Chapter 6

The Panels
“My tastes are very simple. I only want the best”

Oscar Fingal O’Flahertie Wills Wilde (16 October 1854 – 30 November 1900) was an Irish writer and poet.
CHAPTER 6. Panels

CONTENTS

- PANEL CONCEPTS AND TYPES
  - TRADITIONAL VS OMNIBUS PANELS
- CONSUMER PANELS
- STORE AUDITS

- http://www.youtube.com/watch?v=Z2l91Q4v01U
CHAPTER OBJECTIVES

After reading this chapter, you should be able to:

★ Understand the concept of panel and retail audit
★ Discuss different types of panels
★ Understand the main characteristics, advantages and disadvantages of panels and store audits
PANEL CONCEPTS AND TYPES

• What is a PANEL?:

Sample of respondents who have agreed to provide information at specified intervals over an extended period of time

1. Traditional panels: it is not custom designed for a particular client, but it is designed and collected by the research company and sold to multiple clients. Same variables are used. E.g. Scanner-volume tracking data.

2. Omnibus panels. Use standardized procedures to provide marketing research to various clients. Different variables are used. E.g. advertising effectiveness.
When could a PANEL be useful?:

Some examples include:

✓ Measuring short and long-term purchase patterns with the effect of promotional deals
✓ Acceptance of new products
✓ How long after introduction consumers tend to buy new products…
What is a CONSUMER PANEL?:

- Large number of households that have agreed to provide detailed data for an extended period of time.
- Information normally include product purchase information or media habits.
- Respondents record information using a highly structured questionnaire
- Report data back
Main panel advantages

✔ Capacity to reflect the true extent of change over time
- Can gather a large amount of information
- Information is normally more accurate
- Costs are relatively low compared with survey and can be spread over time
Main panel disadvantages

- Lack of representativeness due to unrepresentative sampling and response bias.

1. Un-representative sampling may be due to:
   - Having the same panel members for a long time
   - Payment. Members may want to maximize reward
   - Certain less methodic individual may not be included in the panel
   - The sample may not truly reflect the sample population (age, education, occupation... high income professionals are hard to get in the panels)
   - Mortality (20% a year)
Main panel disadvantages

- *Lack of representativeness* due to unrepresentative sampling and response bias.

2. **Response bias (tendency to misreport data)** may be due to:
   - New member inclusion (over-report consumption). Should be controlled on a trial period
   - Some panel members may see themselves as “right”
   - Boredom, fatigue, incomplete entries…

Panel based purchasing data sources:

- actual purchases of products and services (Roper Starch)
- media consumption habits (Nielsen Media Research)
TNS Consumer Usage Panels is a specialist division dedicated to providing consumer understanding. Encompassing food, drink, toiletries, cosmetics, vision care and the gifting market, both within the UK and throughout Europe.

Europanel is a joint venture owned by GfK and Taylor Nelson Sofres. Operating in more than 30 countries, EUROPANEL leverages the consumer skills and expertise of both partner companies.

So, what do you think?

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And, because your opinions will help companies decide which goods or services to bring to market, you'll ultimately help shape consumer trends. Which makes your opinion valuable in more ways than one.

Join the panel today and start making your opinion count!

Register
What is a STORE AUDIT?

- Formal examination and verification of how much a particular product/brand has been sold at retail level.
- Based on a collection of retailers (discount, supermarket, drugstore..) audits are performed in return for detailed activity reports and cash compensation to the retailer.
- Audits operate as secondary data source.
Main retail audit advantages

✔ Precision

☐ Timeliness

☐ Reduced bias: they measure product/brand movement at the point of sale (retail level)

☐ Sales/ competitive activities are also reported

☐ Data is timely and readily available
Main retail audit advantages

- Allow to generate information such as:
  - Product/brand sales in relation to competition
  - Effectiveness of shelf space and POP displays
  - Sales at various price points and levels
  - Effectiveness of in-store promotions and point-of-sale coupons
  - Direct sales by store type, product location, territory and region

- Main providers of in-store audit: AC Nielsen (www.acnielsen.com/retail/index) and Information Resources (www.infoscan.com)
The National Purchase Diary Panel (NPD)

- The National Purchase Diary Panel (NPD) maintains the largest diary panel in the USA. More than 14,500 households use pre-printed diaries to record their monthly purchases in about 50 product categories. Respondents provide detailed information regarding the brand and amount purchased, price paid, whether any special deals were involved, the store where purchased, and intended use. The total panel includes 29 miniature panels, each representative of a local market. The composition of the panel is representative of the U.S. population as a whole. Information provided by the National Purchase Diary Panel is used by soft drinks firms like the Coca-Cola Company to determine *brand loyalty* and *brand switching* and to profile *heavy users* of various brands.

Source: Malhotra (2012)
The Nielsen Television Index

- The Nielsen Television Index consists of a representative sample of approximately 1,200 households. Each of these households has an electronic device called a storage instantaneous audimeter attached to its television sets. The audimeter continuously monitors television viewing behavior, including when the set is turned on, what channels are viewed and for how long. These data collected by the audimeter are supplemented with diary panel records, called audilogs. The audilog contains information on who was watching each program, so that the audience size and demographic characteristics can be calculated. (This information is normally disaggregated using demographic and socioeconomic variables, such as education, occupation, household size, age of children, age of parents, geographical location, and income level).

- Using these data, Nielsen estimates the number and percentages of all TV households viewing a given show. Their popular report, issued biweekly is available to clients after a measurement period—normally within 24 hours of a broadcast-. This index is used by firms such as AT&T, Kellogg Company, Unilever, etc in selecting specific TV programs on which to air their commercials.

Source: Malhotra (2012)
REFERENCES


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