

White Paper

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Mobile Research – The 5th Methodology

This whitepaper explores the emergence of mobile phone research as the 5th research methodology and the scale of the opportunity for those adopting it in the global market research world; identifies the challenges, outlines what it can deliver and where it is presently being applied to great effect.

The Global Research Market

Let us first establish a context for the establishment of this new methodology. The global market research industry generated \$24.6 billion in 2006 (6.8% growth rate). The majority of these revenues, \$16.9 billion were generated by four main quantitative methodologies (ESOMAR, 2007).

These four methodologies have developed chronologically, with each being a logical transition from the previous (face-face, postal, telephone, through to online), each progression was aided by the emergence of new technology that provided broader, faster access to the population, with cost efficiencies to the research company and its clients.

Face-face as the most resource hungry and therefore costly is beginning to lose traction - down \$3.24 billion in the last 2 years. In contrast, online - the most recent addition is on the increase, up \$1.24 billion over the same period. The use of web-based software provides the researcher with a cost efficient highly scalable solution which has become popular to the extent that it now contributes \$3.26 billion to global market research revenues (ESOMAR, 2007).

The speed of development of communications technologies is such, that whilst online is still growing, the mobile phone has rapidly emerged as the preferred tool of communication. Capabilities previously only available over the internet are now available on the mobile, a transition that is not lost on researchers. Where previously the mobile phone was thought to offer a minor supporting role in research, it has evolved, as have the research solutions that leverage its capabilities, making it a far richer environment than the simple two-way text message.

The 5th Methodology

Mobile phones share the same characteristics as the four main traditional methodologies, but add location and immediacy of results to the mix. Further, if the success of online was due to global penetration of web connections, it is key to note that there are already three times as many mobile phone subscriptions as internet connections with 3.5 Billion handsets, representing a 40% global penetration rate (90% in the developed world) (Netsize Guide, 2008, *Informa Telecoms & Media, 2008*).

As the modern communication method of choice, the mobile phone is well supported with a global network infrastructure that can deliver massive volumes of traffic seamlessly, for example, 6.3 billion SMS messages, and 17.3 million WAP users per month in the UK alone (Text.it, 2008).

The conditions are clearly in place to support this as the 5th research methodology. As was the case with the others when they first appeared, mobile will provide researchers the opportunity to conduct simple, fast, unobtrusive, research which provides clients with actionable data, only this time 'In the moment'.

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This 'In the moment' aspect is critical, as Gartner Research (2006) pointed out; there is an astonishing effect –

“feedback collected immediately after an event is 40% more accurate than feedback collected 24 hours after the event” and they also found that “response rates increase 10% to 12% simply by requesting feedback as soon as the event is completed”.

Mobile's Impact on Other Markets

Given that the 5th methodology is just out of the starting blocks, is there any evidence in other markets of the pervasive impact of the mobile handset revolution?

Well, mobile marketing is forecast to mirror and then surpass online marketing growth due to that same immediacy of contact with consumers in a buying environment where the high street, internet and mobile telecommunications converge.

Looking at online advertising and marketing's growth and the increasing momentum of the mobile channel in this area is a good indication of the emerging scenario for mobile research.

In 2005, global advertising revenues reached £188.7 Billion (MediaGuardian) with internet spending seeing a 20.4% growth to \$17.2 Billion. The UK online advertising spend in 2006 was £2.02 Billion (IAB in partnership with PwC and WARC) showing 41% growth.

So what are the forecasts for mobile advertising and marketing? According to Analysys (2007) mobile advertising will represent 3% of the global advertising market by 2012 and ABI Research (2007) forecasts that the world market for mobile marketing and advertising will reach \$19 billion by 2011.

According to Airwide Solution (2006), by 2008 89% of 'major brands' will be using mobile as a marketing channel, and by 2010, 52% of the brands surveyed expect to be spending between 5% and 25% of their total marketing budget on mobile marketing.

All of this evidence demonstrates that the global market for delivering mobile marketing campaigns is rapidly expanding. As it does, commentary indicates that probably the biggest challenge for the industry lies around the ability to provide effective campaign metrics which include consumer evaluation and behavioural insight. It is here where the 5th methodology will grow to be an equal contributor to global market research, advertising and marketing revenues.

The Mobile Phone Research Opportunity

Challenges

When it first became obvious that global populations were choosing to communicate via the mobile phone, some visionary research was conducted by Joel Down (Mori, 2000) to trial respondents willingness to engage over the mobile channel. This research, whilst at first positive, appears to have had the effect of classifying mobile research as merely “a viable research method for short, simple surveys that are popular among users of mobile internet technology”.

What this has meant is that a re-introduction and re-education of the potential for mobile research is required where this and the following assumptions are being challenged in the new world where mobile predominates peoples' communications.

It is assumed that:

- only young people use their mobile phones for other than voice calls
- people are so concerned about the cost of messaging, because of the proliferation of premium reverse billed services, spam and high profile TV and radio shows that have been found to be misrepresenting services, that they won't engage.
- the mobile phone is too personal and therefore people are protective of giving permission to contact them
- Data security in a hosted service is an issue

All of these challenges have a sense of déjà vu and remind us of the early days of online research. Which, as evidenced by its widespread global revenues have been overcome to a greater extent.

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Delivering Mobile Research

To take full advantage of the mobile solution, the 5th methodology needs to be available to the research industry anytime, anywhere, anyplace. The web service model whereby the solution is available over the internet provides a simple, cost effective and convenient opportunity for providing access to the modern researcher whose projects cross continents.

Providing a web-based, self service, 'pay as you go' model means there are none of the traditional barriers to access because there is:

- no need for IT support
- no need to install software that needs to communicate with the outside world through firewalls
- no need to charge license, management support or project set up fees which all acts as barriers, rather provide a value based model whereby you pay for what you use, not what you might use.

The researcher needs to be able to create mobile surveys wherever and whenever they choose without concern for which network operator carries their questions, what the reconciliation of message costs will mean for their budget. Rather the mobile survey should be delivered at a flat rate by mobile research companies that simplify the channel, demystify and solve the barriers to the new methodology rather than contributing to it.

What Can the 5th Methodology Deliver?

Well we know that it can deliver an SMS message, most will also know that it can deliver a WAP survey providing an online-like experience on the mobile phone internet browser. But did you know that the questions you can ask and the answers you receive can include the following?

- The sending and receiving of pictures and videos as questions and answers
- Open text, rating and multiple choice questions
- Time and date stamps to identify when each question is answered
- GPS so that the location of the respondent who has given their permission can be engaged
- Routing and personalisation so that each person's survey experience demonstrates an understanding of them and their preferences.
- Anonymity options so that people can choose to hide their personal data in the results database
- Choice so that the survey respondent can choose WAP or SMS according to their preference and technological capability rather than the assumed capability of their phone
- Quota's which don't just switch the survey off when you hit your desired number of respondents, but that actually send a thank you message to notify the survey recipient about what is happening
- Reminders that can be set on each question to politely prompt the recipient that they have not yet completed their short survey
- A research solution that communicates with the survey administrator around start, end and response rates in live surveys so that they know what's happening even when not logged into the solution

All of this rich content opportunity means that the applications of mobile phone research are limited only by the imagination of the researcher. When combined in multimode approach with the other four methodologies, mobile increases the options for all five methodologies.

Some applications include:

- Point of sale/service customer satisfaction and loyalty surveys
- Event feedback – pre, during and post
- Brand and advertising trackers – where did they experience the brand and what did they think?
- Diary trackers – when did they experience the brand, event, instance?
- Employee motivation – pulse check the key drivers rather than wait for the annual results in order to identify issues and maintain motivation
- Live product concept testing – present the survey trigger in the form of a keyword and number in the shopping environment (plasma screen, on the packaging, poster, till receipt....)

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Let's Bring This Paper to Life...

Why not try a global mobile survey by texting the trigger word **feedback** to **85001**. All texts are FREE in the UK and N. Ireland, or text to **447797805207** if global (international message rates apply. N.B. limitations exist in the US due to operator policies which may restrict your ability to receive this survey).

What Results Are You Seeing?

Because this is a rapidly emerging methodology, there is not a consolidated body of evidence to guarantee effectiveness. What we have seen is that the principles of good research apply here as elsewhere. Indeed where the recipients are engaged correctly around giving their permission and receiving appropriate reward for their time and effort – the results are stunning:

- 35% response rate in a schools parental consultation where before it was less than 1% using paper-based surveys
- 71% response rate with 58% completion rate in two hours for a 1,000 panel study
- 85% in ten minutes for pub-based brand feedback during the half time of sporting events
- Youth diary tracker with 2,000 pieces of feedback over one week from 200 participants
- Product field test 1600 pieces of feedback over three week period from 150 participants

The time is right to be involved in the mobile research revolution. Indeed it has the feeling of one of those once in a career opportunities for individuals to champion and own a piece of the method as it emerges, and for businesses to demonstrate that they are on the cutting edge of innovation – delivering new insights for clients and documenting findings to consolidate the knowledge base of what the 5th methodology adds to the research world.

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