Building a Successful Convenience Panel[1]

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How do you set up a panel for "quick and dirty" tests, or to pre-screen people to come in for focus groups or lab experiments?

Large consumer panels offer size, representativeness, and anonymity. Yet there are times when generalizability and projectability are not the goals of the study. In these cases, a panel of conveniently available non-representative consumers – a convenience panel – can be useful. Such a convenience panel can be "cheap, quick, and good" by offering ease and speed of access. Because convenience panels tend to be locally-focused, they can also offer the opportunity to prescreen people for focus groups, in-depth interviews, and face-to-face experimental tasks.

Convenience panels can be called different names depending on who is using them and on how they are using them. Companies often call them "pilot panels," because they are used for pilot studies or for measurement development. Academics call them "academic panels," not surprisingly, but can formally name them based on the focus of their research (e.g., University of Illinois Food Psychology Panel or the Brand Revitalization Panel). Despite the differences in name, all convenience panels tend to have similar purposes – to easily and quickly generate data (albeit not generalizable) that will be helpful in questionnaire design, idea generation, or theory testing.

The objective of this article is to show how to build a successful convenience panel. As noted in Figure 1, the article begins by outlining three ideas for using convenience panels: (1) to pre-select people for interviews, (2) to generate ideas and conduct experiments, and (3) to improve data quality. Next, four techniques are described which can be used to successfully recruit panelists. Following this, the issue of compensation is addressed. Specific guidelines for "how much to pay" and suggestions for using "Honor payments" is next described. Because attrition is an important issue with convenience panels, five methods for retaining panelists are presented. The article ends with suggestions that Panel Directors on tight budgets can use to reduce administrative, mailing, and incentive costs.

[Insert Figure 1 about here]

Ideas for Leveraging Convenience Panels

Convenience panels are useful when there is no intention to try and project from the panel to a general population. This is common with pretests, or questionnaire design, measurement development, and crossed (e.g., 2x3 between subjects) experimental designs. A convenience panel can provide quick turn-around and follow-up feedback on the phone (or face-to-face) as to what questions seemed cumbersome or difficult to answer. In addition, people in these panels tend to be experienced and "well-behaved," and a higher percentage of returned responses appear to be usable. Although such panelists may not be representative of a general population, generalizing is not the objective of convenience panels. Instead, experienced panelists enable easy trouble-shooting of problem areas, more effective idea generation, and less noisy experimental results.

Use Panels to Pre-select for Interviews or Recruit for Experiments

Sometimes it is important that there be face-to-face meetings with panelists. This is the case when there are follow-up questions that need to be answered in a focus group or through in-depth interviews. The closer panelists live to a central, convenient facility, the easier this can happen. Previous records from panelists can be used to electronically prescreen them before interviews. Suppose one is interested in interviewing consumers who have swimming pools. Past information on panelists can indicate which of them have swimming pools and they can quickly be prescreened on this basis. Similarly, panelists can also be prescreened on the basis of the type of person they are (e.g., brand loyal, high need for cognition, impulse shopper, etc.).

Use Panels to Generate Ideas and Conduct Experimental Tests

Suppose that we are trying to determine who the gatekeeper of food purchases is within a household. That is, when is it the meal planner, and when is it the meal eaters? Using a convenience panel can either help us explore some preliminary thinking, or they can be useful in brainstorming further thoughts. If the answers are thought to be different with different populations, or if they are important enough to generalize, a full panel study can be more parsimoniously conducted at a later time.

A well-trained panel can be given a wide range of open-ended questions along with scaled questions and frequency questions. A general method in exploring a new context or research area is to ask dyadic questions, such as “When do you ____,” and then asking “When do you **not** ______.” In both cases, a series of scaled questions can be asked about each of the events (Wansink 2000). Similarly, asking people in convenience panels to describe recent scenarios (the last time they bought something on impulse, or the most recent comfort food they have ate) and to answer scaled questions related to it, can provide great insights for exploratory analysis and thinking (Wansink, Batra, and Ray 1994).

Use Panels to Improve Data Quality

There is always a trade-off between accuracy and cost. In some work, such as academic-related methodology studies, there is a premium placed on the precision and accuracy of a panelist. Some consumers are simply more careful, precise, accurate, and diligent than others. By using panels, consumers can be screened or preselected on the basis of how careful and accurate they are. They can then be useful whenever a situation places a premium on low error variance. This can be easily and statistically accomplished. One’s consistency in answering questions can be checked across times. Their response to reverse-scaled items of a similar nature can provide an indication of how careful they are, and an analysis of missing data can give some indication of diligence.

In general, convenience panels – when managed well – help provide a certain guarantee about the quality of the data. Panelists with whom a researcher has regular contact can be more useful, more patient, and more precise than one who is merely “doing it for the money.” This typically makes them loyal panelists who can be called upon to more frequently than would be the case with larger more general panels.

How Can Convenience Panelists Be Recruited?

For the most part, convenience panels are local panels. The panelists live close to a research facility, and they are quickly and inexpensively accessible by phone and in person. For pilot panels, a larger percentage can be from outside the area if coming in to a central facility does not place too often of a burden for those who do live in the area.

Send Recruitment Mailings.

Within a specified area, mailing lists can be purchased and people can be recruited through mail solicitations. The solicitation letter must explain the general purpose of this survey, how the data will be used, what they will receive for compensation, and an assurance that their privacy will not be compromised. In these circumstances, the solicitation mailing will include a business reply envelope, and a brief questionnaire that will help with prescreening for future studies. For many people, it is critical that they know their names and addresses will not be sold to companies. If a small amount of money is included, it is not uncommon for a solicited response rate to be as high as 15-20% (see Sudman and Wansink 2002 for examples).

Advertise and Distribute Fliers

Display ads and help wanted ads are commonly used to recruit local panels. While this successfully locates eager panelists, they are not always ideal panelists. Many people reading these ads are looking for extra money and will treat the panel as a means to an end. Panelists who are recruited through advertisements have a higher burn-out rate (less longevity with the panel) and have a slightly lower percentage of usable questionnaires than those recruited randomly through the mail.

Fliers are less expensive than ads, but their success is wholly dependent on where they are placed. The most successful fliers are those placed on bulletin boards at churches and in community centers. The people recruited through these fliers are sincere and often end up being long-term panelists. Fliers placed on bulletin boards in grocery stores tend to generate a reasonably large response, but the response quality is lower. Fliers placed in Laundromats generate a high level of response, but the panelists have a high level of attrition from the panel. In general, there has been uneven responses about the quality of people recruited through internet bulletin boards, this appears to be the least successful recruitment method at this time. More targeted e-mail recruitment is a more preferred electronic recruiter as noted next.

Send Recruitment E-mails.

When one is dealing with a large central community, such as a university or a large company, the easiest way of recruitment is through the e-mail. Communications directed toward staff – secretaries and administrative assistants—receive decent levels of response. Yet because of perceived issues of hierarchical power, these e-mails need to be delicately written. It is important to decouple the panel from the institution and from any confusion as to whether they "have" to be involved. The best approach is one that emphasizes that being a panelist is a reasonably amusing way to spend some time, and that it is appreciated, convenient, and compensated. Before sending this message, it is important to personally show it to a number of the people in the target population to make sure it communicates effectively, persuasively, and inoffensively.

Recruiting in PTAs and Church Groups.

One of the most successful methods of recruiting panelists is face-to-face, and few other face-to-face techniques work as well as meeting them in groups. Two groups that have been most successfully used across the country and in the Netherlands have been elementary school Parent Teacher Associations and church groups.

These organizations are always involved in fundraisers to buy school supplies or to send kids to church camp and are often looking for painless fundraising ideas. One solution for this dilemma is the Fundraising Survey. Simply put, for each person the PTA or church can get the complete a qualifying survey, the organization is given $8-12 (50 people results in a $400-$600 fundraiser). In effect, they do the basic prescreening, and when all these subjects are met, long-term panelists will be recruited.

On the last page of the survey, people are given the opportunity to join the panel. They are told that subsequent research will be conducted in this area and that they will receive compensation if they want to be involved in future surveys. It is important to refer to the valued nature of the group, the willingness to disclose what is learned (via the web-site). In addition, ask for their name and address and their signature.

How Should Panelists be Compensated?

Large panel companies compensate consumers using tangible rewards such as gifts, cash, lotteries, or redemption points. While some institutions using convenience panels have tried to use only intangible rewards such as “membership prestige,” copies of results, and pats on the back, the more successful convenience panels use a combination of tangible and intangible rewards. Company panels need to provide a slightly higher tangible-to-intangible mix of rewards than universities (especially compared to state universities). Yet even universities, need to offer some tangible reward to keep panelists happy and involved.

How Much Should Panelists Be Paid?

A reasonably good payment rule-of-thumb is to pay 1.0-1.5 times the minimum wage. To use this benchmark, one first needs to determine how long it will take a reasonable person to complete the questionnaire. It is important not to use the "mean" completion time, but to instead use an estimate of the "reasonable completion time."

The reasonable completion time is the time it takes for 70% of the test respondents (the 70th percentile) to complete the particular panel survey instrument. Based on this number of minutes, using 1.0-1.5 times the minimum wage will give a range of what is a reasonable incentive for consumers, but this changes through the year. If a researcher wishes to keep a consistent response rate across the year, the reasonable range for each month of the year is as follows.

January	1.0-1.5 times the minimum wage
February	1.0-1.5 times the minimum wage
March	1.0-1.5 times the minimum wage
April	1.0-1.5 times the minimum wage
May	1.3-1.8 times the minimum wage
June	1.5-2.0 times the minimum wage
July	1.5-2.0 times the minimum wage
August	1.5-2.0 times the minimum wage
September	1.3-1.8 times the minimum wage
October	1.0-1.5 times the minimum wage
November	1.0-1.5 times the minimum wage
December	Wait until January

What determines what end of the pay scale one uses? This depends on who the sample is, what their time is worth, where they are located, what the institution is (company vs. university), and what the topic and interest level is in the panels survey. The Food Psychology Panel at the University of Illinois, for instance, generates a 60-80% winter response rate at a 1.0 incentive rate. An increase to 1.5 times the minimum wage has no appreciable difference on the response rate. For some panelists, it appears that "the thought is the count.

Honor Payments: A New Method for Paying Panelists

There are two ways in which to pay panelists. The most common method is by sending them personally addressed checks upon return receipt of their panel booklet. In doing, so there is control over the checks, accountability, and accuracy in reporting. Unfortunately, there are extra administrative steps, and the response rate is reduced because the reward is so delayed.

An alternative is to include unaddressed checks when they are sent the panel booklets. We call these "Honor Payments." After it is predetermined the appropriate amount that will be paid panelists, checks can be preprinted with that amount, and can be signed with a stamped signature. It is important to indicate to consumers in the "check note" area (lower left hand corner of the check) that the check should be cashed only if the survey is completed. Similarly, the cover letter needs to emphasize that the check is being sent in a good faith effort and if the consumer does not wish to complete the panel survey, he or she should simply tear up the check and throw it out with the survey.

The fear of cynical researchers is that the response rate for the survey will be 35%, but the response rate for cashed checks will be 100%. This is not the case.

Tracking studies (Sudman and Wansink 2002) have shown that there is a strong correspondence between those who fill out the survey and those who deposit the checks. Few people (2-3%) behave in the greedy manner of the cynic. Along with a basic level of integrity, signing the check is a barrier to illicit depositing of checks. Follow-up interviews indicate that there is a concern that the checks will be tracked and corresponded to returned surveys.

The amount of money that needs to be seeded into the account can be calculated by estimating the response rate and by adding a 20% cushion margin. As a way of managing the outflow of money, it is useful to realize that the incoming checks return at the basic rate illustrated in Figure 2. The return rate illustrated in Figure 2 is typical of most patterns of returns. It involved 1000 panelists who were mailed an honor payment of $6.00 to complete a questionnaire that examined their purchase rates and consumption rates of various hedonic and utilitarian foods (Chandon, Wansink, and Laurent 2000).

[Insert Figure 2 about here]

Based on a number of studies (such as the one illustrated in Figure 2) there are some basic generalizations we can make about using Honor Payments. These can be useful in helping manage one's expectations (and cash flow) during one's first experiences with convenience panels and honor payments. In general, the following can be expected:

- 20% of the panels will deposit their check before their survey is returned.
- Most checks will be deposited on Monday. This becomes even more exaggerated past the third week after the study.

- If the face value of the check is under $5.00, 5% of those who complete the survey will not deposit the check.
- There is only 3-7% “fraud” (deposited checks with no completed survey), but it typically does not occur with small face value checks. Most of this is suspected to be unintentional.

How Can Panelists be Retained?

Panelists need some form of tangible compensation, but some part of a panelist’s involvement in a convenience panel is because they believe their opinion is valued and can make a difference. Reinforcing this feeling is important in helping retain panelists, and these five guidelines will help. While these same efforts are important with convenience panelists, they are generally important for all types of panels.

Send “Best Wishes” Mailings.

One approach to keep panelists involved and favorably predisposed toward the panel is to send periodic “Best Wishes” mailings that thank them for their participation. Two mailings per year is generally sufficient. These “Best wishes” mailings should be sent during the Holiday season and during the summer. Since sending Holiday Cards can be expensive, an option is to send a brief newsletter, with a holiday greeting on the front, and a recap of some the past year’s highlights, along with thanks for their help over the past year. This recap is best done in the context of a montage of press clippings related to projects from recent years, interspersed with photos of people from the lab or research organization. The card itself can be signed (a copied signature) by the primary contact person, or can also include signatures of other relevant people in the lab.

Use Only One Panel Director

Once a panel is developed and successfully operating, there can be a tendency to use associates, graduate students, or rookies to maintain the panel and to coordinate activities when panelists come to the central location. This is often foolish. The glue that holds good panels together is a sense of commitment to an institution or to an individual. Many years of goodwill can be eroded by an arrogant or discontent associate, or by a careless or disorganized graduate student. It is too easy for a person to treat the panel like a transaction rather than as an asset. Like other relationships, panel relationships need to be nurtured and not taken for granted.

In the same way that large panels have figureheads and contact points -- such as Janet Hall, Carol Adams, or Liz James – so too must a convenience panel have only one person as the figurehead and contact person. The ideal contact person and Panel Director is one who is vested in seeing the panel succeed and survive, a good people person, and is thoughtful and patient. If the person works with assistants, the best assistants are friendly people who are demographically similar to the target population.

Offer to Send Copies of Results

It is always advisable to *offer* to send consumers copies of the results. Offering to send the results sends an important signal that there is noting illicit that is happening with the data they provide, and it shows that the Panel Director is honest and worthy of the panelists' involvement. In most cases, the panelists do not want the results, but they do like knowing they could have the results if they wanted. Let us consider a typical panel survey. If a research includes a check box (▯) on the survey that says "Please send me the results of the study," it is easy for the consumer to check the box, and approximately 60% will. But how much do they really want the results? If they are told to include a self-addressed envelope, the response rate drops to 3-5%. If they need to include a stamp on the envelope, response drops to 1-2%.

How Can Costs of Convenience Panels be Minimized?

One of the advantages of convenience panels is in their responses are higher and their costs are lower. Nevertheless, they are still expensive because of panelist incentives, administrative costs, and postage.

Save on Incentives Costs.

One way to save on incentives for panelists is to provide a reduced monetary incentive and to supplement this with a lottery. If the mailing is going to be large, the incentive of winning a $1000 lottery can be effective. Sometimes, however, the per person savings are not as great as one would think. That is, if the mailing is going to a convenience panel of 1000, a $5.00 incentive might generate 600 people at a total incentive cost of $3000. If a $1.00 incentive is sent with a two chances to win $1000, the response is more likely to be 400 at a cost of $2,400. While using the lottery was a little less expensive – in total – the per person cost of using a lottery was $6.00 per person and the cost of not using one was $5.00 per person.

Yet the per person costs are only one issue when deciding between lotteries and cash payments. Even if it is believed that the lottery would be less expensive (per person) than a cash decision, one should be hesitant to use a lottery if 1) it decreases a person's long-term commitment to the panel, 2) it biases the type of person who will respond, or 3) if it makes a person less careful in completing the survey.

If more than one of the answers is feared to be yes, it might be better to not use the lottery. Alternatively, one compromise can be to increase the amount paid and decrease the amount of the lottery. That is, instead of paying \$5.00 vs. \$1.00 plus two chances to win \$1000, a compromised package of \$2.50 and one chance to win \$1000 may eliminate some unintended effects of using a lottery.

Save on Administrative Costs.

It is easy to believe that envelope labeling and stuffing can be done less costly in house. This could be a poor assumption. Mailing centers can often stuff envelopes for 3 cents an item and can quickly address the envelopes. For mailings of under 200, the speed and convenience of doing this in-house (6:00-9:30pm along with pizza and soft drinks) can overcompensate for what the mailing center would charge. However, when the mailing gets any larger, the opportunity costs for the postage and handling can become excessive. An important way of saving on both administrative costs and mailing costs is to use the "Honor Payment" system outlined earlier. This method saves money on check handling, and postage.

Save on Mailing and Handling Costs.

One can save on mailing and handling costs by mailing through a nonprofit status when possible and through bulk mail when not. For a 16 page survey, the nonprofit status mailing can save 70% over that of a first class mailing. For a bulk mailing status, the savings can be around 40%. Whether one uses business reply return envelopes or to pre-stamp return envelopes depends largely on the expected response rate. Unless the mailing is very small in number, or very urgent, or unless one expects a very high response rate (70%+), it is generally more cost effective to use business reply envelopes.

Conclusion

Convenience panels can be "cheap, quick, and good" when there is no intention to try and project to a general population (Wansink and Ray 1992). They are particularly well suited for measurement tests, experimental designs, and for pre-screening people for focus groups and central facility experiments. While developing and managing these panels is similar to that of larger panels, our experience has shown there is a greater need for personalization and "hand-holding" in both the recruitment and retention of the panels. Yet a well-screened, well-trained panel can be of tremendous use in providing high quality data, feedback, and insights, and they facilitate trouble-shooting of problem areas, more effective idea generation, and less noisy experimental results. When generalizability is not an objective, there times when the speed, cost-savings, and follow-up ability of a convenience panel overshadows the importance of its representativeness. For academics, it provides an easy solution for generalizing beyond an overused 19 year-old sophomore subject pool.

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Figure 1.
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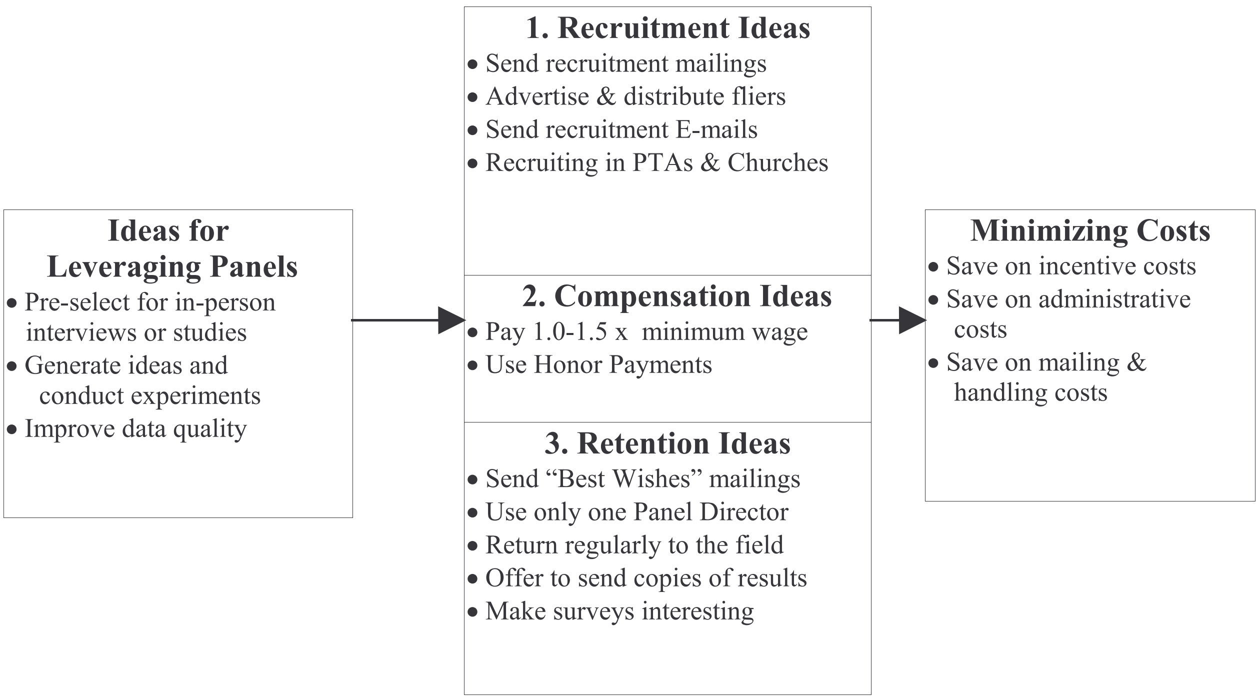

Figure 2.
How Deposited Honor Payments Correspond
to Returned Panel Surveys

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