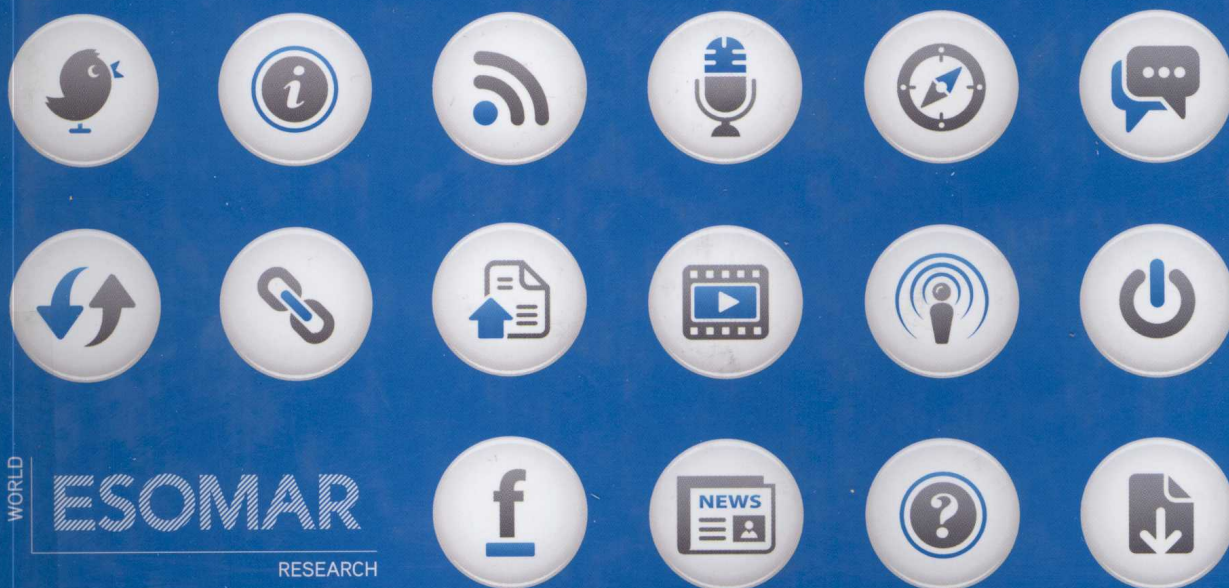


THE HANDBOOK OF ONLINE AND SOCIAL MEDIA RESEARCH

Tools and Techniques for Market Researchers

RAY POYNTER



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Summary: "Drawing together the new techniques available to the market researcher into a single reference, *The Handbook of Online and Social Media Research* explores how these innovations are being used by the leaders in the field. This groundbreaking reference examines why traditional research is broken, both in theory and practice, and includes chapters on online research communities, community panels, blog mining, social networks, mobile research, e-ethnography, predictive markets, and DIY research"-- Provided by publisher.

Summary: "The book will become the key reference point for research practitioners and buyers as they move from their security blanket of traditional research, with its outdated notions of science and reliability, into the maelstrom that is unfolding in the post Web 2.0 world of Twitter, community panels, Facebook, and YouTube"— Provided by publisher.

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Foreword

BY FINN RABEN
ESOMAR Director General

The internet has revolutionized our world. It is at once a world-wide broadcasting capability, a mechanism for information collection and dissemination, and a medium for collaboration and interaction between individuals without regard for race, religion, political orientation, social strata or geographic location.

The internet has been the 'muse' of practically all technological developments of note in the past 20 years (laptops, smartphones, GPS systems), has breathed new life into many ailing industries (such as gaming, travel, and publishing), and has spawned entirely new industries centered around the establishment and management of online communities. Its influence now reaches far beyond its humble beginnings as a means of linking computers, into society as a whole.

As the internet becomes ubiquitous; faster and increasingly accessible to non-technical communities, social networking and collaborative services have grown rapidly, enabling people to talk, discuss, debate and share interests in many more ways than ever before. Sites like Facebook, Twitter, LinkedIn, YouTube, Flickr, Second Life, blogs, wikis, and many more, now let people of all ages rapidly share their interests of the moment with others everywhere . . . communication "of the people, by the people, for the people", to paraphrase Abraham Lincoln's Gettysburg address.

As 'muse' for the market research sector, the internet has been as successful as with other industries. 'Online' is now the most popular methodology used, and the online research market is currently valued in excess of \$6 billion.*

Online research and online traffic/audience measurement now account for 10% or more of overall research spend in 22 countries, up from 18 countries in 2007.* As a (constantly evolving) sector of the MR industry, ESOMAR dedicates the majority of its resources to online, in order to ensure that practical guidelines, policy directives and legislative proposals remain in tune with current practices and applications.

Ray Poynter has long been an advocate and a proponent for embracing the internet both as an evolutionary – as well as revolutionary – tool, to the benefit of the industry. Ray has been a member of ESOMAR for almost 20 years and has been a respected speaker at ESOMAR conferences throughout that time, challenging conventional wisdom and urging people to move beyond traditional boundaries. He has consistently provided a thought-provoking alternative to the accepted modality wisdom, and with this book, now provides a real source of best practice guidance, for those wishing to adopt the internet and social media to a much broader extent.

*Source: ESOMAR GMR Report, published September 2009

Exponents of market research – with Ray foremost amongst them – now realise that everybody is talking on the internet – often times without any restrictions whatsoever – about a vast range of topics. No longer is recruitment an issue; no longer is the phrasing of the question an issue; no longer is the duration of the interview an issue; and no longer is respondent fatigue an issue. If the topic is of interest, then the material is already there ... thus is born the 'Age of Listening' as opposed to the 'Age of Questioning'.

Putting to rest many of the urban myths, allaying many of the fears/phobias, but also highlighting the many evolving challenges that are associated with a greater utilization of the internet in market research (such as data quality, data protection and regulatory hurdles etc), this *Handbook of Online and Social Media Research* provides the first definitive guide to better understanding, and optimizing, your use of the internet and the social media.

In the context of the internet, we must recognize that as Heraclitus said in the 4th century BC: "Nothing is permanent, but change!", yet despite the pace of evolution, many of Ray's comments and suggestions made in this book will remain relevant for a long time to come.

I hope you derive as much value and insight from the book as we did; ESOMAR is honoured to be associated with this important reference document, and we look forward to continuing to monitor the internet (r)evolution in partnership with Ray.

Introduction

Welcome to the *Handbook of Online and Social Media Research*.

SHOULD YOU BUY THIS BOOK?

This introduction should help you know whether you have opened the right book. It first explains who the book is for and then it describes what is in the book and how it is organised.

WHO IS THIS BOOK FOR?

This book has been written with three groups of people in mind:

1. Market researchers who want to increase their knowledge and use of the internet and social media as a modality for their projects.
2. Experts in the field of online and social media research who want to compare their experience with an alternative view of best practice.
3. Buyers of market research who want to expand their understanding of what can be offered and also of the limitations implicit in the market research methods that are currently available.

Given the breadth, and indeed the length, of the book it is not envisaged that many people would want to sit down and read it from cover to cover. The book has been written as a handbook and each part, and each chapter within each part, is designed to stand on its own as much as possible.

WHY IS THE BOOK NEEDED?

The use of the internet is currently the most exciting and dynamically changing aspect of market research, and has been for the last ten years. However, despite the importance of this area, there are few books that specifically look at best practice in conducting online market research and, in particular, there is very little that looks at the use of social media to conduct market research.

This shortage of widely available, accessible material is in strong contrast with the content of market research conference papers, presentations, and workshops, where online market research and the use of social media are two of the most frequently discussed topics. However, conference papers, presentations, and workshops are not accessible to everybody and do not constitute an organised and convenient canon of knowledge for market researchers seeking to use the latest approaches. This

book aims to provide a single resource for market researchers looking for best practice guidance in using the internet and social media.

HOW THE BOOK IS ORGANISED

The purpose of this book is to illustrate best practice in market research that uses the internet in general and social media in particular. The book is divided into five parts, each sub-divided into chapters.

The introduction sets the scene, covering a few key definitions and providing some information about what is already happening and where the trends are going.

Part I addresses the enormously important area of quantitative market research conducted via online surveys. This is already the most established aspect of online research and, in revenue terms, the online modality now accounts for a larger share of quantitative surveys than any other modality.

Part II focuses on established online qualitative techniques, such as online focus groups and bulletin board groups. Part III addresses the rapidly developing world of market research conducted via social media, for example online research communities, e-ethnography, and blog and buzz mining.

Part IV shifts the focus away from the modality issue and addresses topics of interest from the perspective of research needs. For example, techniques such as prediction markets, sectors such as public sector research, and broader issues such as international research are all discussed. Part V is called Breaking News and it addresses the emergent issues that researchers need to be aware of, but which are too new to be able to offer best practice advice. This includes philosophical issues such as NewMR and trending topics like Twitter.

The final section contains a glossary to help readers who may be looking for specific clarification of some of the terms used in the book. It also includes a remarkably long list of acknowledgements. This is because the book benefited from a large amount of collaboration in its preparation. Much of the material in this book was posted on the web and the contributions of the many people listed in this section have certainly made the book a better read and far better informed.

MARKET RESEARCH AND THE INTERNET

There follows a brief introduction to what is happening in terms of market research, the internet, and social media.

EVOLUTION AND REVOLUTION

This book covers both an evolution in market research and a revolution. The evolution relates to those established parts of market research, such as quantitative surveys, that have adopted online

data collection as simply an additional modality. This evolution required some additional research techniques and the refinement of others in order to translate surveys from the high street, doorstep, and the telephone to the internet. Traditional market research skills have been expanded to deal with the new modality, and this book covers the skills and approaches that researchers need to master in order to optimise their use of this new medium.

There are two revolutions going on within market research and both are associated with the internet. The first is a quiet revolution, in which 75 years of basing quantitative market research on a paradigm of projecting the results of samples onto populations via assumptions of random probability sampling has been replaced by a willingness to use online access panels, which do not approximate to this model.

The second, noisier, revolution is the way that social media, and the philosophical challenge of Web 2.0, have created new propositions, new opportunities, and new rules for market research.

This book addresses both of these revolutions in terms of providing background, information, and advice on utilising the new opportunities presented to the market researcher. Looking forward, market researchers need to ensure that they master the tools and rules of both the evolution and the revolution, to ensure that they stay relevant and informed, and that is the mission for this book.

BACKGROUND TO ONLINE MARKET RESEARCH

The internet has been used as a medium for data collection since about 1995, although its rapid growth can mostly be identified as being from 1999 onwards, and its ascendancy in terms of quantitative data collection has only happened over the last three years.

Initially, the internet, and online data collection in particular, was seen as simply another modality, without any significant implications for what the research was or what it meant. However, the internet has led to changes in the nature of research, both in terms of challenging the assumptions that used to underpin market research (such as sampling theory) and in terms of opening up new possibilities, for example through the use of blog mining and online research communities.

This section brings anybody new to the topic of online research up-to-date with the key issues that are shaping online and social media research today. The next sections look at the scale of online research, the reasons for its rapid growth, the specific role of online access panels, and the main concerns that buyers and providers of market research express about online research.

THE SCALE OF ONLINE RESEARCH

Data showing the scale of online research, compared with other data collection mediums, tend to be somewhat out of date by the time they are published, so the information shown in Table A.1 should be seen as indicative of the rate of change and the scale of the internet in market research, rather than as a definitive representation of data collection values.

Table A.1 Revenue share of all research, ESOMAR Global Market Research reports, 2006, 2009

	2005	2008
Online	13%	20%
Telephone	21%	18%
Face-to-face	24%	12%
Postal	6%	5%

Table A.1 shows data from two ESOMAR Global Market Research reports (2006 and 2009) showing the data for 2005 and 2008.

In 2008, about 55% of all market research revenue related to quantitative research conducted via surveys. In addition to this 55%, about 17% of market research revenues related to automated/electronic data collection and 14% to qualitative research. In 2008, ESOMAR estimated that the global spend on market research was US \$32 billion, which would make quantitative survey research worth nearly US \$18 billion.

As recently as 2005, online data collection was a poor third to telephone and face-to-face in terms of global data collection modalities. However, by 2008 online had become the leading global modality for quantitative data collection.

The ESOMAR Global Market Research reports look at the differences in data collection modalities by country and these show some marked differences from country to country. For example, in 2008, over 30% of all research was conducted via the internet in Canada, Japan, and Australia. By contrast, the figure was 11% in China and Switzerland, and in Bolivia, India, and Portugal it was close to 0%.

The general assumption is that the share of research conducted via the internet will continue to grow, notwithstanding a number of concerns about online market research, which will be explored later in this book.

REASONS FOR THE RAPID UPDATE OF THE INTERNET BY MARKET RESEARCH

In terms of quantitative data collection, the internet is now the single most important global modality for data collection, according to the 2009 ESOMAR Global Market Research report. On a global scale, internet data collection has moved ahead of postal, face-to-face, and telephone data collection modalities in just a few years. The rapid rise of online data collection is well worth examining, partly to understand the key attributes of the internet modality, and partly to help assess what might happen next.

Compared with other data collection modalities, the internet has benefited from a number of modality-specific advantages, such as being able to reach hard-to-find groups and the provision of flexibility for respondents to take part in surveys at a time of their convenience. These advantages will have had some impact on the rapid uptake of the internet by market researchers, but they are not the main reason for its success in becoming the leading modality.

A more significant factor in the rise of online data collection was probably the increase in speed offered by internet, resulting in considerably faster project turnarounds. However, there is little sign that the reduction in product timings has led to any reduction in clients worrying that research takes too long and is too reactive.

However, the main reason the internet has been adopted so widely for quantitative research is the cost savings it has been able to offer compared with other data collection modalities. The ESOMAR Global Prices Study 2007 produced global figures and also compared face-to-face, telephone, and internet on like-for-like projects across several countries. The study showed that telephone tended to be about 40% cheaper than face-to-face, and online tended to be 40% cheaper than telephone in those markets where all three modalities were an option.

The push to realise the internet's potential cost savings took a special emphasis in the economic downturn following the collapse of the dotcom bubble in 2000, and has remained important.

Whilst cost was the main driver of the demand for online data collection, the key change that made it viable was the rise of online access panels.

THE RISE OF ACCESS PANELS

In the early days of online data collection there were no reliable methods of obtaining respondents for surveys. By comparison with other modalities, researchers were suddenly faced with a medium where there were no directories, no lists, and no RDD (random digit dialling). There were no simple options for identifying the population and no suitable methods for defining a sample.

The most frequent approaches, in those earliest days of online data collection, were to use advertising tools and client databases (for the small number of clients who had usable lists of customers' email addresses). The advertising route consisted of using invitations to surveys implemented via advertising mechanisms such as banner ads and pop-ups.

However, online data collection only took off as a major force when online access panels became widely available. Readers should note that as online access panels have become more central to research they are increasingly being referred to as, simply, online panels, or just panels.

Before the mid-1990s, panels had been fairly rare outside the USA, and they were usually reserved for specific purposes, such as retail audits. In the USA there had been a history of mail (postal) panels and this, to an extent, explained the more rapid development of online access panels in the USA. It

has also been suggested that the more conservative nature of European research buyers and providers slowed down the development of online research in Europe.

The development of large scale online access panels became the key to unlocking the use of the internet for quantitative research. However, by adopting the widespread use of online access panels, market research has moved away from the ability to claim that it uses random probability sampling and that it can 'scientifically' project its findings onto the wider population – a fact and consequence that are covered later in this book.

There is a traditional saying in marketing that buyers tend to want things to be better, cheaper, quicker, but organisations can, at best, only offer two of these at any one time. By accepting the methodological limitations of panels, market research was able to make research both quicker and cheaper.

CONCERNS ABOUT ONLINE MARKET RESEARCH

Within just a few years of online research appearing on the scene, and certainly by 1999, most of the key issues and concerns surrounding it had been defined, and were being discussed at conferences and within research companies. These key concerns are:

- **Representativity.** *Not everybody has access to the internet. Even amongst those who do have access, access is not equal. So, how can research conducted via the internet be representative?*
- **Sampling.** *There is no list of who is using the internet and there is no agreed definition of the population of internet users, so how can samples be drawn?*
- **Self-completion.** *Online respondents fill in the survey on their own, without an interviewer being present. Are these respondents who they say they are? Are they paying attention? Do they understand the questions? Do they have enough motivation to complete the project properly?*
- **Technical limitations.** *Although these limitations have reduced considerably since the mid-1990s, the key limitations still exist. Smell and touch cannot be communicated via the internet, actual size is hard to convey, and the amount of stimuli that can be shown on a screen is still far less than can be shown in a photograph, on a real shelf, or in a magazine mock-up.*
- **Loss of nonverbal contact.** *In a face-to-face situation, especially in a focus group, the researcher can watch the respondent and interpret nonverbal clues. This is not yet (and may never be) a convenient option via the internet.*
- **Additional privacy concerns.** *The internet has introduced many new ways for information to be captured, stored, and shared. This has led to increased concerns about security and privacy, in terms of protecting both the respondents' and clients' interests.*
- **Self-selection.** *In traditional research approaches the respondents were approached and asked for their cooperation. In most online research there is an element of self-selection, ranging from a small degree of self-selection through to it being the main route. For example,*

many people on panels have sought out the panel and applied to join it. This represents a very different approach to the traditional research method of inhibiting self-selection.

- **Professional respondents.** *Almost as soon as online surveys appeared on the scene, there were people actively seeking out the incentives that were being offered. This phenomenon has grown, especially with the rise of online access panels, to the extent where there is a concern that some/many respondents complete a large number of surveys and that they do it mainly for the financial rewards. There is a concern that the presence of professional respondents may imply one or more of (a) sensitised responses, (b) using false responses to complete more surveys, and (c) being less representative of the population.*

Since the 1990s, market researchers have found methods of living with the issues outlined above, without fully solving any of them. One of the reasons that a handbook of online market research is needed is to help those involved in the buying, specifying, or conducting of online market research to be aware of the limitations of the medium and the ways these limitations are typically addressed.






USING THIS BOOK

This section sets out some useful information on the best way to use this book, for example its conventions and clues.

ICONS FOR KEY NOTES

Given that there is a large amount of information in the book, it is important to highlight the most important items, to help ensure that the best practice guidance is accessible. In order to signpost the key notes, icons have been used to indicate points of special interest and these are shown in Table A.2.

Table A.2

Icon	Description
	Highlights warnings about topics that can be critical to research outcomes or quality/ethical issues.
	Summarised advice, such as check lists.
	Real world examples of how approaches have been applied.
	Lists of resources that the reader may find useful.
	Highlights that the next section is purely the opinion of the author.

REPETITION

Some of the issues covered in this book, such as the research implications of working with online access panels, are associated with several topics. This suggests that the book needs to adopt one of two approaches:

1. Cover each issue once, in whatever depth is required, and in all other locations refer the reader to that section.
2. Cover the same issue more than once so that the reader does not have to be diverted from the topic they are reading to review the issue.

Given that this book is designed to be a handbook and the focus is on making each topic as accessible as possible, the tendency is towards covering some key issues more than once. However, each time the issue is covered it is contextualised to the topic.

QUALITY AND ETHICS

One of the most dynamically changing parts of online market research relates to ethics and quality. The practical implications of this are changes in legislation, changes in respondent cooperation, and changes in regulations. This book visits the issues of quality and ethics in terms of most of the topics reviewed in the book.

CASE STUDIES AND INTERVIEWS

This handbook makes extensive use of case studies and interviews with industry leaders to show how the techniques and approaches being explored are used in the market place. This has been done with the kind consent of the many companies who have contributed case studies, information, and data. However, the reader should remember that case studies tend to represent 'good news' stories. A great case study illustrates how a technique has delivered insight or ROI – i.e. it shows that the technique can be useful; it does not show that it is always useful, in all cases and in all situations.

THE SPEED OF CHANGE

Because the medium being examined is the internet and because a large part of the book concentrates on leading edge topics, such as online research communities, blog mining, and e-ethnography, this book is a snapshot of a rapidly changing process.

Most of the observations in this book, and the guidance that accompanies them, will hold true for the next ten years. However, some may have changed within months, so the reader should complement

the reading of this book by following the key blogs, conferences, and thinking about online and especially social media research (a list of resources is included at the back of the book).

There is also a website that accompanies this book which hosts extra material and an online discussion about topics raised by the book. The website can be found at <http://hosmr.com>.

REFERENCES

Ethics, data protection, data security, and quality are important issues for market research, and there are a large number of international and local regulations, guidelines, and initiatives. This book contains specific sections where these issues are explored. Throughout the book the recommendations are broadly based on the ESOMAR guidelines, as these guidelines are global and have been adopted in association with a wide range of other bodies. However, the rules and guidance change rapidly, and vary from country to country. Market researchers need to keep themselves acquainted with the latest picture in the markets they are operating in.

KEY TERMS USED IN THIS BOOK

In the world of market research, many different terms are used for the same thing in different markets, and sometimes even by different market researchers within a single market. In order to aid clarity, the key phrases that are in the book are outlined below. There is also a glossary of terms at the end of the book which covers a wider range of terms and definitions.

Agency	A supplier of market research, which may also be called an institute or a vendor.
Client	A buyer of market research.
Client-side	Something which is done by or within a client company. For example, a market researcher employed by a client might be described as a client-side researcher.
Insight/research department	This term is used to denote a department within an organisation that buys research (i.e. a client), which is responsible for working with (amongst other things) market research information.
New/MR	New/MR is a term that has been adopted to group together those aspects of newly-developed market research that move away from two key tenets of traditional market research, namely the command and control model of researcher and respondents (towards a more collaborative model), and away from assumptions of random probability sampling to alternative models. Examples of New/MR include online research communities and prediction markets.

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PART I

Online Quantitative Survey Research

The single biggest impact of the internet on market research to date has been on the collection of quantitative survey data. The chapters in this first part of the book address different aspects of quantitative survey research conducted via online surveys.

Part I covers

- Overview of quantitative online research
- Web survey systems
- Designing online surveys
- Online access panels
- Client databases
- In-house panels
- Running an online survey
- The online quality debate
- Summary of online quantitative research

Note, there are other forms of quantitative research that are not survey research, such as web analytics and scanner data. These are not covered in this part of the book.

