PART ONE

Getting Started

Questions to answer and helpful tips to consider before getting started.

WHAT IS A PANEL?

The terms panel, proprietary panel, research panel, feedback panel, or community panel are generally used interchangeably to refer to a group of people with relevant backgrounds who have agreed to participate in research on an ongoing basis. Panel members can be customers, employees, consumers, students, members, etc. They agree to participate because they want to share their ideas and opinions and/or because they expect to receive something in exchange like merchandise, cash, or gift cards.

“A group of people with relevant backgrounds who have agreed to participate in research on an ongoing basis.”
WHAT ARE THE ADVANTAGES OF HAVING YOUR OWN PANEL?

Research panels have gained in popularity over the past decade because they provide an organization with a pre-qualified and willing group of respondents to participate in surveys on an as needed basis. A well-managed research panel allows the organization to quickly and easily get answers to key questions at a fraction of the cost of other research methods. Additionally, researchers are able to build rich, deep profiles about each panel member over time, which enables more targeted and personalized research. Some of the reasons we recommend the panel:

**Do More Research**
It’s so easy and convenient to field surveys to your panel, that you’ll start doing more research.

**Faster Insights**
You’ll have responses back in less time than virtually any other method of research.

**Higher Response Rates**
Get higher response rates on your studies.

**Richer Profiles**
Build rich, deep profiles about each panel member over time and use the data to enhance future studies.

**Save Money**
Owning and managing your own panel costs substantially less than purchasing sample from another source.
HOW BIG SHOULD YOUR PANEL BE?

Successful panels can range in size from fewer than a hundred members to millions of members. Several important considerations need to be taken into consideration when deciding on your optimal panel size:

- How many surveys will you conduct each month?
- What is the maximum number of surveys per member per month?
- What sample size do you want for each of your surveys?
- What response rate do you expect to get?
- Will you screen anyone out of my surveys?
- What are the demographics of your target panelists?
- What types of quotas (and how many) will you set for your surveys, if any?

Each of the factors above will have an impact on your ideal panel size. Let’s suppose that your preferred sample size for your quantitative studies is n=500, you anticipate conducting two surveys a month, you want different respondents for both of your monthly surveys (i.e. a panelist would be invited to complete one of your two questionnaires, but not both), and you anticipate a 30% response rate. In this example, all panelists will qualify to complete either questionnaire and you do not have specific quotas.

The equation would be:

\[ \frac{500 \text{ (sample size per survey)}}{30\% \text{ (response rate)}} \times 2 \text{ (studies per month)} = 3,333 \]
Accordingly, a panel size of 3,333 would ensure a sample size of n=500 for each of your two surveys per month, provided your assumptions are correct. However, the reality is that over time, some panelists will lose interest in being part of the panel, or will grow tired of answering questionnaires, or circumstances will change that will cause them to no longer want to be part of the panel (for example, a member may want to opt out of a panel of Honda owners if they have traded in their Honda for a Toyota).

As such, it is generally a good idea to recruit above and beyond the minimum number of panelists you feel you may need. In the example we used, the minimum recommended panel size was 3,333. It would be a good idea to increase this to 4,000 to take panelist drop-off into consideration.

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The example above is relatively straightforward. However, determining the optimal panel size can become more complicated once other variables are factored in. For example, if you want your surveys to be geographically representative of your customer base, you may perform a similar exercise for estimating the necessary panel size for each geographic region.

Another consideration is different response rates by different demographics. Typically young males (18 to 24) respond to online surveys to a lesser degree than older females (55+). Accordingly, you may want to consider over-recruiting young males to ensure their proper representativeness in your surveys, assuming young males are part of your target audience.
Another important decision that needs to be made is whether or not your panel should be branded or blind. A branded panel is the more common of the two. A branded panel is clearly affiliated with a given company, and respondents joining the panel know who is sponsoring the panel and who is conducting the research. Conversely, a blind panel does not make it obvious to members who is responsible for the panel. Examples of blind panels could be a panel of smartphone owners, SUV owners, or travel enthusiasts.
PART TWO

Recruitment

Getting the right people to join your panel.

CHOOSING RECRUITMENT CHANNELS

In general there are two recruitment channels to consider: Internal and External.

Internal sources are typically free and readily available to you. This includes customer email lists, web properties, social media sites, point-of-sale, etc. Internal sources tend to be more successful as the potential panelist has already engaged with your brand in one fashion or another. As such, they are more likely to consider joining your panel than someone who has not engaged with your brand.

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External sources come into play when your internal sources are insufficient. These sources include lead generation vendors, ad networks, affiliate networks, and ads. This approach to recruiting for your panel can be quite expensive, and in some cases can prove to be unsuccessful in providing engaged panelists. Accordingly, it is strongly recommended that all internal sources be utilized and exhausted before turning to external sources.

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CREATING A PROFILING QUESTIONNAIRE

Once you have determined ideal panel size, potential recruitment channels, and whether the panel will be branded or blind, it is time to design the profiling questionnaire. This is a questionnaire that all panelists are required to complete upon joining the panel.

Purpose of a Profiling Questionnaire

- Collect key demographic information, so that you do not need to ask repetitive demographic questions in subsequent questionnaires (gender, age, occupation, etc.).

- Target specific segments in future surveys (for example, you may have a survey that you would like to direct to only those who are 18 to 34).

- Screen out respondents who you do not want to have in your panel (for example, if you were building a panel of homeowners you would likely want to screen out people who are currently renting).

- Give respondents a first impression of what questionnaires will be like should they choose to join your panel.
Profiling Questionnaire Best Practices

- Keep it short (5 to 7 minutes, or less than 20 questions). A long questionnaire can result in significant drop off and cause respondents to think twice about joining the panel.

- Make it personal and conversational. Make them feel like they are part of something special. Consider adding in a couple of “fun” opinion questions, even if you do not plan on doing anything with the data from those questions.

- When it comes to what profile data to gather, stick to the basics – you can collect more profiling data in subsequent studies.

- Remind them about the benefits of joining and what they should expect as a member.

- Ensure that once a panelist has completed the profiling questionnaire, they automatically receive a welcome email confirming their membership.
PART THREE

Engaging Your Panel

Ideas and best practices for how you communicate with your panel.

SETTING EXPECTATIONS

Managing the expectations of your members is vital to the success of your panel. Make it clear when inviting potential panelists to join the panel how often they will be contacted, what types of topics you’ll be querying them on, how they will be rewarded, and what you will do with the feedback they give you. Also, use your profiling questionnaire, welcome email, and login portal as mediums for reinforcing these expectations. Continue to set expectations as part of each subsequent interaction.

For example, always disclose the length and content of surveys as part of your survey invitation, and be truthful. Do not tell panelists a questionnaire will take 5 minutes to complete if you know that in reality it will take closer to 15 minutes.

FREQUENCY OF CONTACT

Common practice is to limit survey participation to two or less per month per member. The ideal number of interactions per month for your panel is a subjective number that can vary widely. It is most important to focus on being consistent with the frequency and number of interactions and that those figures align with the expectations you set when they joined the panel.
For example, if panelists are told when they join your panel to expect two surveys per month, but in reality they get four, this will result in a negative experience. Conversely, if respondents are told to expect two surveys per month but they only receive one every quarter, this too may result in a negative experience for panelists.

**INCREASING ENGAGEMENT**

Engagement refers to the overall commitment level and satisfaction level of your panel members, as evidenced by their willingness to participate regularly. Some of the key indicators of panel engagement are survey response rates, email open rates, unsubscription rates, and incentive achievement rates. There are four key factors that are most influential for improving panel member engagement:

**Ease of Participation**

You need to make it as simple and easy as possible for panel members to participate. Keep your surveys short and interactive. Make it simple and easy for panel members to take a survey. Accommodate their lifestyle by ensuring that they can easily respond to your surveys on any device.

*Note: For this reason we encourage our clients to avoid the use of login portals. Our research shows that panel members find portals to be inconvenient and unnecessary. Most organizations find that login rates to panel portals are extremely low.*
Personalization

Panel members are more likely to respond if they feel like you know them personally. Address them by name. Don't ask them questions that you already asked them once before. Send them surveys that are relevant to them and avoid screening them out of any surveys.
Reciprocal

Make sure that panel members see the impact that their feedback has on your organization. Send them updates and insights about how the feedback from the panel is being used to shape decisions and change the direction of your organization. Few things are as motivating to panel members as seeing their feedback getting put into action.

Note: Some organizations use a recurring newsletter as a way to keep panel members updated and informed about how the feedback from the panel is being used in their organization.

Relevant Rewards

Offer relevant incentives that will excite your panel members. Make the requirements for how to earn incentives clear and reasonable. If you are not getting the response you expected, don’t be afraid to try a new approach. If you don’t know what they like, ask them.

“Offer relevant incentives that will excite your panel members. Make the requirements for how to earn incentives clear and reasonable."
PART FOUR
Managing Your Panel

Tools and tips for how to effectively manage your panel.

HANDLING BOUNCES & OPT OUTS

A key to your success in managing a panel is how you deal with bounced emails and opt-outs. Here are a few things to know about handling bounces and opt-outs:

Bounces

There are two kinds of email bounces: hard and soft. A hard bounce occurs when a message is completely rejected by the recipient server. For example, if the email account doesn’t exist. A soft bounce occurs when the recipient server receives the message and sends it back (e.g. the recipient’s account is full or is temporarily inaccessible). It is common practice to remove an individual from your panel after seven soft-bounces or a single hard-bounce.

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<th>Hard Bounce</th>
<th>Soft Bounce</th>
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<tr>
<td>Message is completely rejected by the recipient server</td>
<td>Message is received by the recipient server and then sent back</td>
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Opt-Outs

The CAN-SPAM Act of 2003 requires that all unsolicited commercial emails contain a visible and operable unsubscribe mechanism. Even though your panel members agreed to participate in your feedback program, we recommend abiding by this guideline. Obviously, a visible opt-out mechanism is important because it allows panel members to opt out if they no longer wish to participate. Additionally, including an opt-out link in your emails will improve the deliverability of your emails.

MONITORING PANEL HEALTH

A key to clean data is maintaining an active panel that consistently meets your goals for demographic representation and size. Over time, you must continue to monitor the participation of your panelists and the overall composition of your panel.

"Over time you must continue to monitor the participation of your panelists and the overall composition of your panel."

Panel Size

Is your panel large enough to achieve your desired sample sizes for surveys, without overburdening your members? Have there been any periods where you experienced more attrition than usual? What did you do that may have led to that attrition?
Participation Rates

Are there any inactive members that should be removed from your panel? How are your overall participation rates for the panel trending over time? Were there any unusual dips in participation rates? If so, what may have caused them?

Panel Composition

Does the demographic composition of your panel match your objectives? Are there any demographic groups that are missing or underrepresented? If so, how can you alter your recruiting strategy to reach those groups?
REMOVING PANEL MEMBERS

To maintain the integrity of your panel, it is important to periodically clean your panel by removing individuals who are not making a positive contribution and replacing them with individuals who might. It is common practice to send a last-chance survey to these individuals before removing them.

Non-Responders

Individuals who have not responded for an extended period of time should be removed. A common set of best practices is to remove panel members who either (a) have received at least 5 survey invitations and have never responded, or (b) have been inactive for a period of six months. However, it may be appropriate to extend or shorten this window depending on the frequency of contact for your panel.

Cheaters

Individuals who speed through surveys, straight-line through sections of a survey, or provide nonsense responses to text-entry questions should be marked as cheaters. An individual with several offenses should be removed and replaced.

An individual with several offenses should be removed.
PART FIVE

Rewarding Panel Members

Key considerations concerning if and how to reward your panel members.

Choosing to Reward Panel Members

It is common to provide incentives to panel members for their participation; however, a successful panel encourages and motivates participation by its members regardless of the reward. To learn more about why a panel member might be willing to participate, without a reward, visit the following article:

Incentives increase response rates to surveys in all modes, including the web, and in panel as well as cross-sectional studies.

Monetary incentives increase response rates more than gifts, and prepaid incentives increase them more than promised incentives or lotteries, though they are difficult to implement in web surveys.

There is no good evidence for how large an incentive should be. In general, though response rates increase as the size of the incentive increases, they do so at a declining rate.

There is no good evidence that monetary incentives reduce response rates, but there may be ceiling effects. Incentives seem to have greater effects on those less inclined to respond for other reasons.

Almost all studies that have evaluated the effect of incentives on quality of response have found no effects.

Relatively few studies have examined the cost-effectiveness of incentives. Those that have done so generally find that they reduce other costs, though not necessarily totally offsetting the cost of the incentives.
TYPES OF REWARD PROGRAMS

Should you decide to provide incentive through extrinsic rewards, these are some of the more popular forms of incentives to consider.

Points

A points approach entails granting points to panel members each time they complete a survey. The amount of points typically varies depending on the length, complexity, and importance of the survey. Over time, panel members exchange points for various rewards such as gift cards. Points systems are useful for promoting consistent participation in multiple surveys over time. When using this approach it is important to automatically and consistently update panel members about how many points they have and the number of points they need to attain in order to earn a reward.

“Points systems are useful for promoting consistent participation in multiple surveys over time.”

Sweepstakes

A sweepstakes is a type of reward where all participants are allowed free entry into a drawing of chance. All sweepstakes should be accompanied by official contest rules that are written in a clear manner with specific details. It is also important to research and comply with any local or national laws relating to sweepstakes. Sweepstakes are useful when resources are limited or when you want to provide added incentive for participation in a particular survey.
Custom

Some panel managers provide custom rewards on a survey-by-survey basis. This approach is simple because it does not require ongoing management and guarantees that each panel member will earn a reward if they participate. However, this approach can be significantly more expensive than a points or sweepstakes approach.

GENERAL TIPS FOR REWARDS

- When deciding on the dollar value of reward to offer panel members, start conservative and test to see what kind of response rate you get. It is easier to increase reward values later than it is to decrease them.

- Simplicity rules. Make it simple and easy for panel members to earn and receive their reward. It doesn’t matter how generous your incentive is if panel members are confused about the process for achieving and receiving the reward.

- If you aren’t sure what reward type appeals most to your panel members (e.g. which retailer they prefer to earn a gift card from), ask them. But only ask them if you are willing to adopt the reward type that they choose.

- Talk to us if you want to find out about automating gift card rewards to your panel from popular retailers like Amazon.com.
PART SIX

Conclusion

A few last words before you go.

KEYS TO SUCCESSFUL PANEL MANAGEMENT

In a general sense, the key to successful panel management is to focus on building a meaningful relationship with each member. Seriously. Try. Some of the things you can do to build this relationship include:

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<td>1. Fulfilling the expectations you set.</td>
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<td>2. Making it simple and easy for panel members to participate.</td>
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<td>3. Clearly and regularly communicating your appreciation.</td>
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<td>4. Making your interactions as conversational and personalized as possible.</td>
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<td>5. Helping panel members see the impact of their feedback.</td>
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Panel members who feel like their contribution matters will respond more readily, focus more intently when answering questions, and stay subscribed longer.
ADDITIONAL HELP FROM QUALTRICS

The best place to start, when you need help managing a panel, is to talk to Qualtrics. For software-related inquiries (such as technical questions) you can contact our award-winning support department. For other inquiries, existing customers should contact their account manager. Prospective customers may contact sales@qualtrics.com.

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CONSULTING ADVICE FROM STONE-OLAFSON

This guide was written in collaboration with Chris Ferneyhough, a partner at Stone-Olafson (a market research firm based in Calgary, Alberta). Chris has managed research panels for an impressive list of clients including Telus, Research In Motion, AT&T, AMD, and more. He and his team are experienced users of Qualtrics and have stepped in to provide customized panel management consulting services to several Qualtrics clients. If you are looking for an experienced research partner that offers panel management services, contact Chris at chris@stone-olafson.com.