



## Foreword

Welcome to the second issue of Lightspeed Research's Special Edition of Research on Research News. This issue will explore mobile research — a powerful emerging technology that brings unique opportunities to interactive research. Conducting market research online has become a standard methodology, providing clients and researchers with an effective and flexible platform for contacting target audiences. Now it's evolving to the next level. Advertisers, market researchers, manufacturers and retailers recognize that increased fragmentation exists within the traditional channels and are seeking new ways to reach consumers through online and mobile applications. Most believe mobile technologies will offer new techniques to target and interact with consumers — specifically, the hard-to-reach populations. This should increase overall respondent cooperation and usher in a whole new era of research possibilities.

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## The Emergence of Mobile Research Opportunities

With the growth of the Internet, market research industry business models are evolving. Using mobile telephony to conduct market research will expand the current potential for research and provide a platform for future directions in the industry.

### WHY MOBILE RESEARCH?

In today's market research environment, where increasing respondent cooperation has been a challenge, mobile research may be part of the solution. A growth in mobile phone penetration, coupled with the latest developments in mobile phone technology, is presenting new solutions and opportunities to boost participation levels.

Within the past five years, there has been a significant increase in both the number of mobile phone users and households that

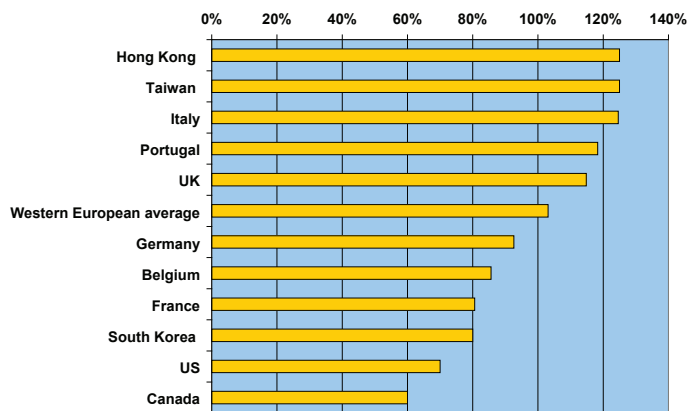
have mobile phones and no landlines. In the United States alone, the percentage of adults in mobile-phone-only homes has increased from 7.7% to 11.8% between 2005 and 2006, according to the National Health Interview Survey. The rise is driven primarily by young people, with more than a quarter of those aged 18-29 moving towards mobile phone use only. The increase of mobile-phone-only homes poses a particular concern for researchers who rely largely on landline numbers to conduct phone surveys.



Outside the U.S., the mobile phone infrastructure has expanded throughout the world, creating a growing number of mobile phone users in Europe, Asia-Pacific and the developing countries. Steady expansion will continue to increase the number of mobile phone users.

According to a report by Informa Telecoms and Media (2006), 30 countries exceeded 100% mobile phone penetration, with countries such as the U.K., Sweden and Italy at more than 110%. This indicates that a portion of the population in these countries currently has two or more mobile phone subscriptions. According to the same report, mobile phone penetration in the U.S. is nearing 70% while the Asian leaders, Hong Kong and Taiwan, have reached a significantly higher rate of 125%. The 2004 Lemelson-MIT Invention Index study reported nearly one-third of adults in the U.S. claimed “the mobile phone is the number one invention they cannot live without,” beating out staples such as alarm clocks, televisions and microwaves.

Mobile Phone Penetration in Selected Countries



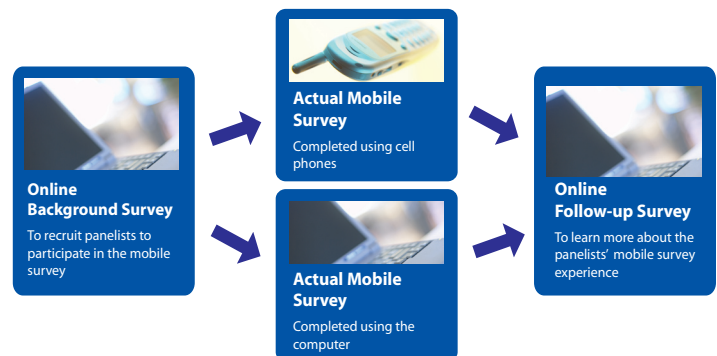
In addition to increasing rates of global penetration, mobile telephony is characterized by rapid technological developments. A typical mobile phone is not only used as a telephone, but also may be used as a computer, media player, camera and much more. According to the latest research of the Online Publishers Association, 76% of all consumers in the U.S. and Western Europe have Internet access on their mobile device and about one-third use it. Among those with mobile access to the Internet, the U.K. leads in usage (54%), followed by the U.S. (41%).

As we examine the heightened global penetration and technological developments, IT research company Gartner predicts that 70% of global voice connections will be wireless by 2009. Gartner further predicts that about one-third of the people in Europe and the U.S. will choose wireless and broadband telephones over fixed phone lines by 2009.

In response to these findings in the mobile and technology industries, coupled with the need to reach consumers on demand, Lightspeed Research is exploring mobile telephony as a new platform of innovative research solutions to address a wide range of marketing research needs.

## RESEARCH DESIGN

During the past few months, Lightspeed Research has undertaken research studies in countries across the U.S., Europe and Asia-Pacific to measure the willingness of respondents to receive questionnaires on their mobile phones. Specifically, our primary objective was to uncover the potential of using mobile phones to increase cooperation in hard-to-reach demographic groups by making the survey taking process “easier.” We implemented a three-phase research design to obtain comprehensive information on the respondents’ mobile survey taking experience. Participants to the mobile survey were recruited from Lightspeed’s Online Consumer Panels. (The figure below illustrates the research design and the role of each stage in the research process).



These research studies provided key insights in helping to develop best practices for conducting surveys via mobile. These studies were among the first attempts to investigate the strengths and challenges of mobile data collection as a research methodology. Our current findings support our expectations that there could be significant benefits in using this approach for key target markets.

## MOBILE STUDY FINDINGS

The U.S. study focused on personal healthcare matters, and the U.K. and Australia studies focused on media-related topics. Each survey included no more than 10 questions with different routes, in which we tested varying types of questions (e.g., single/multi punch, open-ended). We conducted each study with approximately 1,000 panelists.



**US:** In North America, the overall response rate to the mobile survey was 28%. We received about one-third of the responses to the invitation message within the first hour (and 61% within the first 12 hours), suggesting mobile surveys could potentially generate a quick response. The online version of the same survey was completed by a different group of respondents, with about 10% of the responses received in the first hour and 42% within the first 12 hours.

Examining the profile of the respondents, there were some differences in response rates by age. Response rates among 18-24 and 25-34 year olds were 38% and 36% respectively. However, since there is a relative shortage of text messaging (SMS) and mobile Internet users aged 55+, the response rate among these older respondents (18%) was lower than those of the younger age groups.



The survey yielded a high response rate among 16-24 and 25-34 year olds (39% and 35% respectively). However, this response rate decreased with age (17% among 55+ year olds) due to the infrequent use of SMS and mobile Internet services.



Ninety-four percent of the respondents said they were SMS users, 19% access emails on their mobile phones and 27% use the WAP (Wireless Access Protocol) services. Forty-nine percent of the respondents said they never use the Internet via mobile phones, while 32% said they go online at least once a week using their mobile phones.



Sixty-seven percent of the respondents said they use SMS, and 28% said they access emails on their mobile phones. As expected, a significantly higher percentage of 18-24 and 25-34 year olds (96% and 89% respectively) are using SMS compared to all other age groups.

Thirty-four percent said they access the internet on their mobile phones at least once a week, while 55% stated that they never use mobile phones to go online. The perceived high prices of the service and the convenience and ease of Internet access via personal computers were the leading reasons stated for those who never access the internet via phone.

**UK:** In Great Britain, the overall response rate to the mobile survey was 32%. About half of these responses were received within the first hour of the survey invitation and 65% in the first 12 hours.

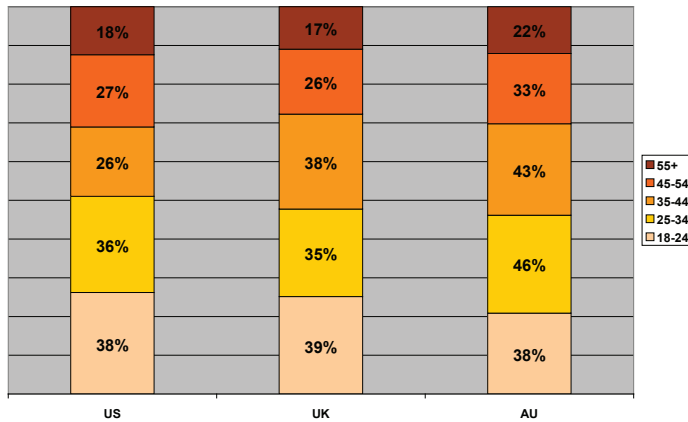
**APAC:** In Australia, the overall response rate to the mobile survey was 37%. About 38% of surveys were completed in the first hour and 77% in the first 12 hours. Response rates were 38% among 18-24 year olds, 46% among 25-34 year olds and 22% among 55+ year olds.

Thirty-three percent of the respondents are SMS users, 7% access emails on their mobile phones and 7% use the WAP services. Fifty-four percent of the respondents said they never use the Internet via their mobile phones while 26% said they go online at least once a week using their mobile phones.

On average (U.S., U.K. and Australia combined), 94% of the respondents said they enjoyed taking part in the mobile survey; 88% of all who completed the survey said they would do it again; and 64% of those who dropped out of the mobile survey said they would try to take part next time. The main reasons people didn't complete the survey were specific technical issues in accessing surveys from their mobile phones and concerns about the cost of participating.



Response Rates / Age



Like all research and data collection methods, mobile research may face some constraints. Here are some things to consider when conducting mobile surveys:

- Short questionnaires
- Limited type and length of questions
- Higher incentives needed to offset the respondents' financial burden of receiving and completing mobile surveys
- Profile of respondents able to take part in mobile surveys



## OPPORTUNITIES AND LIMITATIONS FOR MOBILE RESEARCH

Mobile Technologies provide a platform in developing various innovative research solutions to meet client needs. Mobile research offers a number of advantages over other survey methods. In particular, the speed of response is unique and provides the opportunity to conduct rapid response research in a more cost-effective way. Another obvious advantage is that mobile research offers a promising alternative to elicit an overall higher level of survey participation, particularly from younger people.

There are several ways to utilize mobile devices to conduct market research. One approach is recruiting respondents for online surveys through invitation or screening, utilizing a short mobile survey or providing the option to take the survey via mobile phone.

Below are some mobile research opportunities:

- Alternative way to connect with hard-to-reach demographic groups in market research
- Increased respondent cooperation from all demographic groups
- Immediate feedback on your research questions concerning marketing campaigns, ad testing, etc.
- Cost savings from faster replies to surveys, shorter project completion time
- Mobile recruiting tool used to direct respondents to online surveys
- Another way to reach people on the go

## CONCLUDING REMARKS

As with all new technologies and their applicability to market research, exuberance must be tempered with rationality. Marketers and advertisers spend many research dollars measuring the performance of marketing programs and their impact on consumer behavior. Only through continued research can Lightspeed Research better understand the applicability and use of mobile research in the long term, as well as its impact on increasing respondent cooperation.

A key concern of marketers is the low response rates among younger demographics, and much thought and discussion has been given to the creation of more age appropriate methods to reach this population. Given the rise in mobile use among youth ages 18-29, with more than one-quarter using mobile phones only (according to the National Health Interview Survey), it is not unreasonable to assume that performing research via mobile devices may attract a younger audience and possibly increase respondent cooperation via a better user experience. The use of mobile telephony also has the potential to increase research cooperation in populations that are hard to reach by online or via more traditional methods.

Mobile technologies today present an exciting direction for all marketers, advertisers and market researchers to pursue. However, there is a need for further research to uncover its promises and pitfalls. For example, how does an organization

gain insights into the brand impact of sponsorships and events? Lightspeed Research will present findings from mobile surveys that measure event sponsorship effectiveness, providing a platform for further discussion of the potential value of using mobile telephony to conduct market research.

Within the next few years, mobile research is predicted to become an important channel for market researchers and other

stakeholders in the value chain. It certainly has the potential to play an interesting role in the market research industry — either as a supporting method and/or recruiting tool or as a new platform for innovative research solutions addressing a wide range of marketing needs.

## Research on Research in Progress

Lightspeed Research is committed to delivering the highest quality interactive market research solutions by focusing on continuous improvement and innovation to meet our clients' research objectives. For this purpose, we've been conducting research studies to better understand the underlying issues of online panel management and quality. These issues range from the recruiting process to the delivery of high quality data to our clients. You'll find more details of one of our research studies in the next edition of Research on Research News.

For more information on our Research on Research initiatives, please contact Birgi Martin, Ph.D., Research Development Director at Lightspeed Research: [info@lightspeedresearch.com](mailto:info@lightspeedresearch.com) or +1 (908) 630 0542.

If you're interested in conducting a Lightspeed Research mobile survey, please contact Tammy Talley, Director, Marketing and Product Development at [info@lightspeedresearch.com](mailto:info@lightspeedresearch.com) or +1 (908) 630 0542.

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