

## New Ways to Use Online Panels

Recently, AMS began using online panels to recruit participants for the card-sorting exercise that is part of our VOCALYST® methodology for gathering the Voice of the Customer (VOC). Previously, we had relied on traditional, telephone-based recruitment methods to secure samples for this task. Now, online panels have become reliable and representative enough in many categories to replace telephone recruiting methods. Additionally, we have found that they offer other advantages, including lightning-quick turnaround, and substantially lower costs.

VOCALYST begins with a series of one-on-one interviews designed to draw out insights about the experiences, attitudes, and beliefs that shape customers' underlying wants and needs. We follow this phase with the card-sorting exercise, which asks customers to structure and prioritize a set of needs drawn from these interviews. Customers sort actual cards into piles based on their individual perceptions of how the ideas and concepts are related, and this input is used to create a needs hierarchy.

Since the card-sorting exercise requires some explanation for participants, AMS has historically used telephone recruitment to secure our samples. We would then mail out packages of physical cards, along with a cash incentive that was promised to all recruited respondents. Some respondents returned their packages quickly, but it was not uncommon to have to place up to three reminder calls to boost return rates. We routinely received a respectable 70-75% of the completed card sorts back from consumers, with slightly less for B2B markets and physicians.

The use of online panels has introduced a number of major benefits to this process. First, we can recruit respondents and mail out packets in just a day or two, compared to one to three weeks when recruited by telephone. Second, because online recruiting requires little professional labor, costs are dramatically lower than for

telephone recruiting. And finally, since online panelists are more accustomed to participating in research projects, return rates are improved. For one recent project, we had anticipated a 50% return rate, but far surpassed that goal at an amazing 83%! In addition, we completed data collection in just two weeks rather than a month or more.

Of course, ease of recruitment, fast results, and lower costs pale in importance compared with the need for actionable, reliable results. Regardless of the recruiting method employed, panelists must be engaged in the process, and provide considerable thought to the task at hand. During our conversion to online panel-based recruitment, we conducted experiments to determine whether the data provided by online panelists were comparable to the data provided by respondents pre-recruited by telephone. We questioned whether, without a human connection to the respondent, we would get the same understanding of and commitment to completing the exercise. Happily, this concern was not borne out by the evidence.

Online recruiting for card sorting exercises works extremely well for most consumer studies and for selected B2B projects. Some groups of potential respondents still cannot be easily identified online, but one group that holds great promise for online recruiting is medical professionals. Not only are they easily identified, but physician panel providers are now more willing to find ways to work with us to obtain the data we need from their participants.

We and our clients are always looking for opportunities to save time and money while preserving data quality. Partnering with quality online panel providers that are committed to serving our unique requirements has, without question, helped us to accomplish this goal.

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# VOC for Services: Is It Really Different?

Hardly a week goes by in the business press without mention of the growing service economy. But most of the techniques used to gather and interpret the Voice of the Customer were first developed for manufactured products, raising the question: how well does VOC apply to services?

About half of our VOC consulting practice has been in services or service-intensive products, allowing us to observe the subtle differences in approach first-hand. Some have to do with the definition of “new product development” itself, some with the process of gathering the data, and some with how the data are processed.

First, the very term “new product development” is somewhat of a misnomer for services. When a service already exists – as with banking, insurance, telecommunications, hotels, or airlines – new product development usually means service or process *improvements*, rather than an entirely new product, as is often the case with manufactured goods.

Second, product and service development teams often rely on ethnography or contextual inquiry, i.e. observing the product in actual use. While this is clearly a valuable technique, in service markets, ethnography can sometimes be problematic. For instance, in hotel rooms, observation would be seen as a violation of privacy, while in hospitals, there are often legal and medical constraints on observation.

When these complications do arise, we rely instead on the tried-and-true sit-down interview. Fortunately, we’ve found that most customers can remember unusual encounters with service providers quite vividly, often alleviating the need for observation.

Third, the technical aspect of new product development for services usually entails IT development and process

reengineering, rather than traditional bench engineering or laboratory science. For instance, to implement a new or improved service in banking or insurance, the primary development effort must be focused on the supporting information systems. Similarly, improving the check-in experience at a hotel often requires the creation of new processes, followed by staff training.

But perhaps the biggest difference between products and services actually happens after the VOC has been gathered, when the team begins translating needs into technical specifications and performance measures. In the case of tangible products, these specifications are often expressed in units of time, force, weight, flow, pressure, etc., and can generally be directly measured in the laboratory. Service designers, however, often have a much more difficult task devising directly measurable performance indicators.

Sometimes, companies must actually invent new measures. In a VOC on telephone customer service, for example, two of the most important needs we found were: “they treat me with courtesy and respect” and “they solve my problem the first time I call.” How can a company measure these phenomena without relying on after-the-fact customer satisfaction measures? The solution often demands subjective estimates, expert panels, or creative ways of categorizing customers, such as “percent of customers who call with a previously reported problem.”

In short, VOC for services is slightly different than for products, but the core tools and techniques are largely the same. No one should be deterred by these differences, as the objectives are the same – and the potential rewards just as great.

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