

The Future of Online Research

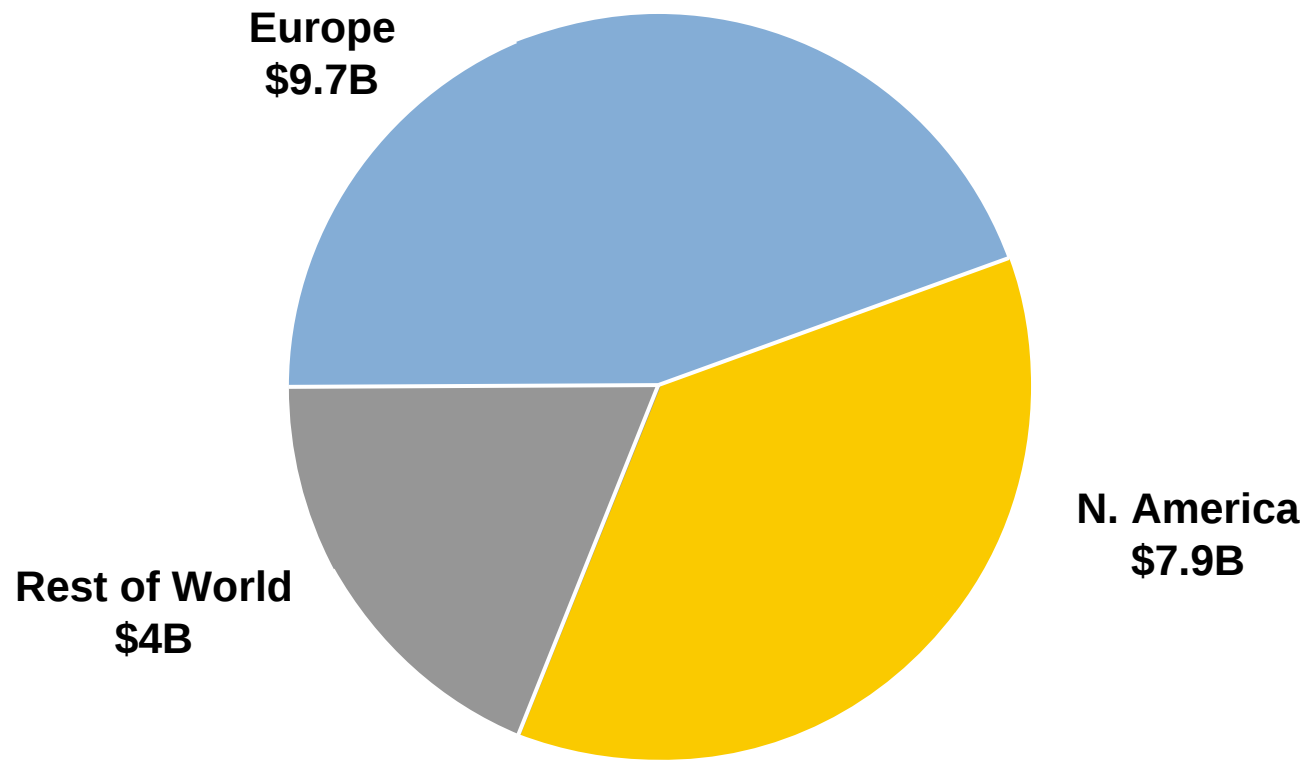
with a focus on commercial market research

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Context

Worldwide Market Research Spending: \$21.5B

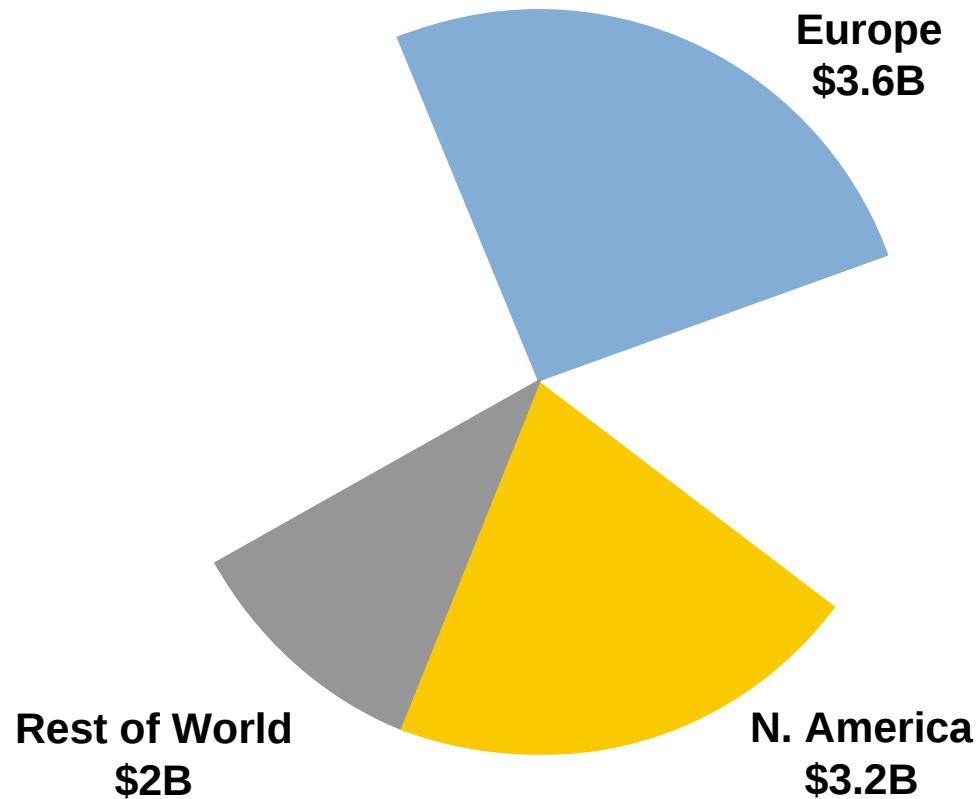


NOTES:

ESOMAR and Inside Research – '04 estimates

Federal government spend with private sector not included. Estimated at \$1.4B (Westat, Abt, Rand, etc.)

Worldwide Survey Research Spending: \$9B



NOTES:

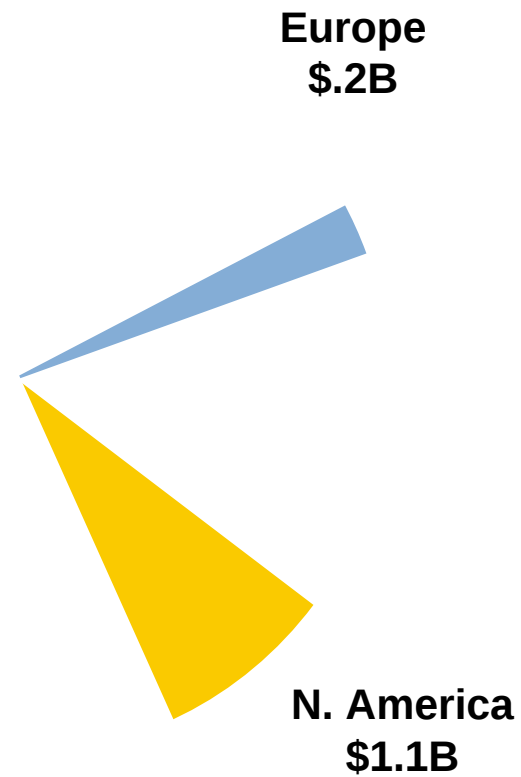
Sources: Inside Research and ESOMAR

Survey research market estimate from N. America applied to Global Regions

Federal government spend with private sector not included. Estimated at \$1.4B (Westat, Abt, Rand, etc.)

*Estimated increase based on N. America survey market

Worldwide Internet Research Spending: \$1.3B



NOTES:
Sources: Inside Research

What Say the Sceptics?

- “Not everyone is online....”
- “Internet users are much different from non-Internet users.”
- “The opinions of individuals who decide of their own accord to join Internet panels (self-selection bias) can’t be trusted.”
- The act of participating in multiple surveys over time will further bias the responses to your questions.”
- “Anyone can be anyone on the Internet. You can never know who you’re interviewing.”
- “Consumer panels do not include my target audience.”

“Their Polls will likely Mislead...”

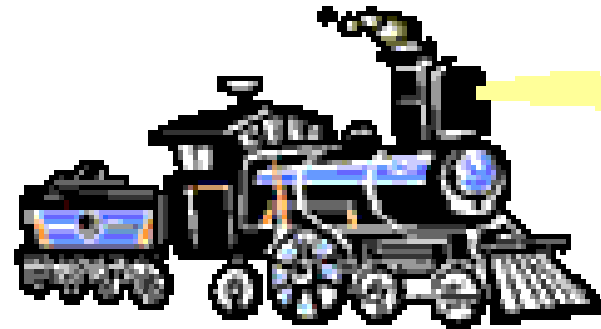
“The conclusion I draw is that many miscalls are likely (by Harris Interactive) in 2000...And even if they get lucky in the next election and there are not many more wrong winners, their polls will likely mislead their audience about the spread in the final vote.”

Warren Mitofsky, *Public Perspective*, June/July, 1999

And What Say the Proponents?

“Online Research is an unstoppable train. And it is accelerating. Those who don’t get on board run the risk of being left far behind.”

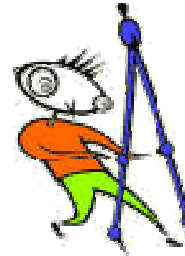
- Humphrey Taylor & George Terhanian (1999). “Heady Days Are Here Again. Online Polling is Rapidly Coming of Age.”
Public Perspective



How Proponents Position the Offer



Find low incidence and elusive respondents efficiently



Greater accuracy than phone or F2F at times



Interview remarkably large samples quickly



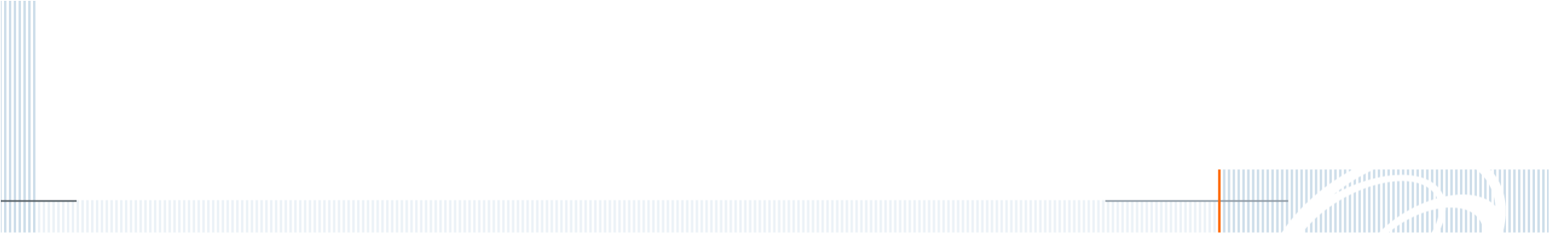
Real-time reporting



Respondents complete interviews at their convenience



Present images, video and websites

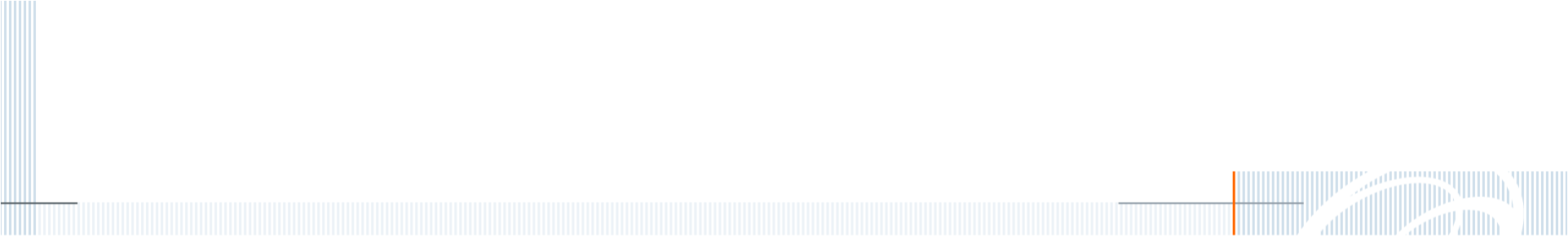


Make or Break Questions

Questions that Clients (Should) Ask

1. How do you decide when to recommend (and not recommend) Internet research?
2. How do you select respondents for the survey?
3. What incentives do you offer to foster participation?
4. How do you design the survey? How do you ensure that biases due to panel learning do not influence the results?
5. How do you weight survey data to ensure that the socio-demographic, attitudinal, and behavioral characteristics of the sample reflect those of the target population?
6. Can we migrate studies with tracking components to the Internet, or must we start from scratch?
7. How do you justify the cost of the project, given that there are no interviewers?
8. What is your record of accomplishment? Can you provide client names?

Source: "Managing a Project Online." Terhanian, G. Research Magazine (March, 2004)



Making Population Projections

Historical Antecedent: The Kinsey Report

“Since it would not have been feasible for Kinsey, Pomeroy and Martin to take a large sample on a probability basis, a reasonable probability sample would be, and would have been, a small one and its purpose would be:

- to act as a check on the large sample, and
- possibly, to serve as a basis for adjusting the results of the large sample.”

(Cochrane, Mosteller & Tukey, 1954, p. 2)

Contemporary Analogues?

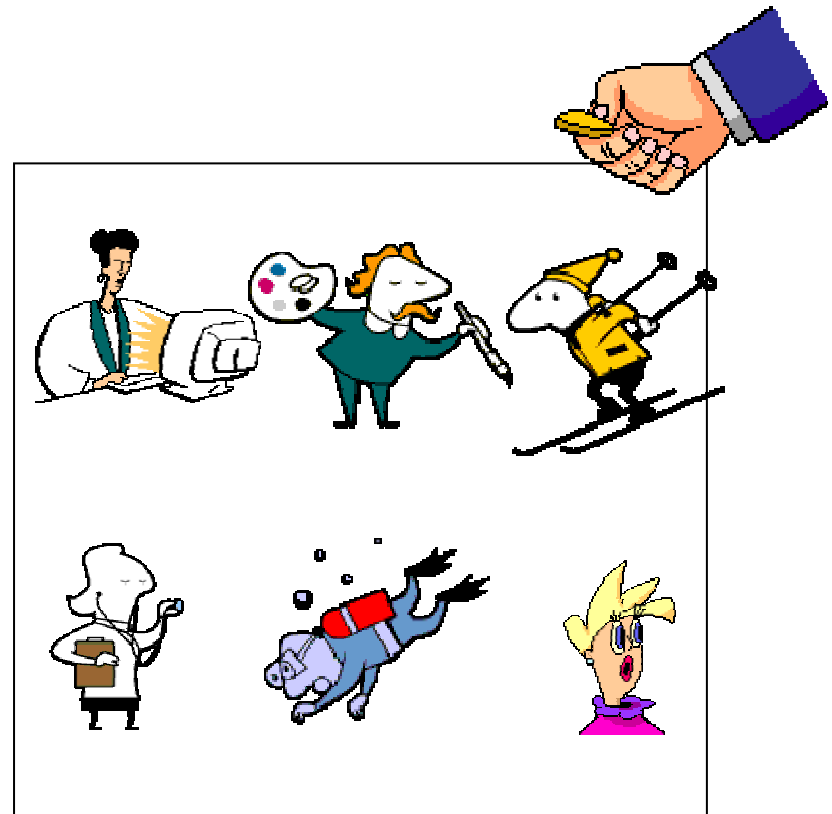
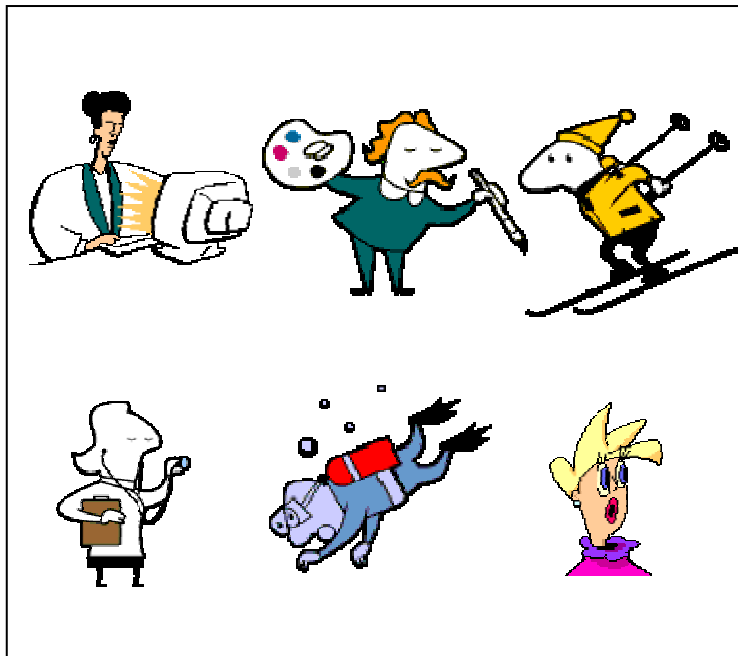
Small = Telephone? Large = Online?

“Since it would not have been feasible...to take an ONLINE sample on a probability basis, a reasonable probability sample would be, and would have been, a TELEPHONE one and its purpose would be:

- to act as a check on the ONLINE sample, and
- possibly, to serve as a basis for adjusting the results of the ONLINE sample.”

Creating Comparable Groups: Theory

- The statistical guarantee that two separate groups are equivalent in all ways apart from chance

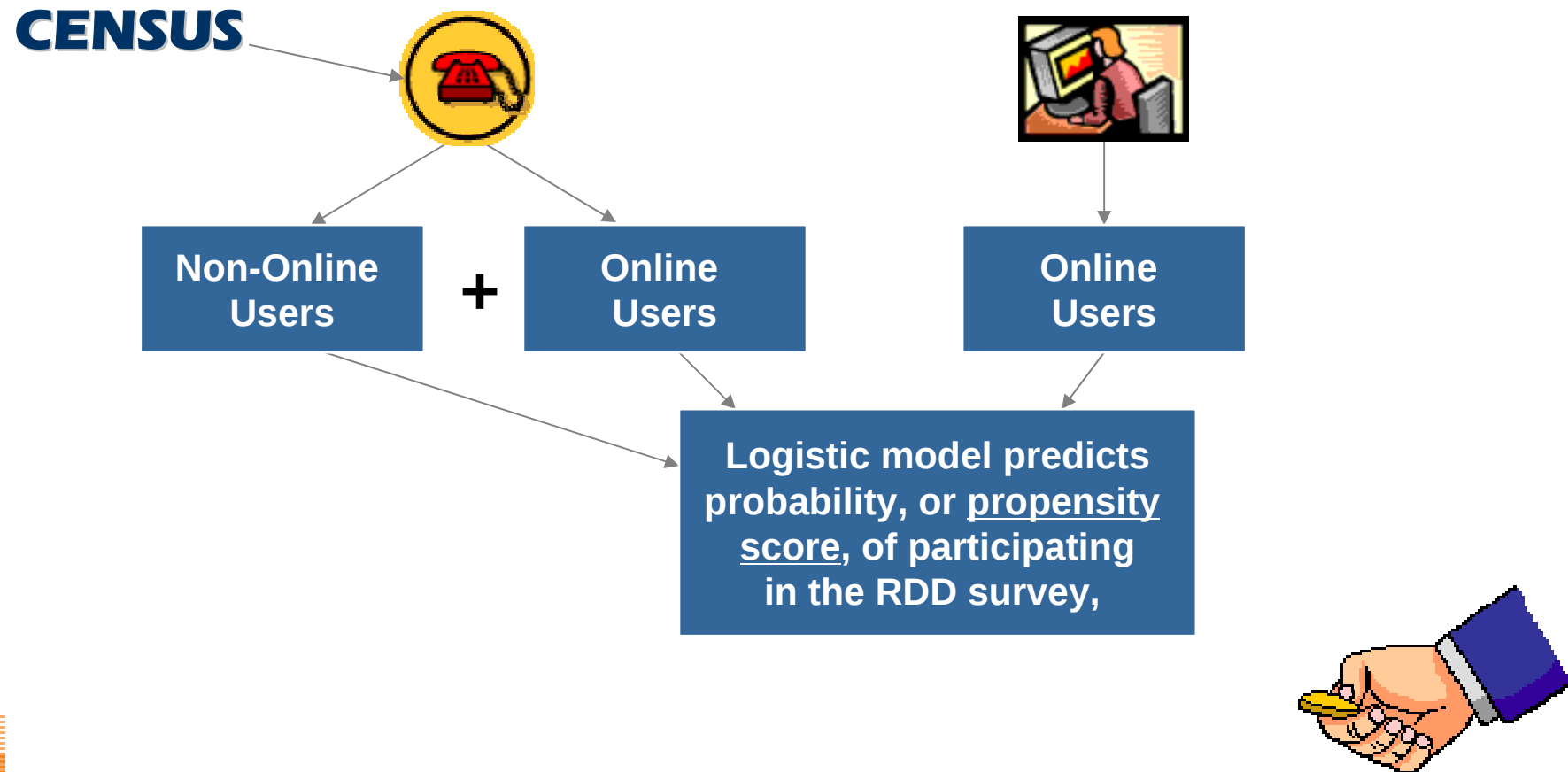


The Need for a Substitute for the Coin Flip: Practice

Examples:

- Smokers versus Non-Smokers (Rubin)
- Mastectomy versus Lumpectomy as a treatment for breast cancer (US General Accounting Office)
- High school drop-outs versus high school stayers (Rosenbaum)
- Students grouped by ability versus those grouped heterogeneously (Boruch & Terhanian)
- Telephone or face to face respondents versus online respondents (Harris Interactive)

Statistical Matching through Propensity Scoring



Propensity Score = Sociodemographics + Attitudes + Behaviors + Opinions

The Practical Effects of Matching (Propensity Score = .43)

- 47-year-old married, white, female
- Resides in London
- MD
- Earns £68,000 per year
- Has written an elected official since 2001
- Enjoys reading
- Attended a concert in past 6 months
- Propensity Score =.43



- 44-year-old married, white, female
- Resides in London
- Ph.D
- Earns £65,000 per year
- Has called an elected official since 2001
- Enjoys reading
- Attended a concert in past 6 months
- Propensity Score =.43



Pictorially



Propensity Score Weighting

- Propensity score weighting minimizes socio-demographic, attitudinal and behavioural differences between phone and online respondents

Quintile	Propensity Score	Percent of Phone Poll Respondents	Initial Percent of Online Poll Respondents	Weight for Online Poll Respondents	Final Percent of Online Poll Respondents
1	.01 to .42	20%	40%	0.5	20%
2	.43 to .51	20%	26%	0.8	20%
3	.51 to .59	20%	19%	1.1	20%
4	.60 to .68	20%	9%	2.2	20%
5	.69 to .99	20%	5%	4.0	20%



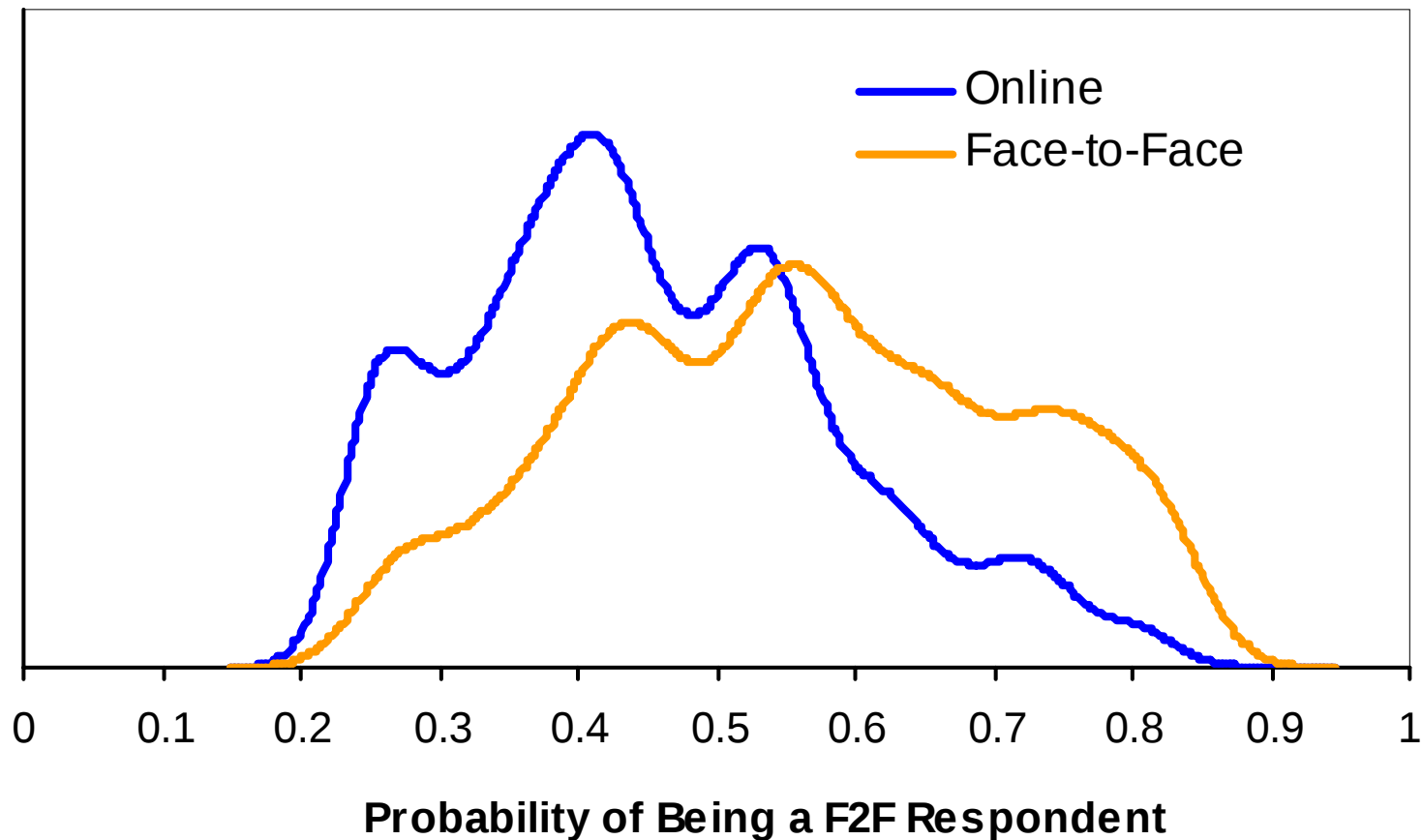
Propensity score = .43



Face-To-Face vs. Online *Unweighted*

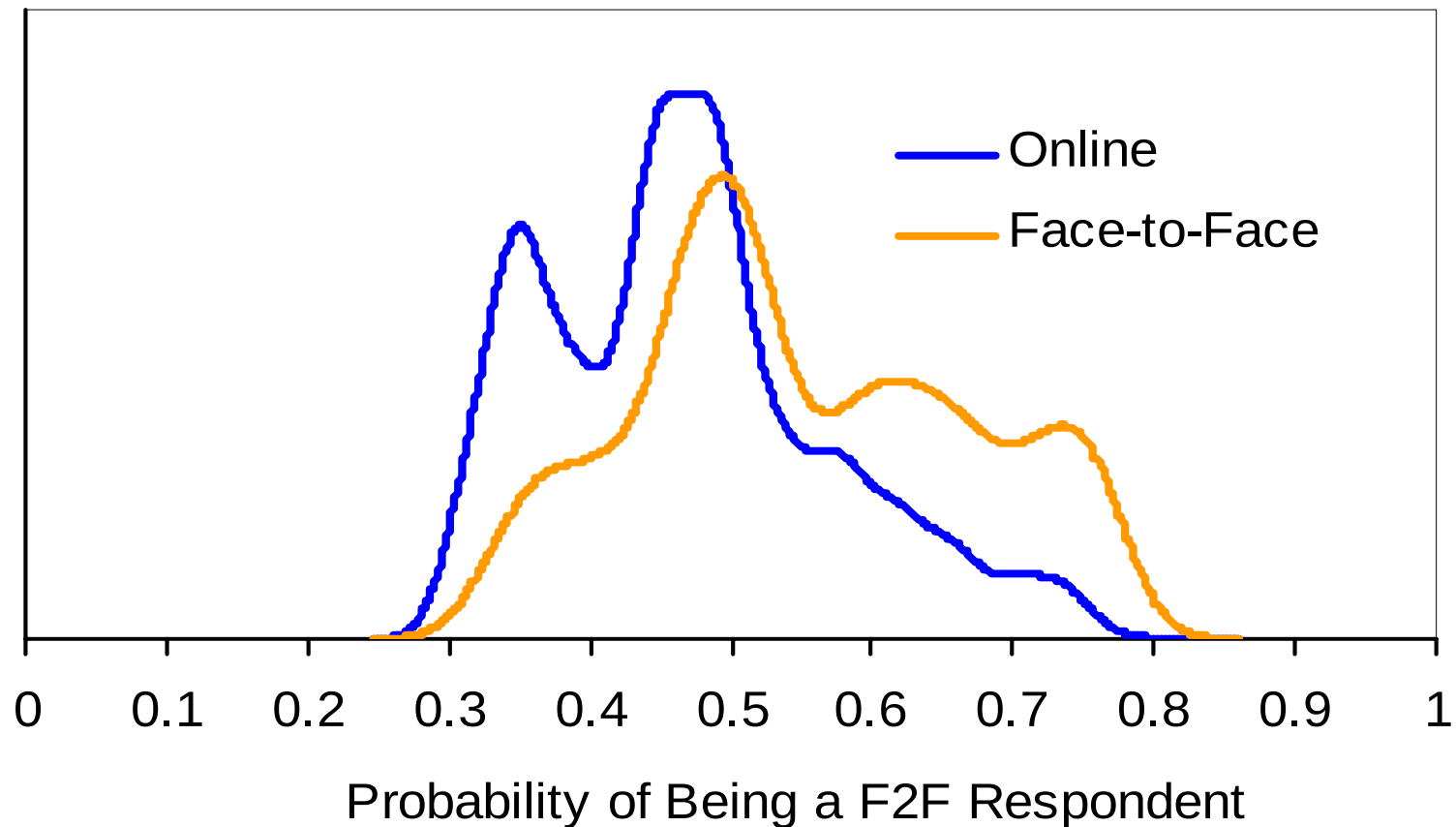
- Individuals with similar propensity scores possess similar characteristics

- Overlapping distributions reflect the similarity or dissimilarity of the two groups



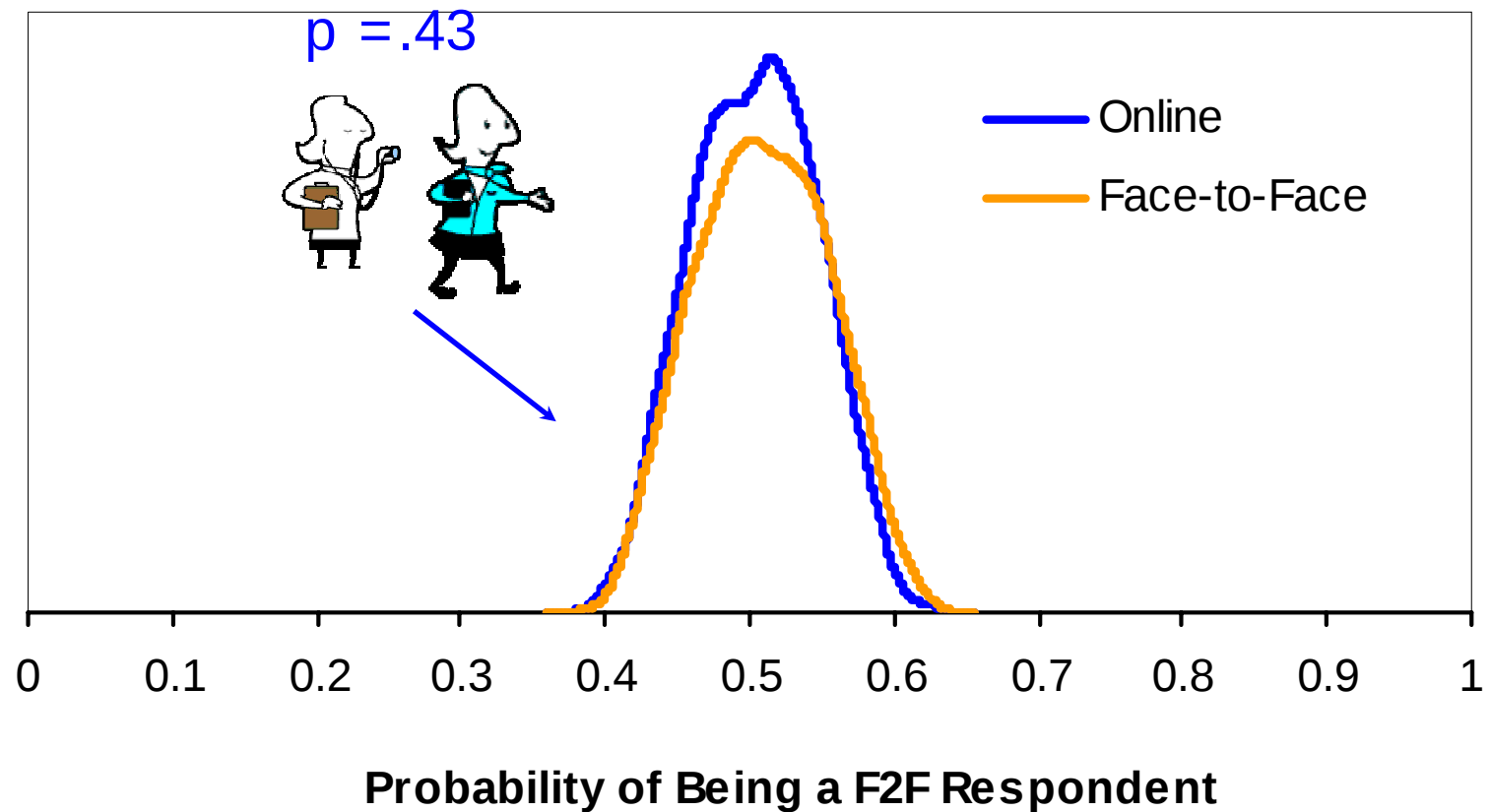
Face-To-Face vs. Online *Demographically Weighted*

- Demographic weighting increases the overlap between the two distributions



Face-To-Face vs. Online *Propensity Score Adjusted*

- Propensity Score Adjustment produces similar distributions



Reducing Error through Effective Survey Design

Harris Interactive Constant Sum Test & Display - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address [tp://test2.harrispollonline.com/scripts/scywebMT.dll/Job_enhtest-200041-5](http://test2.harrispollonline.com/scripts/scywebMT.dll/Job_enhtest-200041-5) Go

Harris Poll Online STATUS

How many beers have you consumed in the past month?

How many of those beers were of each of the following types?

Lager:

Ale:

Stout:

Pilsener:

Some other type:

Current Total:

FORWARD Copyright ©1999-2000 Harris Interactive BACK QUIT

Internet

Less is More?

Harris Interactive - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites RSS Mail Print Word Excel PowerPoint Internet Options

Address Go Links »

Harris Poll Online STATUS

Please indicate how much you agree or disagree with each of the following statements regarding your investment strategies and goals.

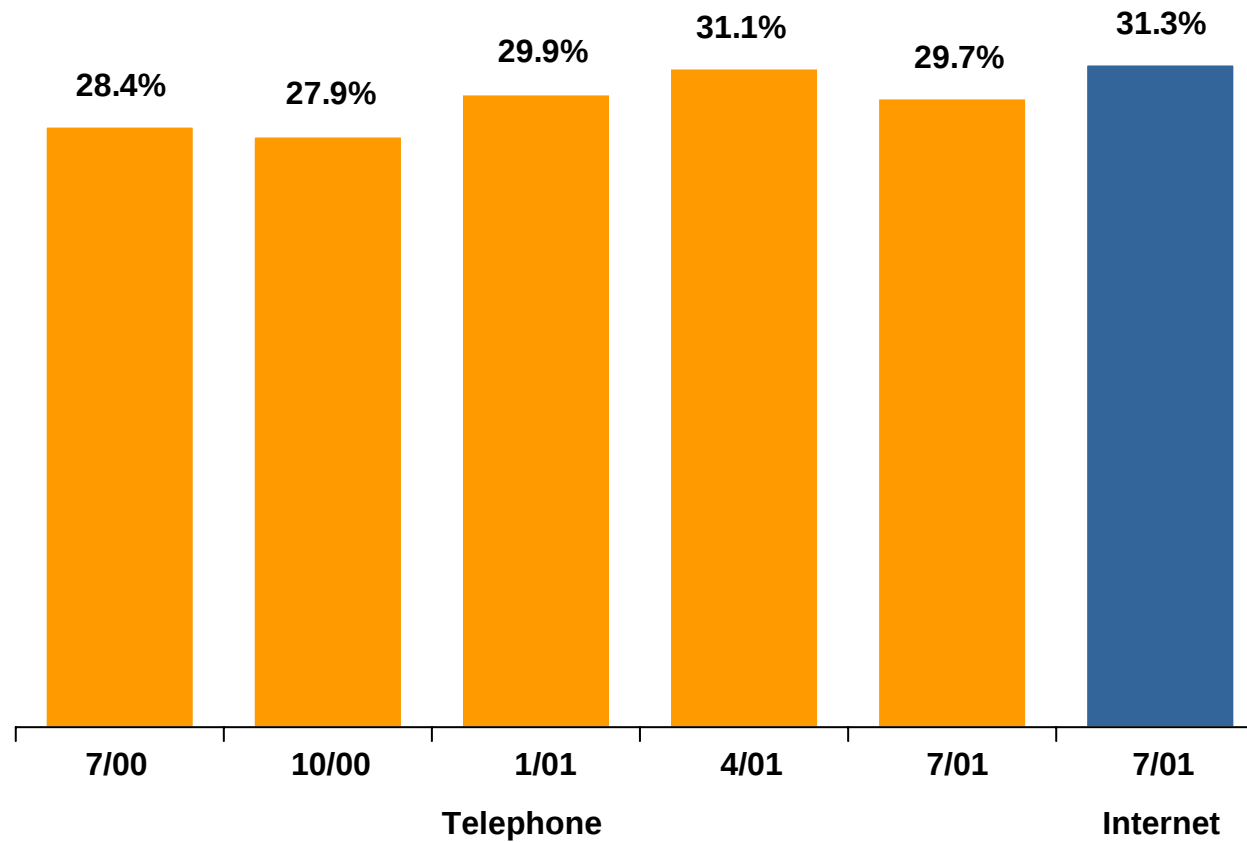
Select one for each

	<i>Strongly Agree</i>	<i>Somewhat Agree</i>	<i>Somewhat Disagree</i>	<i>Strongly Disagree</i>	<i>Not sure</i>
I sometimes sacrifice saving toward one primary financial goal so that I can save for another.	☐	☐	☐	☐	☐
It's sometimes hard to keep track of how all of my investments for various goals are invested across different industry sectors and market segments.	☐	☐	☐	☐	☐
I tend to focus on planning and saving for each financial goal individually, rather than consider how saving for some goals affects my ability to save for others.	☐	☐	☐	☐	☐
I sometimes find juggling and planning for multiple financial goals to be difficult.	☐	☐	☐	☐	☐
I find it difficult to make decisions among my sometimes competing financial goals.	☐	☐	☐	☐	☐
Some goals are so far ahead in the future, I haven't even thought of how to start planning for them.	☐	☐	☐	☐	☐
I currently use software or online tools to	☐	☐	☐	☐	☐

Empirical Evidence

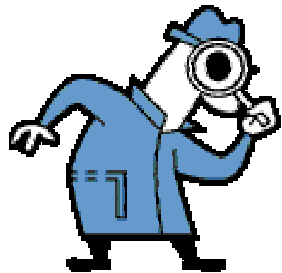
Brown-Forman Research

Incidence of Past 30-Day Alcohol Consumption



Base: Respondents 21+ years old, n=7,945

Election 2000 (US)



	Gore	Bush	Spread Error
Election Results	48%	48%	-
Harris Interactive	47%	47%	0%
CBS	45%	44%	1%
Gallup/CNN/USA Today	46%	48%	2%
Pew Research	47%	49%	2%
IBD/CSM/TIPP	46%	48%	2%
Zogby	48%	46%	2%
ICR/Politics Now	44%	46%	2%
NBC/WSJ	44%	47%	3%
ABC/Wash. Post	45%	48%	3%
Battleground	45%	50%	5%
Rasmussen	40%	49%	9%

Source: National Council on Public Polls January 3, 2001, *2000 Presidential Poll Performance* report
 Harry O'Neill, Roper Starch Worldwide and Warren Mitofsky, Mitofsky International

The 2005 UK Elections



2005 UK Elections National Election

	HARRIS	ACTUAL	ERROR
Labour Party	38%	36%	2%
Conservative Party	33%	33%	0%
Lib Dem Party	22%	23%	1%
All Others	7%	7%	0%
Average Error			0.8%

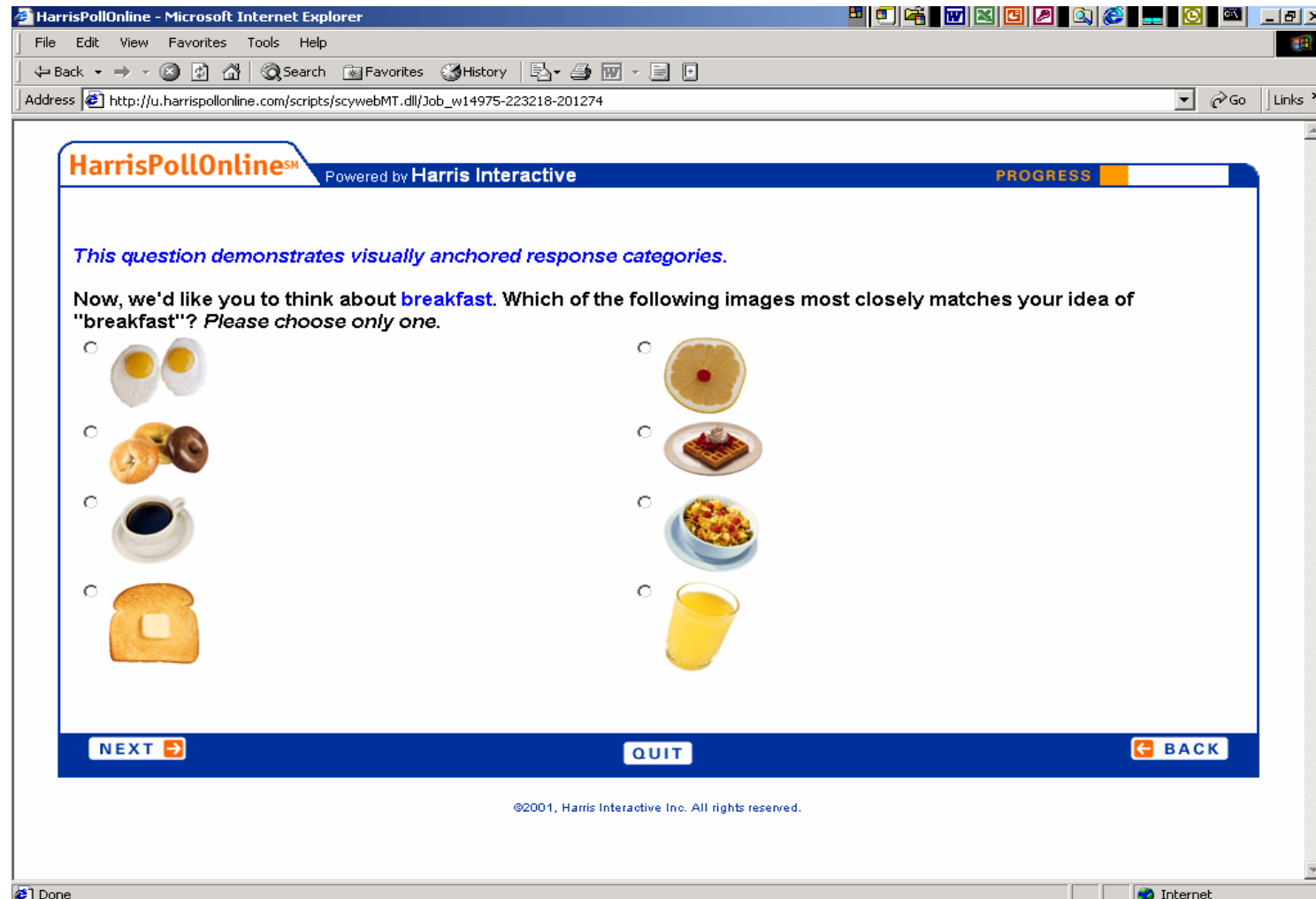
Scottish Election

Labour Party	39%	40%	1%
Conservative Party	15%	16%	1%
Lib Dem Party	22%	22%	0%
SNP	20%	18%	2%
All Others	4%	4%	0%
Average Error			0.8%



Show and Tell

Visually Anchored Response Categories: - Greater Accuracy Of Recall



Visual Impact Assessment



Internet Interviewing: *Adaptive Conjoint*

Paired comparison questions

If everything else about these two computers were the same,
which would you prefer ?

	Brand	HDD
Left	IBM	40 GB
Right	HP	80 GB

Strongly Prefer Left Somewhat Prefer Left Somewhat Prefer Right Strongly Prefer Right

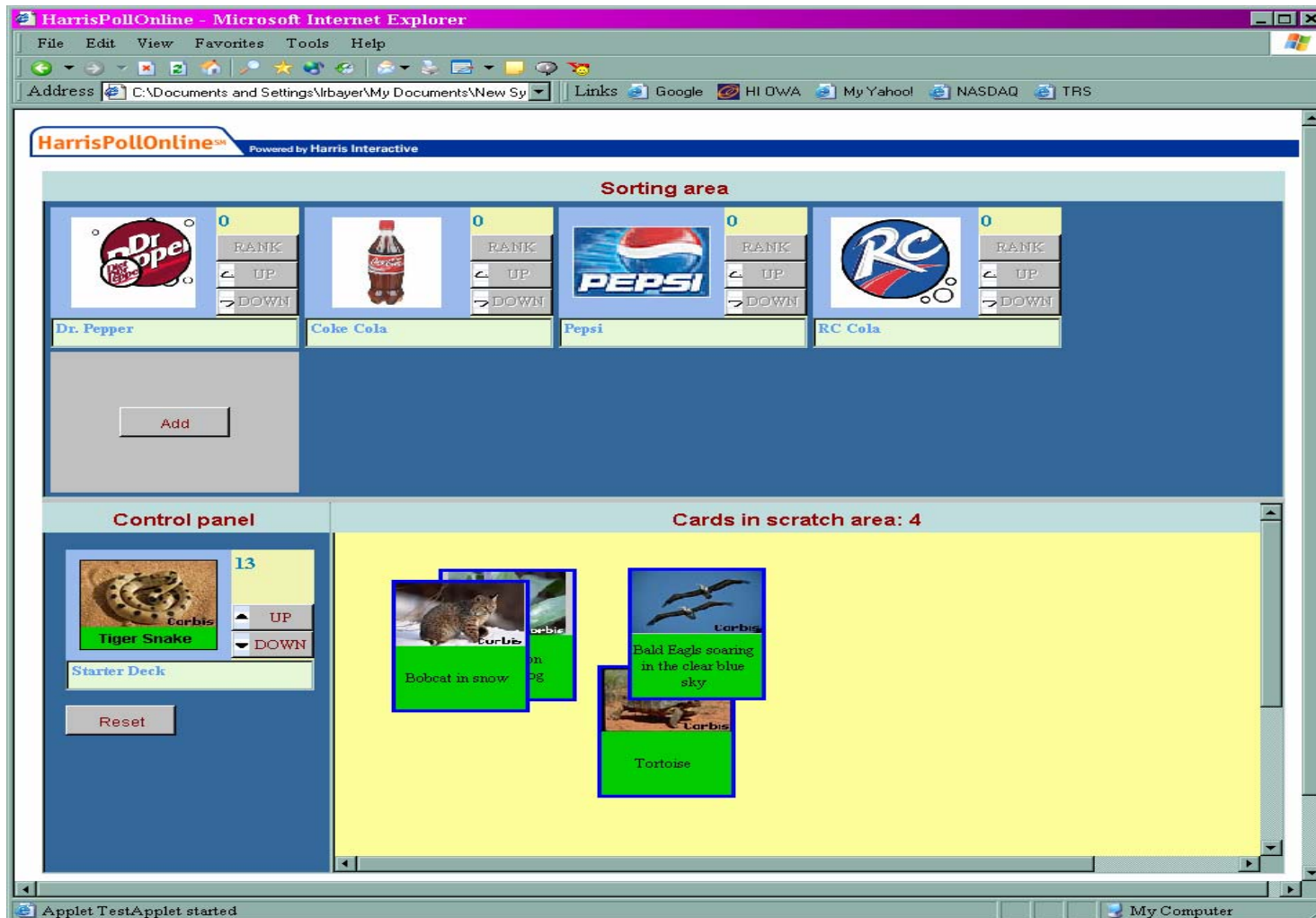
[View current utilities](#) [Exit](#) [Next](#)

Internet Interviewing: *Configuratorsm*

Configurator Applet will appear below in a Java enabled browser.

Total Cost: £0.00		Budget Remaining: £25,000.00		
Attributes		Attribute Descriptions		
Model		Select the base model of your truck. 		
Tires				
Wheels				
Engine				
Exterior Options				
Transmission				
Levels		Level Descriptions		
☐ PreRunner Double Cab £18,820.00		No items selected		
☐ 4x4 Double Cab £22,830.00				
☐ 4x2 Xtra Cab £19,530.00				
☐ PreRunner Xtra Cab £17,200.00				
☐ 4x4 Xtra Cab £19,140.00				
☐ S Runner £19,530.00				
Finished?		Selected	Meta Data	Log data

Visual Sorting Exercises Using Dynasort



Ranking Exercises



Which brand of cars do you like most ? Select them and rank them !



Selecting

Jeep	Jeep
CHEVLET	Chrysler
JAGUAR	Jaguar
smart	Smart
LAND-ROVER	Rover
Ford	Ford



Ranking

Bulletin Boards

Online Style Focus Groups

Daily Topics: respondents can/should go backward but not skip ahead, 5 - 7 topics per day

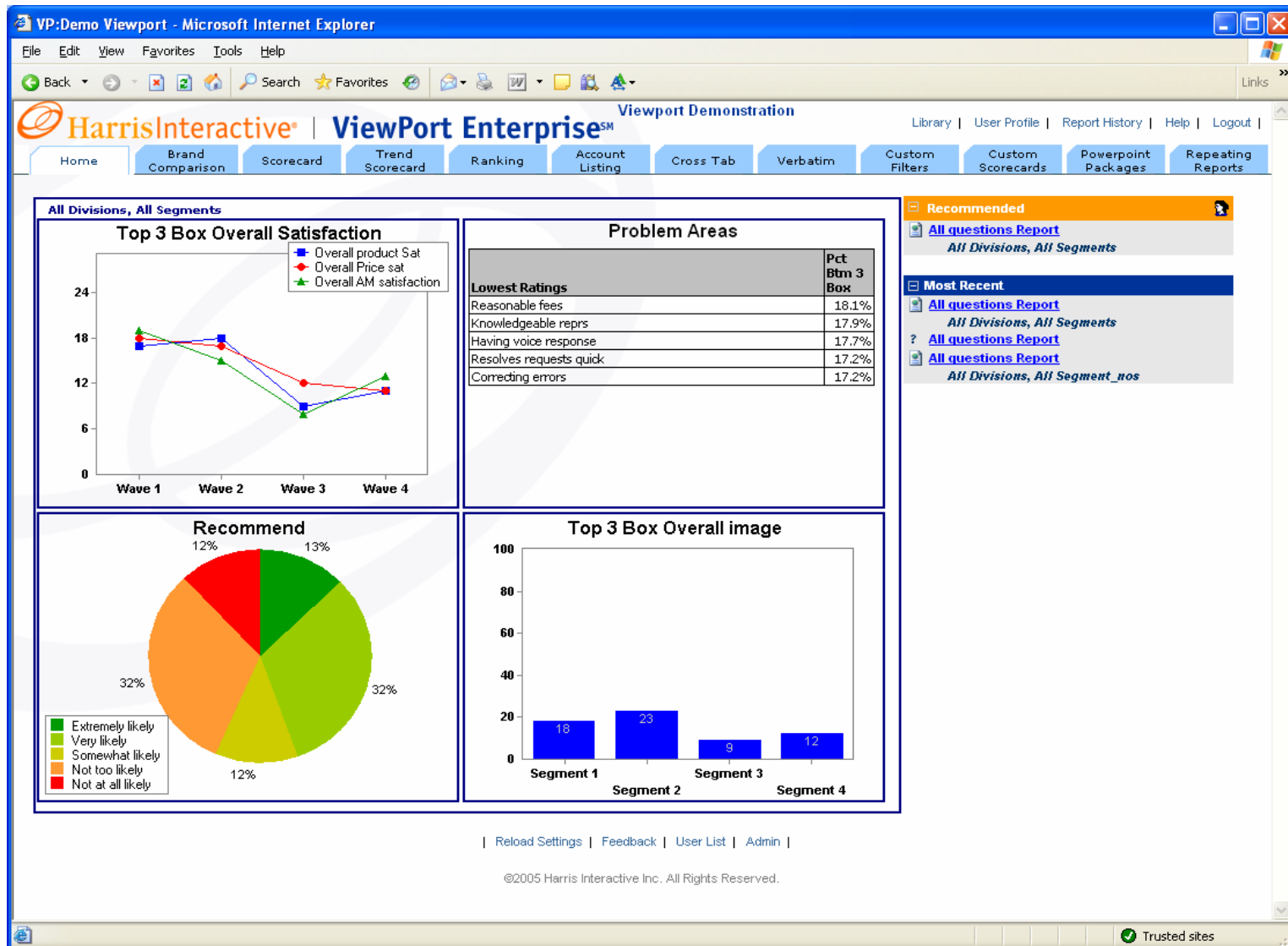
As with Chat groups, includes Administration tools, instant Transcripts in Excel, "White Board" for displaying stimuli (can be timed exposure), "Mouse Over" demo data, pre-loaded guide, observer comments only visible to moderator, etc.

The screenshot shows a web browser window titled "EditProject - Microsoft Internet Explorer provided by the MS Exchange Migration Team". The address bar shows "http://www.harrisinteractive.com/". The page has a navigation bar with links: "Transcript", "WBs", "List Projects", "Reports", and "Intro Edit". Below the navigation bar is the Harris Interactive logo and the text "Thanks For Joining Us". The main content area displays a discussion thread. On the left, there is a sidebar with a list of topics organized by day: "1. Day One" (1.1, 1.2, 1.3, 1.4, 1.5, 1.6), "2. Day Two" (2.1, 2.2, 2.3, 2.4, 2.5, 2.6), and "3. Day Three". The main thread shows a post from "Elizabeth P" with a timestamp of "Tue 1:09 pm". Below it are two replies: one from an "Observer" and another from a "Mod" (Moderator). The "Mod" reply is dated "Tue 1:20 pm". Further down, there is a reply from "Carol K" dated "Tue 3:15 pm". On the right side of the screen, there is a list of participants: Elizabeth P, George W, Keith H, Ken A, Laura F, Merle K, Michael K, Michelle B, Nancy Z, and Phil N. At the bottom of the window, there is a status bar that says "powered by ittracks™ webware" and "Last Updated: Fri 3:58 pm Eastern".

Pre-loaded guide can be set to post automatically at set times each day, guide can be and often is modified during the course of 4 days

Online Reporting – ViewPort EnterpriseSM

Many management features are available through the same interface



Hand-Held Reporting – ViewPort EnterpriseSM

Blackberry access for mobile users

- Designs optimized for mobile devices





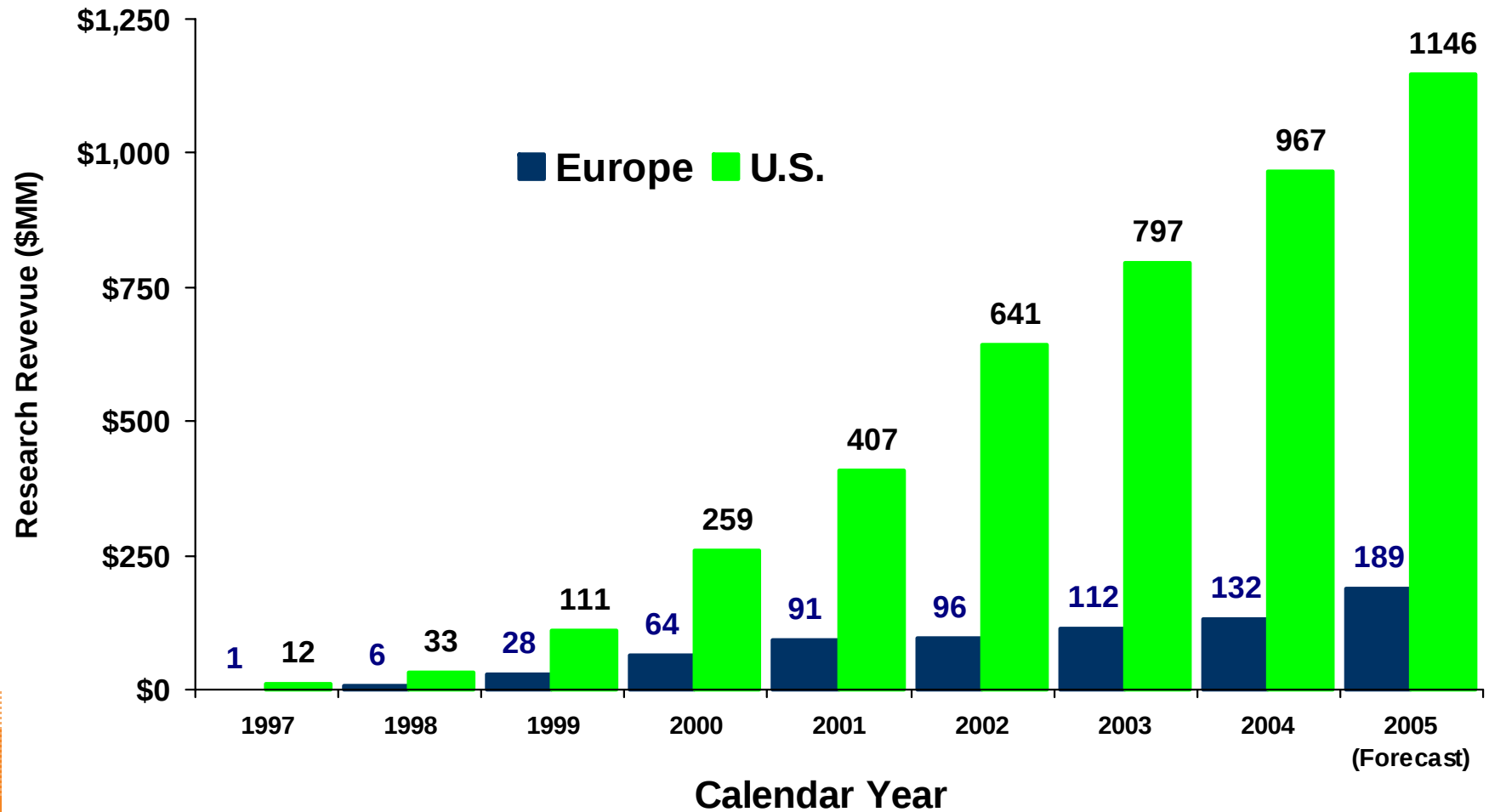
Final Thoughts

Factors Influencing the Growth of Internet Research

A Framework

- The Growth and Characteristics of the Internet Population
- Concerns with Other Methodologies
- The Availability of Funding and the Entrepreneurial Bent of Recipients
- The Availability of Panels
- Interviewing Capabilities of the Internet
- Client Curiosity
- The Organisations that Conduct Internet Research
- Culture

The Current State of Internet Research *European Growth Exceeding US Growth*



Source: Inside Research

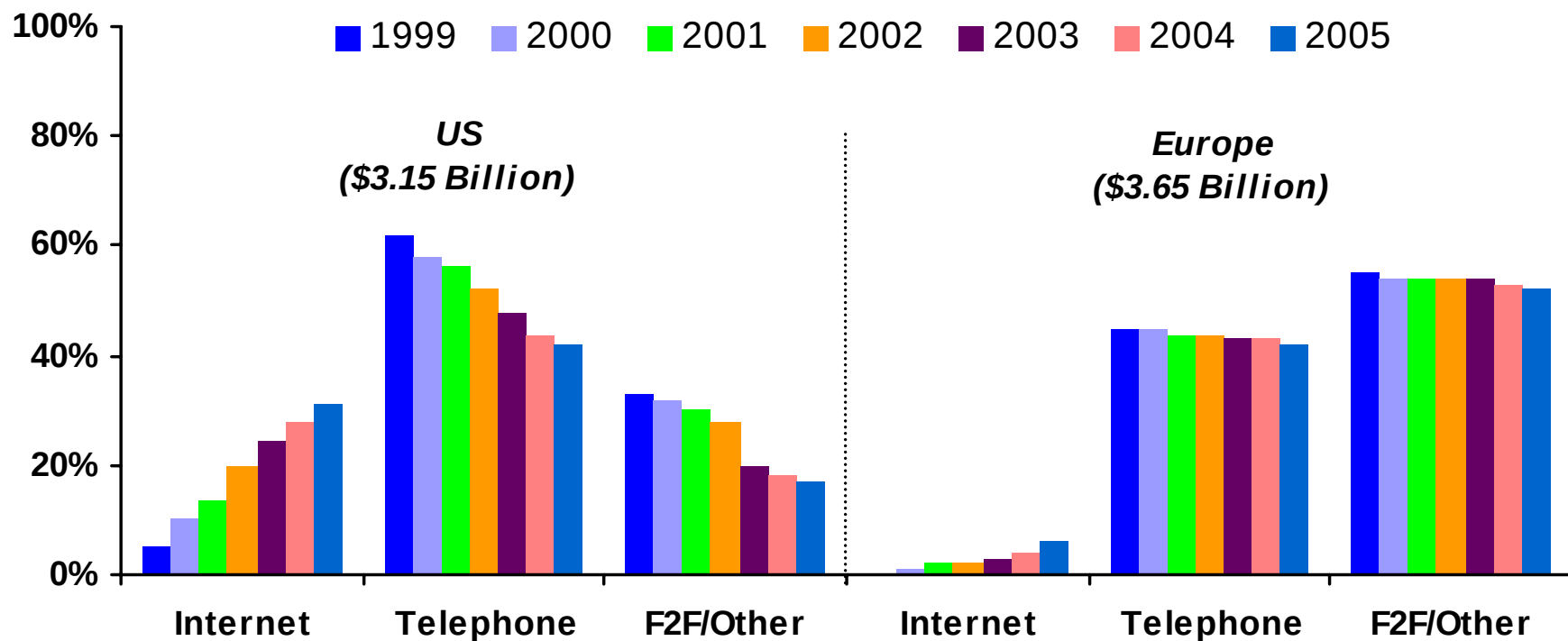
Clients Expect to Commission More Online Research

Source: Cambria Study (2005)

Research type	Research users now (n=28)	Research users in 3 yrs		Smaller co.s now (n=81)	Smaller co.s in 3 yrs
Ad testing	29%	46%		27%	36%
Ad tracking	15%	21%		30%	40%
A&U	64%	72%		40%	43%
Brand research	46%	68%		41%	60%
Brand tracking	32%	46%		23%	44%
B2B studies	18%	25%		26%	37%
Concept screening	32%	50%		14%	19%
Concept testing	39%	57%		21%	35%
Conjoint	32%	36%		5%	12%
Customer Sat	32%	46%		51%	64%
Focus groups	18%	43%		17%	35%
Consumer trends	21%	39%		25%	33%
Market studies	36%	39%		31%	51%
Media research	11%	18%		21%	23%
Packaging research	25%	29%		9%	14%
Pricing research	32%	39%		19%	26%
Product testing	25%	36%		17%	23%
Post-launch tracking	7%	21%		14%	21%
Omnibus surveys	29%	43%		6%	12%
Qualitative	25%	43%		31%	40%
Retail research	4%	4%		11%	21%
Sales effectiveness	11%	14%		12%	25%
Simulated test markets	-	4%		-	7%

The Sky is Not Falling for Telephone & F2F Research

Survey Research Revenue by Mode & Market



Source: Management Estimates

The Attractiveness of Multi-Mode Research

- Telephone, face-to-face and Internet data collection modes are not in open warfare with each other, let alone competition, and such a narrow view limits the possibilities that each mode offers.
- Multi-mode approaches might be more effective than those that depend only on one mode (or one sampling frame) inasmuch as the combination of modes and frames should be stronger than each one in isolation--call this the *scientific justification*.
- They might reduce the cost per interview and the time required to complete these interviews--call this the *economic justification*.
- They might increase response rates and enhance the survey experience of respondents through the offer of a choice of mode--call this the *respondent centric* justification.

A Glance at the Possible Future

- Time and cost constraints, shrinking sample frames, declining respondent cooperation in traditional forms of research, and new technology may accelerate the invention and use of new methods of inquiry at unprecedented rates in the next decade.
- These same factors may propel researchers worldwide to rely increasingly on multi-mode approaches, the best of which exploit the advantages of each mode without suffering from the biases.





Thank You