



Dariusz T. Dziuba

Uniwersytet Warszawski
Wydział Nauk Ekonomicznych
Katedra Informatyki Gospodarczej i Analiz Ekonomicznych
dziubadt@wne.uw.edu.pl

REWARDING STRATEGIES AND THE VALUE OF INCENTIVES IN PAID TO COMPLETE ONLINE SURVEYS

Summary: The paper analyses one of the Internet-specific income-earning methods – Paid To Complete Survey sites (panels) offering rewards for the participation in marketing research through filling online survey questionnaires. PTCS sites are analysed in the context of electronic labour markets and crowdsourcing. Strategies used to reward the “cloud” of respondents are systematised. Potential and real rewarding options are evaluated. Further on, the following aspects are presented: the purpose of the sites referred to in the paper title, the rules of their operation, what motivates the participants. Moreover, attributes of the analysed market segment are highlighted, a system of the respondent rewarding strategies classification is proposed and findings regarding the actual value of incentives are reported.

Keywords: on-line survey panels, rewarding strategies, market segment characteristics, PTCS, Paid To Complete Surveys.

Introduction

Each year, corporations pay – via electronic platforms – millions of US dollars for responding to their survey questionnaires (used to gather information). Not long ago such surveys were made manually or by means of telemarketing tools [Hobbes, 2012]. Today, with the Paid to Complete Surveys systems based on centralised databases, such research can be performed much faster and more efficiently. The Internet has totally revolutionised data collecting methods. Online surveys may be much less costly for companies, also in terms of rewarding the respondents.

The focus of this paper is on a special type of online income earning systems, which derives from the idea of crowdsourcing and is usually referred to as PTCS (*Paid To Complete Surveys*)¹. The PTCS category offers an opportunity to be rewarded for filling electronic surveys. From the technological point of view, the solutions (panels) are usually simple, and yet they are implemented on a mass scale these days².

For the purpose of the present discussion, various rewarding strategies used in PTCS panels are singled out and analysed. The focus is on one of the market participant groups – the panelists. Potential and actual rewarding options are evaluated. The following aspects are discussed successively: the purpose of the systems referred to in the title of the paper and their principal impact on the market; the rules of their operation and the motivation of their participants; the PTCS market segment attributes analysed based on the author's studies (estimation of the aggregated payments and numbers of panelists registered in individual systems); the respondent rewarding strategies systematisation, including their characteristics, a breakdown by reward types (cash or gifts) and findings regarding the actual value of incentives identified based on the set of panels singled out for the study.

The discussion is recapitulated in the section highlighting the conclusions, including but not limited to the benefits of PTCS to different market participant groups.

1. PTCS panels – the purpose and the market impact

The purpose of PTCS panels is to capture information from respondents. To this end, online questionnaires are distributed among a targeted group of respondents selected based on pre-defined demographic, geographic, social and other criteria. Surveys are conducted remotely, in the Internet environment, by means of the software shared via the panel website. The participants may be rewarded in cash and/or in kind, or in some other way.

The systems referred to in the paper title are based on the idea of crowdsourcing, i.e. distribution of job offers to any group on the Internet market – dispersed respondents – in the hope of gaining the “wisdom of the crowd”.

¹ *Get Paid for Participating in Paid Surveys, Get Paid for Answering Surveys Online, Get Paid to Fill out Surveys, Paid To Share Opinions, Get Paid For What You Know* are other, synonymic terms used when referring to PTCS.

² For technical reasons, the present paper does not elaborate on technology-related aspects of PTCS panels – the reader is referred to Author's other considerations [Dziuba, 2014].

According to Kleemann and Voss [2010], crowdsourcing takes place when a profit-oriented firm outsources specific tasks for the making or sale of its product to the general public (the crowd) in the form of an open call over the Internet with the intention of animating individuals to make a [voluntary] contribution to the firm's production process for free or for significantly less than that contribution is worth to the firm³.

As PTCS services constitute an intermediate link in the research process, they can be analysed in the electronic labour market context. Acting on behalf of their clients, they distribute job offers (i.e. requests to fill questionnaires) to a mass group of respondents in the "Internet crowd". Services are ordered by market research agencies, marketing companies or companies developing their products in any field of business, their purpose being to get customer feedback⁴. Surveys can be conducted via such independent systems or by marketing companies themselves, if they have their own or associated systems (panels) at their disposal.

PTCS panels play an important market role, as they support the process of identifying market trends or consumer behaviour patterns, as well as the product/service evaluation and testing procedures. They provide feedback from product or service consumers and users. Hence, this is how various research companies can explore consumers' needs and their specific expectations.

2. How PTCS panels work and what motivates their participants

Almost all PTCS systems work in a more or less the same way. Participation is voluntary and open to anyone who has access to an Internet connection, is ready to complete the registration procedure and meets the age criteria⁵. The registration involves filling a special sign-up form available on the panel website. Survey invitations are e-mailed to recipients targeted based on the sign-up form data and identified as meeting the relevant social and demographic criteria. Typically, the respondent selection decision is made by the client who ordered the survey.

Respondents are selected to match the participant profile (age, sex, place of residence, qualifications, etc.). The number of survey invitations depends on the subject and the number of surveys proposed. Various incentives are employed to

³ More about crowdsourcing to be found in author's other publications, e.g.: [Dziuba, 2012].

⁴ Such systems can be initiated by various market participants, even by academic centres, e.g.: Vanderbilt University (eLab.vanderbilt.edu).

⁵ In the ePanel.pl system, the minimum age limit is set at 13 years, participants aged less than 18 to obtain parental or caregiver's consent.

encourage Internet users to participate in surveys. Respondents who delivered correctly filled questionnaires are rewarded – e.g. they are assigned scores depending on the size (and the subject) of the questionnaire. After a certain threshold has been achieved, points can be converted into rewards.

Respondents participate in survey panels for a variety of reasons. Motivations include, but are not limited to: an opportunity to earn money (be rewarded in cash), or receive gifts and incentives. Yet, for many panelists this is a hobby and fun or an element of co-operation and networking. Furthermore, the purpose may be to support the process of product improvement and strengthen the relationships with certain market players and their brands. Nevertheless, the opportunity to be rewarded (earn money) is most often referred to. Therefore, most on-line survey panels offer various incentives, so as to enhance respondents' approval and participation.

Empirical studies show that response rates tend to grow, wherever any economic incentives are offered. Both the number and the scope of responses are positively correlated with the rewards, as well as with the number of new sign-ups. However, the response rate grows insignificantly; e.g. Cape and Martin report [Netquest, 2013] a 4% response rate growth observed as a result of increasing the reward by a sum up to 10 USD.

3. The PTCS market segment characteristics

Questionnaire-based surveys are ordered by many different international and national entities. Typically, such services are provided by market research companies. The list of the largest research agencies includes: Nielsen Company (National Consumer Panel), The Kantar Group (including Millward Brown, TNS and Lightspeed Research with MySurvey), Ipsos, uSamp, e-Rewards with Research Now, Harrispoolonline, Brand Institute, Global Test Market, Gfk (Surveys.com), Toluna Group (Toluna.com). Not all such providers offer survey panels with the income earning feature.

The author's research [Dziuba, 2014] identified a group of 864 incentivised survey panels⁶, using the location, years of implementation and the extent to access to these markets as a basis. Out of these, a group of 779 still active panels was

⁶ Information was sourced from PTCS websites and other systems, Internet forums and electronic catalogues, etc. The following sources were not taken into consideration: paid focus groups, product testing sites, and point-based systems; typical point-based loyalty systems are used by online shops, where filling a questionnaire is an additional opportunity to earn extra points. The focus of this study is solely on paid survey systems, therefore unincentivised panels have been omitted.

singled out. As a next step, the numbers of registered participants and the aggregate payments to panelists were captured. The process of information collecting supplied the expected statistics from a limited number of systems, though.

The statistics were verified as of 4th July 2014, with data (i.e. one of the following variables at least: the number of participants registered and/or aggregate payments to respondents) obtained or estimated for a group of 203 research panels. The aggregate payments were proved to exceed USD 194 million (194,089 thousand). Not all sites made such data available, therefore it was hard to estimate the entire sector's payments. The actual size of the PTCS segment can be roughly estimated at no less than USD 1 billion of aggregate payments, i.e. paid out by the analysed platforms throughout the entire period of their operation. Hence, this is a significant segment of the electronic market.

Subsequent analyses of a similar group of systems yielded statistics illustrating the situation as of the 7th April 2015. The resultant datasets cannot be presented in this paper for technical reasons.

Table 1. Estimated data for selected PTCS sites as of 7th April 2015

It.	Itemization	Country (year of launch)	Aggregate payments (USD million)
1.	MySurvey.com	USA (1995/2001)	(*) min. 50.000
2.	GlobalTestMarket.com	USA (1999)	min. 32.000
3.	Surveys.com	UK (2011)	min. 16.000
4.	SurveySavvy.com	USA (2009)	min. 15.000
5.	SurveySpot.com	USA (1999)	(**) min. 10.000
6.	TreasureTrooper.com	Australia (2005)	6.295
7.	Curizon.com	USA (2007)	(*) min. 6.000
8.	MDLinx.com	USA (2009)	min. 6.000

(*) Author's estimation;

(**) rewards in cash or kind.

Source: Author's analyses based on author's estimations, data captured from PTCS sites and verified statistics from [Dziuba 2014].

Table 1 summarises exemplary amounts of aggregate payments, together with the basic information about panels.

The global MySurvey.com system, which is a part of Lightspeed Research.com now, recorded the highest aggregate payments of the panels tested (USD 50 million at least), both these systems having registered a pool of more than 7 million respondents.

GlobalTestMarket, with the aggregate payments to panelists in excess of USD 32 million was also among the PTCS technology leaders⁷. The amount is

⁷ By way of comparison, these aggregate payments increased by USD 2 million about nine months after the last research (4th July 2014).

not as impressive as it might seem, though, since this is an aggregate value representing the entire period since the platform launch (1999) and the total number of respondents registered in the system (around 6.7 million today). Hence, the mean, individual pay would be less than 5 USD over a 15-year period. The number of panelists varied over time however and not all of them were active.

Table 2. Online research panels registered membership as of 7th April 2015, estimated data

It.	Itemization	Country (year of launch)	Registered membership (in million)
1.	EMI Online Research Solutions (OnlineResearchPanel.com)	USA (2003)	(*) (** min. 65.000
2.	Toluna.com	France (2000)	27.224
3.	Questback.com	USA (2000)	18.000
4.	GfK.com	USA	(*) 18.000
5.	SurveyClub.com	USA (2005)	min. 16.000
6.	uSamp.com (Instant.ly)	USA (2008)	min. 12.000
7.	Prodegemr.com	USA (2009)	min. 11.000
8.	Communispace.com	USA (1999)	min. 10.000
9.	Cint.com (OpinionHUB)	Sweden (1998)	10.000

(*) data based on: QUIRK'S, *2014 Research Panels Directory*, "QUIRK'S Marketing Research", November 2014; (**) consumer panel.

Source: Author's analyses based on author's estimations, data captured from analysed sites and verified statistics from [Dziuba 2014].

Table 2 ranks the major incentivised survey sites by the number of registered respondents.

The OnlineResearchPanel.com mega-panel incorporating over 80 online consumer panels in 80 countries today was an absolute leader. Yet, platforms publish their active membership statistics very seldom, therefore the actual values are lower. WorldWidePanel.com can be given as an example here: there were some 6.7 million respondents registered in the system, but only 1.3 of them were active.

4. Respondent reward strategies

Rewards offered to panel users may differ significantly. The variety of rewarding strategies includes: scoring systems, including virtual money, cash payments, cash for a random group only, vouchers (e.g. Amazon), gifts, charity payments, sweepstakes and many other incentives.

The tables below summarise examples of rewarding; for the sake of convenience they have been split into two groups: money incentives (Table 3) and other rewarding strategies (Table 4). The choice of data is a selective one, intended to illustrate the diversity of existing methods and directions in their development.

Table 3. Cash rewards in selected online research panels

Incentive	Examples
Small amounts up to USD 5 for completing a questionnaire	Ultrapay.com (min.: USD 0.01; average: USD 2); Adpaid.com (up to USD 1); DollarSurveys.net, PalmResearch.com and PoolBuzzer.com (USD 1 each); AmpUpNow.com (USD 1-2; max. USD 5 for a qualification); MeinungsORT.de (EUR 0.5-2 EUR); BrainJuicer.com (min. GBP 1); YourInsights.com (from CAD 1 to 5); IrishOpinions.com (up to EUR 5); OpinionOutpost.com (typically: USD 1-5).
A reward for each single question answered	PanelWizard.com: 0.10 EUR for each survey question; a charity option is offered too.
Small amounts offered as a reward for the time spent on the survey	Redclive.ie (EUR 1 for every 5 minutes); PopulusLive.com (GBP 1 for every 5 minutes).
A pre-defined per-centage of respondents is rewarded	VoiceoftheInternet.com (USD 5 each)
Small amounts up to USD 15 for completing a questionnaire	iQuestion.com (USD 6 for every 20-minute survey); eJury.com (typically: USD 5-10); Refero.de (typically: EUR 1-10); SurveyNetwork.co.uk (GBP 10); MixReq.qirina.com: USD 2-10 and rewards for recruiting new members.
Small gifts and participation in sweepstakes	Panelbase.net: GBP 0.25-10 per questionnaire, depending on the length and type; additionally: contests with prizes (laptops, TV sets, vouchers).
Cash rewards and prize drawing	YoungPoll.com: cash prizes up to GBP 20, competition surveys with prizes
Cash prizes up to USD 50	AmericanConsumerOpinion.com (USD 4-25 USD for a 10-minute survey); BrandInstitute.com (typically: USD 10-45); GlobalTestMarket.com (typically: USD 5-50 USD per survey)
Higher cash prizes	PandaResearch.com (up to USD 75); eCashOpinions.com (USD 90 max.); ConsumerWorldwide.com (USD 5-100); SarosResearch.com (up to GBP 100); TechnologyBoard.com (USD 10-200)
Cryptocurrency	FSprizes.com (virtual money prizes: Bitcoin /Litecoin)

Source: Own elaboration based on information from the analysed sites.

Financial incentives were usually in the form of small sums of money per survey. So, PalmResearch offered USD 1, DailySurveyPanel – USD 1 at the minimum, ResponsePanel – GBP 1 at the minimum plus GBP 5 for signing up and an opportunity to win GBP 50 in a monthly contest. Slightly higher incentives were offered by: OpinionOutpost – from USD 3 to 50, BrandInstitute from USD 10 to 45, GlobalTestMarket from USD 5 to 50, SurveyScout up to USD 75 per survey. SarosResearch offering up to GBP 100 for participation in a two-hour survey and Technology Board (USD 10-200) were real “record-holders”.

SpringboardAmerica paid in virtual currency – Survey Dollars. The value “Direct Points” offered by DirectiveAnalytics was fixed against the U.S. Dollar at one cent per DirectPoint. SelectOpinionLeaders.com.au used SOL Points; Ultrapay.com – the Ultra Pay (U\$) virtual currency at the 100 U\$ = 1 USD rate.

As a rule, payments were made following survey completion, i.e. delivering a complete questionnaire. Some systems, PanelWizard for example, rewarded every single answer. Redclive.ie and PopulusLive.com, on the other hand, rewarded for the time spent on the survey. A very special strategy was used by VoiceoftheInternet. USD 5 were paid to a pre-set percentage of the respondents; the percentage depended on the number of completed surveys received (the number of participants) and the total pool of money provided by the sponsor. Cashpayments did not exceed USD 200 as a rule; higher sums were offered for focus group surveys, which do not fall within the scope of this study.

The next table lists panels using other types of incentives. The highest incentives (in kind and money) were offered in cyclical contests or lotteries. These included holiday trips or luxury cars, but the chance to win them was rather illusionary. In some services, preference was given to donations. For example, Myhotspex focused on planting trees in one of the Amazon’s nature reserves – in the period between 2007 and April 2015, some 3 million trees were planted for complete surveys.

Table 4. Examples of other incentives

Incentive	Examples
Sweepstake and contest cash prizes	AdvisoryPanel.com (USD 5-100); Surveyscout.com (typically, USD 5-75, plus USD 1000 in monthly contests); NewVistaLive.com (a monthly draw of a GBP 250 prize); ClearVoiceSurveys.com (USD 100 every day, USD 250 every week, USD 1000 every month); Webperspectives.ca (CAD 5 thousand).
Higher prizes drawn	Winningsurveys.com (an USD 50,000 college scholarship for students); Bigbucksurveys.com (USD 50,000 for home refurbishing); US Global Survey Group (USD 100,000 each year); OpinionSquare.com (a USD 100,000 monthly sweepstake)
Gifts (vouchers) in point-based systems	FiftyPlusSurvey.com (USD 5 to 200 vouchers: Amazon.com, Starbucks, Target, Blockbuster); SurveyGiants.com (points redeemable for reward options); GratisPoints.com (vouchers); NineRewards.com.au (cinema tickets, vouchers and pre-paid cards draws); AnnabelKarmel.com (books, hotel stays draws); InboxSponsors.com (drawing USD 250 fuel cards); National Consumer Panel (gifts from catalogues, also – monthly prize draws); OUP Student Law Panel (Oxford University Press books)
Other incentives – access to information	LifeFunandEverything.com (gifts and access to information - summaries of findings from selected studies); SocraticForum.com (vouchers, access to information); EXPOTV.com (vouchers and gadgets; participation in a business TV program; opinion author’s info published in the magazine)
Donations (preferably)	Myhotspex.com (small money prizes, preference given to donations: the action of planting trees in the Amazon rainforest)

Source: Own elaboration based on information from the analysed sites.

Rewards in cash or kind were not the only method of incentivising the participants. For example, SocraticForum.com (a panel evaluating IT technologies) offered financial rewards, vouchers and coupons, more or less valuable prizes and in addition – **access to information**; it was therefore important to share the community's field-specific knowledge. Over the last few years, solutions offering cryptocurrency rewards (Bitcoin/Litecoin) were launched, such as FSprizes.com.

To sum it up: point-based rewarding strategies are prevailing in the analysed group of systems. Points can be converted into rewards (after a certain threshold has been achieved): gifts (most typically) or a combination which integrates a reward in cash and in kind (e.g. vouchers, gift cards). Where cash is offered, the sum does not exceed a few dollars per questionnaire as a rule (while the frequency of obtaining such surveys depends on a number of factors here and is usually much limited). Higher individual rewards are typical of cyclical contests and are drawn on a monthly, quarterly or annual basis for example. Furthermore, the analysis reveals that other methods of rewarding are becoming increasingly popular. These include the access to some specific information and system functions, as well as cryptocurrency rewards.

5. PTCS systems in empirical studies

PTCS systems have not been much studied so far. One of such research projects, with the sample of 12 panels implemented in USA, was conducted by Grey Matter Research [2012]. The research sample included the following systems: TrialInnovations.com, FederatedSample.com, ParadigmSample.com, EMI-rs.com, GMI-mr.com (Global Market Inside), Sample Strategies Global, Survey Sampling.com, MarketTools.com, Authentic-Response.com, ClearVoiceSurveys.com, Toluna.com, OpinionOutpost.com (the panels were assigned random numbers).

A group of individuals who had signed up for these panels was invited to participate in the experiment. Their task was to respond to every survey invitation, take active part in surveys, as well as understand and describe the participation terms in detail. The categories covered included: the work input measured by the average time of filling a questionnaire, the average income per survey (only complete surveys were rewarded).

The questionnaires varied in quality very much – panelists were sometimes forced to lie in order to continue with the survey, because no available answer was correct⁸.

⁸ For instance, one panelist answered he did not own a smart phone, and was subsequently asked multiple questions about his activity downloading applications on his phone; one other panelist was asked about the frequency of his visits to some selected shops, although he declared that never shopped there. See: [Grey Matter Research, 2012, pp. 8-9].

According to Grey Matter Research, the average questionnaire in the study lasted for 18.3 minutes. There were invitations for surveys up to 80 minutes in length and 30 to 40 minutes was not a rarity. 48% of all invitations received were for questionnaires of 20 minutes or more, including 13% that were 30 minutes or more. The key conclusions referred to the incentives value range. Evidently, the rewards were not high, from USD 0.84 to 2.43 per questionnaire. Average monthly pays ranged from USD 3.43 to USD 20.29,⁹ so the actual income earning opportunities offered by such systems are merely illusionary.

Conclusion

Incentivised online survey panels represent a significant segment of the global electronic market. The estimated value of aggregate payments to respondents is USD 1 billion at the minimum. The PTCS technology is a global phenomenon today – it is available on all continents (except Antarctica), to all language groups and, with the numerous regional offices of international enterprises, in all countries of the world in fact.

Economically, all participants of the market are benefitting from the access to such panels:

- panel clients who order surveys, as they gather new product information from a “cloud of dispersed respondents”;
- electronic platforms – as intermediaries, charging their fee for the transaction;
- panelists being rewarded for their participation in the surveys offered.

Nonetheless, clients ordering such surveys are the real beneficiaries of the market segment, no doubt. **Capturing information (knowledge)** from a large group of individuals dispersed across the Internet and in a relatively short time, is a measure to substantially reduce the risk of launching a new product on the market. Saving even millions of US dollars is a considerable **cost benefit** for such market players. It is relatively cheaper to implement an electronic platform – a survey panel – to gather information from a set of respondents in an automatic manner, than to test products and services on one’s own. For the online respondents, this is a source of extra income, even if earnings are very small, or, to be more precise, minuscule.

⁹ In some cases, it was impossible to obtain any data due to the panel operation methods and the lack of any reward measuring tools.

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STRATEGIE I ZAKRES NAGRADZANIA W INTERNETOWYCH SYSTEMACH PAID TO COMPLETE SURVEYS

Streszczenie: W artykule rozpatrywany jest jeden ze specyficznych typów internetowych systemów zarobkowania – panele Paid To Complete Surveys, które umożliwiają pozyskiwanie nagród z realizacji badań marketingowych poprzez zdalne wypełnianie ankiet elektronicznych. Panele PTCS analizowane są w kategoriach elektronicznych rynków pracy i crowdsourcingu. Dokonano systematyzacji strategii nagradzania „chmury” respondentów. Oceniane są potencjalne i realne możliwości wynagradzania. W kolejnych wątkach zaprezentowano: istotę tytułowych paneli, zasady funkcjonowania, implikacje rynkowe, motywacje uczestników; uwypuklono atrybuty analizowanego segmentu rynkowego; sformułowano systematykę strategii nagradzania panelistów; wskazano na wyniki badań realnego zakresu nagradzania.

Słowa kluczowe: panele badawcze online, strategie nagradzania, specyfika segmentu rynkowego, PTCS, Paid To Complete Surveys.