

Building and Managing your own Online Survey Panel

- Your guide to panel based market research

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Online Survey Panel - Why?

In today's competitive climate, businesses are always on the lookout for strategic advantages that they can leverage over the competition. Effective market research is one such avenue. To conduct a viable and sustainable market research program, one of the fundamental ingredients is the ability to collect actionable data from a pool of respondents.

An online survey panel is nothing but a pre-recruited pool of respondents that have, in principle, agreed to give you feedback about your business processes, products, services etc. Online survey panels are not much different than focus groups – except that focus groups tend to be much smaller in size and online panels are usually much larger and usually comprised of a wider variety of respondents.

How are online survey panels different than sending surveys to your customers? – In principle, the members of an online survey panel represent the industry or market segment that you sell products and services to, whereas collecting data from your customers does not take into account the views of non-customers. Collecting market research data from existing customers may bias your research and that is the reason online survey panels provide a more accurate representation.

Some of the key benefits of having an online panel that you can gather ad-hoc feedback from:

1. **Research Quality** – The most important fact that addresses quality in any data-collection exercise is the sample – the pool of respondents that actually give you feedback. The bottom-line fact is that the quality of your data is only as good as the quality and representation of the users taking the survey. With an online panel that is recruited and managed by you – you are in control of the sample and hence the quality.
2. **Increased reliance on analytics rather than hypothesis** – Having an easily accessible online panel encourages companies to conduct more research and make significant business decisions on research as opposed to gut-feel. Moreover, online panels contribute to analytical research that can be cross-linked with data from qualitative research like focus groups. This enabled business decision makers to rely on data coming from both the qualitative as well as the quantitative segments.
3. **Cost** – Needless to say, the cost of making a bad business decision is invaluable – the actual cost of developing and managing your own panel is not as expensive as you would think – Software tools designed for online panel management in mind make this task much easier.

Building Your Own Online Panel vs. Renting

Sometimes we cannot rely on the quality of survey respondents from external vendors or it makes strategic sense for companies to build out their own panel of respondents for market research studies. In cases where your customers are considered niche, it makes sense to invest the time and effort in building out your own online panel of respondents.

Due to advances in technology and a competitive marketplace, the job of building out a panel has become easy and streamlined. Just as companies have already figured out a way to provide a point-and-click interface to develop a survey, you can also build out an online panel portal using your web browser and start collecting members interested in taking surveys.

Building out your own panel is definitely more time consuming and difficult than simply engaging an outsourced panel provider i.e. renting a panel, but the rewards are also significant. The quality of the respondents is generally higher in self-recruited panels. The long term costs of such initiatives usually much cheaper than engaging external vendors for all your market research initiatives.

Our experience has shown another side-effect to developing your own panel – executives tend to trust the data generated by self-recruited panels much more than outsourced panels. The general perception is that self-recruited panels represent your customer base more accurately than outsourced panels.

Developing an Online Survey Panel

In this section, we'll go over the basis steps involved in developing an online survey panel. Basic concepts and ideas are explained for each step to help you understand and think through the process.

- 1. Panel Recruitment Portal (Signup Page)**
- 2. Recruitment Modes**
 - a. Online Links and Ad's on your current website
 - b. Targeted advertising in industry specific sites
 - c. Phone Recruitment
 - d. Recruiting members from other generalized surveys
 - e. Recruiting members physically, flyers etc.
- 3. The Member Signup Experience**
 - a. Double opt-in verification
 - b. Demographic/signup survey
- 4. Survey Delivery – Campaigns**
 - a. Email based notification
 - b. Alternative notification methods
- 5. Integrated Trouble-ticketing and incident management**
- 6. Fulfillment and Compensation**
 - a. Online Payment Via. Paypal
 - b. Using iTunes Song Download Coupons
 - c. Providing coupons and discounts for your own product/service
- 7. Follow-up and cross-linking data for further analysis**

Panel Recruitment Portal (Signup Page)

The first step in getting started with the process of developing your online panel is to decide on a panel recruitment portal. This is the website that your panel members will come for administrative issues (self-service) as well as the site where they login and take surveys. Any panel recruitment portal should explain the following concepts very clearly:

1. **Privacy Policy and SPAM considerations** – Privacy is a very big consideration for users giving out personal information like email address and other demographic data. Please spell out your privacy policy clearly and try to make it legible.
2. **Can the respondents be uniquely identified along with the data** – This is also similar to the privacy policy, but be sure to explain what is done with the data that is collected? Will you contact users based on the data that they've provided? Is the data coded anonymously? Who has access to the data etc?
3. **Sales/Marketing material** – Are you planning on sending sales and marketing material to the panel members? Most research exercises do not send additional marketing material. However, if you are planning on sending additional information, make sure that you explain that clearly to the members who are signing up.
4. **Prizes/Gifts – Policies and restrictions** – Spell out how you plan on compensating the panel members for their time. Our experience suggests that rewarding ALL members albeit small amounts yields a better response rate than choosing a single winner. Automated micro payment solutions like Paypal and Apple iTunes song downloads make this solution very compelling. More on this later.
5. **Age limitations if any** – Depending upon your target consumer base, if you have age restrictions, spell them out clearly. This can help mitigating legal risks later down the road.
6. **FAQ's** – Compile a list of FAQ's. Anticipate what users will ask for and you can also add to the FAQ's as time goes by. FAQ's are generally very effective means of communication in the online world.
7. **Contact information for further questions** – Make sure you provide members with other contact information (Phone, email etc.) if they have further questions regarding membership.

Recruitment Modes

Online panel recruitment can be done in a variety of ways. We'll highlight a few common methods used for panel recruitment and give some details on each method. The idea behind all the different modes of recruitment is to drive users to a particular website (Panel Recruitment Portal) whereby users can sign up and agree to be part of the panel. We believe that it is important for panel members to self-register. This introduces the concept of self-service to the panel members. It saves a lot of administrative costs in terms of day-to-day management of the panel in the long run. Panel members are already accustomed to self-service and can login to the panel recruitment portal and change email addresses, view status of surveys etc.

- **Online Links and Ad's on your current website** – You can add links to your existing website that showcases your product or service – ask users if they'd be interested in joining an online advisory panel. The primary target here obviously is your current customers or users who are interested in your product or service already.
- **Targeted advertising in industry specific sites** – If you are interested in developing a panel for a particular niche industry, this would be a very cost-effective way to go. For example if you were trying to build a panel for the engagement ring industry, targeted advertising on wedding sites as well as engagement sites would be a way to build out a panel.
- **Phone Recruitment** – If you already have segmented phone numbers of panel members you'd like to recruit, your call-center scripts can include references to the Panel Recruitment Portal. This approach has a couple of advantages and disadvantages:

Advantages:

- Minimal live phone time – Phone callers are able to give the necessary background information over the phone and then direct customers to the online site for self-service.
- More information – Users who need more information can browse through the recruitment portal and read privacy policies, FAQ's etc. as opposed to training call attendants on such issues.

Disadvantages:

- Drop outs – In certain hard to reach and non-web-savvy populations this might introduce a high drop out rate.
- **Recruiting members from other generalized surveys** – Another innovative way of recruiting members is actually from other generalized surveys. A final question asking an email address (if the users are interested in joining a panel) can be asked in any survey – the email address can then be piped as part of a panel. Obvious text should be displayed to the user while asking the email address to avoid confusion in the future.

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- **Recruiting members physically, flyers etc.** – In certain populations where contact is not necessarily done online but is physical, flyers can be handed out with the website address as a destination to join the online panel.

The member signup experience

Double Opt-in Verification

In today's email SPAM infested world, it is very important for users to "opt-in" to become a part of the panel. Email invitation delivered to users who have consciously chosen to be part of the online panel cannot be considered as SPAM. The industry standard and accepted way of verification of opt-in status and email address is using the double opt-in paradigm.

The double opt-in paradigm is fairly simple. Users use the web browser interface to signup with their email address. As soon as they signup, an email with a verification code is sent to the email address provided. Panel members are only considered "verified" if they click on the verification link provided in the automated email that goes out to them. This guarantees that the member signing up has access to the email box and that emails sent to the member actually get delivered. It also ensures that users have not inadvertently signed up for something that they did not fully understand.

Demographic Survey/Data

Once users get verified, it is generally a good idea to present them with a demographic or a signup survey. The demographic/signup survey can ask key data elements (age, sex, etc.) that you consider vital for segmentation. The data you collect here can be used to select panel members based on the criteria for future research projects. For example a future research project may require that surveys be only sent out to users from a particular geographic region. In such as case, it would be prudent to collect data about the members current geographic boundary – zip code/state/country etc.

Another reason for having a customized demographic/signup survey is that the accepted geographical boundaries in different countries are different. USA has states, Canada has provinces etc. A well thought out demographic/signup survey help you target your future research more effectively.

Survey Delivery – Campaigns

So far we've been talking about recruitment and the signup process. Assuming the recruitment effort is healthily, its time to do some real market research work.

Depending upon your demographic survey and your requirements (selection criteria) for your current project, you should be able to select a subset (or all) the members in your panel for a particular campaign.

Generally survey invitations should only be sent to verified panel members. This reduces the chance of your survey invitations being categorized as SPAM.

It is also prudent to explain the research objective as well as the compensation strategy in the email itself. This enables the respondent to align his interests with yours. Panel members are then directed to come to the Panel Recruitment Portal, signup with their email address and password and take the survey. While this (login with email address/password) introduces an additional step in the process, we believe that this is the best way to make sure that the users who signed up as a panel member is the one taking the survey. This mitigates the risk of emails being forwarded, people taking the survey multiple times for further compensation etc.

Avoiding the Email/SPAM issue entirely – Alternative notification methods

With the incessant growth of SPAM and junk mail, a lot of legitimate emails are also categorized as SPAM. It is fairly difficult to differentiate between legitimate bulk email (where respondents have chosen to receive mail) and unsolicited mail. One solution that can be used to avoid this problem entirely is to have an alternative notification mechanism. We at Survey Analytics are working on a couple of alternative delivery mechanisms to overcome the SPAM issue.

1. **Instant Messenger** – Instant messenger (AOL, Yahoo ,MSN) based communication is becoming more prevalent. Although many corporate networks do not allow instant messaging extensions from within the intranet, new technologies are made available for intranet as well and external (internet) based instant messaging. Survey Analytics is currently developing strategies to deliver hyperlinks to surveys over this medium. Although there are quite a few technical as well as other privacy issues here, this medium cannot be ignored.
2. **Customer Installed Software for Alerting Users** – Another option to deliver guaranteed alerts to the panel members is to have them install a customized notification software. The *qConnect* solution is designed with this in mind. Panel members download a small piece of software (*qConnect*) that constantly monitors survey invitations. Once survey invitations are sent to the members by the panel administrator, *qConnect* notifies the members of the invitation and displays up a non-discrete message box – a small message box above the Windows System Tray.

Although deploying solutions like qConnect and Instant Messenger based communication is much more difficult than sending out emails, they can be done in conjunction with existing delivery methods like email. Users can even choose between the multiple delivery methods available – this gives power back to the panel members to self-administer their interaction with you.

Integrated Trouble-ticketing and Incident Management

As with any project, expecting everything to go flawlessly is short-sighted. You usually plan for the worst and hope for the best. Having efficient mechanisms in place to address concerns and questions raised by your panel members is necessary to keep your overall maintenance costs down.

With this in mind, we believe it is necessary to have an integrated incident management (case/trouble ticket) system in place. This leads to fewer dropped requests and panel members know that their concerns and questions are tracked and being responded to, as opposed to sending out an email to a generic email box.

Another obvious benefit to using an integrated trouble ticketing system is the ability to find frequently asked questions and essentially pre-empting such questions. Depending upon the target audience you may not be able to anticipate all the concerns that users may have. In such cases, having an integrated case and issue tracking system enables you to collect the data necessary and address the issues before they become issues.

Fulfillment and Compensation

The two most important factors that govern response rates are the length of the survey and the compensation strategy. In some large tracking studies, the length cannot be curtailed. The only way to reliably guarantee that you'll meet your research quota limits is to offer a good incentive.

Our research has shown that offering incentives to each and every respondent is much better than offering a chance to win a larger prize. You are better off offering \$1 to 250 respondents rather than offer a \$250 Amazon gift certificate to 1 in 250 members who complete the survey. While this may seem obvious, companies still do not use the "Pay Everyone" approach primarily due to the administrative costs involved. It is not easy to mail out \$1 checks (or bills) to 250 participants. We believe that an "instant gratification" based approach is far more effective. The minute panel members complete a research survey; they should be compensated for their time.

We at Survey Analytics are working on a couple of solutions to make micro-payments a reality. We'll highlight a couple of solutions that you can take advantage of:

1. **Online Payments Via. Paypal** – We've integrated our panel management interface with Paypal's "pay anyone with an email address" system. Although it is still not cost-effective to make micro-payments in its strictest sense, we can accumulate up to a pre-determined amount (\$20) and then automatically make the payment. Personal accounts with Paypal are free and funds can be transferred to and from bank accounts to Paypal etc. Moreover, an enormous amount of online sites accept money from Paypal – for example online Voice over IP service SKYPE accepts Paypal payment, you can buy songs online via Paypal etc.
2. **Using iTunes Song Download Coupons** – Survey Analytics is in the process of partnering with Apple iTunes music store to provide coupons for song downloads. With the immense popularity of legal music downloads by iTunes this is a very lucrative option. With this option, panel members are provided a "Song Download Code" worth 99c (one song) that they can use immediately with the Apple iTunes music store. They can choose any song that is provided by the store to download and listen to.
3. **Providing coupons and discounts for your own product/service** – You can also choose to provide a discount or a coupon to a product or service that you already sell. This is also another viable alternative to expensive payouts; and it also encourages participants to use your product. Custom coupon codes can be uploaded into the panel management interface for automatic delivery at the completion of the survey. This approach also fits well along the lines of instant gratification.

Follow-up and Cross-linking data for further analysis

Once the data starts coming in, you can start analysis of the research study just like any one. The data collected in the demographic/signup survey is also available as part of the integrated data analysis.

It is generally considered good practice to share summary results with the panel members. This has a “buy-in” effect on the panel members. Most users would like to know how their individual thoughts compare to the generalized population. It is not necessary to make all the results public, but sharing an executive summary with the panel members increases your chance for member participation the next time around. Remember, you need panel members to respond to future market research surveys also!

Conclusion

One of the goals of a panel based research initiative is to encourage analytical business decision making. An online panel not only encourages members within your organization to rely on research practices, but also enables you to deliver forward thinking solutions to complement your marketing initiatives. Speaking from personal experience, some of the most innovative ideas that we've developed, actually have been initiated by our customers. A panel based research initiative enables the free flow of information back and forth on an ad-hoc basis. This coupled with the ability to project data into the future, gives your organization a significant advantage over your competitors.