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**Elizabeth Norman**  
INTERNATIONAL

**LATEST NEWS**

**The Revolution Online Research Report: Research comes of age**

Revolution UK 25 Jan 2007



Peter Comley

**LONDON - Online research has finally earned the begrudging respect of many traditionalists, finds Victoria Furness.**

The online market research industry has developed in leaps and bounds since 1997 when Pete Comley, now chairman of Virtual Surveys, almost exactly predicted the outcome of the UK General Election in an online poll and was heavily criticised for bringing market research into "disrepute."

"Now, the market is absolutely enormous," he laughs. "In the space of five years or so, the industry has gone from nothing to the most important way of doing research."

Comley thinks online market research will be the number one data-collection method in the UK within the next two to three years. At present, it accounts for 20 per cent of global data-collection expenditure; a rise of 11 per cent on 2005, according to Esomar, the global association for research professionals. With more people online - Government statistics place UK broadband penetration at 69 per cent - the argument that online doesn't give access to a representative sample of the population is no longer entirely true.

The internet's advocates believe people talk more openly online, especially on sensitive subjects. "We did a survey for the AA to find out whether people talked on their mobile phone when driving," says Comley. "We saw very different results from the online survey compared to face-to-face interviews, and I know which one the AA believed."

Another of the oft-cited benefits of online research is the cost: it is significantly cheaper than face-to-face or phone research. Andy Gallacher, head of client services at Tickbox, an online market research company, refers to this as the "democratisation of research". He says: "Five years ago it would have taken a company three months and cost about £75,000 to conduct a quantitative study in key global markets. Now it would take you two weeks and cost you half."

Low barriers to entry have also made it a fiercely competitive sector. "To set up a market research agency in the past, you pretty much had to have your own set of interviewers and telephone stations," says Comley. "Now all you need is a desk, sample from the many panels available, and you can run everything via an ASP solution."

Many small to medium-sized online research agencies have emerged in the last decade, such as YouGov, while traditional offline research houses, like TNS and Millward Brown, have also made forays into the market. The biggest competitor to both of these groups is in-house research. The availability of survey tools and online panels has made it a lot easier for marketers to develop surveys in-house.

Arguably, the most ferociously contested market is online fieldwork, with internet-based firms like Ciao, which started life as a reviews site, competing against homegrown panels from traditional research houses. Interestingly, many have outsourced their panels. For example, WPP-owned Millward Brown's online panel is now under the remit of Kantar, the information arm of WPP, while Virtual Surveys merged its panel with that belonging to Dutch firm Metric Labs. "We saw two trends emerging," says Comley. "Declining prices, which were worse than we

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thought, and qualitative research standards imposing more costs on running a panel in the future."

#### CHANGING DYNAMICS

For brands, such competitiveness is of little more than passing interest, but the sector's changing dynamics give an indication of the different directions in which segments of the market are heading. Many online market research firms started out doing site reviews and site usability surveys, which is still a significant revenue stream for the likes of Virtual Surveys and Global Reviews. It also remains popular with clients. Bowmans, a web betting shop, commissioned Foviance to research customer opinions on its site and branding. We never considered offline research," says Sara Waller, Bowmans' head of marketing. "Economically, online research was more cost-effective and expedient. We commissioned the survey last Christmas and, by January, Foviance had turned around the results. By June we had completed our entire rebrand."

The survey results also gave Bowmans valuable insight into customer preferences. "For example, we found they were encouraged by specific financial offers, so we've introduced more bonus offers and improved our odds," says Waller.

Advertisers have always used market research to assess the response to new campaigns and messaging, but the web has become an increasingly popular way of engaging consumers.

"We do a lot of click-testing for ad agencies," says Jon Puleston, founding director of Media Intelligence (now owned by Global Market Insight). "You ask people to view advertising content and click on what grabs their attention." Heat maps are also visually appealing online and enable brands to evaluate the power of one piece of creative against another.

Likewise, ICD Research has added more interactivity to its advertising research. "We can now stream videos online and ask respondents to use an interactive dial to rate what they are thinking about an ad on a second-by-second basis," says Paul Dixon, director of market research consultancy ICD Research.

These interactive techniques are usually used in quantitative rather than qualitative surveys, partly because online qualitative research has not taken off in the UK like it has in the US. But, proponents of online focus groups argue that the market is set to explode in the next few years. "The market will absolutely boom," says Dixon. "The interactions are amazing online: brand owners have the ability to see how many times someone has spoken, listen again to what was said 10 minutes ago and challenge respondents on their feedback, so you can obtain a richness of data that's harder to achieve offline."

Arguably, one of the most exciting benefits of online market research is that it lets brands gauge consumer opinions and detect the latest trends in a more engaging way. This can range from simply inviting respondents to continue a discussion in a forum to more technically adventurous surveys.

Media Intelligence has invested heavily in creating Flash surveys featuring interactive bookshelves or a pile of direct-mail flyers, which users flick through to decide whether to keep or bin them. "We felt the consumer process was a bit dull and boring," explains Puleston, "so we started to build Flash-format surveys to make them more engaging".

#### MORE INTERACTIVE

Tickbox uses various techniques to make online surveys more interactive. "One fun project we worked on recently for a travel client was designed to find out which nation had the sexiest accent, so we played sound clips of Spanish and Italian accents to respondents," says Gallacher. "That's the kind of thing you just can't do with traditional research methodology."

A relatively new area of development is the use of web 2.0 techniques, such as blogging, user-generated content and social media sites. Virtual Surveys explored this area on behalf of an energy drinks client to find out when people have energy dips. "We had 20 to 30 people texting throughout the day when they felt an energy dip and later they would give more information in a blog," explains Comley.

Flamingo International has recruited bloggers for its online research, who blog either on a specific project or contribute to a 'leading edge online panel', which

gives insight into the latest trends in 12 cities around the world. "We enable respondents to upload a lot of visual material movies, sound clips and web links as well, so we get a very rich wealth of material from the blogs," says Annie Auerbach, associate director at Flamingo. "We use these in brand repositioning projects, and also when subjects are a little bit sensitive because the format allows for anonymity and freedom of expression."

So far, online research in the UK has not ventured too deeply into the world of web communities, but Tickbox's Gallacher thinks it's only a matter of time before "the YouTubes of this world begin to develop their own research arms". Intuitive Media, which has two social networking sites for children - Superclubsplus.com and Goldstarcafe.net - recently started to survey its captive audience of 96,000 six- to 14 year-olds. Teachers nominate children to join, which Robert Hart, strategic director and co-founder of Intuitive Media, believes gives his research a headstart over other online forums for kids.

"The reason why clients love our research is because they're surveying real children," he says. "If you put a survey on the Disney site you don't know if the response has come from a child, parent or other visitor." Hart says children are "very honest" in surveys, but to ensure they're not randomly picking answers, the company will often repeatedly ask a question across surveys to check the reliability of opinion.

The quality of online research panels has recently come under scrutiny amid concerns that 'serial panellists', more interested in the incentive than giving their opinion, could jeopardise findings. Most online fieldwork agencies have techniques to spot rogue respondents, such as the time taken to complete a survey or checking if the user has only ticked boxes on the right.

Comley has proposed that the industry set up a register "where the names of everyone on a panel is stored, and each company can check it for overlaps and whether anybody has caused problems in the past", he says. "It is being adopted in Germany, but whether it will happen here is a different matter."

Looking ahead, there is a lot of interest in new channels for online research, like mobile and digital platforms, although there are still hurdles to overcome. "I think it would be very interesting if research looked to these online worlds and how we could speak to people in those environments," says Auerbach.

Certainly, the speed at which the industry has adapted to online market research suggests other platforms could be as readily accepted when they emerge. This doesn't mean the end of traditional offline research as we know it, but online will form an increasingly important part of the mix. "Online research is a fantastic complement to other methodologies, but I don't think it will ever replace traditional methods," says Andy.

#### HARPERCOLLINS ADOPTS PANELS AND INTERACTIVE SURVEYS

Jenny Lindsay, consumer insight manager at Harper-Collins Publishers, admits the publishing industry has not been the most forward-thinking in embracing new online technologies. But, the firm is now using Media Intelligence's interactive surveys and changing the way it markets authors.

HarperCollins recruited an online panel of 3,000 readers to evaluate book covers. "Before, jacket evaluation was based on people's experiences, but now we're trying to use this research to help guide that experience," says Lindsay.

"I've been to quite a few cover meetings where it is astonishing how decisions are made, with people unsure whether consumers prefer the title on top or what type of font."

Survey participants can view the books on a shelf to decide which stands out most and read an extract. "In an industry where people enjoy browsing in bookshops, we're able to give our panel some of the same elements," says Lindsay.

Sometimes the results are surprising. "It challenges our perceptions about a jacket we may have thought would work with a certain audience," says Lindsay.

"Online is also cheap and we achieve a really quick turnaround with the results," she adds.

Inevitably, there are some problems that still need to be overcome. "It is difficult to get any over-65s, despite what people say about older people now being online,

so that's another area we have to be careful with," she adds.

#### DESIGNING A SURVEY

"One of the sins of the industry is to take an offline survey and put it on the internet," says Adam Goodvach, CEO of Global Reviews. "We make sure our surveys are appropriate and well-adapted to the online channel."

To this end, he has the following recommendations for creating an online survey:

1. Think of how you're persuading people to fill out a survey. Often, an incentive is involved, but you don't want it to be a Mercedes car, so people fill out the survey for the prize rather than cause. Equally, you don't want to make the prize too small or you won't attract people to answer questions.
2. Adapt to the internet by making surveys shorter. When someone is online, they can log off easier than they can hang up on the phone.
3. You need a sufficient variety of questions as people get bored quicker online.
4. The question design needs to be appropriate. You don't want a five-paragraph introduction to each question as people only skim-read on the web.