

| *P a r t O n e*

PRINCIPLES AND PROCEDURES

THE SNAPSHOT SURVEY

Conducting Attitude Research—with Attitude!

There is no great trick to doing research. The problem is to get people to use it—particularly when the research reveals that you have been making mistakes.

We all have a tendency to use research as a drunkard uses a lamppost—for support, not for illumination.

David Ogilvy, Advertising Executive

If you listen *carefully enough*, your customers will tell you how to make a fortune. They'll leave you a trail of subtle clues that will lead to ideas for new products and services that you never would have dreamt up. They'll give you inspiration and energy—and reward you for helping them pursue their dreams.

Some years ago, two of my customers left such a trail of clues that led me to the snapshot survey. The first clue happened the day I started working for Ketchum, a leading public relations and advertising firm. Jim Ficco, the president of one side of the business, Ketchum Advertising, told me that it was becoming increasingly difficult to convince customers to buy large research studies—the valuable intelligence about markets, customers, prospects, and other people that serves as the backbone of great marketing strategies and smart advertising. Customers were tired of paying \$25,000, \$50,000, or even \$100,000 for a study that took weeks to complete and even more energy to digest, understand, and apply. They didn't want to keep buying research that was too theoretical and rigid and that eventually sat on the shelf collecting dust.

Don't get me wrong. Jim truly believed in research. He had sold a great deal of it during his career, starting as an account executive and working his way up the agency ladder. He constantly recommended research, because he believed that when customers based their advertis-

ing decisions on feedback from the people they were trying to persuade, the advertising agency could develop stronger, more effective communications. Without research, advertising was little more than high-stakes gambling.

Jim also understood that marketing is not a battle of products or services. It's a battle of perceptions. It's a fight for what gets into and stays in our minds. Marketing and selling are all about shaping the opinions and attitudes we hold, so that when it comes time to make a buying decision, prospects decide to buy from us and become customers again and again. Marketing research is one of those tools that helps us determine what attitudes and perceptions our customers hold about us, our company, and how we're doing business. Once we know that, we can figure out the right things to say and do—at the right time with the right frequency.

As I was trying to figure out where my desk was, Jim blurted out this challenge: “If you can find an inexpensive, fast way to do marketing research, we can sell a ton of it.”

I paused for a moment and stammered, “Well, then. Okay. I'll think about it.” I had no earthly idea of what he was talking about, much less how I might find a way to conduct effective, inexpensive, or even quick research. How was I going to figure out a way to start doing the opposite of what I had been doing my whole life?

It wasn't until sometime later that I realized Jim's challenge was my first clue about discovering the snapshot survey.

I picked up my second clue a few months later. I also happened to be working for Ketchum's public relations division at the time I was selling and running those massive marketing surveys that took weeks to complete. One of my clients, a health care provider, asked us to help straighten out an image problem that resulted because the health system's administrators and physicians were fighting with each other in the media.

As with most health care systems, the hospital administrators and physicians group are actually separate organizations. In this case, both shared a common name, which created additional confusion.

For nearly a year, the hospital administrators and physicians traded jabs and took shots at each other in the media through a slew of negative stories.

During this same time, members of the health care system noticed a significant decline in the number of patients who were coming to the hospital for treatment. These numbers were lower than historical averages and represented a major decrease.

The hospital administrators believed that the public fighting with the physicians group was what was driving patients away and, therefore, if they rebuilt their image through a public relations and advertising campaign, they could win back the patients they had lost.

Before creating a plan for rebuilding the hospital's image, we suggested they get some feedback from the community, employees, and other groups. A big, slow-moving research study was put together that included these components:

- Senior executive interviews with all the top brass to find out what they thought were the issues and what could be done to get the hospital back on track
- A community perception telephone survey of more than 1,000 residents to learn what people living throughout their service region thought of the hospital and its services
- Interviews with more than 100 employees through 10 focus groups, one at each of their facilities (more about this technique at the end of this chapter)
- A telephone survey with more than 50 reporters and editors from the local newspaper, radio, and television stations
- A telephone survey of more than 200 people who contributed financially to the hospital

In total, we talked to nearly 1,400 people before making any recommendations on how to fix the hospital's image and attract the patients it had lost.

Not too far into the community perception survey project, my client asked me a simple question: "Can you give me a brief summary of the results after the first day or two of calling? I'd just like to see how the interviews are going and what people are saying." Of course, I agreed.

Within a couple days, we had finished more than 150 phone interviews. So I tallied the answers to every question and faxed a copy of what I found. Several weeks later during a preliminary report of the entire study, my client made a terrifying comment during the meeting: "You know, Lloyd, the numbers from your final sample of more than 1,000 residents really aren't that different from the numbers you gave me after the first couple of nights of interviewing," he said. "The percentages have changed by a point or two one way or the other, but none of the conclusions have."

I was mortified. I thought to myself that if there were no real differences between a big survey and a small survey, how in the world would I get customers to buy bigger surveys? My first thought was that I should never give clients an update on how their research was going before the total interviews were completed—no exceptions.

As we continued with the meeting, we talked about how the results revealed some very important insights: Namely, the health care system actually had a terrific image and all the disagreements expressed in the media were not driving patients away. Something else was. And that something else was managed care, a new type of insurance that limited where people could go to receive treatment. If they didn't go to hospitals that were within their "plan," they had to pay for those services with their own money and their visits wouldn't be covered by their insurance. Because a number of local companies were switching to managed-care plans to reduce their health care costs, employees were being forced to go to competing hospitals. This hospital didn't need a new image. It needed some of the managed-care contracts.

A few days after the meeting, the client's comment continued to bother me. We had already learned the hospital had a great image after the first couple days of interviewing. All we gained from the next 850 interviews was more confidence in our initial findings. But was the extra time, energy, and cost really worth the confidence? After all, none of the conclusions had changed. We already knew the bottom line.

About this time I remembered Jim Ficco's challenge of finding a way to conduct a fast, highly focused, cost-effective survey. I thought to myself, what if I looked at the question as what it really was: a second clue that would lead me to the snapshot survey. Maybe a legitimate way does exist to run surveys that are fast and affordable and that provide great insights to customers.

I asked myself, what would happen if I designed surveys that could be completed in a couple of days, not in weeks or months? What would happen if we used smaller sample sizes, 25, 50, or even 100 people to obtain insights quickly? After all, if the percentages were changing by only a couple of points one way or the other—but none of the conclusions were—wouldn't that type of research be good enough for a lot of marketing, sales, and management situations? If the surveys were smaller and more affordable, could we find tons more buyers for this product? I wasn't sure of the answers to any of these questions, so I decided to see if I could get anyone to buy the concept and in what situations they might find smaller surveys most valuable.

Flash #1

The snapshot survey is the opposite of what most people think of when they hear the term *survey research*. By asking a limited sample of your target audience a set of highly focused questions, the snapshot survey gives you valuable insights in just a few days—not in weeks or months.

HOW TEN ORGANIZATIONS BENEFITED FROM LIGHTNING-FAST FEEDBACK

My customers and prospects didn't wait long to start trying the snapshot survey. In fact, I sold more than 100 surveys within the first couple of years, because they obtained immediate and valuable information. Here are ten examples of how they did it:

1. *Marketing/promotional decision.* A leading regional family-style restaurant chain that competes with Denny's, Bob Evans, and Perkins, wanted to offer a take-home drinking glass promotion featuring Pittsburgh Steelers football players. For a nominal fee, consumers could purchase a series of four drinking glasses. The chain was planning to imprint 100,000 glasses and didn't want to be left with a large inventory that it couldn't sell. Internally, a strong debate was being waged about whether to include current-day stars or Hall of Fame players. Only 115 telephone interviews were conducted with consumers to find out which players they wanted to see on the glasses and how likely they would be to make a purchase. The results overwhelmingly showed the Hall of Fame Steelers were favored. So that's what the chain had imprinted. The promotion was very successful and sold out in just a few days, exceeding everyone's expectations.
2. *Customer satisfaction and brand-reputation assessment.* A small manufacturer who makes programmable stampers to mark pipes, steel, and other metal products wanted to find out what customers and prospects thought of the company, its products, and its service performance. The manufacturer had been noticing that some customers and prospects were not aware of its new products and services. The company wanted to figure out how to focus its marketing and communications efforts. A total

of 50 telephone interviews were completed, half with current customers and half with prospective customers. The interviews were blind and did not reveal the sponsor of the survey. Questions focused on who respondents thought were the leaders within the industry and what they thought of each of the manufacturers who produced similar equipment. The company found out it was the “Cadillac” of the industry, primarily because it had machines it built 20 or 30 years ago that were still working well. The problem was it didn’t want to be a Cadillac; it wanted to be a Mercedes, and thus used the snapshot survey results to create a plan to rebrand its image.

3. *Creating a strategy to launch a new product.* A large manufacturer of gas-detection equipment primarily used in HVAC settings wanted to enter the automotive air-conditioning repair market, but didn’t know the best approach or what to charge for its product. Historically, air-conditioning repair technicians used dye testing to find leaks, because the electronic equipment is unreliable. The manufacturer was convinced that its sensors were superior and could perform better than those of its competitors. The manufacturer was initially planning to offer this electronic device through automotive parts stores and distributorships and package the product with add-ons, such as a flashlight, a rubber boot to hold the tool, and a hard plastic carrying case. In two days, 25 air-conditioning repair technicians were interviewed. The results showed that mechanics prefer (1) to buy from tool trucks that come to their locations (not automotive distributorships) and (2) have strong opinions concerning the packaging of the instruments. The findings were used not only to package the product but to create a marketing plan and launch the product.
4. *Gathering feedback from a senior executive advisory panel.* To convince business leaders to relocate in Pennsylvania, former governor Tom Ridge, who later became the head of the Department of Homeland Security, created an economic advisory panel of about 30 business leaders from major companies across the state, calling the group and program *TeamPA*. The idea was that if the state made itself more business-friendly and promoted these changes, it would help bring companies, jobs, and more prosperity to Pennsylvania. The executives served as the sounding board for many of the program’s ideas, strategies, and marketing materials, but getting them together frequently in a central location was a significant challenge. So, the

- snapshot survey was used many times to gather their feedback, which helped transform the image of the Commonwealth and convince more businesses and workers to relocate to the state.
5. *Persuading millionaires to purchase financial investments.* One of the nation's largest banks used a snapshot survey to interview 100 high-net-worth individuals about what they look for and want from private banking services. What are their hot buttons? What are they not getting from their current bankers that they would like to be getting? Answers to questions like these helped the bank create marketing strategies for reaching these wealthy individuals, as well as find ways to describe how the bank's services are substantially better than those of its competitors. Incidentally, you cannot purchase a list of millionaires, but you can buy a list of people who have bought expensive products or services such as yachts, European sports cars, megahomes, and other big-ticket items. By merging multiple databases, you can find individuals who have made several significant purchases and, naturally, needed to be millionaires to do so.
 6. *Creating marketing messages.* The snapshot survey can help you create marketing messages. When pitching to a large trucking manufacturer, a major jet manufacturer, and many other companies to try to win their advertising business, five to ten interviews were enough to get an initial idea of what the target audience cared about most. For example, buyers who purchase truck fleets were asked about how their trucks stacked up against other brands such as International and Freight Liner. Jet purchasers were asked how their planes compared to other players. The results provided clues about the kinds of messages that made an impact on these audiences.
 7. *Gathering distributor, dealer, and sales representative perspectives.* Many businesses sell their products and services through distributors, dealers, independent sales reps, agents, and others. One leading property and casualty insurance company used the snapshot survey to talk regularly with its agents about marketing, territory, promotions, and other issues. The snapshot survey helped include their perspectives and ensured that a cross section of agents were the ones giving the feedback—not only those who were disgruntled or who had an ax to grind.
 8. *Listening to employees.* The snapshot survey can help you listen more closely to your employees, especially if you have 10 or more. A national nonprofit organization used a snapshot sur-

vey to ask 40 of its employees in one of its regional offices how they thought things were going. Included were questions about assorted issues, for instance, the amount of communication, direction of the company, management effectiveness, and training needs. The results were used to help identify where improvements could be made to help everyone do their jobs more effectively and to understand the overall direction of the organization.

9. *Developing a new product/service.* The snapshot survey can help you assess whether your ideas for a new product or service will fly with the people you want to buy those products or services. A university used the snapshot survey to test the viability of offering three new majors—one each in the sciences, performing arts, and professional services. Interviews with potential students, industry professionals, and possible employers were completed to learn what they thought of each major and what potential the major might have. As it turned out in this case, one of the three new majors looked very strong, one looked like a bomb, and the other one was a risk, but doable. Simply deciding to move ahead with all three without testing them would have brought on a lot of angst and frustration—not to mention financial difficulty when not enough students could be recruited or couldn't be placed once they received their degrees.
10. *Refining a product or service offering.* When customers have a lot of options to choose from, what is it going to take to get them to pick your product or service over someone else's? A leading engineering association used the snapshot survey to plan specific programs within some of its major conferences. By asking members what they'd like to see covered and where they wanted the conference to be focused, the association was able to better design those conferences and attract the right people. Without it, members and industry professionals would have been more tempted to go to competing shows or to not attend at all.

In each of these examples—and hundreds of others just like them—a limited number of interviews were used to gather valuable perspectives in a couple of days. The snapshot survey is revolutionizing marketing research and helping many organizations (even big ones) obtain the feedback they need without investing too much time, money, or energy. This tool dramatically improves the total value of marketing research.

WHAT, EXACTLY, IS A SNAPSHOT SURVEY?

Because I was fortunate to have so many opportunities to share the snapshot survey concept with customers and use this tool to help them better understand their challenges, I tried to listen very carefully to how they talked about it. What words did they use to describe it? What examples did they use to explain it to their colleagues? I figured the more I used their words, the easier it would be to continue promoting the product.

One thing I quickly learned was that I originally used the wrong name for the product. I had started out calling it the “SoundByte Survey.” Because “sound bites” are a public relations term for short, memorable statements that can be quoted in the media, I thought a concept that was a play on these words and also included “information” (byte as in computer information) would work (at least it did in my own mind). I even had a product logo and other materials designed around it.

Before long, I noticed that my customers would describe the SoundByte Survey as a “snapshot” survey. Instead of filming a full-length motion picture, you’re just “taking a photograph or a snapshot” they would say. I finally gave in and decided to call the product by its natural name, because it was a lot easier to explain and customers were able to see easily and quickly its value. I never regretted the decision.

I also found myself answering five basic questions about the snapshot survey. These are the same questions you should be asking yourself to see if the snapshot survey is the right tool for your situation:

1. *What is the snapshot survey?* The snapshot survey is 10 to 15 custom-designed questions that include 2 or 3 open-ended questions. I tell customers that the snapshot survey is a poll that asks a limited sample of a target audience highly focused questions. There’s no beating around the bush. Because the survey is short and the interviews are tightly defined, most surveys can be completed in two or three days and summarized in a short report, a welcomed alternative to typical research time frames that can take weeks or months. The tool is *not* what most people think of when they hear the words *survey research*.
2. *Why should I use the snapshot survey?* The snapshot survey helps you outmaneuver and outstrategize competitors, because it quickly gives you the insight you need. It places leverage on your recommendations, because you’re basing them more on your

personal opinion and reputation (nothing seems to persuade decision makers more than the “voice” of their customers). You can base marketing and communications decisions on fact rather than on guessing. The snapshot survey is a process for learning perceptions and opinions.

3. *Who should use the snapshot survey?* The types of people who use a snapshot survey and benefit from it are senior management, marketing, sales, human resources and public relations directors, product managers, hospital and nonprofit administrators, and many others. The snapshot survey makes marketing research accessible to virtually everyone, not only to the upper echelon.
4. *When should I use the snapshot survey?* You should use the snapshot survey in the following situations:
 - When market trends are changing and you want to figure out where they’re shifting
 - To verify if marketing and communications strategies or tactics worked and what it will take to improve them
 - To create publicity and make your news stories or trade articles more interesting
 - To validate hunches and suspicions
 - To create a strategy for developing new products or markets
5. *Where can I use the snapshot survey?* The snapshot survey can be used at any local, regional, national, and international location, as well as within the consumer marketplace, industry-specific segments, or in conjunction with events such as trade shows, forums, business briefings, and more.

TAKING THE GUESSWORK OUT OF MAKING IMPORTANT DECISIONS

It never ceases to amaze me how many companies are willing to make important decisions on little to no market data. They rely on hunches and guesswork and seem content to sit in a conference room and debate with each other about where they are going and how they are going to get there. They then go out and spend a lot of money to market their products or service. That’s the whole idea behind marketing research. By asking the people you’re trying to influence what they know and think, you can build a marketing program that has a good shot at working.

Flash # 2

Because marketing is a battle of perceptions, you need to know what your customers and prospects think. If you can't afford the time or money to understand these perceptions through a full-scale study, the snapshot survey beats your only other alternative—guessing.

At the same time, it has been my experience that most marketing situations do not require highly precise marketplace feedback. Generally, you don't need to know within a tenth of a percentage point how many people like or don't like a new product concept. You simply need to know if you are heading in the right direction. You need something I call *directional feedback*. This is what the snapshot survey provides. It's like coming to a stop sign. The snapshot survey tells you whether you should go left, right, or straight ahead. It does not tell you to go two degrees to the north.

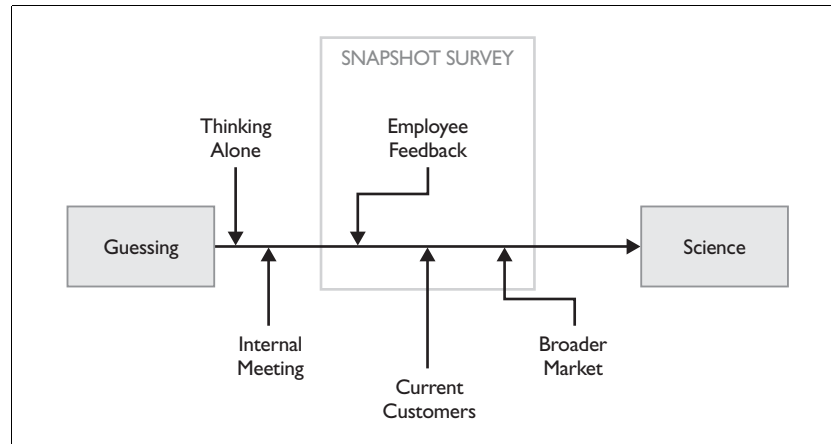
Figure 1.1 outlines the basic options you have for making an important marketing, sales, operational, management, or other decision. On the left side is “guessing,” or basically deciding what to do with no real input from anyone other than yourself. This is great if you're certain you know exactly what's going on.

On the right-hand side is “science,” or the type of research that is rigorous and repeatable. Forget about trying to reach this end for most marketing and selling situations. It's complete overkill, unless you're testing products such as medications, equipment, or similar items. In the middle is where you'll find a range of marketing research options, including the snapshot survey. The further toward the right you go, the more valuable your research, because it gives you insights from people such as customers, prospects, and others who typically aren't as easily accessible as the colleagues you see and work with every day.

TEN TOUGH QUESTIONS THE SNAPSHOT SURVEY CAN ANSWER

While the snapshot survey is an interesting tool by itself, it is even more interesting when it is applied to common operations, marketing, and management challenges you are likely to find yourself grappling with from time to time. While conducting more than 1,000 surveys over

FIGURE 1.1
The options for making important business decisions



the past two decades, I've discovered 10 common themes that many organizations face. (In Parts Two and Three of this book, I'll show you how many different organizations have successfully used the snapshot survey to help them make smarter decisions about the issues they were facing.)

1. *How well are we taking care of our employees?* The snapshot survey is a terrific tool for gathering employee feedback about issues ranging from how satisfied they are about their benefits packages to better understanding their morale levels.
2. *How satisfied are our customers, distributors, or end users?* A quick and easy way to measure customer satisfaction or determine their level of loyalty is to use the snapshot survey. By asking questions about how aware customers are of your current products and services, whether they want more information about any of them, and whether they would be willing to provide a referral, the traditional customer satisfaction surveys can be transformed into sales-lead generation tools—that do not violate the ethical standards of marketing research. Depending on the type of company using the survey, the leads generated can easily pay for the cost of conducting the research.
3. *How well do we stack up against our competitors?* The snapshot survey can help you evaluate how and where you're stronger than competitors, and if not, what you need to do to close the gaps.

4. *What kind of corporate citizen do people think we are?* For businesses who operate within communities, presenting a positive image is key. The snapshot survey can help find out what that image is and how well your programs, messages, and other activities are working.
5. *What should we say in our marketing materials and how should we say it?* The snapshot survey can help prioritize which key messages resonate with the people you are trying to reach and which ones are likely to be ignored.
6. *How can we generate more visibility and news coverage?* The snapshot survey can be used as more than a strategy tool—it can be a marketing tool. By asking questions of a target audience a trade or consumer publication cares about, the results can be fashioned into news stories and positive publicity about the organization. When conducted and promoted properly, they offer fresh publicity opportunities traditional media relations can't deliver.
7. *Will our new product or service be successful?* Before developing a product or placing it into full production, the snapshot survey can be used to test the viability of a concept, product, or service.
8. *What should we call our company, products, or services?* The snapshot survey is a terrific tool for conducting naming research. By testing reactions to alternative names—before one is adopted—the snapshot survey helps gauge the potential positive or negative connotations associated with your words, acronyms, or logos.
9. *How can we win the business?* The snapshot survey has been used successfully dozens of times in agency shoot-outs and other new business pitches. By conducting a brief survey, the presentation can be transformed from “Look how great we are” to “Here’s what we initially found out about your situation and what we think you ought to do about it.” It embodies the concept of consultative selling.

Flash #3

Ninety-five percent of the marketing and business decisions you need to make don't require that you know absolutely everything about everything. Instead, you simply need to know if you're headed in the right direction. This is how the snapshot survey works. It gives you directional feedback so you can make smarter decisions in less time.

10. *How well is our marketing working?* The snapshot survey can help you track and measure marketing return on investment (ROI). In short order, you can find out which of your marketing tools are working and what you need to do to improve the results you're getting.

WHY THE SNAPSHOT SURVEY IS VALID— THE GORY DETAILS

How can such a limited number of interviews collected in a snapshot survey produce such interesting and accurate results? Through rigorous testing, I discovered that as long as the sample selected for a snapshot survey is *random*, the results should mirror a larger survey.

The operative word here is *random*. The options you have when conducting research are to try to talk to everyone, which is completely impractical in most situations, or to talk to only some of them (a sampling). How you take your sample matters greatly. There are two approaches:

1. *Nonrandom samples (also called nonprobability)*. These samples are based on convenience, personal judgment, or some other factor that *does not give* each and every person in the target audience an equal chance of being selected. If you interview everyone who comes into your store for a day, how do you really know that sample is representative of the entire population? The fact is that you don't know. You can still get valuable insights from these customers, but you can't be sure that these customers have the same feelings as do all your customers. Much of marketing research falls in this category, regardless of whether you're doing a full-scale or a snapshot survey.
2. *Random samples (also called probability)*. These samples give everyone an *equal* chance of being selected. There are many ways you can get a random sample, such as simple (create telephone lists from a computer that randomly generates the last four digits of phone numbers within known area codes and exchanges), systematic (select every *n*th person), or stratified (divide the population into groups and randomly select people from each group).

Figure 1.2 shows the results from a single question included in a random sample from a national consumer telephone survey that asked, "Which material has the most modern or high-tech image?" There are

FIGURE 1.2

Smaller samples (100 consumer interviews) reveal the same conclusions as much larger (1,000+) samples

WHICH MATERIAL HAS THE MOST MODERN OR HIGH-TECH IMAGE?				
	All Consumers	Sample 1	Sample 2	Sample 3
	(1,018)	(100)	(100)	(100)
Material A	13%	17%	13%	13%
Material B	18%	13%	22%	17%
Material C	59%	58%	60%	61%
Don't Know	11%	12%	5%	9%

four columns of data, which include the percentage of response from all the consumers (1,018) who participated in a telephone survey and three subgroups of 100 interviews each from the first, middle, and last 100 interviews (each subgroup was also a random sample).

Regardless of which column is examined, “Material C” is the winner and most consumers think that it has the most modern or high-tech image, even though the last three columns have only one-tenth the number of interviews as the first column. A snapshot survey of 100 consumers would have produced the same results as the entire sample, in terms of selecting the overall “winner,” Material C.

If you look carefully at this chart, however, you’ll notice that the second highest answer, Material B, flips with Material A in Sample 1, but mirrors the percentages for All Consumers in Samples 2 and 3. This illustrates the snapshot survey’s principle weakness: sorting out differences when the percentage of responses to a question category are close together.

To fully understand this weakness, you have to understand the concept of margin of error, or how accurate the survey findings are compared with the results if everyone in the population were interviewed. Because most companies can’t afford to talk with everyone, they attempt to take a representative sample of those individuals. Depending on how they selected their sample (it was actually random) and how many people they talked to, they can be “confident” within a certain number of percentage points that the numbers they found in their survey actually represent what most people are thinking.

In many polls, you’ll read something like “Some 1,000 consumers were interviewed for a margin of error of plus or minus three percentage points.” Basically, this means that in our example if everyone in the United States were interviewed and asked this question, the percentage

FIGURE 1.3
Margin of error

SIZE OF SAMPLE	10%	20%	30%	40%	50%	60%	70%	80%	90%
100	6	8	9	10	10	10	9	8	6
200	4	6	7	7	7	7	7	6	4
300	4	5	5	6	6	6	5	5	4
400	3	4	5	5	5	5	5	4	3
500	3	4	4	4	5	4	4	4	3
600	2	3	4	4	4	4	4	3	2
700	2	3	4	4	4	4	4	3	2
800	2	3	3	3	3	3	3	3	2
900	2	3	3	3	3	3	3	3	2
1,000	2	3	3	3	3	3	3	3	2
1,500	2	2	2	3	3	3	2	2	2
3,000	1	2	2	2	2	2	2	2	1

stating Material C would be somewhere between 56 percent (three points lower than 59 percent) to 62 percent (three points higher than 59 percent). For 100 interviews, the margin of error is much larger and is plus or minus 10 percentage points, or 48 percent to 68 percent for Sample 1. In other words, the more interviews you do, the more confident the number you find in your survey represents a larger population.

Figure 1.3 lists a table for calculating the margin of error at the 95 percent confidence interval, which means that in 19 out of 20 times the findings in your survey results should be within a plus or minus range listed in the table (if you indeed interviewed everyone in the population). However, in 1 time out of 20, you might find percentages that are completely different. It is only a sampling after all.

To read the table in Figure 1.3, you need to know two things: how many interviews you conducted (listed on the far left column) and what percentage response you received to any specific question (listed across the top). Simply connect these two numbers and find the percentage, which represents your plus or minus margin of error. For example, if 300 interviews were completed and you had a response of 50 percent, the margin of error would be plus or minus 6 percentage points.

The statistical formula to calculate the margin of error is “1 divided by the square root of the number of people in the sample.” If you surveyed 300 people, your margin of error would be 1 divided by 17.320508 (square root of 300), which equals 0.0577735, or 6 percent.

Notice that this is the number you would get in the 50 percent column, which is where the margin of error is largest.

To calculate the rest of the numbers in Figure 1.3, you need a slightly more advanced formula:

$$\text{Margin of error} = \sqrt{\frac{(\text{percentage}) \times (1 - \text{percentage})}{\text{sample size}}} \times 1.96$$

In this formula, you take the percentage you got to a specific question and multiply it by 1 minus that percentage. Then divide it by your sample size. Take the square root of that number and multiply it by 1.96 (which is two standard deviations). Let's say that you surveyed 300 people and you found that 80 percent liked your concept for a new product. The margin of error for this finding would be plus or minus 5 percent:

$$\text{Margin of error} = \sqrt{\frac{(.80) \times (1 - .80)}{300}} \times 1.96 = .0452626$$

There are five important things to keep in mind about the margin of error:

1. The margin of error works only for *random* samples (everyone has an equal chance of being selected). If you have a nonrandom sample, you can never say that it has a margin of error, because it doesn't apply. Therefore, even if you've interviewed 300 people who came through your store, you would not be able to say that the results had a margin of error of plus or minus 6 percentage points. This is why you'll see some reader or TV viewer response polls of 10,000 to 20,000 people that are sometimes described as "nonscientific." It's not about how many interviews you do, it's about whether those interviews were collected using a random-sampling technique.
2. The margin of error for an entire survey—like you would read in a survey report or would be included in a news story describing the results of a political poll—is always reported at the 50 percent level or the highest percentage for your sample size.
3. The margin of error of every question on your survey is actually different (you have to refer to Figure 1.3). With the previous ma-

materials example, when 13 percent was found in a 100-person sample, the actual margin of error for this question would be plus or minus 6 percentage points or 7 percent to 19 percent if everyone were interviewed. This is because 13 percent is closest to 10 percent, and if 100 and 10 percent are connected, the number is plus or minus 6 points.

4. After about 750 random interviews, you have to conduct another 1,250 interviews to pick up another point (the margin of error is plus or minus 3 percent for 750 interviews and 2 percent for 2,000)—then it never gets any better. This is why you'll see more 750 to 1,000 sample sizes in polls. Conducting 3,000 or more random interviews is a waste of money.
5. If you're going to look at a subgroup within your sample (e.g., only women), the margin of error for this group will be higher than the total margin of error for the entire study (because you have a smaller sample and you are, therefore, less statistically confident of your results).

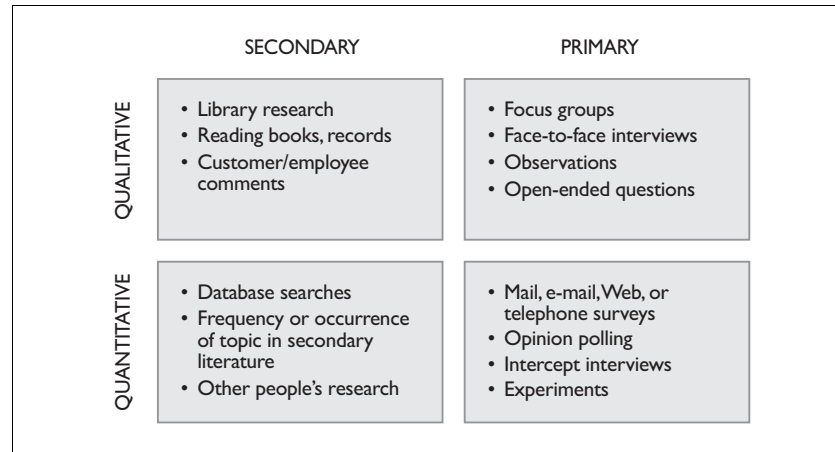
The snapshot survey is strongest when identifying a majority of responses, which is typically the desired focus of most marketing and management questions that can be answered through marketing research. In many respects, the snapshot survey is like an electronic screwdriver. Once you have one, you lose almost all desire to tighten screws manually. It is a handy tool that is used frequently. However, it won't work in every situation. Sometimes you'll need a hammer.

HOW THE SNAPSHOT SURVEY STACKS UP TO OTHER MARKETING RESEARCH TOOLS

If you are already familiar with the assorted marketing research tools I've included in this section, you may want to skip ahead to the next chapter. If not, it's important to understand how the snapshot survey is similar and different from each of the more common research tools you can use to manage your business.

Figure 1.4 plots the four basic types of marketing research classifications: primary (any new research you conduct) versus secondary (any existing research, conducted by someone else) and qualitative (primarily words gathered through open-ended questions, observations, etc.) versus quantitative (primarily numbers, such as percentages, means, and other statistics).

FIGURE 1.4
Research classifications



- *Secondary/Qualitative.* This type of research would include informal data gathering by looking at library research, sorting through records, reading customer comments, and the like. I strongly suggest that you become more acquainted with your local librarian. These professionals can almost always help you find data, resources, and other information, typically in a few minutes. (I believe so strongly in this point that I married a librarian. By asking her a couple of quick questions, I've been able to help dozens of clients find out what's already available before commissioning a new survey.)
- *Secondary/Quantitative.* Database searches, how often something is cited in the literature, and other people's research make up this category. It is often highly valuable—if you can find something that actually fits your particular situation. You can learn a lot by what other people are talking—or not talking—about. Sometimes, this type of research does little more than provide background perspective. It rarely answers something specific you need to know for your business.
- *Primary/Qualitative.* This is research that you either do yourself or commission someone else to do on your behalf. It includes things like focus groups, face-to-face interviews, observations, open-ended questions, and the like. This can be a highly valuable form of research, and examples of how and when to use each type are listed in a following section.

Flash # 4

A snapshot survey is a cross between a focus group and a large quantitative survey. It provides both qualitative and quantitative insights, at a fraction of the cost and time of conducting either focus groups or a full-scale study.

- *Primary/Quantitative.* This is what most people think of when they think of a quantitative survey. This type of research gives you the numbers and includes mail, e-mail, and Web surveys, and telephone and intercept interviews.

The snapshot survey is primary research that is a mix of qualitative and quantitative research. It's a cross between a focus group and large quantitative survey. By talking to 25, 50, or even 100 members of your target audience—instead of 300, 500, or even 1,000 of them—you can still obtain valuable insights. To see how, let's review seven of the basic research tools.

I. Focus Groups

When you bring a group of your target audience together to ask them questions, this is called a focus group—an organized discussion led by a moderator with the following characteristics:

- Typically, a group includes 8 to 12 participants, meeting for 1 to 2 hours.
- This is a good tool for consumer, customer, employee, business leader, and other audiences who are willing to give up some of their time for snacks, a meal, or a financial incentive (generally \$50 to \$70 for consumers and more for technical audiences).
- Focus group facilities include a one-way mirror for private viewing and also audio and video recording. If you're going to observe the group, try to listen for the general overall trends and themes. Don't fixate on any one participant and let his or her comments overwhelm your thinking.
- Conference and hotel rooms serve as excellent focus group rooms. All you need is a conference table and some seats. Ask the observers to sit on the sides and to tell the participants they are helping you take notes.

- Most focus groups include participants who are recruited through telephone interviews and other means. If they qualify (age range, experiences, gender, etc.), they are invited to participate.

2. Telephone Surveys

While a snapshot survey can certainly be conducted by telephone, the primary difference is that telephone surveys typically include more completed interviews and sometimes more complicated questionnaires. You guessed it, the researcher collects data by calling people on the phone. This type of research is most effective when:

- Your concept/topic can be described easily.
- You have a limited amount of time (5 to 15 minutes per interview).
- Your research is clearly focused and relatively specific.

To complete 300 telephone interviews, you might have to call between 1,000 to 3,000 people, depending on who is available and how sensitive your topic is. Telephone surveys are one of the most popular forms of research, because they afford a lot of control over the research process—and most people own a phone. If you don't reach someone the first time you call, you can call them back two or three times. If you're careful with your calling list, you can work small portions of it (50 numbers or so) multiple times before moving on to your next portion. Techniques like these ensure you're getting a representative sample (as long as you're working from a random sample).

Telephone surveys are used frequently for tracking surveys where you're trying to determine if any changes in attitudes or perceptions have occurred over time. Because typically it takes a lot of energy to get people's attention and persuade them—especially if you have a limited budget—many marketers expect to see only slight changes in perception over time. Because larger surveys have smaller margins of error, samples of 1,000-participant surveys conducted yearly are typical. While I've used the snapshot survey in some tracking situations, generally I'd recommend you hold more interviews. The only time a snapshot survey would pick up a change in perceptions is when that change was very dramatic, like no one knowing about your product or service to half the country seeing it—highly unlikely in most cases.

Flash # 5

Telephone interviews, e-mail surveys, intercept interviews, and other data-collection methods can all be used to conduct a snapshot survey. The difference is in how these tools are applied to obtain fast, focused feedback.

3. Mail Surveys

With the onslaught of e-mail and other electronic communications, many people are overlooking the value of mail. In fact, it's getting easier and easier for your piece of mail to stand out. How? Put a real stamp on your letter, and personally address your envelope and cover letter (which should be signed by you in blue ink)—all techniques for dramatically increasing your response rates. With this type of research, the researcher sends questions to the target audience and hopes to receive responses through the mail (if you include a postage-paid return envelope, this is usually sufficient). This type of research is most effective when:

- A target audience is likely to respond (membership, employees, sometimes customers). Basically, the more someone knows you and the more they care about you, the more likely they will take the time to fill out and return your survey. If they don't know you (prospects), you should expect a much lower response rate (1 percent to 5 percent). A typical customer response rate is usually higher and closer to 20 percent to 25 percent. Member surveys can be even higher, and employee surveys often range between 50 percent to 75 percent, depending on what's going on within the organization and how suspicious the employees are.
- Mailing address information can be created easily and managed in software that is probably already on your computer.
- You have long lists of questions or complicated categories. This type of research can work very well, because respondents simply read your responses and check which ones best describe them.

To boost your response rate, send out a brightly colored reminder postcard about a week after your survey goes out, saying something like, "If you filled out your survey, thanks. If not, would you please take a moment to do so?" With this technique you generally will receive an

additional 50 percent response (if you received 100 from your first mailing, you will typically get another 50, for a total of 150). Some people like to send out a third mailing that looks like the first mailing (cover letter, survey, and business reply envelope), but with a modified cover letter that begins, “Recently we sent you a survey. . . .”

Over the years, I’ve conducted a few snapshot surveys through the mail, but because of the amount of time it takes to get responses, I don’t recommend this approach. The phone and other techniques are often faster.

4. Intercept Surveys

For intercept surveys, the researcher goes to the target audience and asks for feedback. Researchers contact targets in person where they are shopping or eating, visiting a trade show, or at other places. This is a terrific tool, because sometimes very difficult to reach audiences all show up at the same event or meeting and you can gather a lot of feedback quickly. This type of research is most effective when:

- The target audience is classified but you can’t buy a list of them. I once sold a survey to interview temporary employees and later found out that I couldn’t buy a list of these individuals. Instead, I had to conduct intercept interviews and ask people if they had worked as a temp within the past two years before inviting them to participate in the survey. It would have taken much, much longer to carry on this type of research by phone. Welfare recipients are also difficult to reach. Intercepting people on the street near the welfare office could be a way of reaching this audience.
- A good cross section of the audience is likely to be in one place (college students, conferences, sporting events, shopping malls).
- If you’re interviewing outside, do it when the weather forecast is good. I participated in an intercept interview while trout fishing one day in the middle of a stream in a remote section of a state park. I later learned that one of my clients, the United States Department of Agriculture Forest Service, had sponsored this research to learn how people used the park and the economic impact fishing was having on the local economy.

I’ve carried out many snapshot surveys using the intercept interview format. Within a couple of days—and sometimes a couple of

hours—you can get valuable feedback if you can find enough of your target audience in one location. For example, a client wanted to run a survey over the weekend of younger consumers 20 to 25 years old and what they preferred when purchasing coffee. Because it was summertime and there happened to be a block party happy hour, I sent a team of interviewers to the event. Within a couple of hours, we had interviewed more than 100 people. And because everyone had to have their ID checked before they got in (they were serving alcohol), we knew they met the minimum-age requirement. All we had to do was ask them their age before completing the survey (and make sure they hadn't consumed too much libation before answering our questions).

5. Face-to-Face Interviews

The best way to conduct executive or other important interviews is face-to-face—the researcher questions one person, typically in an office or private conference room. Most of the questions you'll ask should be open-ended. This technique works best when:

- You ask your open-ended question, but spend most of your energy probing and asking follow-up questions to get examples and find the “truth.”
- The best information often comes after the “formal interview” as you are “heading toward the door.” It always amazes me that when people think the formal interview is over, they begin to offer their valuable insights.
- Make sure you take sparse notes on key themes during the interview. Then, immediately after the interview, complete your notes and relevant quotes. Don't wait two or three days or longer to try to remember what was said. You'll forget it too quickly and won't remember who said what.

Face-to-face interviews work well with the snapshot survey, especially if most of your target audience is in the same place (same office or location). If not, they can be very tiring and a lot of work. I once did 20 face-to-face customer interviews for one of the country's largest benefits software companies. This involved flying to 20 different cities during a couple of weeks. Some of the locations also included long drives to reach the customers' offices. The customers were quite impressed that the company cared that much about their opinions that it would send a pro-

fessional interviewer to spend a couple of hours with them. This type of interviewing is very tiring and time-consuming. I perked up quickly, however, as I deposited a nice size check for completing the project.

6. Experiments

Experiments aren't all that common in many marketing research situations, but they are worth mentioning. In this type of study, the researcher controls variables to test outcomes and reactions. They usually include the following elements:

- The researcher typically asks a series of questions of one respondent.
- Intercept interview forms, videotape, handouts, and other tools are often used to record the responses.

I used an experimental format one time to help a gift box manufacturer test some new design concepts. We interviewed women who were between the ages of 25 to 54 (the primary shopper) about what they thought of different package sizes, price points, designs, whether the boxes were manufactured in the United States, and other factors. By trying to change only one variable at a time (e.g., different size boxes for the same price), we were able to gather some interesting insights into what they liked best and why. As an incentive, we offered participants a \$2 bill for completing the experiment. That's all. We had a tight budget and this unusual incentive worked in this case. I flew with the client to Detroit to visit a buyer from K-mart to present the findings and try to convince him to buy what the consumers liked the best.

7. New Media Research (E-mail and Web-based Surveys)

When the Internet was first getting hot, I made a fortune helping companies figure out what to include on their sites. It was just like the gold rush days—the only people making money were the ones selling the tents and supplies, not the miners who were digging for gold. At that time, I don't think anyone was even thinking about using the Internet to collect data, but they are now. Many inexpensive programs are now available to conduct these online surveys and more and more people are getting online, so this is an emerging research tool.

I suggest you consider this type of research as similar to mail surveys—the stronger the relationship between the company who is asking for feedback and the potential respondents, the greater the response. If someone knows and likes you, this is a great tool. If not, you'll get a low response rate, and sometimes it's difficult to tell who actually responded to your survey.

A number of paid online services as well as software are available for processing the data, but all of them seem to calculate your responses based on the number of people who answered a question—not on the number of people in your survey. This isn't a big issue unless half the people left a question blank. Make sure you pay attention to how many people answered each question as you're interpreting your data. You may have to spend some extra time recalculating the software's findings once your survey is finished.

Be careful how you distribute your survey. I once had a client distribute a survey through its e-mail system. Someone hacked into the distribution list and sent everyone a virus. Fortunately, we had already received a lot of responses, but the company had to stop the survey and send out an apology letter with directions on how to fix the problem. Granted, this is a rare example, but it's always best to protect yourself and your respondents.

I've found it's better to send a short e-mail with a link to a Web site that contains your survey. All people have to do is click your link, fill out the questions, and submit the response. Most programs perform the data coding and provide an overall summary of the responses (very nice if you don't want to do a lot of analysis).

Keep all your questions to one page. Trust me on this one. One option most programs give you is to ask only two or three questions at a time before having to click another button to go to the next page. In all the usability testing I've conducted over the years to see what people like and don't like about Web sites, no one minds scrolling down, but everyone hates to scroll sideways or click extra buttons to move to the next section. Just because the technology is available doesn't mean that it helps you gather better feedback.

I've used e-mail and Web surveys many times to conduct snapshot surveys. They are especially nice tools for gathering feedback quickly; you'll get most of your responses the first time people read their e-mail. I recently completed a survey for a trade association that had more than 8,000 members. We received about 2,500 responses within a week or so. There's no way we could have gotten that many surveys as quickly by mail, and it would have cost a fortune to do the same survey by phone.

If you'd like to find out how you can conduct your own snapshot survey from start to finish, as well as how to use this tool to ask questions about the most common marketing challenges most businesses face, please turn the page.

