

The Consumer



ONLINE MARKET RESEARCH: EXPERT ADVICE

■ **Analyze the sample.** Challenge the research firm on how it manages survey panels and polices for “professional respondents” who sign up for every survey to get cash or prizes. Market research organization ESOMAR offers “25 questions to help research buyers.”¹

■ **Think before you DIY.** Technology makes it easy to create online research in-house, but the quality is only as good as the questions, the pool of respondents and the analysis. Don’t “mistake the execution part for the thinking part,” says Howard

Moskowitz of researcher Moskowitz Jacobs. If you plan to do it yourself, consider hiring a freelance consultant to raise the odds that your work will produce valid, actionable results.

■ **Be transparent.** “Push for as much transparency as you can,” says Joe Plummer, chief research officer at the Advertising Research Foundation. Ask to see examples of completed reports or a demo. Ask for past survey questionnaires to review both the wording and flow of questions.

1. <http://www.esomar.org/web/show/id=49859>

U.S. SPENDING

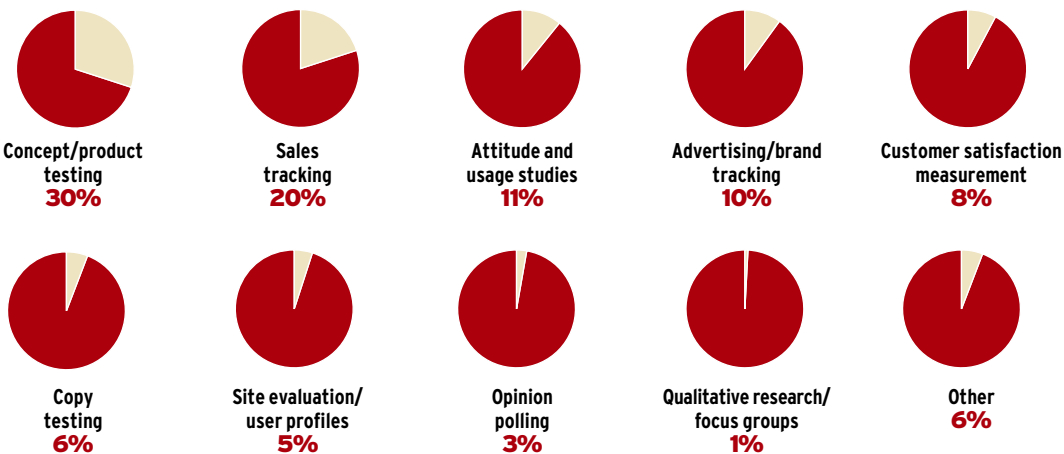
U.S. spending on online market research will exceed \$1.3 billion this year. Growth has slowed, which newsletter *Inside Research* attributes in part to a price war that started late in 2004.

YEAR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006 ¹
Spending (\$ million)	\$3.8	11.3	32.4	108.9	253.0	401.0	650.6	823.8	1,010.6	1,184.4	1,347.9
\$ increase		\$7.5	21.1	76.5	144.1	148.0	249.6	173.2	186.8	173.8	163.5
% change		197%	187	236	132	58	62	27	23	17	14

1. Forecast. Figures exclude audience/advertising/traffic measurement. Based on revenue reports from 26 firms (estimated 80% of market) plus unreported spending (20%). More info: www.insideresearch.com Source: *Inside Research*, January 2006

WHAT GETS DONE

U.S. online research spending by type of research. Concept/product testing is the biggest category, accounting for 30% of spending. Share of spending in 2005:

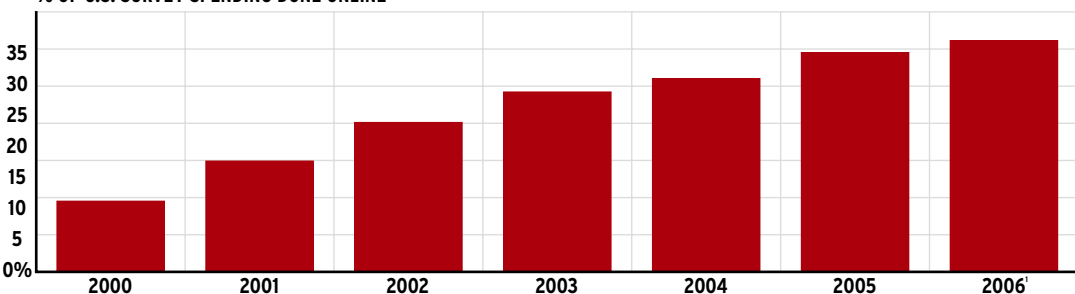


1. Based on revenue reports from 25 research firms. More info: www.insideresearch.com Source: *Inside Research*, Jan. 2006

SURVEYS

Internet surveys are the dominant form of online market research, commanding nearly 80% of U.S. online research spending this year. Almost one-third of survey spending now goes online.

% OF U.S. SURVEY SPENDING DONE ONLINE



1. Forecast. Figures exclude qualitative and sales-tracking market research and audience/advertising/traffic measurement. More info: www.insideresearch.com Source: *Inside Research*, Jan. 2006

Advertising Age's American Demographics appears the third Monday of each month. We welcome hearing about your consumer research. Please send research findings to bjohnson@crain.com