

White Paper – “What Defines Online Panel Quality?”

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As the quality (or lack thereof) of online sample increasingly becomes a “hot button” issue in 2005, quality standards for recruiting and maintaining online panels will become the key differentiator when it comes to choosing an online sample vendor.

With the research industry evolving to depend more on online methods as the data collection mode of choice, concerns about the quality of the sample obtained from online panel vendors (including the leading ones) are resurfacing.

e-Rewards, Inc.—a Dallas, Texas based online sample provider that serves over half of the top 50 U.S. research firms with its 1.5 million member consumer, business, and specialty panels—is setting the quality standard.

When it comes to panel recruitment, composition, maintenance, screening, and incentives, e-Rewards has implemented **15 points of quality differentiation** to ensure the integrity of our sample and differentiate ourselves from other online sample vendors.

We advise our clients to ask us the toughest questions about the quality of our panels, because we are very proud of the answers that we are able to provide.

We invite you to ask the same fundamental question that we asked ourselves when we founded e-Rewards in 1999, “**What Defines Online Panel Quality?**”

We think that our **15 Points of e-Rewards Quality Differentiation** provide the right answers.

15 Points of e-Rewards Quality Differentiation

PANEL RECRUITMENT

1) e-Rewards panels have been built “from the ground up”, by us

- Since our founding in 1999, every e-Rewards member has experienced the same standardized member enrollment experience.
- e-Rewards has never acquired other panels that have been sourced with enrollment methodologies that diverge from (and that are sub-standard to) our highly structured enrollment process. *Beware of sample vendors who have grown their panels inorganically through merger and acquisition activity.*
- e-Rewards does not “re-market” panels that are owned by others. e-Rewards only markets its own panels which represent fully owned and controlled assets. *Beware of sample companies that say that they “have access to” millions of panelists—which is code for “re-marketing” the panels of other companies.*
- The panel counts that e-Rewards markets are accurate and reflective of the actual number of panel members enrolled into the e-Rewards panels.
 - Counts are not inflated to include other panels that e-Rewards may have “access to” but that are not owned and maintained by e-Rewards.
 - Counts are not inflated to include other *household members* who have not been enrolled and profiled into the panel.

2) e-Rewards has adhered to a “by invitation only” panel enrollment approach which diminishes “self selection bias”

- e-Rewards believes that panels that use *open* recruitment techniques and enrollment processes such as banner ads and co-registration sites are allowing large-scale self-selection biases into their panels and attracting “professional survey takers.”
- e-Rewards has analyzed the demographics and respondent behavior for a small control group of panelists who were sourced using such *open* approaches and found highly skewed demographics (e.g. female, younger, lower income) and respondents who exhibit a very high degree of “professional survey taking” behavior (e.g. “straight-lining” of survey answers, inconsistent and invalid survey answers, completing surveys in unreasonably short duration, etc.).
- e-Rewards believes that banner ad and *co-registration* recruitment is causing an extreme amount of membership duplication across other online panels. We feel this is so because the typical survey co-registration site allows a respondent to join a minimum of 10-15 separate online panels using this method.

15 Points of e-Rewards Quality Differentiation

3) e-Rewards uses both online and offline recruitment methods

- In order to remain as balanced as possible, e-Rewards panel members have been invited through a mix of both online methods (e.g. solo e-mail invitations and other targeted online modes) and offline methods (e.g. physical post-card invitations, direct mail inserts, etc.).
- All panel establishment methodologies employed by e-Rewards fully comply with CASRO guidelines, of which e-Rewards is a member organization.

PANEL COMPOSITION

4) e-Rewards' stringently weeds out "professional survey takers"

- As mentioned above, the best way to eliminate professional survey takers is to not attract them in the first place.
- However, e-Rewards used 5 additional methods to identify professional survey taking behavior within its panels and prevent professional survey takers from receiving future survey opportunities through the e-Rewards channel.
 - Obviously inconsistent profiling answers
 - Straight-lining answers
 - Answering surveys in too short a time frame
 - Client-reported complaints or observations
 - Blind pre-screening of study candidates

5) e-Rewards panelist information is verified

- e-Rewards collects a physical address on each member who enrolls in the e-Rewards member panel.
- The physical addresses collected are verified against U.S. Postal information to verify address validity.
- e-Rewards members must enroll using a valid and unique e-mail address in order to receive market research survey opportunities.
- e-Rewards will not send e-mails to e-mail addresses that have *bounced back* or are no longer active.

15 Points of e-Rewards Quality Differentiation

6) e-Rewards panelists are the most deeply profiled

- e-Rewards believes that the more that is known about a panelist up front, the more relevant on-going communications with that panelist can be.
- e-Rewards is committed to maintaining the deepest profiling information on its panel members so that panel-wide canvassing is kept to a minimum and survey relevancy, interest and quality results are maximized.
- During the panel enrollment process e-Rewards captures the most detailed possible demographic, psychographic, and geographic profile information from each panelist (over 300 segmentation variables).
- Over 90% of the questions asked during the enrollment process are "select only one answer" type questions which forces a respondent to choose the "best" answer that describes himself/herself.

7) e-Rewards panelist activity is tracked for quality purposes

- e-Rewards tracks the activity level of each panelist to ensure that inactive panelists are periodically phased out of receiving survey opportunities.
- Conversely, e-Rewards is able to monitor and prevent individual panelists from participating in an unhealthy amount of research studies.
- e-Rewards tracks each member's historical level of survey participation by topic area, and is able to prevent members from receiving invitations to participate in similar surveys until a proper amount of time has passed.

8) e-Rewards' panels are the most normalized and representative

- e-Rewards scientifically manages the demographic make-up of its panels using pre-recruitment targeting and a "by invitation only recruitment" method. e-Rewards is able to do this by working with its diverse set of sourcing partners up front to invite only the types of individuals that fit the current normalization needs of e-Rewards B2C or B2B panels. Other panel companies cannot achieve the same level of normalization that e-Rewards can since their open recruitment methods do not allow them to determine the demographic make-up of their panel until after members have joined.
 - For example, the e-Rewards panel has been purposely constructed to be 56% male and 44% female. Accounting for the known female gender response bias, this allows e-Rewards to consistently achieve very close to a 50/50 gender split when it samples its panel naturally (e.g. without weighting or special targeting).
 - Other leading panel providers, who are not able to control their panel enrollment up front, have panel constituencies of 30% male and 70% female. When the female gender response bias is observed, the sample results are typically skewed up to 20% male and 80% female.

15 Points of e-Rewards Quality Differentiation

PANEL MAINTENANCE

9) e-Rewards panel profile information is fresher

- e-Rewards utilizes its program participation rules and its proprietary Dynamic Profile EnrichmentSM capabilities to achieve industry leading levels of panel maintenance and data freshness.
- e-Rewards Dynamic Profile EnrichmentSM capability is an intelligent database algorithm that periodically presents panelists with opportunities to update certain aspects of their profile. Profiling questions are presented to panelists based a ranking that comprehends the amount of time since a profile question was last updated and the likelihood that the question's answers will have changed. This method is state-of-the-art in terms of panel profile refreshment and maintenance.
- e-Rewards uses Dynamic Profile EnrichmentSM to maintain the freshness of panel enrollment questions, as well as build deeper understanding of each segment of the e-Rewards' panels by introducing customized questions for future targeting.

10) e-Rewards achieves industry leading member retention rates

- e-Rewards has retained over 80% of its members since inception in 1999. This retention rate underscores e-Rewards commitment to its members in terms of quality communications, program design, and customer service.

11) e-Rewards achieves industry leading response rates

- e-Rewards achieves average survey complete rates of 15-25% for consumer surveys and 25-35% for B2B studies. When additional targeting or pre-screening data is used for targeting, the response rates achieved typical double from those cited above.

12) e-Rewards members are protected to provide honest answers

- e-Rewards respects the privacy of each of its panel members and adheres to a highly ethical privacy policy that fosters maximum trust with panel members.
- Panelist trust equates to more honest responses to survey questions—even the most sensitive ones.
- e-Rewards research studies will report information only in aggregate, singular summary form, and will never reveal personally identifiable information unless it is expressly provided by the respondent themselves.

15 Points of e-Rewards Quality Differentiation

13) e-Rewards' panelists are not *over surveyed*

- The average e-Rewards member qualifies and participates in less than 3 full surveys each year. Other sample vendors allow annual survey participation rates to exceed 12-24 surveys each year.
- e-Rewards asks each panel member about the maximum number of e-mails that they would like to receive from e-Rewards on a weekly basis. e-Rewards has system controls in place to enforce that each members' preferences are adhered to.

PANEL SCREENING

14) e-Rewards supports "double blind" screening

- e-Rewards advocates using a "blind screener" approach (e.g. a 2-step approach) to identify qualified respondents before they are invited to take a full survey instrument. That way every respondent receives the same amount of incentive during the screening process, and there are no detectable advantages (or disadvantages) to the respondent for answering one way or the other. In other words, there is no known incentive for providing the "correct" answers.
- e-Rewards suggests that respondents who are invited to take a full survey instrument are re-screened to ensure consistency in their answers toward qualifying for the study.

PANEL INCENTIVES

15) e-Rewards offers an established incentive currency

- e-Rewards panel members earn e-Rewards currency (U.S.-dollar denominated) for the time they spend answering market research surveys and reacting to commercial e-mails. Members use their e-Rewards dollars to redeem valuable rewards which are provided by e-Rewards Sponsors and Program Partners.
- Other panel providers who have not established a currency instead offer "sweepstakes" to panelists for responding to survey opportunities. Not only does this approach achieve sub-optimal response rates (and potentially introduce non-response bias), e-Rewards believes that it reinforces a "casino mentality" bias amongst panel members that are retained in such a panel over time.
- e-Rewards believes that the best way to establish and maintain a long-term relationship with panel members is by providing a financial incentive that constitutes a fair value exchange *each time* a respondent participates in a survey.
- e-Rewards believes that an incentive program that supports the accumulation of a currency redeemable at various *bonus thresholds* achieves the highest participation rates and retention longevity vs. other incentive approaches.