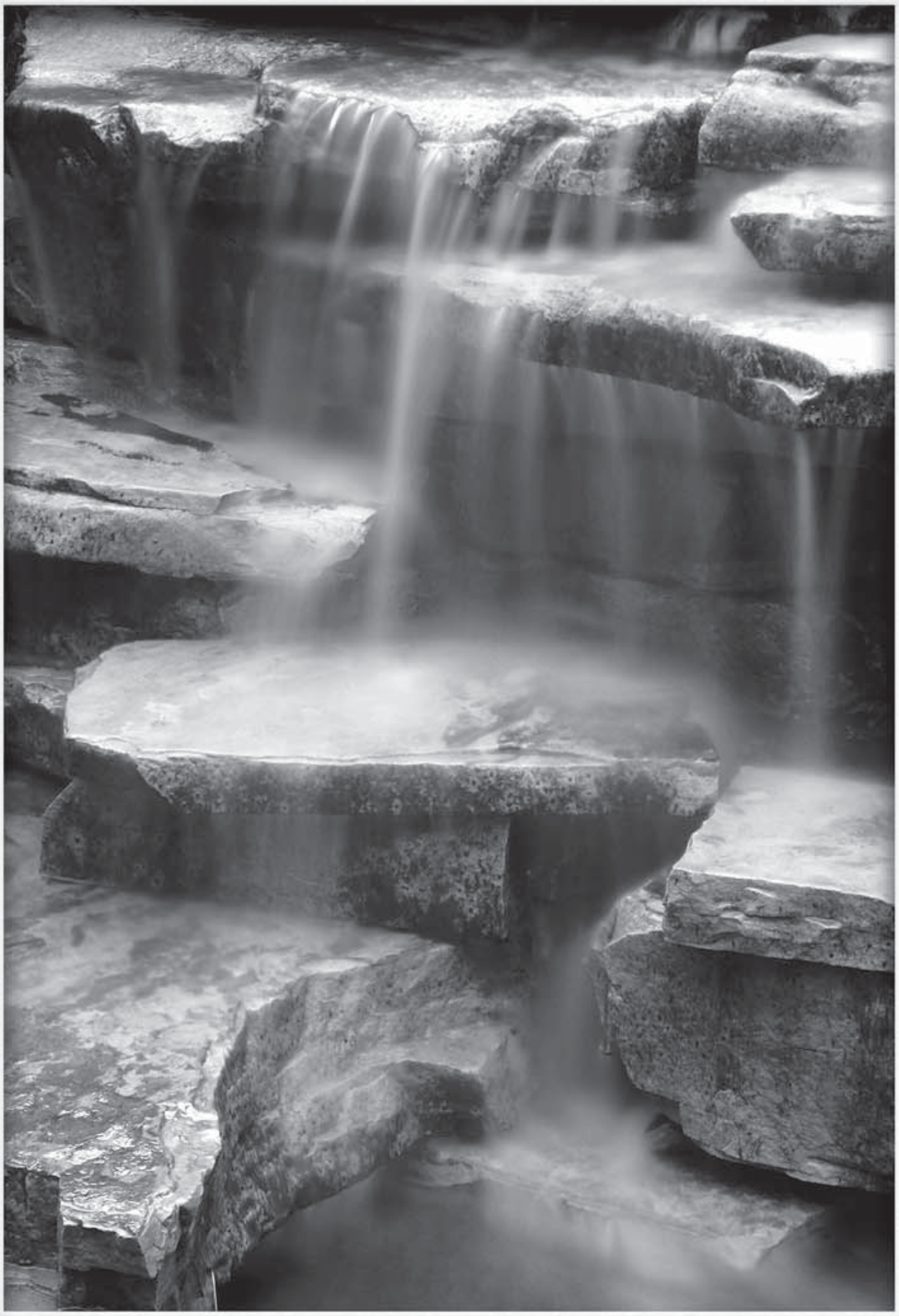

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An analysis of multichannel marketing campaign performance

By Molly Elmore

Over the past 20 years media consumption has continued to fragment, creating a challenging and hostile media environment for marketers. And, as more advertisers buy integrated campaigns across multiple media channels, the need for holistic measurement becomes greater than it has ever been. There's been no shortage of metrics to evaluate holistic campaign performance; however, data on the efficacy of a campaign across and within channels has been much more elusive. As a result, developing an understanding of how the various channels affect consumer perceptions, as well as how the channels can work together to further enhance the way people feel about brands, has become critical to savvy, data-focused marketers.

This article is meant to help close the knowledge gap by using our firm's normative data to explore the specific effects of frequency on commonly-applied awareness and intent metrics for various advertising channels. All of the data was derived from the InsightNorms Cross Media normative database, which houses ad effectiveness data from 75 mixed-media campaigns that included advertising running in television, print, radio, out-of-home and the Internet.

Worthy of continued exploration

It is no secret that advertising works, but exactly how today's complex media plans influence an audience is a question worthy of continued exploration. Often this question is addressed using cross-media research – an analysis that explores how the various media channels work in combination to build consumer awareness and preference toward an advertised brand.

As the foundation, cross-media measurement uses a design of experiments and an online survey to gauge consumer response to advertising. Using both behavioral tracking and questions about offline media consumption, these studies allow for analysis of media response segmented by respondents who were exposed to different parts of the campaign. More specifically, this methodology uses opportunity-to-see (OTS) metrics, which provide a way to classify respondents into exposure groups. A critical component of a cross-media study is the identification of a control or unexposed group, which provides a measurement baseline of people who are in the "footprint" for at least one

snapshot

The author explores the effects of frequency on commonly applied awareness and intent metrics for various advertising channels.

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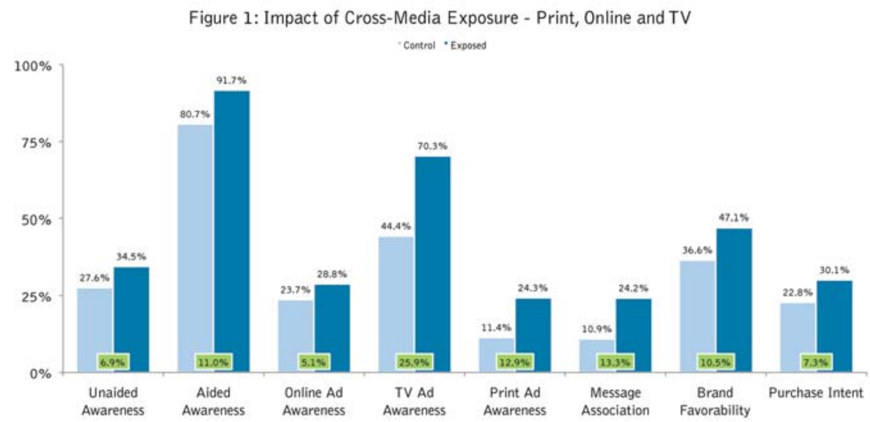
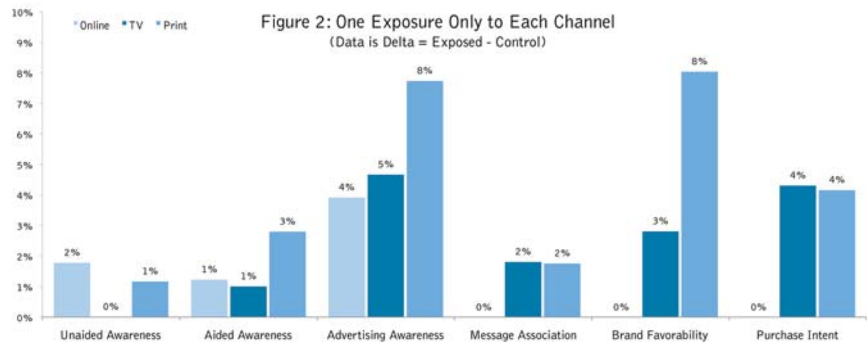




of the media plans but who were not exposed to any of the measured advertising. Using this method we are able to isolate unique subgroups of the sample based on media exposure (e.g., didn't see any ads, saw the online ads, saw the TV ads, saw both online and TV ads). By comparing the brand metric scores for people in our baseline sample (i.e., the control cell) to respondents exposed to various parts of the campaign (i.e., the test cell) we can measure the effect of exposure on shifting attitudes.

In isolation, these studies provide a diagnostic measure of campaign performance and diagnose the required media and creative changes needed to ensure campaign success. Yet it is an aggregate analysis across several campaigns that really starts to contribute knowledge and insight into the best practices and the true nature of how media channels function in a multimedia environment.

Most cross-media campaign measurements use brand funnel metrics to diagnose the impact of the campaign on consumer perceptions of the brand. Figure 1 illustrates a typical cross-media output for a campaign that included television, print and online. And while InsightExpress has measured the effect of many other media, for simplicity's sake this analysis will focus on these three media and how they work together. The control group on the left of each pair of bars (in light blue) represents the brand response for our baseline group (control cell) and it is provided for comparison. The exposed group on the right of each pair of bars (in dark blue) shows people exposed to all three media channels, with a delta box above the x-axis showing the difference between the control and exposed groups. A green shaded delta box indicates a significant change in that metric at the 90+ percent significance level.

More importantly to some advertisers, exposure also enhances favorability toward the brand and makes people more likely to purchase the products or services being marketed.

The chart reveals that, for every metric measured, a combination

Figure 3: Online Campaign Results by Frequency: Awareness Metrics

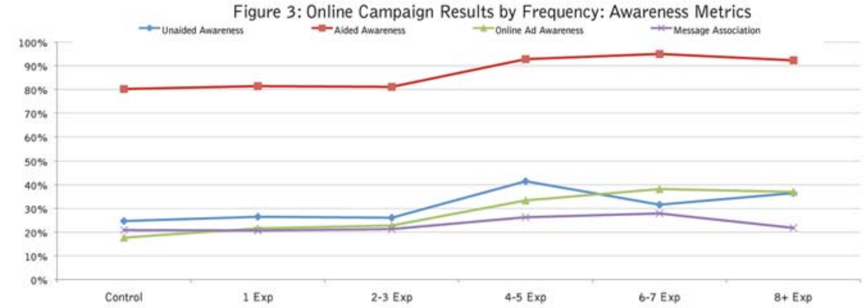


Figure 4: Online Campaign Results by Frequency: Persuasion Metrics

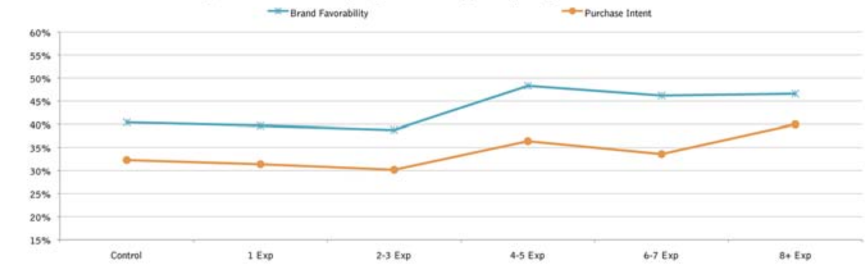


Figure 5: Television Campaign Results by Frequency: Awareness Metrics

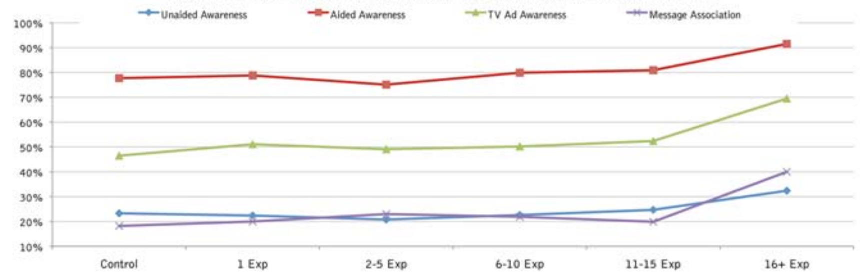
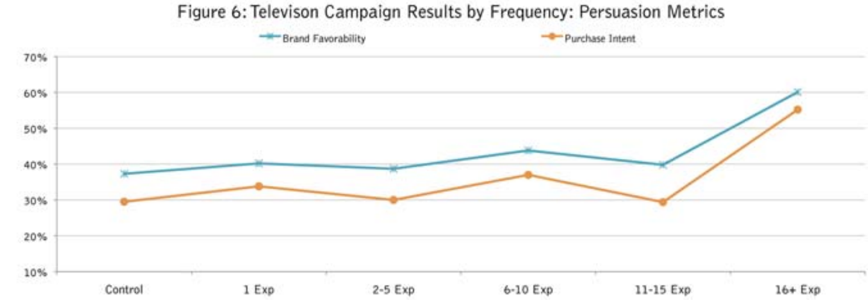


Figure 6: Televison Campaign Results by Frequency: Persuasion Metrics



of media had a significant impact over no exposure to the advertising. People become more familiar with the name of the brand and are better able to recall having seen advertising for that brand. More importantly to some advertisers, exposure also enhances favorability toward the brand and makes people more likely to purchase the products or services being marketed. Many brands we work with are solely focused on driving intent since this measure is the closest proxy for increased sales.

To illustrate this point, the increase of 7.3 percentage points in purchase intent shown in Figure 1 can translate into many potential buyers. If one million people see the multimedia campaign, the exposure to the advertising would translate into 70,000 potential customers with an interest in purchasing.

Numerous questions arise

While it is clear that multichannel marketing efforts are effective at driving changes in brand perceptions, numerous questions arise around how each of the channels drive the changes observed and how many times someone must be exposed to each channel to see those changes. The first step in uncovering the effect of channels is to isolate the frequency component and look at a series of campaigns where people were only exposed to one impression for a given media channel. For example, they saw one television ad, one online ad, one print ad, etc. Since the campaigns in each media channel group vary, each group has its own control group average. This analysis relies on a comparison of the campaign deltas.

Our data (Figure 2) illustrates that after only one exposure, the print channel is most effective. Changes in advertising awareness, brand favorability and purchase intent show that only one exposure to a print advertisement can draw the attention of a consumer and persuade them to change their opinion towards a brand.

Two of the key benefits of print (particularly with magazines, which this data is mostly based on) are 1) there is often no other advertising on the page at the time the ad is viewed, and 2) the advertised brand is visible 100 percent of the time. Online advertising often competes with other ads on the page, and both TV and online utilize multiple frames or animation which means that many of the ads do not have the advertiser's logo present all of the time.

Often very effective

While one online impression may not yield the same brand metric changes seen for other media, it has been well established that multiple exposures to an online campaign are often very effective at driving changes. Since a typical online impression is much less expensive than an offline print advertisement or TV spot, it may be more cost-effective to reach people online multiple times versus offline only once. Figure 3 illustrates the changes in awareness metrics after people are exposed to an online campaign a varying number of times.

For all of the awareness measures, there is a big jump in online campaign efficacy after four or more exposures. The data also

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Figure 7: Print Campaign Effectiveness: Awareness Metrics

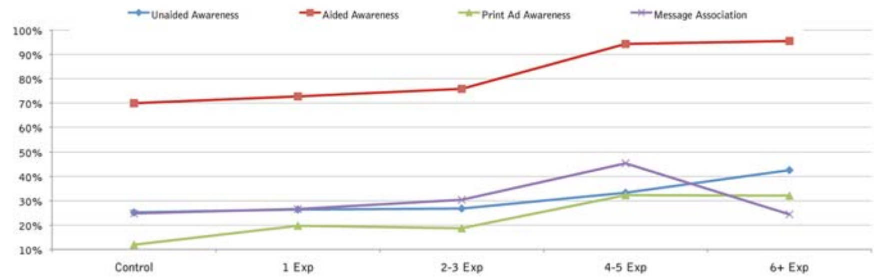


Figure 8: Print Campaign Effectiveness: Persuasion Metrics

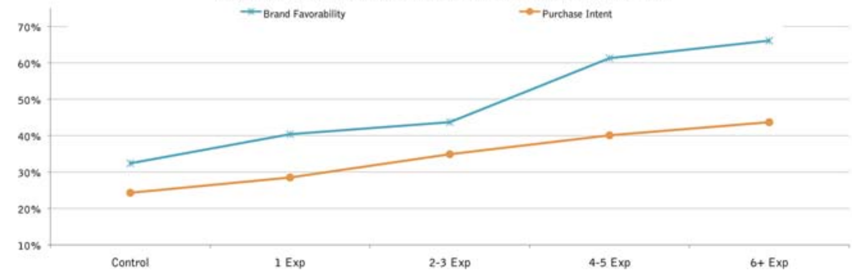


Figure 9: Online Video Campaign Results by Frequency: Awareness Metrics

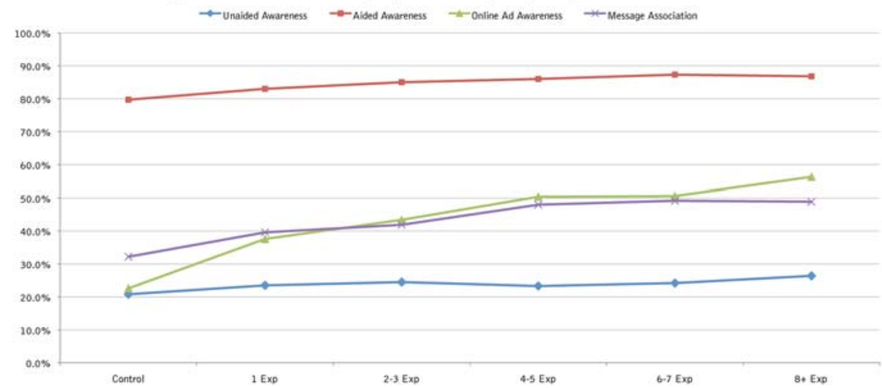
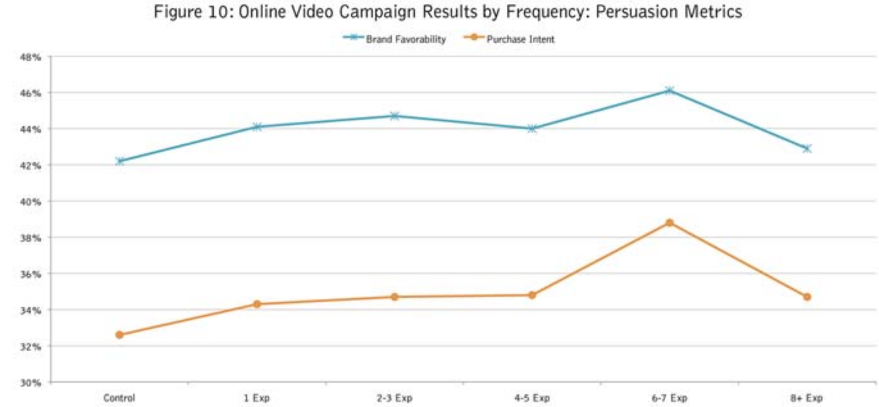


Figure 10: Online Video Campaign Results by Frequency: Persuasion Metrics



indicates that the "sweet spot" in building awareness occurs between four and seven exposures, which is consistent with previously-released research in this area. The data shows that there may be diminishing returns after eight or more exposures. The media planning implication is that an online campaign must be shown to people four to seven times to maximize the likelihood of driving awareness measure increases. There may be exceptions to this recommendation when utilizing newer online formats such as video, which will be explored later in this analysis.

May take more impressions

The persuasion measures (Figure 4), which are often much more difficult to change, tell a consistent story with the data shown above, however, it may take more impressions to maximize a measure like purchase intent. This is logical as it is often more difficult to get someone to want to commit their financial resources to a brand versus simply educating them about the name or benefits of a brand.

The data indicates, however, that while intent is maximized after eight or more exposures, the results will still be strong after only four exposures. When combined with the awareness data, the takeaway is that a media plan should strive to expose site visitors to an online campaign at least four times. If the budget is available to increase that frequency, maximized increases may occur after eight exposures.

On the other hand, the television data by frequency (Figure 5) shows that many more exposures are needed to maximize the increases in awareness measures. After people have had an opportunity to see a campaign 16 or more times, the changes in awareness peaked. One thing to note is that the data collected on TV exposure has a greater standard error than the online exposure data so it is possible that the research is understating the frequency results for this channel. However, it remains clear that people must see that ad multiple times before the increases occur.

The persuasion measures (Figure 6) are again consistent with the awareness data for television frequency. A campaign is most likely to drive a maximized increase in persuasion after at least 16 exposures.

Print-channel frequency data is more similar to online than to television. After four exposures to a print campaign, the awareness measures appear to be maximized. The methodology for determination of exposure for print measurement, as with online, tends to be very accurate relative to television which may play a role in why those two media channels require fewer exposures than television to drive increases.

Print results by frequency show that the awareness measures of a campaign take a large jump between two to three and four to five exposures (Figure 7), which is consistent with the online data. Persuasion metrics (Figure 8), however, show a steady increase after each exposure with the largest increases occurring after at least six exposures.

Across all channels, the frequency data shows that to drive the greatest changes in both awareness and persuasion metrics, people must be exposed to a campaign multiple times. This transcends all three of the media channels analyzed. The goals of a given campaign should dictate the ideal frequency level, as well as the desired media channels for communication.

Channels have converged

In a way, the online and television channels have converged with the introduction of full-screen online video advertisements. Online video is primarily shown in conjunction with television programming made available after the original air date. Video campaigns typically outperform traditional online display due to their larger size, engaging content and the lack of clutter during viewing.

The normative data for this media tactic show that it does outperform the online channel, especially in advertising awareness (a measure of whether people recalled seeing the campaign) and intent.

The biggest difference between the online display norms and the online video norms is that there appear to be diminishing returns for video after seven exposures (Figure 10). It is possible that, because the ads are much more engaging, it is a case of too much of a good thing. This is data across nearly 100 campaigns so there will be exceptions, but it seems that, in general, managing to six or seven video exposures is ideal.

Very complex

Analyzing the cost-effectiveness of the various media channels can be very complex because CPMs (cost to purchase 1,000 impressions) vary tremendously within each media. In an effort to explore this arena, this analysis used average costs published by Morgan Stanley to compare media performance relative to the investment required.

InsightNorms television data does not break out types of television buys, so an average CPM was calculated. The following inputs were used in the cost-effectiveness analysis. There is a large gap between the costs associated with television and print relative to online costs. The analysis that follows explores if the additional costs are justified.

Media	Average CPM
Television	$19.50
Magazines (Print)	$17.00
Online (Internet)	$2.63

For purposes of simplicity, each campaign will assume the same number of impressions so that the calculations can control for reach.

Figure 11: Cost per Branding Effect by Media Channel: Advertising Awareness

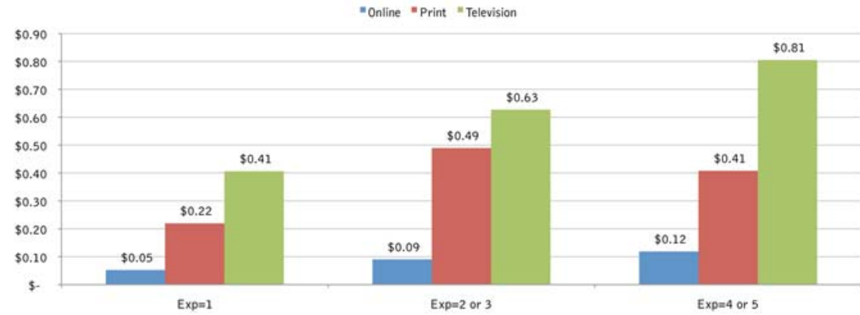
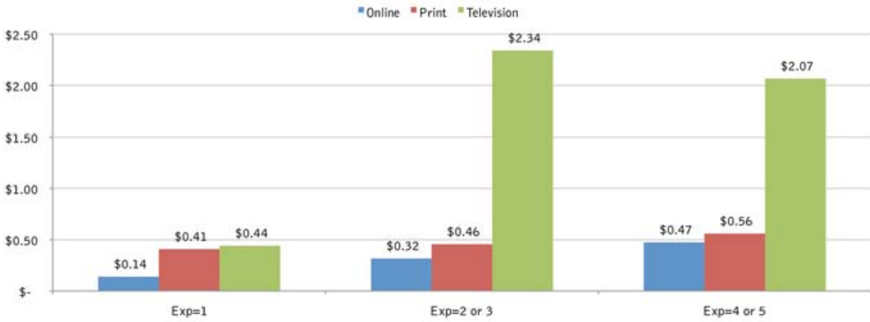


Figure 12: Cost per Branding Effect by Media Channel: Purchase Intent



Calculation for ROI:
Delta * 1,000,000/Avg. Freq = Number of people influenced (1,000,000 is arbitrary and allows removal of campaign size as a contributing variable)

Total Cost (CPM * 1,000,000/1000) / Number of people influenced = ROI

Example: delta of 5.0% with CPM of $10

ROI = $0.20, which means it cost $0.20 to influence one person for the given metric. The lower the cost, the more successful the marketing effort.

In terms of building awareness, the online channel is very cost-effective, including at higher exposure levels (see Figure 11). Since the cost of Internet advertising is low relative to offline marketing, it is a cost-effective media channel provided the creative is well designed. One benefit to television at this stage is that TV does have very high reach so a campaign using this channel can put an advertiser's message in front of a large number of people.

The results are fairly consistent for purchase intent (Figure 12). The online channel remains a very cost-effective way to persuade consumers to buy products and services. The interesting change is in the print channel data, which suggest it is much more cost-effective to drive intent changes via the print channel than to build awareness.

Strategically effective way

This analysis underscores the value of multichannel marketing efforts as a strategically effective way for marketers to communicate with their target consumers. Reaching people via various media is proven to be more effective than single-channel tactics; however, it is clear that this is a function of frequency in addition to the exposures to various forms of advertising.

Across all channels, campaigns benefit considerably from repeatedly exposing consumers. InsightExpress consistently recommends that media planners aim to reach people multiple times, as repeated evidence proves that this approach can have a significant impact on how well a campaign communicates with and persuades people.

This analysis also illustrates that while offline channels may perform better on an impression-by-impression basis relative to online marketing, when cost information is incorporated, the Internet can be an extremely cost-effective way to communicate with a target audience. | Q

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insurance research

Set it and forget it

Can you foster customer loyalty in a low-engagement industry like insurance?

By Pete Jacques and John Martin

Creating customer loyalty is a challenge for every company and has never been more important. Over the last few years, a plethora of loyalty programs have emerged to build cross-selling, retention and up-selling across a variety of industries. Customer cards, frequent-shopper programs and reward programs all work toward achieving these business outcomes. However, one industry that has had a greater challenge with creating customer loyalty is insurance, specifically personal protection products like life, disability income and long-term care insurance.

Several characteristics about this industry make it difficult to easily apply standard definitions and metrics of loyalty to their policyholders. For example, the (non-home/auto) insurance industry is low-engagement. Most policyholders are not transacting with carriers or agents on a regular basis, as one would with CPG products, household electronics or entertainment. Some policyholders pay their premiums annually - which is their only contact with their insurance carrier. As a result, there are few natural opportunities for up-selling or cross-selling. On the positive side, retention is generally high because switching costs can be high (e.g., having to go through another medical exam or the possibility of higher premiums if seeking insurance at an older age). However, this poses challenges for identifying appropriate measures of loyalty and their relationship to business outcomes.

Another major challenge is the nature of the relationship between policyholders and carriers. While most industries have direct links to their customers, or work through a proprietary sales force, many insurance carriers rely on independent agents and/or financial professionals who may or may not be aligned with the carrier's brand. The question becomes, do policyholders build loyalty only to their agents and financial advisors or do carriers earn loyalty as well? In either case, how can market researchers within carriers properly define these connections and make them meaningful in conversations with executives?

This article explores these questions and provides guidance on how industries that share some of these challenges (including health care) may take steps to make loyalty more of a reality than a fantasy.

snapshot

The authors provide strategies for how to think about and begin measuring and improving customer loyalty in the insurance industry.

Challenge is even greater

It's no surprise that the challenge

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of building loyalty is even greater for low engagement industries like life insurance. That makes creating loyalty in the traditional sense a challenge but not one that is insurmountable. It just means that loyalty must be defined within the practical realities of the insurance industry.

As in any effort requiring constructs and measurement, the best place to start is to carefully define your constructs and metrics. In its simplest form, loyalty is driven by an internal disposition that comes from the heart. It is not something that can be purchased, it is earned. It is earned by understanding and connecting with the internal dispositions that drive the desired behavioral outcomes (e.g., additional purchases, recommendations).

The insurance industry faces some unique challenges when it comes to creating loyalty for both policyholders and its agents. First, looking at policyholder loyalty, the main challenge is insurance's low purchase frequency. It's not top-of-mind (How many of you were thinking about buying life insurance before you saw this article?) and its relationships are managed by intermediaries - the agents. In addition, the brand has little connection to the internal dispositions (emotional motivators) of its policyholders and therefore has little control over the behavioral outcomes driving true loyalty. Loyalty must be defined while keeping these practical realities of the insurance industry in mind.

For example, fear is an internal disposition. It is a condition that can be understood and solutions related to it can be provided to help build loyalty. Insurance products address the fear of dying prematurely and being able to support one's family; or the fear of losing one's income as a result of a disabling injury or illness. At the same time, disinterest in the product requires identification of a potential motivator and its meaningful association with the insurance brand, such as value-adding. Unfortunately the internal disposition for low-involvement is a challenge for building engagement.

A difference in viewpoints

When it comes to managing the policyholder's relationship, there's oftentimes a difference in viewpoints between the carriers and the agents. From the agent perspective, the policyholder is his/her client and is loyal to the agent. The carrier is simply a manufacturer of the insurance policy and is there to pay the claim. Servicing comes from the agent and continued "loyalty" exists because of the relationship, service and expertise provided by the agent. The agent relies on that ongoing relationship for commission streams, cross-selling and, perhaps most importantly, referrals.

From the carrier perspective, the policyholder is their customer (along with the agent). The brand, financial strength of the carrier, product attributes and performance, and service are the responsibility of the carrier and ultimately allow the agent to provide superior offerings to their policyholders. Since some insurance products do not become profitable for the carrier until six or seven years after purchase, loyalty to the carrier is critical to maintain profitability and build opportunities for cross-selling and up-selling.

From the policyholder perspective, they may have their own impression of the relationship or lack thereof. In today's environment, policyholders are being encouraged to look for their own information online. This may be because they do not have an agent they trust. In fact, as a result of the financial turmoil of the last two years, consumer sentiment research shows policyholders are seeking additional sources of information, even if they have relationships with agents, because they have lost trust in financial services in general. For other policyholders, they may technically have an agent of record - the person who sold them their policy five years ago - but they have not heard from this person in three years. These policyholders, and those who are "orphaned" because their agent is no longer affiliated with the carrier who underwrites the policy, now exist in a state of limbo because they have no tenable relationship with either the carrier or a financial professional. Is it possible to move these clients from ambivalent to loyal?

Took a closer look

In 2010 Chadwick Martin Bailey took a closer look at this low-engagement environment, specifically at how policyholders gather information about their insurance options and how often they do so. When it comes to information sources, the study of 1,500 U.S. consumers found that 49 percent go online, 28 percent look to their friends for recommendations and 55 percent never speak to an agent.

In looking at how often consumers review their policy, the same study found that 62 percent review their coverage once or twice a year, 7 percent every two to three years and 26 percent only review their coverage when a life event occurs such as moving, getting married or having a baby. Only 4 percent never review their policy.

The reality is, insurance is not top-of-mind and carriers must understand the goals that act as key motivators for the agents and policyholders. This will help carriers build better connections and deliver value beyond the product and price. There needs to be a goal-based process and marketing programs to help drive more effective and efficient customer engagement. For example, agents' goals vary from selling and management costs to building value for selling their agency, while policyholders seek internal dispositions such as peace of mind, safety and achieving value. If carriers can understand the goals of their agents as well as their policyholders, they will have a better understanding of the key motivators.

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www.vincentmccabe.com

Vovici Corporation
800-787-8755
www.vovici.com

WestGroup Research
602-707-0050
www.westgroupresearch.com

Zeldis Research Associates
609-737-7223
www.zeldisresearch.com

in terms of revenue and margin. Building loyalty reduces churn and increases the profitability of the policyholder. We all know customer churn is very expensive, as is the cost of acquiring new customers. The more loyal the policyholders, the more opportunity there is for up-selling and cross-selling.

There are two metrics insurance carriers can use that appropriately link business outcomes to loyalty measures. The first is the likelihood to recommend. This demonstrates people's strong disposition and connection to the brand and behavioral intentions to stick with that brand. Likelihood to recommend is more forward-looking than other measures. If you look at renewal rates, for instance, you are focusing on opportunities lost, not opportunities you can convert to sales.

The second is measuring positive activity. Are your policyholders making additional purchases and seeking new information on new products and non-sales engagement? Understand how your policyholders want to engage with you and what kinds of information they find helpful. For example, we are seeing a rising interest among policyholders toward being "fully informed." This goal lends itself to leveraging information as a basis for generating engagement.

Five steps

There has been a shift in the spotlight from the idea of loyalty being an impractical objective or fantasy, depending on the insurance setting, to a focus on increasing policyholder engagement and attachment within the practical realities of the relationship. There are five steps carriers can take to ensure their brand is driving loyalty to profitability:

1. Make the concept of policyholder engagement concrete.
Policyholder engagement is not "one size fits all" and must be tailored to fit the needs of your policyholders. It needs to be well-defined and linked to business outcomes and explained internally to key stakeholders in a way that demonstrates the link between policyholder engagement and business outcomes. By having a concrete plan and set of objectives, you can build an engagement strategy and continually test different ways to increase it with measurable results.

2. Cooperation between agents and carriers.
Both agents and carriers seek loyalty and the only way to get it is to use the strengths of each to create less churn and more loyalty. If both carriers and agents desire loyalty, they must work together to get there.

3. Resist the urge to blindly adopt what's working in other industries.
The strategies you routinely see working in other industries simply do not align with the realities of the insurance setting. However you can learn from what others are doing to customize a program that aligns with your goals. Again, it is critical to get buy-in and share this framework with others in the organization.

4. Use fact-based customer insights.
Using marketing research as a tool to understand the best way to increase and maintain strong policyholder attachment can be accomplished through thoughtful, well-executed analysis of insights from the marketplace. This is an opportunity to talk to policyholders and understand their goals and what you can do to help them achieve them.

5. Use the right metrics.
It's important not to rely on lagging indicators like renewal rates but instead to use more forward-looking measures like the likelihood to shop a policy and recommend your carrier to others. These forward-looking measures help you understand not just the behavior of your policyholders but their disposition, which is crucial to truly understanding loyalty.

Concrete, noticeable effects

Overall, it is important to understand that it is possible to maintain and increase policyholder engagement within the context of the carrier-policyholder relationship. Doing so can have concrete, noticeable effects on brand loyalty and profit. By clearly articulating a policyholder engagement strategy, working on improving cooperation between agents and carriers and using fact-based customer insights and appropriate metrics, insurance carriers can create – and keep – the loyalty that matters most: loyalty from the heart. | Q

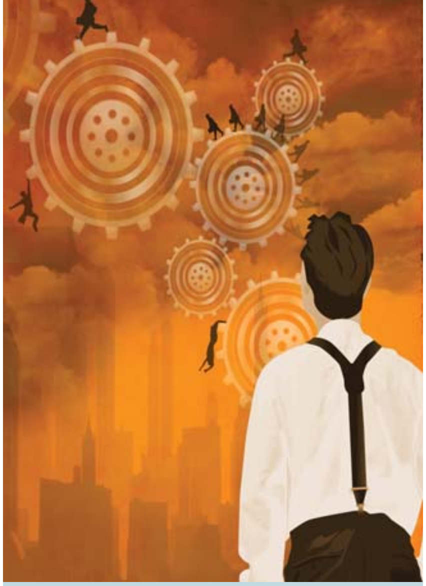
Claiming to be happy

Enter article ID 20021004 at www.quirks.com/articles to see how Farm Bureau Financial Services measures claimant satisfaction.

the business of research

Job security, professional insecurity

A report on the 2011 Quirk's salary survey of corporate researchers



By Joseph Rydholm

The more things change, the more they stay the same. An examination of the results of our 2011 salary survey of client-side researchers shows numbers remarkably similar to those from 2010, almost across the board.

Despite the poor economy, nearly three-quarters reported either stable or slightly increased base salaries, with 21 percent saying their 2011 salary stayed the same, 24 percent citing an increase of between 1 and 2 percent, and 27 percent netting an increase in the range of 3 to 4 percent. A fortunate 8 percent said their base increased by 10 percent or more.

Over half (54 percent) said their bonus stayed the same and a combined 35 percent claimed bonus increases of 1 percent to over 10 percent. (We received nearly 1,200 usable completed surveys and achieved an interval of 1.7 at the 95 percent confidence level. Not all respondents answered all questions.)

Respondents claimed good levels of job satisfaction, with 34 percent claiming to be satisfied and 18 percent saying they were very satisfied. Job dissatisfaction did bump up slightly compared to last year, with a combined 23 percent reporting some level of dissatisfaction compared to 20 percent last year.

While it's hard to draw a link between that slight increase and the rise of social media, many responses to this year's open-ended questions pointed at social media data analysis as a particularly sharp thorn in the corporate researcher's side.

Our open-ends this year asked about the biggest challenges facing marketing research in the next few years and about respondents' views of what is needed to improve the reputation and standing of marketing research as a profession (see Trade Talk for more a more in-depth look at some of the responses).

As for the biggest challenges, the perennial problems of budget woes, lack of respect for the function and the pressures of demonstrating ROI were overshadowed by unease caused by the current focus on mining insights from social media and other Web-generated data sources. Many comments mirrored these three:

"Becoming obsolete as other specialties provide similar insights through different tools (Web metrics, smart monitoring of information flows, etc.) at

snapshot

While results from the 2011 Quirk's salary survey show status quo on the compensation front for corporate researchers, respondents expressed angst over social media data and other threats to the research function.

Editor's note: To view this article online, enter article ID 20110709 at quirks.com/articles.

Total 2011 Compensation, By Job Title

Job Title	Base	Bonus	Total
Owner/President/CEO	$126,000	$26,000	$152,000
Senior Vice President or Vice President	$154,394	$31,106	$185,500
Market Research Director/Senior Dir.	$124,025	$23,422	$147,448
Market Research Manager	$93,129	$10,717	$103,846
Account Executive/Manager*	$57,167	$32,000	$89,167
Customer Insights Manager	$101,481	$11,745	$113,226
Director of Marketing	$90,882	$7,176	$98,059
Marketing Manager	$85,682	$8,136	$93,818
Brand Manager or Product Manager*	$77,400	$5,200	$82,600
Communications Director/Manager*	$97,429	$6,600	$104,029
Project Manager	$63,333	$6,680	$70,013
Business Development	$63,222	$7,000	$70,222
Senior Research Analyst	$78,656	$8,645	$87,301
Research Analyst	$58,442	$5,212	$63,654
Business/Market Analyst	$68,811	$6,793	$75,604
Statistician*	$75,000	$5,667	$80,667
Research Assistant	$46,571	$1,143	$47,714
Sales/Account Representative*	$77,600	$12,400	$90,000
Administrator/Coordinator	$39,563	$917	$40,479
Consultant	$80,000	$8,951	$88,951
Other	$80,600	$6,929	$87,529

* Fewer than 10 responses were received for these titles

Total 2011 Compensation, By Experience

Years of Experience in M.R.	Base	Bonus	Total
< 1 year	$63,375	$6,167	$69,542
1-2	$56,885	$4,544	$61,429
3-5	$68,417	$6,880	$75,297
6-10	$85,435	$10,616	$96,052
11-15	$101,575	$15,896	$117,471
16-25	$117,368	$19,653	$137,021
>25	$115,760	$16,755	$132,516

Total 2011 Compensation, By Annual Revenue

Annual Revenue/Sales	Base	Bonus	Total
< $1Million U.S. dollars	$72,326	$10,636	$82,962
$1M - $3M	$76,097	$14,444	$90,541
$3M - $6M	$82,786	$6,973	$89,759
$6M - $10M	$75,783	$8,550	$84,333
$10M - $50M	$82,511	$7,306	$89,817
$50M - $100M	$80,351	$6,843	$87,194
$100M - $300M	$85,918	$12,770	$98,688
$300M - $500M	$92,600	$11,079	$103,679
$500M - $1 Billion	$92,841	$10,492	$103,333
>$1 Billion U.S. dollars	$109,165	$19,044	$128,208

Total 2011 Compensation, By Gender

Gender	Base	Bonus	Total
Male	$103,865	$16,011	$119,876
Female	$89,649	$12,530	$102,179

much lower costs or as part of a broader, fuller picture of consumer behavior."

"Business partners who think all the answers are in tweets and FB postings."

"The woo factor and misdirected feeling that all will be known from social media in the future and there will be no need for professional research. Getting too enamored with the buzz of neat/new/sexy ways to get information and thinking that well-managed, thoughtful research is no longer needed … and certainly not cool."

DIY research is also high on the list of bugaboos. One respondent cited the difficulty of *"… maintaining quality standards for research when the expectations are increasingly that anyone can do research for practically free and it's all the same quality."*

On improving the image and reputation of research, suggestions included more educational/training programs at the college level, to train the next generation of researchers; and keeping the research function in the hands of researchers (*"Get rid of people who think they know how to write a survey, and let those who do know how to write surveys do it!"*).

Some recognized the uphill battle of changing perceptions among the public (*"It's hard to get past the image of 'those survey people' who waylay you at the mall or call during supper."*) and management (*"Shed stereotype of survey builder and number cruncher in favor of key role in strategic planning and competitive intelligence."*).

Some felt that research's reputation is just fine, thank you:

"I think it is a very respected profession."

"Does it have a bad reputation? This, if true, would be due to 'polls' and telemarketers/spammers and the inability of average people to tell the difference."

"I think it has a good reputation, just not high awareness."

Employment at a different company

A greater number (14 percent this year vs. 10 percent last year) of respondents said they were very likely to seek employment at a different company as the economy improves. And a lower number

Total 2011 Compensation, By Region

Region	Base	Bonus	Total
Northeast (CT, MA, ME, NH, RI, VT)	$107,583	$16,815	$124,398
Mid-Atlantic (NJ, NY, PA)	$111,896	$20,419	$132,315
East North Central (IL, IN, MI, OH, WI)	$91,116	$10,519	$101,635
West North Central (IA, KS, MN, MO, NE, ND, SD)	$87,861	$8,455	$96,317
South Atlantic (DE, FL, GA, MD, NC, SC, VA, WV)	$95,801	$14,527	$110,328
East South Central (AL, KY, MS, TN)	$75,957	$14,750	$90,707
West South Central (AR, LA, OK, TX)	$89,067	$9,446	$98,513
Mountain (AZ, CO, ID, MT, NM, NV, UT, WY)	$87,120	$14,400	$101,520
Pacific Coast (AK, CA, HI, OR, WA)	$110,230	$17,935	$128,165
Canada	$79,920	$6,000	$85,920
Mexico/Central and South America*	$63,286	$10,571	$73,857
Europe	$72,379	$10,115	$82,495
Asia	$52,760	$13,583	$66,343
Middle East*	$74,250	$8,750	$83,000
Africa*	$52,500	$8,250	$60,750
Australia/New Zealand*	$98,556	$1,500	$100,056

* Fewer than 10 responses were received from these regions

Total 2011 Compensation, By Degree Achieved

Highest Degree Achieved	Base	Bonus	Total
High School Graduate	$68,912	$13,345	$82,257
College Graduate	$87,422	$12,380	$99,801
Master's Program Graduate	$99,320	$13,879	$113,199
Ph.D. Graduate	$117,895	$21,276	$139,171

(13 percent - down from 17 percent last year) said they were very unlikely to look for employment at a different company.

They may find a few more job opportunities than last year, as the numbers of respondents reporting increased likelihood that their companies will add additional research staff rose slightly from last year. Sixteen percent (up from 12 percent) said it was somewhat likely while the number claiming it was very unlikely declined from 33 percent in 2010 to 29 percent this year.

If they do go looking elsewhere, they can bring healthy levels of experience with them. Thirteen percent of respondents claim more than 25 years in marketing research, while 22 percent have logged 16 to 25 years, another 22 percent have 11 to 15 years under their belts and an additional 22 percent check in with six to 10 years in the business.

Variety of industries

Respondents work in a variety of industries, from agriculture to utilities, with health care/pharma, banking/financial, consumer goods, advertising/PR, manufacturing, media/publishing/information and insurance as the best-represented fields. Nearly half of the respondents (45 percent) work at companies with sales of $1 billion or higher, with an additional 12 percent reporting annual sales of between $500 million and $1 billion.

Mirroring the 2010 results, the most-cited job titles/roles included market research manager (326), market research director/senior director (245), senior research analyst (138), research analyst (107), senior vice president or vice president (73) and customer insights manager (60).

Over a quarter (27 percent) said there are between one and two full-time-equivalent marketing research employees at their firm; 20 percent say three-to-five full-time MR workers and 20 percent say the in-house research staff numbers 25 or higher.

Over half (55 percent) don't supervise any employees. Nearly a quarter (24 percent) supervise one to

Total 2011 Compensation, By Industry			
Industry	Base	Bonus	Total
Agriculture*	$85,429	$6,857	$92,286
Automotive	$101,211	$17,176	$118,387
Banking/Financial	$98,952	$25,051	$124,002
Building Materials/Products*	$100,000	$6,667	$106,667
Computer Hardware/Software	$89,190	$12,381	$101,571
Construction/Housing*	$118,667	$18,167	$136,833
Consulting	$83,639	$11,147	$94,786
Consumer Goods	$106,591	$16,000	$122,591
Education	$87,375	$8,037	$95,412
Entertainment	$119,842	$19,556	$139,398
Food/Beverage	$103,170	$17,275	$120,444
Government	$78,118	$2,500	$80,618
Health Care/Pharmaceuticals	$108,410	$15,496	$123,905
Hospitality (hotels, restaurants, etc.)	$100,846	$32,545	$133,392
Insurance	$89,406	$13,063	$102,470
Manufacturing	$85,863	$10,505	$96,368
Media/Publishing/Information	$97,930	$12,738	$110,668
Non-Profits	$86,059	$8,500	$94,559
Retail	$91,432	$9,765	$101,197
Technology/IT/Web	$105,125	$20,868	$125,993
Telecommunications	$101,316	$14,474	$115,789
Transportation	$73,643	$5,364	$79,006
Travel	$75,167	$3,600	$78,767
Utilities/Energy	$84,821	$9,692	$94,513
Other	$83,593	$11,442	$95,036
Grand Total	$95,551	$13,896	$109,447

Figure 1: How satisfied are you with your current employment?

	Response	%
Very Dissatisfied	30	3%
Dissatisfied	77	7%
Somewhat Dissatisfied	145	13%
Neutral	78	7%
Somewhat Satisfied	221	19%
Satisfied	393	34%
Very Satisfied	214	18%
Total	1,158	100%

Figure 2: As the economy improves, how likely are you to seek employment at a different company?

	Response	%
Very Unlikely	154	13%
Unlikely	207	18%
Somewhat Unlikely	128	11%
Undecided	198	17%
Somewhat Likely	198	17%
Likely	113	10%
Very Likely	161	14%
Total	1,159	100%

two workers and 12 percent supervise three to five employees.

Again similar to last year, over half (60 percent) of these client-side researchers report they are working about the same number of hours, and 35 percent are logging more time in the office than last year.

Forty-one percent said they spend more than 75 percent of their time conducting or coordinating and analyzing marketing research. Twenty-two percent work 51 percent to 75 percent of the time on research and 14 percent allot 26 percent to 50 percent of their time.

Master's degrees are the order of the day for this group, with 55 percent stating they are graduates of a master's program (6 percent have a Ph.D.).

In numbers identical to 2010, only 21 percent said they hold a professional or industry certification related to marketing research (such as those offered by RIVA, Burke Institute, PRC, Principles of Marketing Research, etc.).

Energizing effect

Last year's salary-survey open-ends asked about what respondents liked most about their jobs. Several comments touched on the energizing effect of constant change – every day brings new projects, new challenges, etc. Based on comments from this year's iteration, change is again a driving force but a much less welcome and salutary one.

Change circa 2011 means an avalanche of data – the value of which is questionable – from a host of new sources and an accompanying onslaught of internal requests (demands) to make sense of it all. Facing these and other pressures, researchers will no doubt remain busy as always, answering the internal calls for insights while fighting to keep their job function from turning into something "anyone can do." | Q

Want more salary data?

The online version of this article (enter article ID 20110709 at www.quirks.com/articles) features bonus charts and other content. In addition, the July 25th Quirk's e-newsletter will feature an article on the results of the 2011 vendor-side salary survey.

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research company uSamp.

The findings reflect widespread anxiety about where pump prices are and where they may be headed. Ninety-five percent of respondents reported that they are very or somewhat concerned with rising gas prices. And they don't see price increases ending anytime soon. Fifty-five percent of respondents expect fuel prices to rise more than 50 cents; 23 percent anticipate a jump of 30-50 cents; and 14 percent predict an increase of 10-30 cents. Only 8 percent think prices will level off or decline.

When asked how they'll make up for this hit to the family budget, respondents were clear: A substantial majority said they are willing to cut their expenses on various types of discretionary spending. Cutbacks are most likely to affect eating meals out, with 59 percent saying they would cook at home more. Half of those surveyed said they would delay purchases of new clothes or shoes. Nearly half (48 percent) are rethinking summer vacation plans to hit the highways. Also up for reconsideration: attendance at movies and concerts (45 percent); charitable contributions (38 percent); and morning coffees out (30 percent).

At the same time, to make up for the increased cost of gasoline, respondents don't intend to sacrifice expenditures that they view as necessities or part of long-term goals. Less than 15 percent said they plan to reduce spending on groceries, insurance premiums or retirement fund contributions.

The gas price spike is forcing Americans to reexamine their transportation options as well. In addition to the nearly 70 percent who plan to limit car trips, a quarter of survey respondents are now considering carpooling; 23 percent are looking at getting a more fuel-efficient vehicle; 20 percent are thinking about taking mass transit; and 15 percent may buy a hybrid or electric vehicle. Eighteen percent have fingers crossed as they wait out the current trend and hope for a return to 2010 prices.

When it comes to making sacrifices, age matters. By a wide margin, respondents 55+ are least likely to curtail spending on items deemed discretionary and essential. In every category except charitable contributions, seniors indicated significant reluctance to change their behavior; nearly a quarter selected "none of the above." For more information visit www.usamp.com.

Consumers realistic about aging but still try to fight it

While the massive anti-aging industry provides a ray of hope for some consumers, many have a practical outlook on the realities of growing older. Nearly 70 percent of consumers believe how you age is mostly genetic and external products are more hope than help, according to data from Chicago research company Mintel.

Additionally, eight in 10 consumers think diet and exercise are the most important factors associated with aging skin and 78 percent say using sunscreen is the real key to preventing visible signs of aging. While many consumers say aging is controlled by diet, exercise and genetics 69 percent also report that the earlier you start using age prevention remedies, the better off you are.

"There's a sizable gap between opinion and practice," says Kat Fay, senior beauty analyst, Mintel. "While there are no guarantees when it comes to anti-aging skincare purchases, many women buy the products anyway with the hope of achieving visible results. They adopt the 'it's better to try something than do nothing' approach."

The $832 million anti-aging skincare market has experienced decelerated growth in the past year but sales are expected to increase 46 percent in current prices from 2010-15. It seems even when times are tough, women are still reluctant to cut back on their favorite anti-aging and beauty products.

As it stands, just 24 percent of consumers report using anti-aging skincare products. Another 21 percent have used wrinkle-reducing facial skincare products in the past year and 18 percent report using skin-rejuvenating products. Meanwhile, 39 percent of consumers who are concerned with aging have not taken any action to prevent or reverse the signs of aging. For consumers who are concerned about aging, the entire face is the biggest concern (48 percent) followed by the eye area (41 percent), the stomach (40 percent) and the neck (31 percent). For more information visit www.mintel.com.

Green automotive concerns outweigh potential savings at the pump

High gas prices haven't translated into good news for environmentally-friendly/friendlier vehicles, according to Westlake Village, Calif., research company J.D. Power and Associates' 2011 U.S. Green Automotive Study. Despite a rapid increase in the number of alternative powertrain vehicle models projected for the next several years, automakers will be fighting over the relatively few consumers who are willing to drive green. Growth of alternative powertrain vehicles sales are expected to be limited by consumer concerns about costs as well as functionality, the study says.

The study examines attitudes of U.S. consumers toward four primary alternative powertrain technologies: hybrid electric vehicles; clean diesel engines; plug-in hybrid electric vehicles; and battery electric vehicles.

While consumers often cite saving money on fuel as the primary benefit of owning an alternative powertrain vehicle, the reality for many is that the initial cost of these vehicles is too high, even as fuel prices in the U.S. approach record levels. Reduced expenditure on fuel is the predominant benefit cited by considerers for each of the primary alternative powertrain technologies. Although the environmental benefits of these vehicles are recognized, they are mentioned far less frequently than saving money on fuel. For example, 75 percent of consumers who indicate they would consider a hybrid electric vehicle cite lower fuel

costs as a main benefit. In contrast only 50 percent cite "better for the environment" as a main benefit of these vehicles.

Consumers who are not considering an alternative powertrain vehicle also recognize the fuel-cost savings these vehicles can offer. However, they cite significant perceived or actual impediments to ownership in addition to purchase price, including driving range, increased maintenance costs and compromised vehicle performance. These consumers are far more likely to switch into a more fuel-efficient vehicle powered by a traditional internal combustion engine than an alternative powertrain vehicle.

Although there are also significant price premiums for battery electric vehicles, functional concerns are more likely to limit consideration rates for this powertrain. Driving range and the availability of charging sites away from home are the two concerns cited most often by those not considering this powertrain. This "range anxiety" contributes to the lowest consideration levels of the primary alternative powertrain technologies.

For clean diesel engines, fuel prices and availability – factors largely out of the control of vehicle manufacturers – have long impeded acceptance of the technology. Furthermore, negative perceptions of older diesel-powered vehicles continue to affect perceptions of clean diesel vehicles, as concerns about emissions and exhaust odor are mentioned frequently. For more information visit www.jdpower.com.

Dr. Mom uses social technology to gather, share information

Moms are taking on more responsibilities than they ever have, including health-related and caregiving roles. They need immediate solutions from trusted sources and they are turning to online social mediums to connect with family, close friends and other moms. Technology that connects friends is a top choice for moms seeking health-related information, according to lucid marketing, an Allentown, N.J., marketing agency.

As part of her caregiver role, Mom is using the expanding online community to talk, share and learn. For moms who share health information often, e-mail and Facebook are their top choices, at 84 percent and 69 percent, respectively.

Moms who share health information are sharing their knowledge and opinions about products and services with family, friends and other parents. These moms also are at the center of the technological growth that continues to transform society, which means they are connecting with the world outside close friends and family – a global community of tech-savvy moms who also are ready to share and listen. E-mail (83 percent) and Facebook (76 percent) are also the places where they most often hear about the new things. Only 65 percent choose television. For more information visit www.momreports.com.

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uncover topics that emerge from social discussion around videos distributed across microsites, blogs, social media outlets, digital press releases and elsewhere on the open Web.

At a dashboard level within the Videolytics platform, marketers can view metrics on the number of comments and reactions any video has created across the main social media platforms; which of the social platforms are creating the most engagement; the number of shares and embeds; sentiment ratings down to a URL level (including embed and re-posted video); and which topics are being most discussed. For more information visit www.openamplify.com.

Maponics debuts Shopping Boundaries to target ads; partners with Location Labs

Maponics, a White River Junction, Vt., location-based data provider, has released an offering that includes the geographic boundaries of 3,000+ shopping malls, districts, centers and outlets across 100 metro areas in the U.S. Maponics Shopping Boundaries includes the boundaries outlining shopping areas and adjacent parking, along with the name, address and type of shopping area. The boundaries are designed to be used as geofences to direct ads only to consumers who are within defined shopping areas.

Additionally, Shopping Boundaries and several other datasets, including Neighborhood Boundaries, will be available through Location Labs, an Oakland, Calif., provider of mobile location-as-a-service. Location Labs will offer Maponics data as part of its geofencing platform to the mobile developer community. For more information visit www.maponics.com.

Research study explores TV, need states and brand equity

Innerscope Research Inc., Boston, and Fox Broadcasting Company, Beverly Hills, Calif., have released biometric research on the roles of television and online media in creating and extending brand equity. Using Innerscope's Brand Immersion Model, a framework for defining the relationship between the immersive platform of TV and the Web's flexible platform, the research found that TV has the power to form need states where none existed before.

Fox and Innerscope tested this "connection creation" process by comparing exposure to brands unfamiliar to U.S. audiences within the context of TV and online media. TV's heightened ability to engage and sustain unconscious emotional response confirmed it as the medium best able to create personal relevance and, therefore, brand equity. For more information visit www.innerscope.com.

Briefly

Stamford, Conn., research technology company FocusVision has launched Mobile Streaming, a solution designed for live videostreaming of qualitative market research to iPads and iPhones. Mobile Streaming on the iPad offers the same functionality as FocusVision VideoStreaming, including VideoMarker software, notes and live chat. IPhone users will receive video only. For more information visit www.focusvision.com.

Fresno, Calif., research company Decipher Inc. has added an online community forum to its Web site (www.decipherinc.com). Decipher's online community forums are designed to allow clients to engage their audiences and provide custom branding and easy updating without a programmer.

Dooblo Ltd., an Israel research software company, has released the Android version of its SurveyToGo survey software solution. The Android version includes support for Android phones and tablets; branching and logic; quota; real-time GPS location-tracking of surveyors; multilanguage surveys; and media data capture support. SurveyToGo is provided on a pay-per-use basis with no software or IT costs. For more information visit www.dooblo.net.

The Futures Company, a Chapel Hill, N.C., research company, has released Hispanics in 2025, a white paper in its Future Perspectives series. The study is aims to identify the future mix and structure of Hispanics in the marketplace. For more information visit www.thefuturescompany.com.

M3 Global Research, Washington, D.C., has introduced Verified, Certified, Guaranteed, a program based on M3's panel of health care professionals that guarantees the lowest price in professional health care market research recruitment, provided a project is feasible. For more information visit www.verifiedcertifiedguaranteed.com.

Reston, Va., research company comScore Inc. has announced the beta release of the comScore Media Metrix Total Universe report, designed to provide audience measurement for 100 percent of a site's traffic, including usage via mobile phones, apps, tablets and shared computers such as Internet cafes. The initial report features standard comScore Media Metrix key measures, such as unique visitors, reach and page views. For more information visit www.comscore.com.

U.K., research agency SPA Future Thinking has launched Apollonius, a sales forecasting model intended to provide a range of diagnostic outputs and scenario modeling for sales optimization. For more information visit www.spafuturethinking.com.

Apple Inc., Cupertino, Calif., has launched Apple Customer Pulse, a market research panel of Apple product users to provide input on a variety of Apple-related subjects and issues. For more information visit www.apple.com.

Boulder, Colo., research company Market Force Information has debuted AnswerForce, a panel research service comprised of consumers who perform mystery shopping, competitive pricing, retail merchandising and theater-checking services for Market Force. The solution represents a common consumer demographic and includes access a proprietary panel of 300,000+ consumers; sampling

methodologies; quota management with criteria selection for respondents; a questionnaire design platform with branching and piping; and analytics. For more information visit www.marketforce.com.

Popai, an Alexandria, Va., marketing-at-retail association, has launched its Shopper Engagement Study, which includes a combination of neuroscience monitoring, eye-tracking and shopper interviews to determine in-store decision rates and the impact of in-store marketing. Popai has added EEG and eye-tracking technology to attitudinal findings and shopper interviews in-store. For more information visit www.popai.com.

Reston, Va., research company Clarabridge Inc., has released version 4.5 of its sentiment and text analytics platform for its Enterprise and Professional editions. Dubbed Clarabridge Tower, the release includes embedded connections to several major social media sources; full French and Portuguese natural language processing, including advanced sentiment analysis; an application programming interface for multi-verbatim, real-time access; and new security and administration capabilities. For more information visit www.clarabridge.com.

Ex-sample.com, a London research service, has launched. The platform is designed to serve as an online marketplace for researchers and online sampling companies and to offer market research companies an opportunity to have panel providers bid on their online research projects. The launch is accompanied by the results of ex-sample.com's global survey on the trends in online marketing research worldwide. For more information visit www.ex-sample.com.

Revelation, a Portland, Ore., research company, has expanded its Revelation Mobile app to include Android-operated devices. For more information visit www.revelation-global.com/mobile.

Erdos & Morgan, a Syosset, N.Y., research company, has launched the Integrated Data Exploratory and Analytical System (IDEAS). IDEAS is designed to be used with major syndicated databases to identify selling propositions by scanning thousands of measures to pinpoint those that meet certain user-defined criteria. Once the propositions have been identified, the system produces sales materials for each, showing how the target vehicle performs relative to all vehicles in its competitive set on a given measure (e.g., audience, coverage, index, etc.). Tables and graphs can be accessed and created automatically in Excel. The system is also intended to generate hyperlinked PowerPoint presentations to summarize findings. For more information visit www.erdosmorgan.com.

Communications For Research (CFR), Steelville, Mo., has updated its logo, Web site (www.cfrinc.net) and several publications.

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global challenges of underdevelopment and poverty.

Vancouver, B.C., research company **Vision Critical**'s **Andrew Reid** has been named one of Canada's Top 40 Under 40 for 2010 for promoting mentorship and professional development.

New accounts/projects

Reston, Va., research company **comScore Inc**. has been awarded a three-year contract by the **Czech Association for Internet Advertising** to serve as the official source of record for Internet audience measurement for online and mobile media.

Ann Arbor, Mich., research company **ForeSee Results** has been selected by travel company **TUI Travel UK and Ireland** to measure customer satisfaction on www.firstchoice.co.uk and www.thomson.co.uk.

Los Angeles digital entertainment network **Kabillion** has selected Portland, Ore., research company **Rentrak Corporation**'s OnDemand Essentials TV ratings to provide performance reporting for video-on-demand viewing. **Relativity Media**, West Hollywood, Calif., and **Phase 4 Films**, Toronto, have also expanded their existing contracts with Rentrak to include OnDemand Essentials. Additionally, **The Richards Group**, Dallas, has adopted Rentrak's StationView Essentials TV ratings database. Finally, **Si TV**, Los Angeles, has extended its contract with Rentrak for Rentrak's TV Essentials television ratings service.

Populus Data Solutions, a U.K. research company, has selected Surrey, U.K., research software company **MARSC Limited**'s MARSC.net panel management and sampling software system to run a professional online data collection business.

Einstein Noah Restaurant Group, Lakewood, Colo., has chosen Kansas City, Mo., research company **Service Management Group** as its provider.

Austin, Texas, research company **Kinesis Survey Technologies LLC**'s Kinesis Survey software platform has been adopted by **Alexis Research**, North Wales, Pa. Additionally, **Noviodata**, a Netherlands research company, has selected Kinesis' survey and panel management software platform.

New companies/new divisions/relocations/expansions

Reston, Va., research company **Clarabridge** has opened its U.K. operations at the British Library.

Paris research software company **Askia** has opened an office in Mannheim, Germany. Dietmar Dzierzawa will serve as managing director and lead the operation.

Researcher Julie Houston has launched **Nitty Gritty**, an Australia social marketing insight consultancy. The firm is online at www.nittygritty.net.au.

Fresno, Calif., research company **Decipher Inc.** has relocated its headquarters to a larger facility.

London research company **DigitalMR** has launched DigitalMR USA with the opening of an office in Columbus, Ohio. Ryan Rutan has been appointed to lead the operation.

Ho Chi Minh, Vietnam, research company **Cimigo** has opened an office in Shanghai under the leadership of General Manager Daisy Sam.

Port Washington, N.Y., research company **The NPD Group** has opened a facility in Athlone, Ireland, to serve as the company's global IT/operations center.

Las Vegas research company **Precision Opinion** has launched **Focus+**, a focus group facility and division of Precision Opinion to be lead and managed by Lisabeth Couturier.

Workhorse Field Management Services LLC, a Charleston, S.C., research company, has opened for business. Workhorse is led by its president, Scott Debrow. The firm is online at www.workhorsemr.com.

M3 Global Research, Washington, D.C., has opened an office in Princeton, N.J. Additionally, M3 Global Research's London operation EMS Research has relocated and expanded its focus group facility studios.

Ipsos in North America, a New York research company, has moved its headquarters to the Time-Life Building at 1271 Avenue of the Americas, 15th floor.

Research company **The Pert Group** has relocated its headquarters from Bloomfield, Conn., to Farmington, Conn., to accommodate growth. The new office is located at 270 Farmington Avenue, Suite 200.

Bangalore, India, research company **Cross-Tab** has opened an office in Goregaon, Mumbai.

Austin, Texas, research company **Kinesis Survey Technologies LLC** has expanded its London office to include customer and technical support functions for all Kinesis clients based in Europe. Kinesis clients located in other regions will continue to be supported from its U.S. headquarters office in Austin.

New York research company **WorldOne** has opened an office in Mexico City. Roberto Varillas will serve as managing director, Mexico.

Gilmore Research Group, Seattle, has reorganized to launch its health care division.

Hatch Global Research, St. Louis, has opened an office in Frontenac, Mo., at 10403 Clayton Road, Suite 115.

Research company earnings/ financial news

Arbitron Inc., Columbia, Md., announced results for the first quarter ended March 31, 2011. Net income increased 18.2 percent to $16.2 million over first-quarter 2010. Revenue was $100.9 million, an increase of 5.2 percent over first-quarter 2010. Operating income increased 15.5 percent to $29.1 million.

Maritz Research, St. Louis, released its U.K. revenue figures for 2010, reporting organic growth of 12.8 percent over 2009.

The Nielsen Company, New York, announced financial results for the first quarter ended March 31, 2011. Revenues increased 8.9 percent to $1,302 million over the first quarter of 2010. Net loss was $181 million compared to $43 million of net income in the first quarter of 2010. Adjusted net income for the first quarter increased to $64 million, compared to $16 million in the first quarter of 2010.

Evolution Marketing Research, Blue Bell, Pa., announced 2010 sales revenue of $12.5 million, representing 11 percent growth since 2009.

The GfK Group, Nuremberg, Germany, reported earnings for first-quarter 2011. Consolidated sales grew 10.4 percent to 310.2 million euros. Sales were 310.2 million euros, an increase of 10.4 percent. Adjusted operating income increased to 30.5 million euros, up 20.5 percent over the same prior-year period. Operating income rose 32.8 percent to 24.9 million euros.

Ipsos, Paris, reported organic growth of 6.2 percent for the first-quarter 2011.

Harris Interactive, Rochester, N.Y., announced results for the third quarter of fiscal year 2011. Revenue decreased 9 percent. Operating loss grew from $0.9 million in third-quarter 2010 to $1.9 million for third-quarter 2011. Total revenue was $38.1 million, compared to $41.2 million for the same prior-year period. Total revenue for the first nine months of fiscal 2011 was $120 million, compared to $124.8 million for the same prior-year period.

ComScore Inc., Reston, Va., achieved revenue of $53 million in the first quarter of 2011, an increase of 47 percent over the first quarter of 2010.

Invoke Solutions, Waltham, Mass., raised $3.8 million from its investors BRM Capital, Bain Capital, BEV Capital333 and North Atlantic Capital.

Names of Note

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of Needham, Mass., research company *In4mation Insights*.

Chicago research technology company *InContext Solutions* has named **Mary Shea** chief commercial officer.

M3 Global Research, Washington, D.C., has hired **Roni DasGupta** and **Dan Schmitt** as vice president, market research. DasGupta will be based in Dallas and Schmitt will be based in Princeton, N.J. Additionally, the company has promoted **Jim Anderson** to vice president, market research; **Angelina Yatsenko** to director, market research operations; **Jessica McCann** to senior global project manager; and **Christine Lenggenhager** to manager, client team.

Kevin Murphy has been named CTO of *Research Now*, Plano, Texas.

Boston, Mass., research company *Invoke Solutions* has hired **Nancy Wellott** as senior vice president and head of research.

Barry Ooi has been appointed managing director of Framingham, Mass., research company *Kadence International*'s Malaysian office.

Haryana, India, research company *Annik Technology Services Ltd*. has hired **Rudy Nadilo** as senior vice president, global business development. Nadilo will be based in the company's Portsmouth, N.H., office.

Al Angrisani, former president and COO of Rochester, N.Y., research company *Harris Interactive*, has rejoined the company as an advisor.

Portland, Ore., research company *Rentrak Corporation* has promoted **Michael J. Vinson** to senior vice president, statistical sciences and analytics, and **Gordon Jones** to vice president, OnDemand Essentials.

The Marketing Productivity Group, a New York analytics company, has appointed **Jim Friedman** to its management team.

Heather Allen has been promoted to executive vice president, category development, of U.K. consumer packaged goods company *Reckitt Benckiser*. Research will be among her responsibilities.

Mitch Barns has been promoted to president, global media and client services, at New York researcher *The Nielsen Company*.

New York research company *Kantar Health* has named **Simon Li** general manager, China. Li will be based in Shanghai.

Research Resource, Glasgow, U.K., has hired **Kirsty McKissock** as senior consultant.

Nuremberg, Germany, research company *GfK Media* has named **Jude De Souza** research manager, ITV Panel. De Souza will be based in London.

calendar of events

Featured Event

Maritz Research will host a Webinar, themed "Using Neuroscience to Improve Marketing Research: A Make or Break Customer Satisfaction Case Study," on **July 20** at 12 p.m. CDT. Keith Chrzan, senior vice president and CRO, Maritz Research, will present. To register visit https://quirks.webex.com.

The Merlien Institute will hold a conference, themed "Market Research in the Mobile World," on **July 19-20** at Coles College of Business, Kennesaw State University in Atlanta. For more information visit http://www.merlien.org/upcoming-events/mobileresearch.html.

RFL Communications will hold a conference, themed "ROI on MR" on **July 27-28** in Chicago. For more information visit www.rflonline.com.

The Australian Market and Social Research Society will hold its annual national conference, themed "Curiouser & Curiouser," on **September 8-9** at the Hilton Hotel Sydney. For more information visit www.mrsa.com.au.

The American Marketing Association will hold its annual marketing research conference on **September 11-14** at the Hilton Bonnet Creek Resort in Orlando, Fla. For more information visit www.marketingpower.com.

The *2010 Ethnographic Praxis in Industry Conference* will be held on **September 18-20** at the St. Julien Hotel in Boulder, Colo. For more information visit www.epiconference.com/2011.

ESOMAR will hold its annual congress, themed "Impact - Research Reloaded," on **September 18-21** at Westergasfabriek in Amsterdam, the Netherlands. For more information visit www.esomar.org.

The Marketing Research Association, *Quirk's* and the *Market Research Executive Board* will host the Corporate Researchers Conference on **September 21-23** at the Fairmont Chicago, Millennium Park Hotel. For more information visit www.mra-net.org/crc.

The Qualitative Research Consultants Association will hold its annual conference on **October 12-14** at The Venetian in Las Vegas. For more information visit www.qrca.org.

The Asia Pacific Research Committee will hold its annual conference on **October 15** in Xi'an, China. For more information visit http://www.jmra-net.or.jp.

The Pharmaceutical Marketing Research Group will hold its annual meeting of The PMRG Institute on **October 16-18** at the Hyatt Regency Jersey City in Jersey City, N.J. For more information visit www.pmrg.org.

The Council of American Survey Research Organizations will hold its annual conference on **October 19-21** at The Breakers in Palm Beach, Fla. For more information visit www.casro.org.

The Life Insurance and Market Research Association will hold its annual conference on **October 23-25** at the Hilton New York. For more information visit www.limra.com.

IIR will hold its Future Trends conference on **November 7-9** at the Eden Roc Hotel in Miami Beach, Fla. For more information visit www.iirusa.com/futuretrends/venue.xml.

IIR will hold its annual conference, "The Market Research Event 2011," on **November 7-9** at The Peabody Orlando in Orlando, Fla. Register with the code QUIRKSNEWS to save 20 percent. For more information visit www.iirusa.com/research/event-home.xml.

To submit information on your upcoming conference or event for possible inclusion in our print and online calendar, e-mail Emily Goon at emily@quirks.com. For a more complete list of upcoming events visit www.quirks.com/events.

index of advertisers

By Joseph Rydholm
Quirk's editor

What's keeping researchers awake at night?

As I've previously written, the advent of our annual salary survey lets me sample – albeit briefly – some of the highs and lows of data analysis, specifically coding and processing responses to open-ended questions. For this year's version of the survey, we included the same two open-ended questions with the client-side and vendor-side salary surveys and they generated massive text files, which have been alternately tedious and a ton of fun to analyze.

One of the questions asked respondents to declare what they viewed as the biggest challenges facing marketing research in the next few years. While a number of factors emerged, the two mentioned most frequently were the twin plagues of DIY research and social media data.

DIY tools like Survey Monkey, many respondents said, are doubly damaging because they put research capabilities in the hands of people who may not know how to use them and they also cheapen the perceived value and importance of the internal research function. This forces the research department to have to, in the words of one respondent, *"explain our value-add in a Zoomerang world."*

Some other comments:

"We need to educate research consumers on the value of doing research the 'right' way. Just because data collection tools have become so readily available (e.g., Survey Monkey) doesn't mean using them assures good research. In my mind, it's like saying that we are all qualified CPAs because we know how to use Excel!"

"The rise of Zoomerang and Survey Monkey is destroying the science of marketing research. Anybody can create a survey but they are not likely to get proper results if they haven't studied methodology and design."

"We need to address the onslaught of 'cheap and fast' research that is often convenient but leads to completely incorrect assumptions. We must demonstrate the return on investment of thoughtful and considered research."

Of two minds

Respondents were generally of two minds on the topic of social media data. While they recognize that it's here to stay and acknowledge that it has a role as a listening device, many seem overwhelmed by the thought of having to make sense of it and are also alarmed that internal clients view it as a (potentially free) replacement for ad hoc research projects.

As one Quirk's reader put it, social media makes some marketers feel, *"that they know their customers sufficiently without marketing research. These days, members of the general public make their voices heard through all sorts of media, including social ones, and some may feel that those voices are representative. In essence, they are saying, 'We've given the public sufficient attention through listening to what they're saying in letters, blogs, tweets, etc.,' but not really recognizing that simply giving time to 'the public' does not equate to understanding the feelings and motivations of their customers."*

Further, said another, *"there's a trend toward mining social data as a substitute for conducting research, which may be useful in some regards, but could also end up 'listening to all the gossip in the neighborhood' rather than* *providing actionable data."*

Some researchers expressed feelings of being damned if they do, damned if they don't when it comes to social media and other new data-gathering techniques. By ceding ground to or giving too much legitimacy to social media data, researchers could be rendered irrelevant in the eyes of those hungry for "insights."

But despite anger over *"the perception that social media is the answer to EVERYTHING!"* these data sources can't be ignored, especially when internal calls for mining them grow louder by the day. And the researcher who ignores them or denigrates them runs the risk of being seen as out of touch (at best) or unhelpful (at worst): *"By not keeping up with newest Web technology, social media, competitive intelligence, we will allow others to supplant what should be a market research function."*

Dearth of analytical skills

Other oft-cited problems included the economy and the impact of tightened budgets on research departments; declining respondent cooperation rates; the dearth of analytical skills among new or incoming researchers; and several expressions of concern about our ability to capture consumers' attention in a fast-paced, tech-crazed world of smartphones, tweeting, texting and Facebooking. (Interestingly, there were also multiple mentions of NPS as a contributor to the dumbing-down of research by reducing everything to one score, as if that one score were sufficient enough to tell the entire story.)

While a host of external factors like these were mentioned, some respondents pointed a finger back at themselves and their peers:

"Too many researchers see/envision the value of research in and of itself. Too few can make a clear business case for their research. In particular, non-commercial (govt. and academics) give research a terribly bad name/image (i.e., eggheads who are theoretical twits, suck off other peoples' money/resources and do little other than study 'stuff' that matters little if at all). I'm quite serious about the foregoing comments."

"Staying relevant. Researchers need to adapt their presentations to actually drive action on the insights obtained. The ones that get it get rehired and/or promoted. The ones that don't get stuck in the same job for 15 years with no advancement, always wondering why."

"We need to focus on the quality of research. With the number of companies, different technologies, new methodologies, overseas analytics, we need to be very diligent with the data. Make sure our findings don't end up under the heading of 'lies, damned lies and statistics.'"

'This Titanic'

Then again, in the view of one particularly gloomy respondent, perhaps all of the above discussions are moot, as we are all doomed in the long run: *"Well, number one, the whole economy is going to collapse again, worse than this last time because the lessons of this last time have not been acted upon. Seriously. I think the global threats way outweigh any little contests for advantage between us as marketing researchers and other passengers on this Titanic."* | Q

classified ads

Coming in the August issue...

Can't we all just get along?
Annie Pettit explores how social media-based research can complement and coexist with mobile, qual and traditional quant research.

You need two frames of reference
Read about a new approach for profiling brands and analyzing competitive information

Connecting with customers beyond the survey
Joe Cardador offers tactical suggestions on how to integrate social technology with customer experience surveys.

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cover-to-cover

Facts, figures and insights from this month's issue

> Forty percent said they were flying less and cited increased fees as the major reason - more than flight delays, poor service or any other reason. *(page 8)*

> The narrative serves as a launching pad for brand devotion. Bore the shopper and there is almost no chance of affecting change and growing revenue. *(page 18)*

> Independent sites like AutoTrader.com were the primary source for walk-in traffic followed by dealer sites. Independent sites drove three times more walk-in traffic than search engines and seven times more than manufacturer sites. *(page 38)*

> The perennial research industry problems of budget woes, lack of respect for the function and the pressures of demonstrating ROI were overshadowed by unease caused by the current focus on mining insights from social media and other Web-generated sources. *(page 72)*

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A free six-month subscription to Firefly Surveys from Vision Critical - a $3,000 value!

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To enter, send an e-mail to contest@quirks.com with your complete contact information. Please include "Firefly Contest" in the subject line. Deadline to enter is July 31, 2011. The winner will be selected at random and announced in the September issue of *Quirk's*.

Congratulations to May's winner, Elizabeth Sutliff of Information Specialist Group Inc., Bloomington, Minn. May's prize was a free community Web portal from Toluna.


Latin America