

**Online Panel Management and Strategies:
An Introduction for Managers**

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Executive Summary

The intention of this paper is to provide an introductory guide to managers who have been asked or have decided it is time to start looking into online market research for their company. The size of the company you work for does not matter, as we will discuss several methods that can be used for any size company or investment level. This paper is for managers who want to quickly learn the basic issues of online market research panels. It will also be useful to managers who need to become familiar with some of the major providers of online panel management.

Technology has changed the way market research is and will be completed in the future. The online market research panel is a natural extension of traditional panels. Online panels allow participants to complete surveys on their own time and at their own location using the Internet. Such panels must be managed so that participants are tracked, wear-out is reduced, new participants are recruited and usage rates can be measured. Information was found using online search engines, company websites, independent reviews, and academic references. This was challenging when trying to compare the chosen providers. Some companies provided lots of information easily on their websites, while others required extensive navigation or even logging in to get a limited amount of information.

One decision that you, as managers wishing to use existing online panels to conduct market research, must make is whether to purchase the panelists and survey software or use a full-service provider. Full service providers, such as M/A/R/C and SSI are most useful for large companies who wish to completely outsource their research, whereas Confront, Globalpark, GMI or SurveyZ provide sophisticated tools for large to medium size companies who wish to be involved in the research. The best option for smaller companies or those just beginning research who do not wish to spend a lot of money would be best served by survey development companies such as QuestionPro, Survey.com, Survey Monkey, or Zoomerang.

If you wish to create your own panel you can also make use of some of these major providers. Confront, Globalpark OPST, GMI – Net Panel, and Survey.com's custom ePanel allow companies to use the software to develop proprietary panels. Again these sophisticated tools offer the best option for larger companies. Smaller companies will best make use of QuestionPro's Vertical Panel, SurveyZ, or Zoomerang zPro.

If it is determined that the best method for your company is to create your own panel, then there are several strategies used by existing providers that can be useful for setting up, recruiting, maintaining, and motivating participants. The major providers use permission-based databases and multi-sourcing for their recruitment strategies. To maintain their panels they provide rewards or loyalty programs as incentives to participants. To increase response rates they base survey distribution on a respondent's interests.

When maintaining an in-house panel, the best ways to motivate participants include incentives such as lotteries, bonus points, and raffles; reassuring issues related to trust, privacy, and security concerns; making use of the value of expanding one's knowledge; and recording participant history.

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Introduction

Online Market Research Panels

“Technology has permanently altered the way panel research is conducted around the world, and those who overlook online research will be left behind” (Frost & Sullivan, 2006). It is important for companies to join the online revolution of market research methods, including online panels. You might be asking, what are online panels and why do I need to manage them? Presented in this paper are several ideas about what an online panel is and how it should be managed. Also addressed are the different methods used by ten software providers in the industry and how to select the provider most appropriate for you and your company. The final topic discusses the most effective methods for building, maintaining, and motivating online panelists for both full-service and in-house panels.

An online market research panel is a natural extension of traditional panels that have been used by major market research providers to field market research studies using questionnaires, interviews, and focus groups. Instead of participating in research by phone, mail, or by physically meeting in one room, participants agree to take surveys using the Internet. Panelists can be contacted once, in a cross-sectional panel, or repeatedly over a period of time, in a longitudinal panel. In exchange for their willingness to answer surveys, participants are given a variety of incentives such as drawings to win money or prizes, which will be discussed later in this paper.

Online Panel Management

Organizations are finding that they can do more with less time using online panels when compared to traditional research methods. The Internet allows for consistent communication with respondents while the flexibility of Web-based presentation allows surveys to go beyond traditional text. When developing a new product, enhancing a current product, or determining customer satisfaction it is important to have fast, reliable feedback from consumers and employees. This ability has been enhanced in recent years through the use of online market research panels. Management of panels is used to increase the reliability and quality of collected data.

Panel management includes the tracking of panelists, monitoring panel wear-out, recruitment, and usage. Tracking panelists allows researchers to determine what panelists are most interested in and where they are most willing to participate. Tracking involves maintaining a database of all interactions with and responses by your panelists. Tracking also involves maintaining background and demographic data for respondent selections in market research studies. The recording of respondent answers over time increases the chances that the panelist will completely and truthfully answer the questions asked in the questionnaire.

Monitoring panel wear-out refers to the need to determine whether panelists are answering questions too quickly in order to “get through it” instead of putting thought into each answer. Panelists may become worn out if they are asked to complete too many

surveys in a short amount of time or too many surveys on products they do not care about. Many panelists belong to several panels and might become overburdened with surveys to fill out. When discussing panel wear out there are two primary issues. The first issue involves wear out across multiple studies that can be combated by regularly refreshing your panel. The second issue involves wear out within a single study. This can be due to poorly written or lengthy questionnaires. However this second issue is not a panel management issue but must be addressed with the market research department.

Recruitment is important because the respondents are more likely to be end-users that the company is concerned with instead of merely those people willing to answer the surveys. It is critical to have not only a large selection of panelists but also a sufficient number in target segments and belonging to demographic groups that are the most important to your company. Usage rates are important because if a panel is more like a database of outdated or non responding panelists then the sample will be less representative of the consumer base. Leading online panel experts recruit panelists through numerous media outlets, including public relations, pay per click advertising, banner advertising, emails and referrals. (<http://ezinearticles.com/?Market-Research-Panels-Are-Increasingly-Being-Found-Online&id=370974>). These outlets will be discussed in further detail later in the paper, but it is important to note that by using several methods of recruiting panelists the panel provides a better representation of the population.

Online market research panels offer several advantages. They are fast. Surveys can be created, dispersed, and analyzed in a matter of hours, however it is suggested to give at least a weeks time frame for panelists to respond (<http://www.ebrain.com/help/nl0402.aspx>). They are also relatively inexpensive. A survey can be developed and distributed at a relatively cheap per response cost for less intense surveys. Panelists already exist and are waiting for the survey to be created just like in traditional panels. Another advantage is they are increasingly more reliable. As panelists are better managed, the data collected from them is higher quality and serves as a better representation of the population.

There are also some disadvantages of online panels. The learning curve is a difficulty that is hard to overcome. Panelists must not only answer the surveys but at the same time they are trying to learn the methods used by online panels. Also, they do not always give a representative sample of consumers. Online surveys are limited only to those individuals with online access. While this is becoming less of a problem, it is important to realize that those who are computer literate are more likely to participate in online panels than those who use it merely for e-mail or not at all.

Research methodologies

Using websites such as Google, Google Scholar, World Opinion, and Business Premier Source, a list of ten online panel management companies was created to review existing panel management and seven of those providers were researched to look at building your company's own panel. In choosing the ten companies reviewed in this paper, a diversification approach was taken. Different companies offer different services and it was intended to find a cross section of companies. The companies chosen also have

different approaches to online panels and target different types of customers/end users. Once the list was created, specific company websites as well as independent reviews were used to find out more about pricing and features offered.

Road Blocks to Researching Online Panel Management Companies

When beginning the project it was assumed that using the Internet would be a fairly straightforward and resourceful way to find information. However, as work progressed it was found that many of the websites included limited information about what the company really offers. Comparing across websites was also very difficult, almost like comparing apples and oranges. Information found on one website seemed straightforward and helpful, while similar information on another website was confusing and required previous knowledge about the product or company. Each company's website had varying degrees of ease of use. Some companies had the details about their products, specific features, and pricing directly on the website while others required a proprietary login to access specific product information.

Online Panel Management

Purchasing panelists and survey software from full-service providers

Most companies at some point need to take a look at what their customers, or a random sample of their customers, might say or want from the company. In order to be successful, the company then acts upon the suggestions to guide marketing strategy and create a favorable differentiation between themselves and their competitors. In order to field this research, traditional market research has used telephone, in person surveys, held focus groups, or other research methodologies. Because of the new technological era, many companies are looking into the fairly recent, only in the past ten years, method of using online panelists. Several companies exist to help other companies develop and analyze surveys answered by existing panelists.

Different Providers for Different Needs

The ten providers have been divided into categories based on the size of companies they serve best. Full-service providers such as M/A/R/C and SSI are best suited for large companies who wish to outsource market research. Sophisticated tools such as Confront, Globalpark, GMI, and SurveyZ by Qualtrics are best suited for large to medium size companies who wish to maintain some in-house control and participation in the market research. And survey development tools such as QuestionPro, Survey.com, Survey Monkey, and Zoomerang are best suited for smaller companies or those companies just starting market research efforts that involve fairly simple surveys and only wish to make a small investment of time and money.

Full Service Providers

Full-service providers, such as M/A/R/C and SSI are traditional market research companies who have moved into the online panel field. They provide more than just the online panel - they provide everything from survey development to panel management,

along with a complete offering of additional market research products. These two providers are most useful for large companies who wish to completely outsource their market research efforts.

M/A/R/C Online Survey Solutions is an online panel and survey management system that makes use of Confrimit software in collaboration with their successful Market Research company. It is owned by Omnicom and has ten years of experience in conducting and refining online research. To date it has over 800,000 surveys completed. They offer full-service market research as well as maintain their own online panels. They even offer survey development and analysis. Features include full service online data collection, internet design and methodology, infrastructure and technology assistance, access to outside panel providers, highly experienced staff, use of Confrimit for sample options, panel partnerships, and online reporting tools (http://www.marcresearch.com/wwdb_oss.html).

Survey Sampling International (SSI) is an international company with staff in fifteen countries and in twenty-five languages. They focus on specialty and global panels in over thirty countries. The company was founded in February 1977 as an offline sampling company but in February 2000 they expanded to using online sampling for better and more up to date service offerings. They maintain their own existing proprietary panels and offer assistance in survey development and analysis. They partner mostly with the largest market research firms and research organizations. Features include sample support, data collection, tracking, panel management, and custom ePanels (<http://www.surveysampling.com/>).

Sophisticated Tools

Confrimit, Globalpark, GMI, and Survey Z by Qualtrics are sophisticated tools that can be used by a company with an in-house market research manager. They offer the tools to complete the same market research as full-service providers, however they require more work to be done internally by the company. These four companies are most useful for large to medium size companies who can afford to maintain a small staff dedicated to market research.

Confermit is an online panel and survey management software system developed by Future Information Research Management (FIRM). The company began working online in 1999. Their clients include the largest market research agencies and global 1000 companies. The company offers market research, online panel building, survey development and analysis, but does not offer existing panels. Benefits include higher response rates, greater access to insights, increased competitive advantages, increased efficiencies, and reduced costs. There are two types of users for Confermit – the standard user and the pro user. The standard user has access to a very thorough but limited version of the features offered to the pro users. Standard users are those just beginning their market research efforts that do not need all of the possible features. Professional users include those who have a better understanding of computers and surveys and might have needs for more sophisticated survey development and panel management tools (<http://www.confermit.com/>).

“As companies outgrow the simple no-frills web survey tools like Zoomerang or Survey Monkey, the step to products such as Confermit can be a mighty one, both in cost and expertise required to use them” (<http://www.confermit.com/>). Some of the pros for Confermit are that it is flexible and ideal for complex surveys because it offers a wide variety of features that can be used, easier for new users to get started because it also offers a simplified version for people just starting out, increased productivity due to simpler faster survey authoring and improved navigation, and surveys can be launched with more confidence due to increased quality control features. Some of the cons are that it is a complex tool that can be daunting to new users and requires regular use to maintain familiarity, and it is more expensive for low volume or occasional users (http://www.confermit.com/news/media/2005/0201/survey_software_review/default.asp).

Globalpark is an online panel and survey management system that makes use of Online Panel Site Tool (OPST). The company can manage multilingual panels and global surveys. It also has easy to use survey software. The company offers building online panels, and survey development. There are SurveyCenter tools, LOFT (leadership online feedback tool) survey tools, OPST survey tools, and OCM (Online conjoint module) survey tools (<http://www.globalpark.org.uk/>).

"Surveycenter and OPST are among the leading software solutions for online research worldwide" says Tim Macer, a British software consultant who is the leading expert for Research Software and regularly reviews software by a variety of suppliers. The two features he found most impressive are “the sheer serious depth of functionality it provides for professional online interviewing, and the software’s very versatile panel management module.” He also liked the fact that it is also easily accessible with either the Mac or PC operating systems. It is not surprising that he gives it some of the highest marks. 4 out of 5 on ease of use, 5 out of 5 on cross platform compatibility, and 4 out of 5 on value for money. Some of the cons he found were that the data analysis tools are weak, the interface is a little cluttered in some places, and the company does not have support offices outside of Germany (<http://www.meaning.uk.com/arts/112.html>).

Global Market Insite, Inc (GMI) is a global online panel management system. Making use of the associated market research company and Net Panel they can offer market research, building online panels, and use of their existing online panels. They offer Consumer panels, Specialty panels, International panels, and Global panels. The panel chosen depends on the need for each company's research (<http://www.gmi-mr.com/>).

SurveyZ is owned by Qualtrics and has a system by which it monitors panel wear out and recruitment efforts. They offer building online panels, use of existing online panels, and survey development and analysis. Creating a survey is done in three easy steps: create an account, name your survey, and start building. Using their software you can build your own survey with easy to use wizards. You can collect data using their email campaign manager or CRM mail merging campaigns and respondent tracking and reminders. Then you can view your results with an online report writer, professional graphics, with tabulation and statistical analysis (<http://www.surveyz.com/>).

MarketResearchTech.com reviewed SurveyZ and had the following to say:

“The design and organization of the SurveyZ survey development environment isn't particularly impressive (it looks like something out of 1998), and the design options for the surveys themselves are fairly limited — yet the design process is fairly smooth and even the most complex surveys can be created by individuals with very little experience. SurveyZ has a built in e-mail invitation system and a very limited reporting engine. All in all, if you're looking for a survey system that can do just about anything and you don't care so much about design or reporting, SurveyZ may have everything you need.”

(<http://www.marketresearchtech.com/surveyz-qualtric-review-survey-software.htm#more-31>).

Survey Development Tools

Companies just looking to create a survey and distribute it on the web are best served by QuestionPro, Survey Monkey, Survey.com, or Zoomerang who offer mostly survey development and analysis. QuestionPro, Survey.com, and Zoomerang offer assistance in building proprietary panels for a company, while Survey.com and Zoomerang also offer access to their existing panelists.

“Before you buy, you can take a free test drive at companies such as QuestionPro, SurveyMonkey, and Zoomerang. For a test, you can create a survey with a limited number of questions and responses and the data are viewable only for a limited time.”

(http://smallbusinessreview.com/marketing_and_sales/Online_Surveys/).

QuestionPro is an online panel and survey management system. It offers ways for a company to create their own online panel and to develop and analyze surveys using their software. There are four types of monthly memberships. The basic version is free. The web professional membership is \$15 per month. The premium membership is offered for \$99 per month. The corporate membership is offered for \$249 per month. The package chosen depends on the specific needs of your company (<http://www.questionpro.com/>).

Survey Monkey offers use of their existing online panel and survey development software. There are two versions of this product offered. The basic free version can be downloaded. The professional version is \$19.95 per month or \$200 per year. The professional version allows the software to be used for survey design, collecting responses, analyzing results, creating skip logic, requiring answers, randomizing answer choices, adding a logo, creating custom themes, generating popup invitations, custom redirects, filtering of results, sharing results, and downloadable versions of results (<http://www.surveymonkey.com/>).

UK based, ITWeek IWR Labs reviewed Survey Monkey and found that they “liked the inexpensive starting costs for unlimited surveys and the free basic service. They didn’t like the fact that there wasn’t a full-featured evaluation and that the number of responses you could collect was capped” (<http://www.marketresearchtech.com/category/reviews/>).

Survey.com, formerly World Research Inc, was begun in 1991 and have had over two million surveys completed. They offer market research, building online panels or use of their existing online panels, survey development, and survey analysis. Online research panels include Consumer ePanels, Business ePanels (which are maintained by Survey.com), and Custom Panels (which can be created for the individual customer). Features from the company include raw data, straight tabs, cross tabs, statistical analysis, reports/executive summaries, and presentations (<http://www.survey.com/>).

Zoomerang, a Market Tools Inc company, claims to be the number one source of online surveys. They help 70 of the Fortune 100 companies, have panelists in 100 plus countries, and can translate into more than 40 languages. They offer building online panels, use of existing panels, and survey development and analysis. There are three basic versions of this product offered. The basic version is free. The other two forms are the subscription that is \$599 per year or \$75 per month and the Nonprofit or Educational versions offered at \$350 per year or \$99 for three months (<http://info.zoomerang.com/>).

In my opinion, based on the research done, it might be beneficial for companies who wish to be involved in market research using online panels to use two or more of the above companies in tandem. For example, using panelists from both Survey.com and Zoomerang may offer a better overall sample. This would require the company to have their own market research analysts to combine the results. However, for small or medium size companies it might be best to keep their focus by using only one of the above companies in conducting their research efforts.

See Appendix A for a Table summarizing the ten companies and Appendix B for details about specific company offerings.

In-house solutions for building proprietary panels

When your company wishes to create your own proprietary panels you have a variety of panel management software providers that can help build or maintain the panel. If your company is looking to develop in-house solutions for proprietary panels you might have a list of current customers or might be looking to create such a list. You might also just be looking for a statistical sample that is similar to your customers' demographics and not specifically your own customers. This allows for a broader panelist pool.

The Providers

There are only two categories of providers who provide in-house solutions. Those who offer sophisticated software for large to medium sized companies and those who offer survey development tools to small companies.

Sophisticated Tools

The sophisticated tools are best used by large to medium size companies who wish to maintain some internal control over the panelists, but do not have the technology or infrastructure capabilities to maintain their panels in-house.

Confermit allows companies to create panel surveys (for panelist registration). This product can be used to create panel portals where panelists can login, edit their own profile, access new surveys, overview completed surveys, and access customized incentive systems. Companies can create samples based on any demographic or specific information provided by panelists, invite panelists through portals or by email, and have multilingual capabilities (<http://www.confermit.com/>).

Globalpark, using OPST, helps to build online panels conveniently. Each panel can handle over a million panelists with several subgroups. It can manage multilingual panels and set up global surveys. It has all the functionalities of Globalpark's Surveycenter software. Field monitoring functions and an email dispatch system make the tool complete. Several surveys can be conducted simultaneously (<http://www.globalpark.org.uk/>).

Global Market Insite Inc – Net Panel is an advanced solution for online panel management, panel recruitment, administration, sampling, and communication. Making use of GMI's experience, companies can build global panels, offer superior panel integrity and the best incentive programs. Setting up a new panel is done using a Wizard-like utility that allows even non-technical users to do it easily. Unlimited attributes can be defined, rules about contact frequency can be set, data can be transferred easily between existing panels and Net Panel, portals can be created in a matter of weeks and integrated into your existing website, and registration forms can be customized. Campaigns can be managed and email can be used. Incentives can be set using points or gifts (<http://www.gmi-mr.com/>).

Survey.com offers complete online panel solutions including panel design, recruitment, and list maintenance. Custom ePanels allow companies to enhance their marketing

programs and customer relationships by using helpful information from customers who provide feedback on a regular basis (<http://www.survey.com/>).

Survey Development Tools

Survey development tools that provide panel-building capability are best suited for small companies who cannot afford to invest large sums of money in extensive panel building. This is best suited for companies just starting to do in-house panel management who are looking to start small. These providers offer full control over panels with various quality and recruitment methods available.

QuestionPro uses Vertical Panel to give companies panel recruitment panels, unlimited and extended profiling, double opt-in email verification, and rewards and compensation management. Recruitment is done using email marketing, panel portals, banner and search engine ads. Double opt-in verification helps to keep panels free of SPAM related issues by checking to see that panelists have access to their email address and email invitations are not characterized as SPAM or junk mail. Keeping panelists engaged and active is done by viral marketing (letting panel members recruit other panel members), instant cash payments through PayPal, weighted points systems, and pick a winner reward systems. Segmentation of panelists is done using previously completed surveys, data segments base on any question of previously completed surveys. Also offered are split-ballot testing and detailed member level views (<http://www.questionpro.com/>).

Survey Z helps companies bring their customers into the boardroom to empower companies. Survey Z can help track a group of customers across single or multiple surveys for multiple time periods, and can build online panels of customers. Creating a panel enables companies to better determine the direction that the company should go. It can monitor panel wear-out and recruitment by tracking usage of the survey panel. For a company that already has a panel of customers it can use this software to add value both now and in the future (<http://www.surveyz.com/>).

Zoomerang zPro offers a custom design, unlimited reach, and fast precision feedback. The benefits include getting started quickly using proven and tested survey templates, making use of their advanced data analysis including filtering, cross tabulation, skip logic, and more. Dedicated customer support lines can be accessed, the survey can be customized including corporate branding, real-time reports can be seen or downloaded to spreadsheets, unlimited survey responses can be collected and there are special pricing offers for Education and Nonprofits (<http://info.zoomerang.com/>).

To this point we have discussed the methods that can be used to purchase existing panelists and/or survey software and the full-service providers who offer such services. Now we turn our focus to a discussion about the methods used to set up, recruit, maintain, and motivate panelists of proprietary panelists. This includes a discussion of the methods used by full-service companies and the methods discussed in various research articles.

Strategies for Setting Up, Recruiting, Maintaining, and Motivating Panelists

Strategies for building online panels used by full service companies

The three most important factors I found when looking at online panels are recruitment, maintenance, and response rates of the panelists. Recruitment refers to the initial setup and ongoing invitation of people to join the panel. Maintenance refers to keeping current panelists active and happy, and the ongoing process of refreshing the panel by adding new panelist and removing old panelists. Response rates measure the level of participation from each member of the panel so as to keep a record of inactive or wrongly included panelists. These panelists can make the panel look larger and more representative but in fact do not contribute to actual research samples.

Recruitment

There are two primary types of online panels: actively recruited panels with a closed pool of participants and passively recruited panels with an open pool of participants (<http://www.globalpark.org.uk/market-research/online-panel.html>). Each type has its own methods of collecting participants. The method of recruitment should be based on the purpose of the survey. For example, if you were looking at how a representative sample of the general public sees your product or service then the open pool would be the most efficient way. However, if you were trying to determine what your customers think of the product or service then a closed pool of your own customers would be the better option. In actively recruited panels the participants are addressed in a targeted manner, they are sought out and asked to join the panel. This type of panel can often be composed of participants known in advance such as customers or employees. In the passively recruited panels, the pool of participants find their own ways to the panel through promotional banners, click-me surveys, ads in magazines or direct registration on the sponsor's website.

Permission-Based Databases

Permission based databases enable advertisers to reach the most highly targeted audiences with a guaranteed response on every email campaign. Permission based email helps you make contact with your most valuable online prospects. Members in the permission-based database have had to sign up and give permission for them to be included in the system. Therefore, participants are more likely to respond to invitations to complete a survey for your company. GMI and SSI use permission-based databases as quality checks to ensure panelist uniqueness and participation (<http://www.gmi-mr.com/>, <http://www.surveysampling.com/>).

Multi-Sourcing

Multi-sourcing refers to using several different recruitment methods instead of relying on just one means. For example, GMI uses web advertising, permission based databases, telephone recruitment, public relations, and partner-recruited panels (<http://www.gmi-mr.com/>). QuestioPro uses email marketing, panel portals, banner ads, and search engine ads (<http://www.questionpro.com/>). The multi-source recruiting used by Zoomerang

includes semiannual nationwide mailings, partnerships, and online for a more representative sample than any one method would provide (<http://info.zoomerang.com/>). M/A/R/C and SSI also offer a quilting of multiple sample sources as quality checks when necessary (http://www.marcresearch.com/wwdb_oss.html, <http://www.surveysampling.com/>).

Maintenance

The existence and uniqueness of each panel member must be guaranteed in order to have a better quality panel. Properly maintaining a quality panel requires regular updates to stored features of panelists. This includes the information stored in a company's database of potential panelists regarding their demographics and/or preferences. A properly maintained panel also includes communication between panel operators and panelists. Open and constant communication between the researchers and the market panelists is as important as the answers to surveys.

Reward/Loyalty Programs

Rewards or loyalty programs provide incentives to panelists to participate and remain active on the panel. Globalpark uses such things as bonus points, prize drawings, and exclusive access to result reports. The points can be converted into a monetary value and exchanged in online shops or provided as vouchers (<http://www.globalpark.org.uk/>). Confermit uses an access customized incentive system (<http://www.confermit.com/>). GMI uses points or gifts (<http://www.gmi-mr.com/>). Instant cash payments through PayPal, weighted points systems, and pick a winner reward systems (<http://www.questionpro.com/>). SSI has its own loyalty programs (<http://www.surveysampling.com/>). SurveyZ by Qualtrics offers social exchanges and incentives based on the need for individuals to receive a reward or compensation for spending their time (<http://www.surveyz.com/>). Participants will be more likely to trust a loyalty program of a larger company (Goritz). For example, if I sign up with SSI or Confermit I am more likely to believe that I will actually receive something for my points or that the lottery they claim to hold will actually happen and a real winner will be chosen. However, other options for enhancing panelist participation include giving cash using PayPal, online money that can be redeemed at specific online stores, or word of mouth referrals. See below for more details on the specific reward and loyalty programs that can be offered.

Response Rates

Field periods of seven consecutive days are recommended to allow for a more representative sample of panelists available to participate (<http://www.ebrain.com/help/nl0402.aspx>). Response rates are based on field period, length of survey, type and amount of incentives offered and the technical equipment available to respondents. The longer a survey is available for participants to answer, the more likely a representative sample will participate. The Internet allows for surveys to be completed almost instantaneously, but by limiting it to a day or a few days this does not allow a representative sample. For example, full-time workers who only get to check their email or complete surveys on weekends may not get a chance to participate in the shorter window. However, if seven days are offered then more types of participants will

be able to join. A long survey may provide more answers to company questions, but will decrease the chances of having fully completed surveys. Many panelists are willing to answer questions, but if it takes more than a few minutes they become restless and walk away. Incentives provided also influence the type of people who will respond to the survey. If respondents are paid each time they do a survey, then you might get people who answer the same way (such as A) to every question, just to complete the survey and this hurts the validity of results. Also important are the technical equipment available to participants. If each participant must provide their own computer and Internet access, the sample might be skewed to those who have faster computers and connections. Well-maintained panels should have a response rate of 60% for each survey (<http://www.globalpark.org.uk/>). Panels that are better maintained do not include as many inactive or uninterested participants who pad numbers but who do not contribute to the sample.

Based on Respondent Interests

Basing survey selection on a respondent's interests allows for increased response rates. As participants are more interested or even excited about the content of the survey, they are more likely to not only participate but also complete them. Segmentation of panelists can be done using previously completed surveys. Such data segments can be based on any single or series of questions from previously completed surveys (<http://www.questionpro.com/>). At the end of each survey, a panelist can be asked what types of topics they are interested in, so that future surveys can be more properly chosen. Or it can be done as part of the registration process such as Survey.com does. During their registration process they allow participants to choose categories and be selected only for those studies that interest them (<http://www.survey.com/>). SSI prides itself on quality and therefore they filter respondents for survey topics based on their declared interests (<http://www.surveysampling.com/>). Participants are not only more likely to participate, but they will give better and more honest answers if they care about the subject matter. In addition, keeping panelists engaged and active done by viral marketing allows panel members to recruit other panel members, thus bringing in new panelists likely to participate. If I see my friend win a new computer because of participating in a survey, I will also want to participate.

Other Methods of Recruitment, Maintenance, and Response Rates

There are several other methods used by the six main panel providers, GMI, M/A/R/C, Survey.com, SSI, Survey Z, and Zoomerang that were not discussed in this paper. They include web ads, client lists, constantly refreshed panels, newsletters, invitation only systems, cognitive dissonance and self-perception, double opt-in, pretesting, and feedback. These ideas were not discussed in this paper so as to present only the most commonly used methods, however they are important concepts to consider when determining the best methods for your company. Cognitive dissonance refers to using two incompatible perceptions about oneself such as a person attitude of being helpful and the view from an outside party as to whether they are actually helpful. This self-perception is used to motivate individuals to "prove" the idea they have about themselves to other people.

Strategies for building in-house panels

Now that we have discussed the methods used by full-service providers we will turn our focus to methods that can be used by your company to set up, recruit, maintain, and motivate proprietary panels. This is helpful for small or medium companies who need more specialized panelists or who already maintain a list of their customers. If you have decided to build and make use of your own panelists it is important to follow some of the following methods that have been proven by researchers and other panel management companies.

Setting Up The Panel

One way in which companies can set up an in-house panel is by using a software program offered by several of the companies being discussed. Conconfirm, Globalpark, GMI, QuestionPro, Survey.com, Survey Z, and Zoomerang all offer panel management software that companies can use to build their own proprietary panels. This allows companies to use their own database or customer contact information. When using either the software programs or in-house options it is important to look at the motivations behind maintaining online panels.

Recruiting Panelists

Recruiting of panelists can be done in one of two ways. Ad hoc recruitment solicits participants on the basis of a stand-alone study. This method is very expensive and the success is unpredictable. The most common methods for doing this type of recruitment is search engines, banners, links, newsletters, news groups, mailing lists, word of mouth, or via offline media (Goritz 2006). Search engines, such as Google, can be used by sponsoring a link to your website where respondents can sign up. When looking at any web page you often see the information flashing, scrolling, or somehow popping out at you on the top of the page. This is a banner and can be used to attract attention and participants to your panel. Using newsletters and news groups creates a sense of belonging and community that people are always searching for. Buying mailing lists from vendors or current customers is another way of soliciting new participants. Another successful method is to have your current respondents recruit their friends and family through word of mouth. Television advertising, telephone solicitation, or mall intercepts are among several offline media techniques that can be used to recruit participants.

Many research organizations have been using a second method called “pre-recruitment”. Panelists are recruited in many of the same ways as ad hoc recruitments but are maintained as panelists for use on a repeat basis. This reduces the costs associated with participant recruitment (Goritz). The methods for recruitment listed above are also useful when developing a panel to be used again and again over a period of time. Such panels provide constant respondents when new survey situations present themselves.

Maintaining and Motivating Panelists

When developing motivation methods it is important to remember that the greatest assets of any online panel are the members that comprise the community (Daugherty). Panelists are willing to participate in surveys for companies, but they need a reason to do it.

Motivation can be created through providing incentives such as lotteries, bonus points, or raffles. Another important factor in creating the bond between panelists and recruiters is trust, privacy, and security. Participants must feel that the researcher is not going to take advantage of them, the information they provide, or the connection they are making with each survey. Making use of participants desire to increase their knowledge and their value of helpfulness can also provide motivation to participate in a panel. Keeping records of participant history creates a sense of responsibility and dedication to the panel.

Incentives

Online panels can provide incentives for respondents. It has been found in offline panels that incentives must be given in advance so as to create a contract between the participant and the researcher that the survey will be completed honestly and completely. For online panels this is more difficult to accomplish but can be done through electronic vouchers for online shops, redeemable loyalty points, money or credit using PayPal, and lotteries (Goritz).

Lotteries have trust problems with participants who question their mere existence and their fairness (Goritz). Lotteries cost the same regardless of how many people take the survey. As participants complete surveys they are entered into a random drawing for which winners are chosen to receive money. Participants do not receive monetary income for each survey completed, but instead increase their chance to win with each survey they complete.

Bonus points and other personal reward costs rise linearly with the number of panelists, some bonus points may never be redeemed especially if there is a time limit on redemption or if panelists remove themselves from the panel. Bonus points can be offered to panelists by using online “points” that can be accumulated and presented at an online gift shop. For example, after each survey you complete you may earn 5 points. Then you can visit the company gift shop or some other online shop where the points can be redeemed for items that will be shipped to the participant, such as books or a television.

Raffling a few big cash or gift prizes keeps the transaction costs down as fewer people must be contacted. The most cost effective incentive appears to be the raffling of small cash or gift prizes without altering quality or quantity of responses (Goritz). This is done much like a lottery in that every time a survey is completed, the participant is given an entry into the raffle and then at set times or intervals a winner is chosen. This can be done frequently, such as every hour, or less frequently, such as once a week, depending on the needs of the panel hosts.

When offering incentives, companies must be careful that participants being attracted are not compromising the sample and therefore the validity of the survey. Incentives can also affect the participants’ moods. Offering incentives might drive some participants away who answer surveys for the knowledge function of the survey. Incentives can also cause respondents to answer surveys multiple times or with useless data just to get the survey done. In some countries incentives might also be illegal (Goritz).

Trust, Privacy, and Security

The most important aspects of any online panel management include trust, privacy, and security-related issues (Hoffman, Novak, and Peralta, 1999). It is important in any panel management to create a sense of loyalty and trust between participants and the researchers. If the panelists do not trust the panel they will not provide accurate information. Privacy is important when asking panelists for personal information, such as medical history or product satisfaction. Security in the connection between participants and the panel is almost important. If the respondent fears they will be sold to the highest bidder they will not be inclined to provide the researcher with important relevant information.

Knowledge and Value

It is also important to look at personal motivators for responding to invitations for online panels. Knowledge and value-expressive functional sources serve as strong contributors to attitudes formulated about online panels. By offering access to brief results from the study can serve to enhance the knowledge function of individuals, giving them a better understanding of themselves and how they fit in society (Daugherty).

Record of Participant History

Another motivator is the recording of a participant's history. This might entice a participant to think twice before declining an invitation (Goritz). Keeping track of completion of surveys by panelists can provide an intrinsic value for participants to be seen as helpful. Using cognitive dissonance or associating the person's concept of helpfulness with completion of surveys can create a powerful incentive for panelists to be careful when they consider whether to or not to complete a survey. By linking consequences (or rewards) to a person's participation over time a sense of commitment and involvement can be increased (SurveyZ).

Words of Wisdom and Where To Go From Here

Prior to completing this research I had heard to different sides to the online research methods argument. One marketing professor and industry consultant emphasizes the costs associated with finding the right individuals for the research and who does not make use of the Internet in her own market research. Another marketing professor made the Internet revolution in market research sound cheap, immensely beneficial, and the only way to do market research nowadays. From doing this research I have found that there is truth to both sides. There are many factors that influence the success of using online panels as well as the costs associated with using the Internet for market research. For example, companies that require specific demographics may have a harder time finding appropriate panels and the costs may be very large to find the right individuals. However, for most large companies who have a diverse customer base, online research can provide a very honest sampling.

Now that you have an idea of what online panel management entails it is important to look closely at the size of your company, the customer base of your company, and the specific market research needs of your company before choosing a panel management or survey development software that is right for your company.

If you wish to learn more about this topic feel free to visit the ten company websites to get a hands on experience with some of their software as well as sign up for some of their existing panels. Additional providers can be found at:

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Appendix A: Summary of 10 companies reviewed

	Sponsoring/ Parent company	Contact Info	Market Research	Build online panels	Existing online panels	Survey Dev	Survey Analysis	Experience	Claim to fame
Confermit	FIRM	Confermit - San Francisco Watergate Tower 1 1900 Powell St, Suite 200 Emeryville, CA 94608 1-888-801-2344 info@confermit.com	Yes	Yes		Yes	Yes	Online began in 1999, went public in 2005	Clients include the largest MR agencies and global 1000 companies
Globalpark	OPST	Globalpark UK Ltd Cameo House 11 Bear Street London WC2H 7AS +44 (0) 20 7766 5271 info@globalpark.org.uk		Yes		Yes			Manage multilingual panels and global surveys, create surveys easily
Global Market Insite, Inc	GMI-MR	Global Headquarters (Seattle) 2835 82nd Ave SE Suite S100 Mercer Island, WA 98040 1-206-315-9300		Yes	Yes				
M/A/R/C Online Survey Solution	Omnicom (makes use of Confermit)	M/A/R/C Research Main Office (Dallas/Ft. Worth) 1660 N Westridge Circle Irving, TX 75038 800-884-6272	Yes		Yes	Yes	Yes	10 years	10 years experience in conducting and refining online research, over 800,000 surveys completed
QuestionPro		Survey Analytics LLC 33 Etruria St, Suite C Seattle, WA 98109 1-206-686-7070		Yes		Yes	Yes		
Survey.com	Formerly World Research Inc.	Survey.com 1245 S Winchester Blvd Ste 200 San Jose, CA 95128 1-408-850-1227 answers@survey.com	Yes	Yes	Yes	Yes	Yes	10 years, begun in 1991	Over 2 million surveys completed

Appendix B:

M/A/R/C Research

Full Service Online data collection
 Internet design and methodology
 Infrastructure and technology
 Access to outside panel providers
 Highly experienced staff
 Platform = confirmit
 Sample Options
 Panel partnerships
 Online Reporting Tool

Question Pro

	Basic (Free) Free	Web Professional \$15/month	Premium \$99/month	Corporate \$249/month
License Duration (Months)	1	Unlimited	Unlimited	Unlimited
Surveys	2	Unlimited	Unlimited	Unlimited
Survey Responses	100	Unlimited	Unlimited	Unlimited
Analysis Tools	Yes	Yes	Yes	Yes
Survey Branching/Skip Logic		Yes	Yes	Yes
Integrated Email Management		Yes	Yes	Yes
Advanced Analysis			Yes	Yes
Market Research Toolset				Yes
Enterprise Integration Toolset				Yes
Support Package	None	Email	Email	Priority Email

Survey.com

Online Research Panels

Consumer ePanels
 Business ePanels
 Custom Panels

Deliverables

Data
 Straight Tabs
 Cross Tabs
 Statistical analysis
 Reports/Executive Summaries
 Presentations

Survey Monkey

	Basic Free	Professional \$19.95/mo (\$200/yr)
Survey Responses	100	1000
Additional Responses		\$.05 per
Number of Surveys		Unlimited
Number of Questions per Survey	10	Unlimited
Design Survey	Yes	Yes
Collect Responses	Yes	Yes
Analyze Results	Yes	Yes
Create Skip Logic		Yes
Require Answers		Yes
Randomize Answer Choices		Yes
Add a Logo		Yes
Create Custom Themes		Yes
Generate popup invitations		Yes
Custom Redirect		Yes
Filter Results		Yes
Share Results		Yes
Download Results		Yes

Survey Sampling International

Sample Support
 Data Collection
 Tracking
 Panel Management
 Custom Panels

Zoomerang

	Basic Free	Subscription \$599/year or \$75/mo	Nonprofit and Education \$350/year or \$99/ 3 mo
Availability of Results	10 days	Unlimited	Unlimited
Number of Surveys	Unlimited	Unlimited	Unlimited
Download Reports to Excel	Yes	Yes	Yes
Include images, logos, and links	Yes	Yes	Yes
Personalize emails to participants		Yes	Yes
Use your own "from" and "reply" addresses		Yes	Yes
Brand the survey "Thank You" page		Yes	Yes
Link to your own website		Yes	Yes
Choice of over 40 languages	Yes	Yes	Yes
Brand your share results page		Yes	Yes
Questions per survey	30 or fewer	Unlimited	Unlimited
Customize buttons and messages		Yes	Yes
Design from scratch or templates	Yes	Yes	Yes
Save, copy and edit surveys	Yes	Yes	Yes
Question types	15	15	15
Skip and branch logic		Yes	Yes

Multiple page surveys	Yes	Yes	Yes
Maximum number of survey responses	Limited 100 or fewer	Unlimited	Unlimited
Use your current email lists		Yes	Yes
Send reminders		Yes	Yes
Email, Web or Kiosk deployment	Yes	Yes	Yes
Redirect to your Web site on completion		Yes	Yes
View results online	Yes	Yes	Yes
Download results		Yes	Yes
Unlimited cross-tabulated responses		Yes	Yes
Filtering		Yes	Yes
Saved Reports		Yes	Yes
Printer Friendly Reporting		Yes	Yes
Preferred phone support		Yes	Yes
Support via online console	Yes	Yes	Yes
Knowledge Base access	Yes	Yes	Yes

Appendix C: Strategies Used by full-service providers

	Permission based Databases	Web Ads	Client lists	Multi-source	Respondent Interests	Constantly Refreshed Panels	News-letter	Rewards/ Loyalty Programs	Invitation Only	Cognitive Dissonance & Self Perception	Double Opt-In	Pre-testing	Feed-back
Global Market Insite, Inc	X	X		X									
M/A/R/C Online Survey Solution			X	X									
Survey.com				X	X								
Survey Sampling International (SSI)	X			X	X	X	X	X	X				
Survey Z					X			X		X	X	X	
Zoomerang	X	X		X				X	X			X	X