Adaptive Survey® - A Tool for Market Researchers

Adaptive Survey® Defined: An Adaptive Survey® is a market research method that combines qualitative and quantitative research features. This unique combination allows researchers to speed up the research process by gathering ideas and prioritizing them in the same research project.

Adaptive Survey® Benefits:

- Systematically gather and prioritize open-ended text in a single project
- Replace dozens of traditional market research rating scales with a single Adaptive Question™
- Answer questions you didn't even know to ask
- Get higher response rates since Adaptive Surveys® are short and conversational
- Add structure to unstructured data
- Prioritize ideas using any representative sample you choose
- Integrate with social networks such as Facebook, Google+ and WordPress

Adaptive Survey® Process: The overall planning and implementation process is the same as any other online survey. For many market researchers, the process includes…

1. Discovery and planning: Business decision definition, information needed to make that decision, sample characteristics, segments of particular interest, available data
2. Project Development: Questionnaire design, sampling design, online survey development, testing, approval
3. Fielding
4. Analysis, reporting and presentation

Respondent Experience: Respondents see an online survey that looks much like any other survey – except much shorter. The Adaptive Question™ is a drag-and-drop format that captures agreement and priority in a single step.

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How it Works: While the process looks simple to respondents, there are a multiple complex issues resolved behind the scenes.

- **Idea Sampling:** The heart of an Adaptive Question™ is the list of comments shown to a respondent. Our patent-pending process is designed to constantly challenge good ideas with new ideas in a survival-of-the-fittest manner. Our algorithm randomly selects a few high-value comments and a few comments that are new or that haven't been sampled yet. Those comments are randomized and shown to a respondent for their reaction. Every respondent sees a different set of answers and we track the base and responses for every answer.
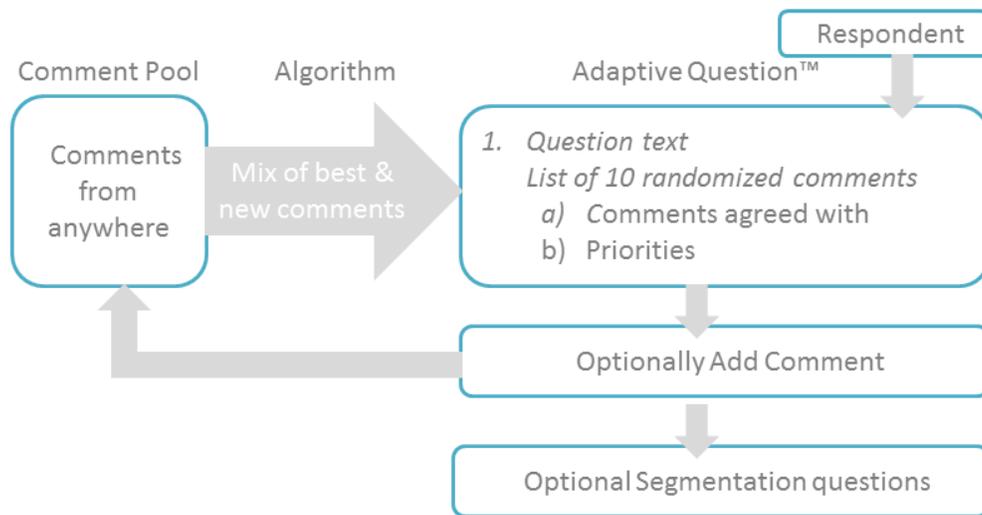
- **Starting Ideas:** We recommend that each of our clients seed their Adaptive Question™ with the best answers available in the company. Our experience has shown that these ideas have about a 10% chance of making it into the top 10 ideas – not because the company has bad ideas, but because respondents use wording that is more acceptable to others.
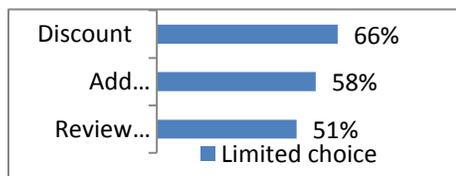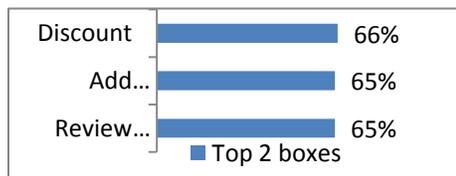
- **Limited Choice versus Rating Scales:** Some research methods use a lot of rating scales because the objective calls for correlation metrics or multiple regression techniques. This is a perfectly appropriate way to conduct research depending on your objectives. One of the risks associated with rating scales in our situation is that all or almost all respondents will rate everything the same. If that happens, you get a distribution where all of the bars are so close together that it is difficult to prioritize the issues.

In the case of the Adaptive Survey® methodology, the objective is to put a set of ideas in priority order. Adaptive Survey® uses a technique called 'limited choice' that increases

the chance that we will get good differentiation between ideas. Essentially, respondents review 10 comments and indicate which four they agree with most. They also indicate which comments are priorities for them and the technique limits those choices as well. This technique maximizes the differences between comments and makes it easier to see which issues need attention first.

- **Overall Results:** CloudMR™ automatically sorts out the ideas and presents the top ideas on a 2x2 matrix. The priority ideas that are most popular are located in the upper right quadrant. Niche ideas that are important among a smaller group are in the upper left.
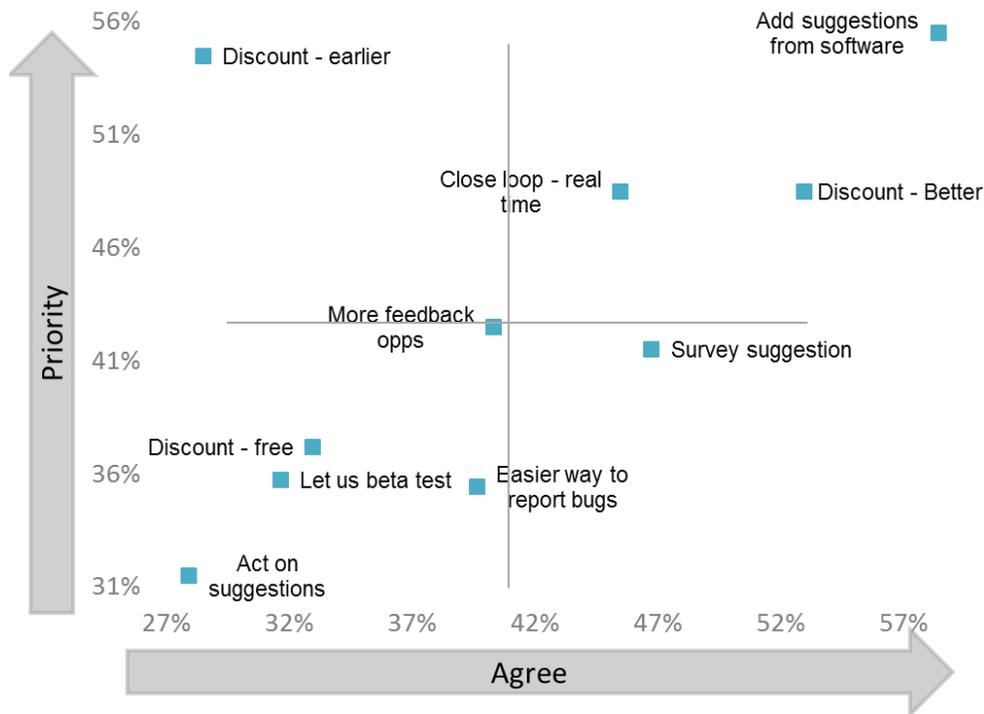
- o **Option to group top ideas:** Sometimes respondents add ideas that are duplicative. For example, one respondent might say they are concerned about 'the color' and another might say 'offer it in blue.' Researchers may want to combine these ideas since they are both concerned with color. Various researchers call this process 'coding,' 'netting,' or 'building themes' – a fairly tedious prospect when dealing with open-ended questions but relatively easy using Adaptive Questions™. Since respondents have already sorted the comments into priority order, you only need to code the top 50 or so ideas to get the results you need. Some companies code the top 100 just to be sure or to get secondary ideas for consideration.
- o In this example, the top ten themes are the same after coding the top 25 ideas and after coding all 223 ideas. Coding the top 50 ideas produces an identical result as coding all comments – the same top 10 ideas in the same order.

It is also interesting to note that the 2nd most actionable idea was mentioned by only one person, but other respondents who saw it voted it into the top ten. This fact contrasts with traditional open-ended coding where an idea mentioned only one time might be overlooked.

| | Action Scores | | | | | |
	25 coded	50 coded	All coded	# Ideas	OA Rank	Base
Add suggestions from sw	100	100	100	6	1	1419
Close loop - real time	90	92	92	1	2	262
Discount - earlier	82	84	82	8	3	901
Discount - better	76	77	76	3	4	1558
Close loop - suggestions	63	72	72	12	5	1743
Easier way to report bugs	68	72	72	7	6	1563
Close loop - bugs	73	74	68	4	7	950
Close loop - status	71	67	59	8	8	1408
Discount - other skus	68	68	57	6	9	445
Discount – loyal users	55	52	52	2	10	407
Discount - consistent	0	52	52	1	11	370
Listen	52	53	50	2	12	466
Close loop - better	0	50	49	3	13	649
Close loop - plans	54	56	48	5	14	822
Survey suggestion	0	51	48	5	15	998
Discount - free	0	0	39	3	16	720
More surveys	0	0	38	1	17	96
Minimize change	0	0	37	1	18	122
Close loop - why/why not	0	0	36	2	19	181
Review product changes	49	46	36	4	20	632

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- **Segmentation:** CloudMR™ develops an Action Score™ for every segment based on information in your survey or from uploaded data. The Action Score™ is used to sort ideas in priority order.
  - o **Action Score™:** The Action Score™ considers…
    - Percent who agree with an idea
    - Percent who say the idea is a priority
    - The number of respondents who saw the idea
  - o **Action Score™ Calculation:**
    - Since the objective is high-priority ideas that are popular, the initial step is to get the product of the two scores for each idea or theme: % agree * %priority
    - Next the result is discounted by looking at the base of people who saw the idea. Ideas with a large base are more certain than ideas with a low base. CloudMR™ applies a 90% confidence interval to the result of the first step and takes the lowest end of that interval. The resulting number is at least that amount at 95% confidence.
    - Finally the score is normalized just like grades in a classroom when graded on the curve. This number is called the Action Score™ – a number between 0 and 100. This just makes it easier for most people to relate to it.
- **Action Score™ Presentation:** Action Scores™ are presented in a heat-map style. Scores are sorted by the total column with the best (bright green) ideas at the top. Typically, one would back up and look for cells that stand out or seem out of place. In this example notice the two red cells in the top row among new customers and among those who are less likely to recommend this company. Also notice the green cells near the bottom among those who are more likely to recommend now.

	Total	Customer for…				LTR		LTR Change			Age	
		1st yr	2+yrs	1/2 yrs	3+ Yrs	P	N/D	Up	Same	Down	<45	45+
Discount - communication	92	0	92	56	91	96	77	82	100	0	18	94
Add suggestions from software	82	22	83	40	84	83	78	86	78	8	53	84
We review product changes	76	40	76	41	77	73	77	77	74	29	81	75
Close loop - status	72	70	72	73	71	73	68	71	72	28	43	72
Discount - Better	68	50	68	53	68	69	62	70	64	8	43	67
Close loop - plans	59	29	59	42	59	56	60	59	57	28	51	59
Close loop - real time	57	48	55	47	56	49	63	59	47	44	6	57
Close loop - Why / why not	52	24	52	28	52	59	33	54	46	0	52	50
Survey suggestion	52	0	52	0	53	56	39	55	43	18	23	53
Close loop - bugs	50	13	49	29	49	39	61	44	51	33	9	48
Keep us separate from FB	49	0	49	8	50	44	51	43	50	50	15	49
More feedback opps	48	51	47	64	46	46	46	46	47	24	18	49
Close loop - better	48	42	47	60	46	54	35	45	48	19	5	49
Discount - earlier	39	43	38	52	37	37	36	46	26	22	29	37
Easier way to report bugs	38	0	38	24	35	42	19	34	33	0	0	39
Let us beta test	36	0	36	5	36	38	29	42	27	0	22	36
Discount - auto advantage	36	0	35	30	33	28	42	34	31	0	0	35
Act on suggestions	31	0	33	0	36	26	13	44	0	0	0	39
Base	2385	79	2295	103	2266	1453	932	1272	1046	67	83	2103

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Adaptive Survey® FAQs:

- **Does Adaptive Survey® replace other types of market research?**
  Absolutely not. Your objectives dictate what type of methodology is appropriate. If you are in a situation where you don't know the issues to measure and you don't have time for qualitative issue gathering followed by a survey to quantify the issues, an Adaptive Survey® would be a good choice.

- **Can Adaptive Questions™ be used in other types of surveys?**
  Yes. Adaptive Questions™ are good substitutes for open-ended questions because respondents read the comments and tell you what issues are most actionable. Adaptive Questions™ are also good substitutes for a series of rating scales where your objective is to prioritize next steps, product development ideas or features.

- **When is an Adaptive Survey® appropriate?**
  Just about any time that you don't know the issues and when you need a fast result. Adaptive Surveys® are ideal for product development, line extensions, messaging or any other situation where you want to generate innovative ideas.

  Can Adaptive Surveys® be used in connection with Net Promoter® programs?
  Yes. While many NPS® users struggle to get clear direction to drive their scores, our clients frequently tell us that they regularly get specific and actionable insights from Adaptive Surveys®.

- **What kinds of companies have used Adaptive Surveys®?**
  While Adaptive Surveys® are new to a lot of researchers the technique has been used by leading companies for several years including: Intuit (TurboTax, Quicken, QuickBooks, ProTax and App Center), Callaway Golf, A&E TV, My M&Ms®, Disney Interactive, Fidelity, Capital One, Ogilvy, Virgin Media.

- **How many responses are required to get good results?**
  Sample size is generally calculated the same as any other project depending on the accuracy of the results you require for your specific project. Many people look for a sample size of about 380 in order to see results that are accurate to plus or minus 5 percentage points. Of course you can increase accuracy by getting more responses and you can still get some useful results from fewer responses. If you are interested in segments that are a small percentage of the total, you might consider increasing the sample size or oversampling the segment. CloudMR™ will track them so that you can keep the representative sample separate.

- **I already have a lot of ideas. Can I use an Adaptive Survey to prioritize them?**
  Yes. You might want to use comments from a previous research project or from your social network such as a blog or Facebook page.

- **What are the downsides of Adaptive Surveys®?**
  Respondents are reviewing ideas and comments entered by other respondents which might include distractions such as misspelled words or bad grammar. That makes them more difficult to read and evaluate. For that reason, we recommend that you keep surveys short – one Adaptive Question™ and up to five segmentation questions ideally. Our experience indicates that best-practice Adaptive Surveys® include no more than three Adaptive Questions™.

  Branding is a concern for some companies because respondents don't necessarily follow established guidelines. You can opt to monitor comments as they come in to correct or reject comments that don't meet your criteria.

  Sometimes offensive language can be an issue. Respondents usually don't agree with these types of comments and they fall out of the testing quickly. In addition, we automatically filter most bad words and only show them if you specifically approve them. Monitoring allows you to correct or reject ideas that may offend others.

- **How does an Adaptive Question™ differ from any other survey question?**
  Adaptive Questions™ are a little more forgiving since respondents tend to comment about things that are on their mind regardless of the wording of the question. The seed ideas that you provide initially are important and should be composed in the proper context just to get everyone started in the right direction. Think about all the rating scale questions you might normally ask and turn those into seed ideas instead.

- **What if respondents go off topic and don't answer my question?**
  Off-topic ideas tend to fail to get agreement because there is always a group of people who read questions carefully. If you have a group of respondents who tend to go off topic, consider moderating ideas so that other people don't see them. If something still gets through, you can easily remove it from consideration in your analysis.

- **What does a good Adaptive Question™ look like?**
  It should be similar to an open-ended question in order to elicit a thoughtful response. We suggest that you ask for solutions, not problems. Use questions like, "What should we do the next time to make the experience better for you?" instead of "What caused you to give us such a low score?"

- **Why does the 2x2 graph use a relative scale? Wouldn't it be better to use an absolute scale?**
  The objective is to prioritize ideas about a particular subject. Your interest is in the ideas that are most likely to be actionable; which ideas you should consider first. While an absolute scale works in some cases, it is difficult to read in other cases.

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- **What if we don't want to implement the first few ideas?**
  We expect a conversation to result from any research, "We are already working on idea #1." "Idea #2 is impossible using our current technology. " "Idea #5 is something we can implement tomorrow with almost no expense"

- **Should I split the sample in order to separate negative and positive comments?**
  There are two schools of thought on this. Some people feel that it is useful to see where positive and negative respondents agree – so put all of them in the same Adaptive Question ™. Other people don't want positive respondents to be influenced by the negative comments they might see and prefer to split them.

- **What if the top idea has a low base?**
  We apply a confidence interval to the results which takes the low base into account. As a result we are 95% confident that top ideas are really the best and that the lower ideas are really the worst.

- **I like Adaptive Survey® but don't want to use the rest of your site.**
  No problem. Run our adaptive surveys on our site or integrate with your own site using API.