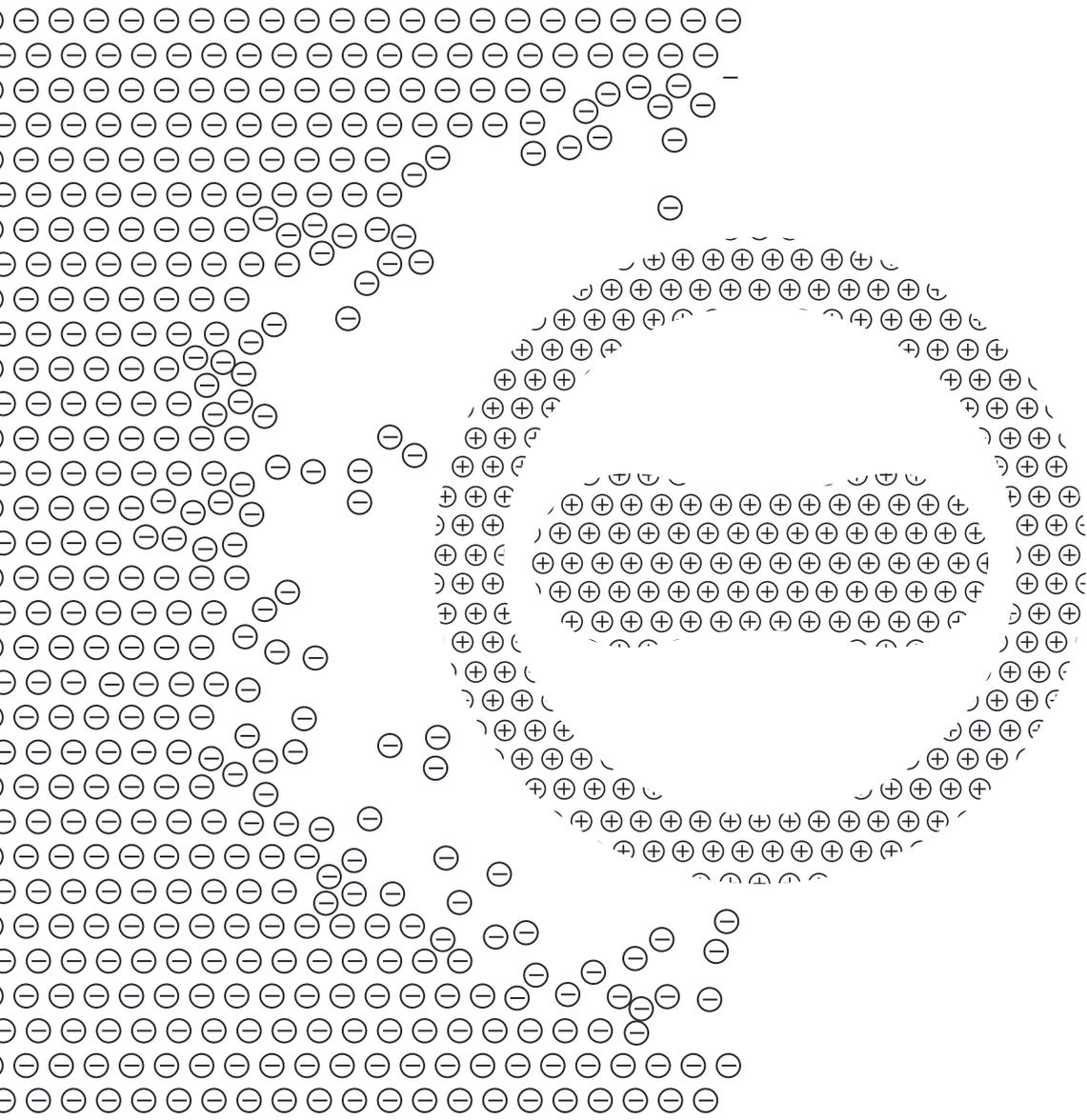


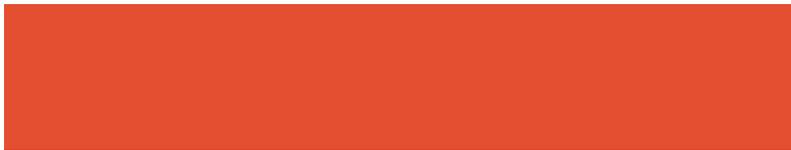
PEANUT LABS

PRIMER ON
SAMPLING

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PEANUT LABS INTRODUCTION



Peanut Labs is an award-winning innovator in the market research industry, delivering on-demand access to a global sample of opted-in, ready-to-survey panelists with a multi-dimensional engagement platform. As the premier monetization vehicle for leading social networks, including Facebook, Peanut Labs continues to build long-lasting strategic relationships with over 400 website publishers, social media communities and global partners, enabling one of the highest traffic rates in the research industry. Peanut Labs provides clients with access to a uniquely engaged sample of over 15 million highly diverse and active panelists in a growing number of countries around the world.



SAMPLING INTRODUCTION



Gathering opinions from every single person we're interested in has serious financial and logistical implications. It would be impossible to ask every single mom in the USA what cereal they buy for their children or to ask every boy aged 14 to 17 what video game they like the most. Indeed, it would be impossible just to find every mom or every boy.

What we can do, however, is choose a sample of people and generalize their answers to the entire population of moms or boys. Instead of trying to collect opinions from 80 million American moms, we could choose a sample of American moms, maybe just 500 or 1000, and collect their opinions. If we choose the sample well, then we will be able to generalize their opinions to the entire population.

WHAT ARE SOME COMMON SAMPLES?

Samples are often described in terms of their demographics, e.g., a census rep sample, a young mom.

1

Census Rep Sample

This is a shortened way of saying a census representative sample. In other words, a group of people has been selected because their demographic characteristics mirror the country's demographic make-up. Based on the US census, a "census rep" sample would be 34% aged 0 to 24, 41% aged 25 to 54, and 26% aged 55 and over. Gender would be 50% male, 50% female. Ethnicity would be 80% white, 13% black, and the remainder a large variety of ethnicities.

2

Internet Rep Sample

This is a shortened way of saying an internet representative sample. Samples like these consider first who actually uses the internet. Remember, only about 85% of Americans use the internet – the 15% of people who do not use the internet could be very different, perhaps some are homeless, transient, poor, very old, or neo-luddites (people who are simply against technology). If we want to use a sample of people who look like all internet users, the sample would look very similar to the Census Rep Sample BUT it would have twice as many younger people and half as many older people.

WHAT TYPE OF SAMPLE DO YOU NEED?

The number of possible sample types is limited only by your need and your imagination. The following examples will help you understand the possible differences and give you insight into why you might want to use one type of sample or another.



CENSUS REP SAMPLE

Census Rep samples are rarely useful in market research. These types of samples include babies and children who can't answer surveys and who don't have any power in the purchase decision process. They also include very old and infirm people who may be physically unable to respond to a survey. These samples are usually only appropriate for government bodies that need to prepare health, education, and other services for all of their citizens.

ADULT SAMPLE

Adult samples focus on people who are 18 years of age and older. These people normally have money and purchasing power. They may be eligible to vote, obtain a driver's licence, and purchase alcohol, tobacco, and lottery tickets. These samples are also rarely used as market researchers often do not require opinions from the oldest group of people, those who may be under the care and protection of someone else who has the purchasing power.





ADULTS 18 TO 65

Obviously, this sample focuses on people who are aged 18 to 65. It includes younger and older people who have purchasing and decision making power. And, if you think about it, it also includes the people who have the largest number of online connections and influencing power. This sample is among the most commonly used as it is relevant to most consumer products. People in this age range have the money and desire to buy cars and shoes, choose which restaurants they want to eat at, decide who they want to vote for, and more.

YOUNG ADULT SAMPLE

This sample might focus on people who are aged 15 to 24 (the exact ages would be determined by you and the product or service you are researching.) This is a good sample to use if you're doing research on video games, celebrity fashions, or other products and services that are targeted and marketed mainly to younger people.



WHAT IS A GOOD SAMPLE?

The quality of a sample can be measured in many different ways but here are a few things to think about.



Good sample comes from a variety of different sources. You wouldn't want to survey only people you found on Twitter or only people you found on Facebook as those are two very specific types of people with very specific types of opinions. When you're evaluating online sample, check to see that it has been sourced from many different types of websites – food sites, athletic sites, game sites, blogging sites, review sites.



Good sample focuses on the quality of the data its responders give. Data from the responders should be checked regularly to identify anyone providing poor survey behaviours such as speeding, straightlining, and not following directions. Responders who consistently perform these behaviours should not be permitted to answer further surveys.



Good sample is constantly refreshed. Some people really like sharing their opinions on surveys. Other people gradually realize they aren't interested in answering surveys anymore and they stop participating. By constantly refreshing the sample, you can be sure you're listening to a wide range of people, not just those who have become familiar with the survey service they're using.



Good sample rewards responders with the incentives they prefer. Some people answer surveys because they like the financial reward. Other people answer surveys because they like getting points, or deals, or donating the rewards to charity. Sample providers that allow their responders to receive the kinds of incentives they like ensure that a wide range of people will participate, not just responders who like one specific type of incentive.

WHAT SAMPLE SIZE SHOULD I USE?

Unfortunately, there is no right answer to this question. Sample sizes depend on how large the population is and what chance of error you are willing to accept. These two variables are different for every single research project.

However, larger samples are more likely to generalize well and give you valid and reliable results, so use a sample as large as you can afford to.

If you must have a number, then keep 400 in mind. If you plan to report your results across the entire sample (e.g., 43% of responders liked the product), aim for 400 completes. If you plan to do comparisons within your dataset (e.g., 35% of women liked the product compared to 55% of men), then be sure to allow for 400 people in each group. That means 400 men and 400 women.

Why 400? Researchers have examined the statistical characteristics of samples and populations in order to see how often and how large the mistakes from sampling are. With a sample of 400, the error rate associated with a random sample is about 5%.

That means if you discover that 43% of your random sample liked a product, the real number for the entire population is probably between 38% and 48% (i.e., $43\% - 5\%$ and $43\% + 5\%$).

If you would prefer a smaller error rate, perhaps 3%, then you would need to use a sample size of about 1,000 per group.



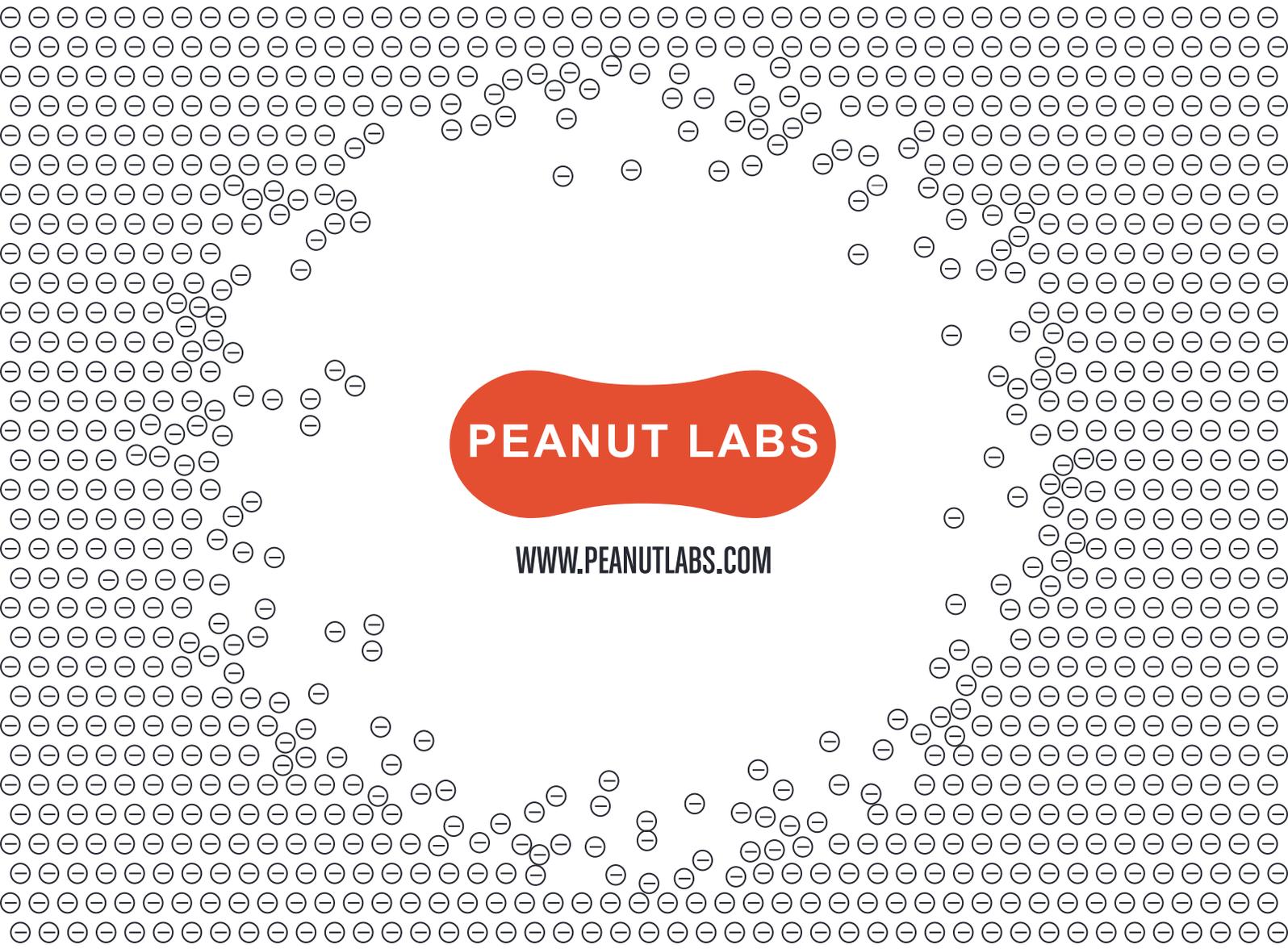
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