

Hot Topic: Benefits of Building Online Panels vs. Using Email Lists

There is still a question regarding whether to build an online panel or simply to use a list of email addresses when conducting online research, even if the list is sourced from your customer database. What is the difference and why is building an online panel a far better starting point for conducting online research?

First, it is important to define the two. An email list contains email addresses and typically very few other data points -- maybe some demographics, maybe some purchasing information especially if it is a customer email list - but not very much additional information beyond the email address itself. A panel, in contrast, begins with individuals agreeing to participate in research in addition to these individuals having completed a detailed profiling survey. This survey gathers specific information about that individual's personal and household circumstances, categories and brands purchased, and other interests and affiliations.

As a result of these differences, online panels have the following benefits over simply using an email list:

- ☺ **Validation Opportunities** – *when using a list, there is typically very limited information on that individual in contrast to a lot of detailed information collected on that individual when they join an online panel. The more information that is collected, the more opportunity there will be to validate this information with other external sources of data. Further, when using an online panel, responses are stored and tracked over time allowing for profiling information to be updated whilst potential inconsistencies can be identified more easily.*
- ☺ **Much Improved Feasibility and Targeting** – *when using an email list, the response rate to a survey invitation will typically be extremely low (1-5% at best), also there is typically no or very little profiling information on which to determine the feasibility of running a research project. This is in contrast to an online panel, especially a custom one, where the response rates will be high and the specific profiling information needed has been collected and is easily accessible for running feasibilities and targeting survey invitations.*
- ☺ **Enhanced Engagement** – *those on a list who are receiving a survey invitation will have limited if any interest or commitment to the research process, in contrast with those who have joined a panel are interested and motivated to provide their feedback. The level of affinity and interest is enhanced further with a custom panel where the starting point for sourcing panel members is focused on a particular category or brand. The benefit to improving engagement with an online panel is further enhanced by being able to direct surveys to those who will find them relevant and who will qualify, this is often impossible to do when simply using an email list given the very limited information on which to generate the list and target the invitations.*
- ☺ **Cost and Time Savings** – *an email list is most often purchased for a one-time use without the guarantee of the research that will be achievable using that list, this is in contrast to an online panel where you will only pay for the completed interview (CPI). With custom panels, the cost savings is even greater for the client panel owner since once the custom panel is built, there is no CPI charge since you own the panel.*

Building panels is not necessarily an expensive endeavour. If you own a list or have a database of customers or consumers, then this is an excellent starting point for building a custom panel. The benefits as outlined above will far outweigh the modest upfront investment that will be required.