



SURVEY AND STRATEGIC CONSULTING

INTRODUCING **WACS'** Early Adopters/Innovators[©] Panel

*- Helping You to Maximize
Your New Product/Brand Extension
Concept Testing Efforts –*

January 2013

Background

- Throughout the course of 2012, several **WACS** clients asked us how their 2013 market research efforts could be optimized to help improve upon their organizations' low new product success rates. As you have been hearing for years, new product **failure rates** have traditionally been high for decades, and there has been increasing pressure placed on the contributions that MR is asked to make towards improvement upon new product success rates. So, we have been asked what, if anything, could be done to improve this situation.
- Most of our **WACS** clients have indicated their understanding of and adherence to the ***theory of diffusion and innovation***...i.e., the acknowledgement that ***early adopters and innovators*** play a most significant role in the ultimate success of any new product, especially at the early stages of introduction and diffusion—and that they, our clients, would be interested in capitalizing on a protocol of early adopters and innovators inserted into their research programs for 2013.
 - Applying diffusion of innovation theory, Early Adopters and Innovators (comprising 20 percent of almost any brand's franchise), are the first to try new ideas, processes, goods and services. Early Adopters/Innovators generally rely on their own intuition and vision, choose carefully, are usually considered 'experts' or 'mentors', have greater knowledge about their product categories, and have above-average education level.
 - For any new product to be successful, it must first attract and gain advocacy of these customers, so that its acceptance or 'diffusion' can be passed on to the next groups of consumers: early majority, later majority, and then on to laggards. It is unlikely that product successes can readily occur without this group's approval.
- **WACS** is currently at the forefront for applying the marketing efficiency of EA's/I's for its customers—specifically to help capitalize on this valuable group for research and marketing purposes—in an effort to boost your research efforts for enhancing your company's new product successes. Read further to learn what we can do for you.

Discussion: Evolution of a 'Hit'

WHY ARE EARLY ADOPTERS AND INNOVATORS SO CRITICAL TO ANY NEW PRODUCT EFFORT?

- For each and every latest 'hit' new product, existing brand, TV show, movie, Broadway show, successful novel, latest rage in fashion, cosmetics and accessories product, automobile, cell phone, computer, home entertainment breakthrough, vacation spa and consumer product, the diffusion of tastes and preferences which directly make any phenomenon a 'hit' requires a very definite evolutionary process.
 - It is a marketing process that requires, in fact, a segment of 'special' consumers' who ultimately become responsible for making that phenomenon a 'hit'.
 - The process is termed either 'buzz' or 'word of mouth' and requires that several different marketplace subgroups be identified and attended to in some way in order to insure that the required evolutionary 'hit'-making process is achieved:
 1. Innovators
 2. Early Adopters
 3. Early Majority
 4. Late Majority
 5. Laggards

What Makes a 'Hit' ?

- **EVERY MOVIE STUDIO AND TV NETWORK SEEKS TO CREATE THE NEXT 'HUNGER GAMES', 'ARGO', 'BIG BANG THEORY', 'MAD MEN', SPIDERMAN FRANCHISE OR 'HOMELAND'. SAME HOLDS TRUE FOR FASHION, COSMETICS, RADIO, HIGH TECH, AUTOS, VIDEOGAMES, PACKAGED GOODS, FAST FOOD, SNACKS, BANKING, APPLIANCES AND TECH PRODUCTS—EACH MANUFACTURER IS SEEKING THEIR NEXT BIG 'THING'. EACH BRAND ATTEMPTS TO SUCCEED WITH SOME REPLICA OR VARIATION OF WHAT HAS BEEN SUCCESSFUL, OR SEEKS THAT 'HOLY GRAIL' PRODUCT THAT IS UNIQUE, UNPRECEDENTED YET ADDRESSES A KEY TANGIBLE NEED OR EMOTIONAL LEVER.**
 - What is the next Facebook, Twitter, Instagram or Pinterest? Will Facebook overcome its IPO?
 - American Idol begot The Voice and X Factor. What's next in this genre?
 - In the 'World of Fashion' who will be the next Jason Wu, Derek Lam, Helmut Lang, Alexander Wang or Isabel Morant?
 - Will 'the Cloud' live up to its hype? Will X Box' 'Loop' become a 'hit'?
 - Zipcar has its unique niche, and has just been purchased by Avis. How will this affect the auto rental industry?
 - What can ever possibly supercede iPads and iPhones? 'Bendy' Screen Smartphones? 'Smart Skin Phones? Will Google's Smart Glasses become a reality? Will LG's foray into 'smart' appliances lead the way for other manufacturers? What will happen when 3D glasses meet the i-Pad?
 - What's the next 'big thing' in automobiles? What will surpass auto-park? What does the future hold for the 'Hiroko', voice command and Ford's new Lane-keeping System?
 - Crowd-sourced learning such as Udemy and Sophia will drastically affect the Education industry
 - Playgrounds that come equipped with workout equipment to avoid two of the biggest barriers to working out: access and cost

What Makes a 'Hit' ? (cont.)

- **THE FUTURE OF FOOD, DINING AND RESTAURANTS SHOWS DYNAMIC FLUX AND INCLUDES MORE THAN JUST FUSION:**
 - Perpetual Snacking
 - Smaller portions and mini-bites will invade restaurant menus and grocery stores.
 - Fast Food is blurring the line between a snack and a meal, frugal consumers are looking at snacking as an affordable indulgence
 - Frito Lay is focusing new product launch efforts on new snack products made from natural ingredients.
 - The Connected Table
 - Geo-targeting apps, recipe commenting, crowd-sourced restaurant reviews and tweets between bites will mean you're never alone.
 - *Kraft's iPhone Assistant* is delivering to time-starved consumers targeted offers and helpful videos based on tracking consumer behavior through the use of the App.
 - In-Your-Face Nutrition
 - Front-of-pack labeling, nutrition disclosure on menus and calorie counting mobile apps will make nutrition messaging hard to escape.
 - One can readily envision Harvard's Healthy Eating Plate infographic becoming a standard icon for future food & beverage packaging.
 - Dining In Goes Beyond Comfort
 - Consumer trends show that today's time starved consumer really wants meal components easily bundled into a customized meal without spending time cooking."

What Makes a 'Hit' ? (cont.)

- **SKINCARE, COSMETICS AND FASHION ARE THE MOST TREND-PRONE CATEGORIES:**
 - Smoky eyes, high gloss, new age color spectrum
 - Derek Lam, Cavalli, Griesse, Clover Canyon, Jonathan Simkhai, and the list goes on.....
 - 'Smart' clothing to monitor body performance
 - Digital skin and body clinics
 - Natural, organic: eucalyptus, borage and cucumber
 - Cosmeceuticals category will explode by 2015
 - Male make-up brands
- **HOME APPLIANCES, KITCHEN DESIGN SHOW GREAT PROMISE:**
 - Induction cooktops
 - Built in, concealed appliances
 - Crystalline sink and flush
 - Natural stone look
- **NEW WAYS OF USING MOBILE AND THE WEB HAVE ALREADY AFFECTED HOW WE BROWSE AND SHOP:**
 - In-store comparative price-checking via mobile
 - Use of the web for information gathering, opinion-seeking
 - Early adopters more important than ever as 'go-to' experts, opinion leaders and market-makers as diffusion of innovation theory takes hold to greater than ever extent due to new digital age
 - Click and Collect, Shoppable Walls and Same Day e-Commerce delivery are on the rise

What Makes a 'Hit' ? (cont.)

- **WHAT IS IT THEN THAT MUST BE IN PLACE FOR THE 'NEXT BIG THING' TO HAPPEN?**
 1. There must be an 'idea' that can be spread
 2. The 'spreading' is called 'buzz' or word of mouth
 3. The buzz is spread by those who are 'experts' or 'influentials' who tell their friends or colleagues about the new 'idea' (e.g., TV show, movie, novel, product, fashion designer, etc.). 'Experts' enjoy credibility among their peers so that their word is taken as 'gospel'
 4. Innovators and Early Adopters are the ones who first buy or 'buy into' your idea, but they must also be the ones to spread word of mouth and buzz.
 5. Every market and product category contains these initiators who spread word of mouth. These are usually the Early Adopters-Innovators. Finding and seducing this important group is an essential step in creating a 'hit'
 6. Early Adopters are seen as knowledgeable and 'expert' and are more eager to 'sell in' your new 'product'. Innovators want to be the 'first one in'. If your concept and product pass muster with these two groups, the 'idea' migrates to the masses. This migration has been called the 'diffusion of innovation'.

What Makes a 'Hit' ? (cont.)

- **SOME NEW 'PRODUCTS' CATCH ON AND MORE DO NOT. IT'S NO ACCIDENT.**
 - When an idea succeeds, it's because several dynamics have occurred smoothly:
 1. An idea creates excitement and is seen as worthy of 'buzz'
 2. Word of mouth is smoothly and easily spread. 'Viral' marketing campaigns can be planned and implemented to help expedite the process.
 3. Early Adopters and Innovators 'spread' it to their friends and colleagues regularly.
 4. The initial target group of Innovators and Early Adopters is tightly connected—they communicate frequently with credibility amongst themselves and to the Early and Late Majority.
 5. How persistent is the 'idea'? Is it a fad that needs to spread quickly before it dies or will it have 'legs'?
 - These are dynamics or signals that can be examined regarding any new idea to determine whether or not it is likely to catch on and become worthy of launching.

Product Flops That Could Have Been Avoided

- **CONVERSELY, THESE HAVE BEEN SOME NOTABLE NEW PRODUCT FAILURES THAT WOULD SURELY HAVE BEEN AVOIDED HAD EARLY ADOPTERS/INNOVATORS BEEN INCLUDED IN THE DEVELOPMENTAL AND RESEARCH PROCESSES:**

1. Early 1980's, NEW COKE:



In the 1970s and early '80s, Coke began to face stiff competition from other soft drink providers. To retain its number one spot, Coke executives decided to cease production of the classic cola in favor of New Coke. The public was outraged, and Coca-Cola was forced to re-launch its original formula almost immediately. Lesson learned --don't mess with success, unless you pre-test your value proposition with Early Adopters/Innovators from your own franchise and the category in general.

2. FORD EDSEL:



The fact that the Edsel is known as 'The Titanic of Automobiles' speaks volumes about the car's legend. It was launched with much hype in 1957, and showrooms were packed with curious consumers -- at first. Unfortunately, the car did not live up to high expectations, and only 64,000 were sold in the first year. Perhaps it was the fact that the design of the front grill was compared to 'an Oldsmobile sucking a lemon,' and 'a toilet seat' that turned off consumers. Had Early Adopter-Innovator new car prospects been surveyed, it is likely that a mistake such as the EDSEL would never have happened - (but then, what would we have to talk about 56 years later?)

Product Flops That Could Have Been Avoided (cont.)

3. SONY BETAMAX:



The Betamax video recorder hit stores in 1975. Just one year later, Sony's rival released another video recorder -- the VHS. By early 1977, four other companies were selling VHS machines. Meanwhile, Sony chose not to license Betamax technology. Because the two formats were incompatible, consumers had to choose between the two. As Sony was the lone Betamax producer, you can guess which system they chose. Had early adopter/innovator video recorder customers been consulted, Sony could have been spared this disaster.

4. MCDONALD'S ARCH DELUXE:



In an effort to enhance the McDonald's brand image and equity, the company created the Arch Deluxe, a product targeted at adults with more sophisticated palates. Just one problem -- people don't go to McDonald's for a 'sophisticated' burger. McDonald's customers know what they want, and what they want is a classic and convenient burger. Needless to say, when the Arch Deluxe debuted in 1996, consumers weren't lovin' it. Had McDonald's sub-universe of early adopter/innovator customers been asked for their opinion, they most likely would have vetoed the Arch Deluxe.

Product Flops That Could Have Been Avoided (cont.)

5. BEN GAY ASPIRIN:



Ben-Gay cream is great for topically relieving aches and pains. But the idea of swallowing Ben-Gay for pain relief? - not so appealing. That was the problem the company faced when they tried to launch an aspirin. Their first brand extension, Ultra-Strength Ben-Gay, had been essentially the same product as the original and was very successful. The aspirin? Not so much. BG and pain relief category Early Adopters/Innovators would surely not have been advocates for this product

6. MAXWELL HOUSE READY TO DRINK COFFEE:



The way Maxwell House described its ready-to-drink coffee sounded appealing enough -- it was "a convenient new way to enjoy the rich taste of Maxwell House Coffee." Just one problem -- the coffee could not be microwaved in its original container, virtually canceling out any "convenience" it may have offered. If you can pour the "ready-to-drink" coffee into a mug and microwave it, you can certainly pour yourself a mug of coffee from a coffeemaker. And that's just what consumers continued to do. Early adopters/innovators happen to be particular about their coffee consumption, and they should have been a key subgroup in MH's testing protocol, if there was one.

Product Flops That Could Have Been Avoided (cont.)

7. FRITO LAY LEMONADE:



Frito Lay Lemonade might have seemed like a good idea at the time: Eating salty corn chips makes you thirsty, and lemonade can cure that thirst. Unfortunately, when people think Fritos, "thirst-quenching" is not an image that comes to mind. Therefore, Frito Lay's brand equity in snacks worked against this from the get-go, and a "logical" brand extension turned out to not be so logical after all. Kanoodling with Early Adopters/Innovators in the FL franchise, as well as EA/I's from within the lemonade category, would have sealed FL Lemonade's doom.

8. KELLOGG'S BREAKFAST MATES:



The idea behind Kellogg's Breakfast Mates was fairly simple -- pack a box of cereal, include milk and a spoon, and you have a tasty meal on the go! Hey, it worked for Lunchables, right? Unfortunately, Kellogg's failed to take two things into account. First of all, though the milk included in the Cereal Mate did not require refrigeration, no one likes the idea of warm milk. Second, the ads showed parents sleeping while children helped themselves to Cereal Mates -- but the packaging was not child-friendly. These incongruencies led Breakfast Mates to its ultimate failure.

Product Flops That Could Have Been Avoided (cont.)

9. PEPSI A.M. – CRYSTAL PEPSI:



In the late 1980s, Pepsi came up with the brilliant plan to cater to the breakfast cola drinker, under the assumption that because Pepsi contained caffeine, it must be a natural substitute for coffee. Well, you know what they say about assumptions -- but needless to say, Pepsi AM was not successful, and neither was Pepsi's later foray into clear cola, Crystal Pepsi. Apparently, when it comes to cola, the consumers know what they want -- they want it BROWN, they want it BUBBLY, and they want to drink it ALL DAY LONG. To advocate these two brands for Pepsi, that is exactly what Early Adopters/Innovators would have told Pepsi Research.

10. SONY EXPERIA TABLET S:

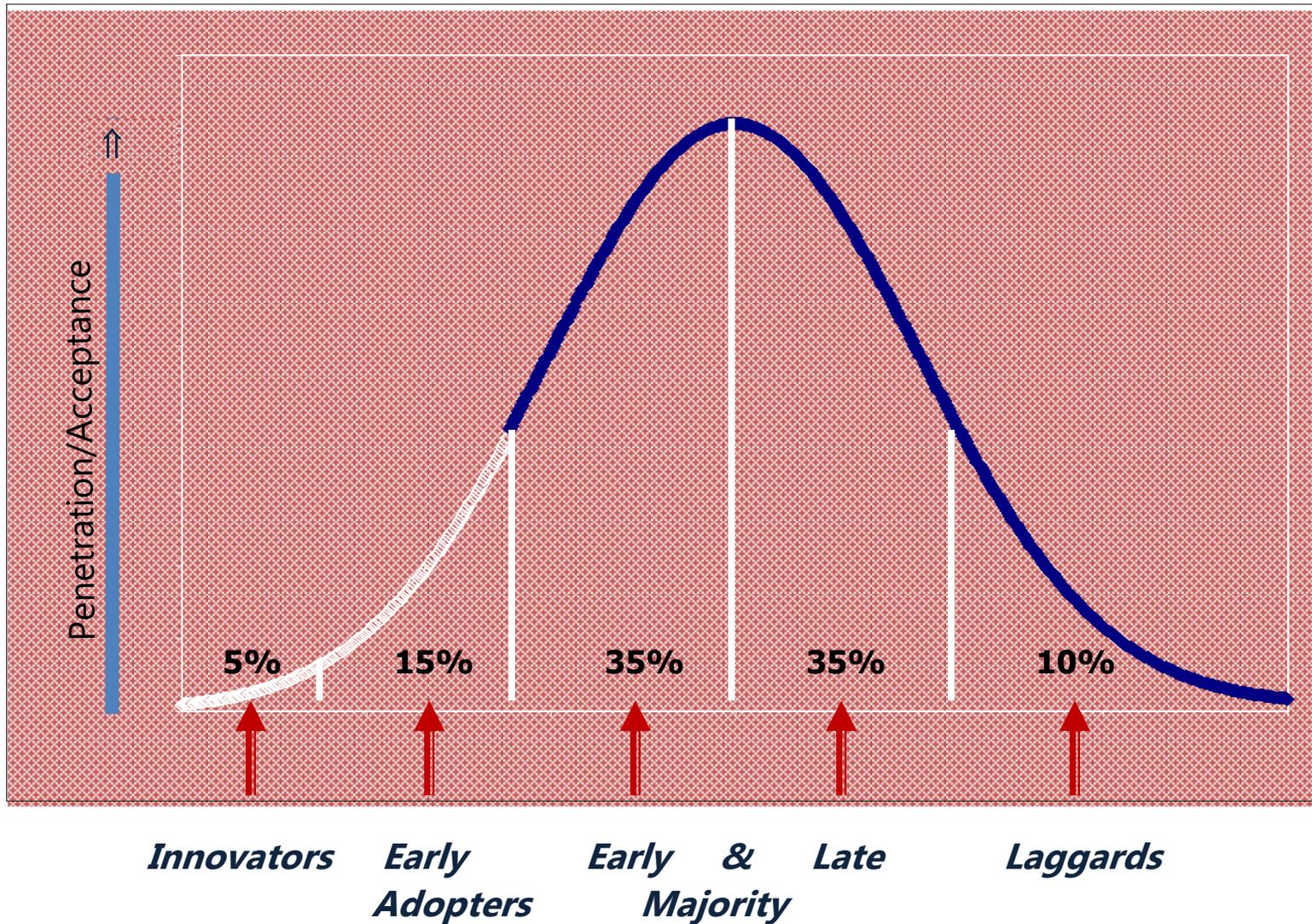


Upon launch, the Sony Xperia Tablet S revealed a flaw. There was a space between the tablet's case and screen, particularly unfortunate for a tablet that banks on being splash proof as its major selling point. As the technology consumer moves away from the traditional desktop and laptop, the companies that make these old-world devices cannot thrive unless they replace aged-out products with smartphones and tablets. The consensus among analysts is that most people will use the more portable products as new age PCs, and faster and more powerful processors and new 4G superfast wireless networks will accelerate the adoption. SONY made the effort to enter the tablet market, but almost nothing hurts a consumer electronic product launch as much as a significant flaw in its entry. Perhaps some preliminary intensive product and reaction testing among samples of tech-oriented EA's/I's would have saved the day.

Who Are the 'Players' in the Game?

- And, for new products to succeed, there are five segments whose application are integral to the diffusion of innovation process:
 1. Innovators
 2. Early Adopters
 3. Early Majority
 4. Late Majority
 5. Laggards
- The following New Product/Idea Diffusion Curve demonstrates how each of the groups relate to the success of any new idea, and how critical EA's/I's are at the very earliest stages

Who Are the 'Players' in the Game? A Normal Frequency Curve for the Diffusion of New 'Product' Acceptance



The True 'Market Makers'

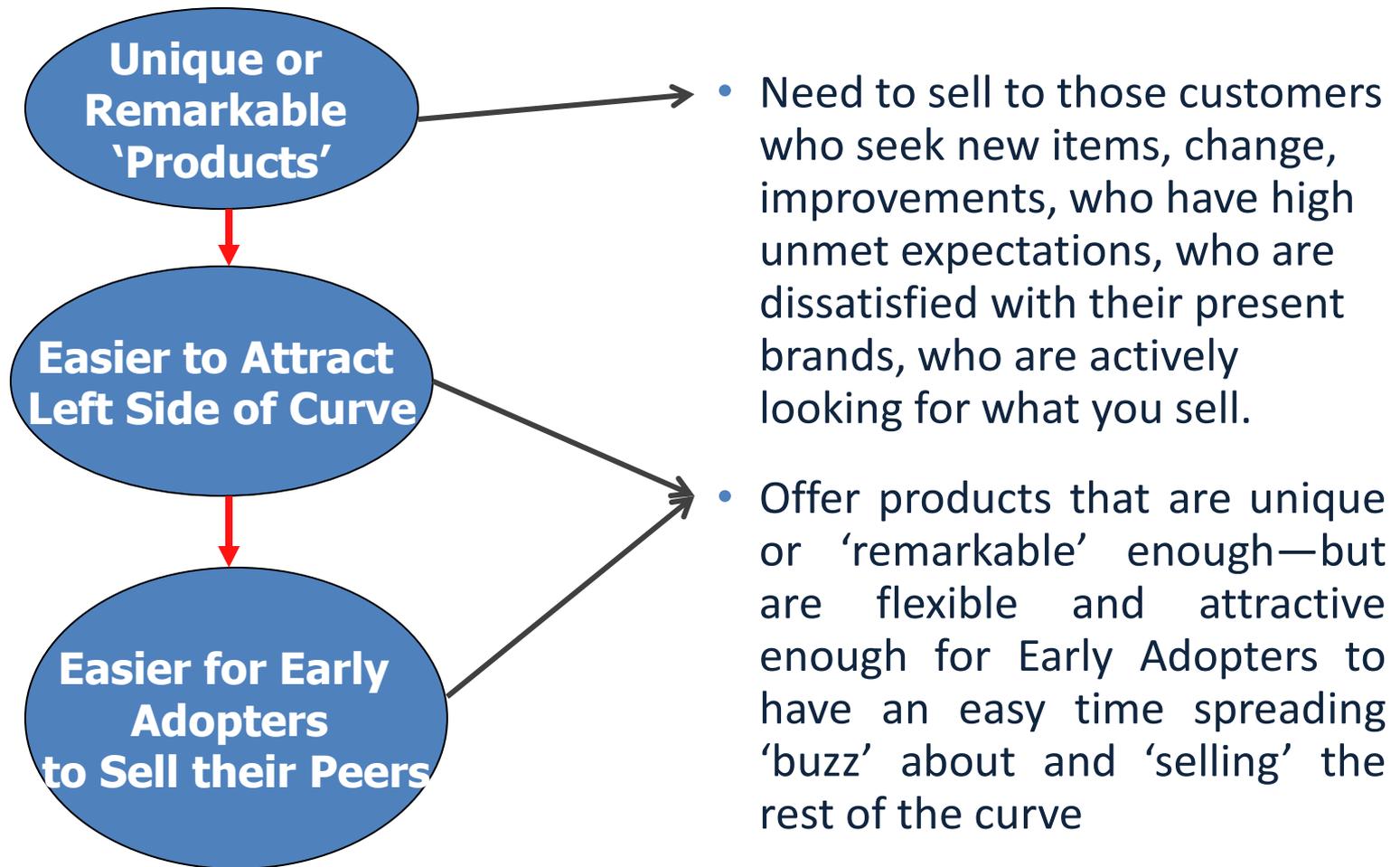
ON THE PRECEDING IDEA DIFFUSION CURVE, THE BULK OF ACCEPTANCE (E.G., 'SALES') COMES AFTER THE PRODUCT OR IDEA HAS BEEN ADOPTED BY THOSE CONSUMERS WILLING TO TAKE A CHANCE ON SOMETHING NEW.

- Innovators and Early Adopters—typically representing 20% of a market—are the true market makers who create the environment in which the Early and Late Majority feel safe buying (into) the new product or idea.
- The sales that matter don't come until the extreme left part of the curve (Innovators and Early Adopters) is completely sold, even though the bulk of total overall sales come later on from the Early and Late Majority.

Characteristics of the Five Segments

- **THE VAST MAJORITY OF THE CURVE (EARLY, LATE MAJORITY AND LAGGARDS) IGNORES MOST MARKETING EFFORTS AT THE EARLIEST STAGES UNTIL THEY ARE CONVINCED THAT THE PRODUCT OR IDEA IS NOT A FAD. SUCCESSFUL NEW PRODUCTS, THE 'HITS', ARE MOST ACTIVELY SOUGHT BY INNOVATORS AND EARLY ADOPTERS SOON AFTER INTRODUCTION:**
 - Purchases and 'buy-in's are first made by **Innovators** who are the ones who like having something first. They might not even need the product; they just 'want' the satisfaction of being first. Innovators are the folks who sit in the front row at a fashion show, go to Internet World conferences and read edgy trade and consumer journals. They'll be among the strongest prospects for Moon travel.
 - **Early Adopters** are the group who actually benefit from using a new product or service, who want to maintain their edge over the rest of the population by seeking out the newest products and services. It could be a new online investment platform, or TV show, a new cosmetic or prepared home meal—but for any significant market, this segment is sizeable and willing to spend money at the earliest stage. And they are 'expert' and experienced relative to their niche categories, and are sought out by the other latter marketing groups for their opinions and reassurances.
 - The **Early and Late Majority** don't necessarily yearn for a new product or service that can be of benefit, but if enough of their peers try it and discuss it, these followers will come along
 - ✓ This group is keenly adept at ignoring marketing communications
 - ✓ They, especially those in the Late Majority, often ignore Innovators on the left side of the curve: they want protocols, systems, guarantees and safety that new products rarely offer. Many new products fail to reach this part of the curve. Products that do often succeed strongly will have passed their tests at the EA/I touch points
 - **Laggards** are always the last ones in. They are the ones who finally get around to buying a VCR when everyone else has moved onto DVD players. They don't use anything new until it's so old that what they had used is broken, obsolete, impractical, incongruent with existing networks or unavailable. They consider new items only when their current one is impossible to use or non-existent.

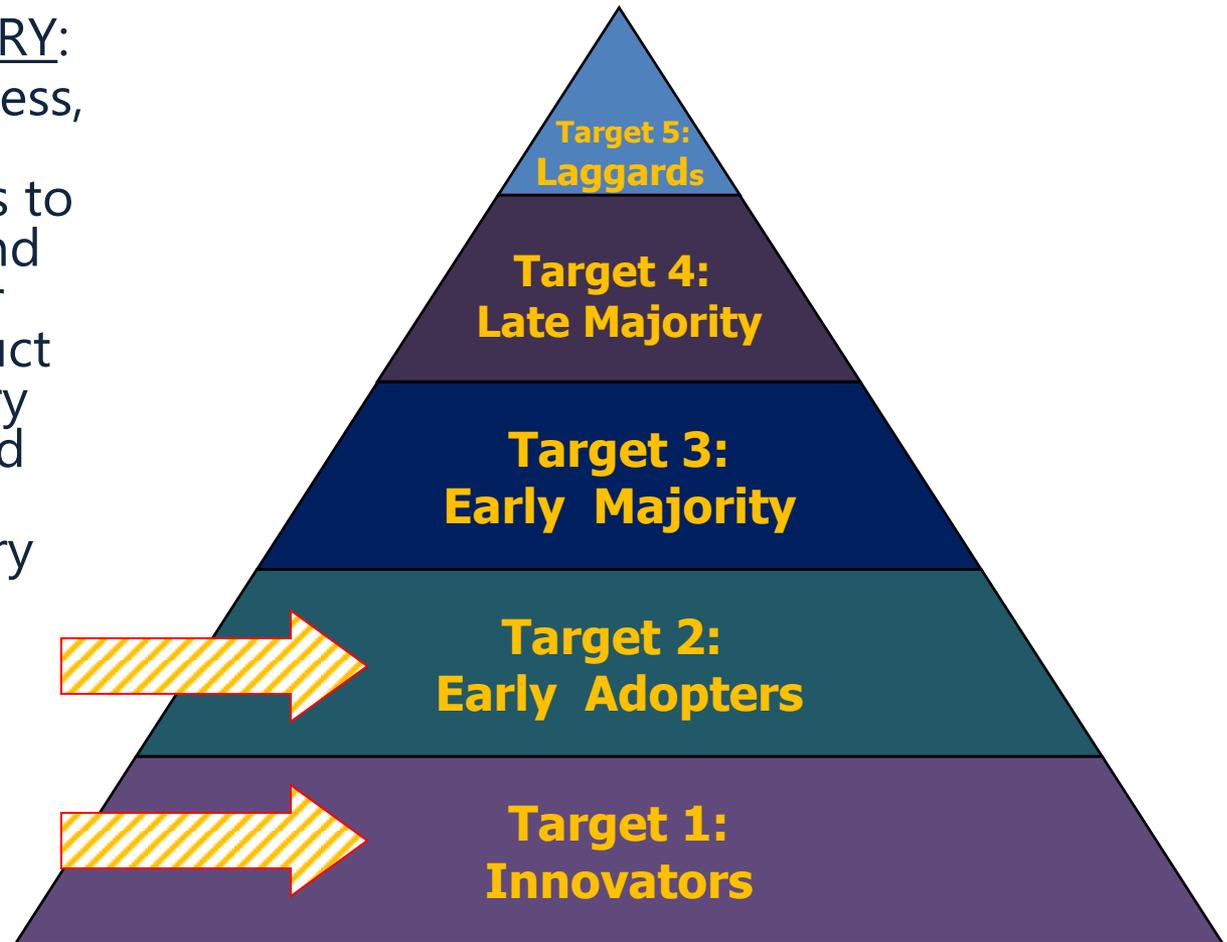
Major Requirements for Producing 'Hits'



Applications to EA/I[®] Panel Research

RESEARCH COROLLARY:

Ongoing attitude, awareness, usage and opinion research that attempts to evaluate response and obtain direction for optimized new product acceptance and entry should be conducted among a universe comprised of the very respondents most responsible for initiating and spreading trends which ultimately lead to 'hits'



WACS' Early Adopters/Innovators[®] Panel

□ **WACS' EARLY ADOPTERS-INNOVATORS PANEL IS THE PERFECT VEHICLE FOR OBTAINING THESE IMPORTANT RESPONDENTS FOR YOUR MOST CRITICAL NEW PRODUCT RESEARCH—CONCEPT TESTING, PRODUCT TESTING AND EARLY STAGE TRACKING SURVEYS (AAU'S)—FOR THESE 48 PRODUCT AND SERVICE CATEGORIES:**

○ Product and service categories represented:

1. Technology
2. Mobile and telecom
3. Packaged goods
4. Home entertainment
5. Photography
6. Sports and Leisure
7. Sports attendance, season ticket holding, fandom
8. All food-beverages including home food preparation, gourmet
9. Confectionary
10. Alcoholic beverages, including wine and spirits
11. Tobacco products
12. Health aids, pharmaceuticals
13. Restaurants, fast food chains
14. Beauty
15. Financial Services: banking, investing, insurance, credit cards, loans, mortgages
16. Health and nutrition
17. Airlines
18. Analgesics, headache remedies
19. Dental products, services
20. Men's grooming, skin care
21. Pet foods/snacks
22. Automotive
23. Auto after parts, DIY products
24. Power tools
25. Motorcycles
26. Boating
27. Home appliances
28. Home cleaners
29. Fashion and accessories (men's and women's)
30. Sports clothing, shoes, accessories
31. Travel
32. Hotels, luxury spas
33. Health and fitness products, memberships
34. Sporting goods
35. TV viewing: program viewership
36. Movie going: films attended
37. Other pop culture: music, magazines, theatre, online
38. Education, home, online studies
39. Greeting cards
40. Shipping, postal
41. Home security, ID Protection, Fire and Burglary protection
42. Personal services: Tax preparation, credit reporting
43. Memberships: e.g., AARP, AAA
44. E Commerce practitioners, plus, extent of online and mobile pathway brand decision-making, browsing, comparative shopping, purchasing.
45. Retail outlets shopped (retail, web)
46. Energy: batteries, bulbs
47. Energy: gasoline
48. Web services, providers

WACS' Early Adopters/Innovators® Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL**

- WACS Insights & Strategy U.S. Panel of Early Adopters - Innovators offers extensive online and offline coverage of consumers across 46 major product and service categories.
- We are able to link to multiple sources—from panels to social media to affiliate partners to online communities—thereby providing every opportunity to drive consumer targets to our surveys.

WACS' Early Adopters/Innovators[©] Panel (cont.)

- **WACS' EARLY ADOPTERS/INNOVATORS PANEL:**
 - ✓ You can reach any early adopter/innovator target you need,
 - ✓ Rigorous sampling processes, so you know your sample is fully representative,
 - ✓ The widest variety of selection options, so you can match your sample to the most stringent research requirements,
 - ✓ Online and offline modes, so you can access every audience, even those who are not web receptive,
 - ✓ The strictest quality standards, so you benefit from proven processes for strengthening data integrity, verifying and de-duping respondents and balancing sample,
 - ✓ A full range of support services, so you have a one-stop resource for programming and hosting, data processing, coding, weighting, tabulation and database appending,
 - ✓ Expert consultative guidance, so you can call on our senior methodologists to fine-tune your questions and approach,
 - ✓ Delivers complete and diverse access to consumers, with research participants from 72 countries and 28 proprietary panels across the globe,
 - ✓ We are able to reach all consumers—even those who would never join a panel—wherever they are on the web,
 - ✓ Whatever the source, respondents' participation is tracked and recorded, just as if they were on a panel. You benefit from both the wide reach of the internet and the tight sampling controls of managed panels—in one integrated solution.

WACS' Early Adopters/Innovators® Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL:**

- ✓ In addition to online access, we can reach your targets through a full range of offline modes—including landline phone, mobile/wireless, address-based sampling and mixed access. We create the right research program to drive every audience—however hard to reach—to our surveys.
- ✓ Expert consultancy to guide you with the latest insights into everything from questionnaire design to field times to respondent communications,
- ✓ Strict processes for verifying respondents and protecting data integrity, including:
 - digital fingerprinting...
 - matches against third-party databases...
 - traps to uncover geo-IP violations...
 - real-time dynamic profiling...
 - timestamps to flag "speeders"...
 - checks to identify "straightliners"...and
 - quality control questions to reveal those not paying attention

WACS' Early Adopters/Innovators® Panel (cont.)

- **WACS' EARLY ADOPTERS/INNOVATORS PANEL:**
 - ✓ Broad global reach, with the consistent approach to support multi-projects—and the local knowledge to ensure cultural appropriateness and flawless translations,
 - ✓ High standards of sampling science, with methodological rigor applied to every aspect of every job, including:
 - selection techniques...
 - stratification and targeting...
 - geographic and demographic allocations...
 - reward programs...
 - contact methods...and
 - panel management programs
 - ✓ The full spectrum of interview modes, including online, phone, mobile/wireless, address-based sampling and mixed access,
 - ✓ A complete range of value-add support services, including programming and hosting, coding, data processing,
 - ✓ Weighting, tabulations, database appending, real-time reporting and customized dashboards.

WACS' Early Adopters/Innovators® Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL: RECRUITMENT AND MAINTENANCE**

- In building proprietary panels, **WACS** employs a broad, multi-sourced online approach. Respondents are recruited using thousands of sources, including banner ads, pop ups and messages on web sites encouraging people to give their opinion, with incentives including a chance to win prizes or other rewards. Recruitment messages are tailored to the population being recruited, and to the interests of the web site where the message is displayed.
- **WACS** Insights & strategy reaches out to thousands of recruitment sources with the belief that this broad, all-encompassing approach is the best way to achieve maximum representation within online panels. Research has shown that there are many motivations for taking surveys, including a desire to win prizes or receive a small payment, the chance to speak out and have their voice heard, or the enjoyment of taking surveys as an online activity. Broad recruitment ensures best representation of demographics and psychographics.

WACS' Early Adopters/Innovators® Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL: RECRUITMENT AND MAINTENANCE**

- Although WACS reaches out to offer panel membership as broadly as possible, and anyone can apply to join the panel, not everyone's application is accepted. A wall is built around the panel to ensure that any panelist whose application to join is accepted, is likely to answer surveys carefully and truthfully.
- Respondents are not paid to join the panel, and WACS is vigilant, employing numerous quality checks in an effort to identify potentially poor quality respondents to prevent them from joining or remaining on panels.
 - ✓ In the US for example, members must provide a full, accurate postal address, and although some prizes are awarded electronically, respondents will only receive a payment for a survey via a check mailed to the address they gave upon joining.
 - ✓ Panel management practices involve multiple continuous checks on respondent data to ensure that online samples provide the most accurate data possible and that members answer surveys carefully, accurately and conscientiously.

WACS' Early Adopters/Innovators® Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL:** **RECRUITMENT AND MAINTENANCE**

- WACS updates all profile data in real time.
- In addition to demographic and household information, WACS offers thousands of screening selects, providing information on multiple categories.
- Maintaining the highest privacy and data protection standards creates an environment of trust for panelists which results in the highest quality research data possible.
- While, for many, the definition of an active panelist is "a panel member who has participated in at least one survey if requested and has updated his/her profile data, or has registered to join the access panel within the last 12 months," WACS rules for active participation are more stringent.
- Using the more lax definition, panel sizes would be considerably larger, but not necessarily more impactful.
- Attrition is a natural part of the ongoing health of a participant community. However, WACS works continually to maintain an acceptable level of attrition by streamlining response and communication processes and by improving the participant experience.
- Panelists are removed from panels, based on where they are located and how long it has been since they last took a survey. In North America, people who join the panel but do not respond to a survey invitation in 2 months are removed from the panel. Those who have responded to a survey at one time but have not responded within the past 6 months in North America, Europe and Latin America, and the past 9 months in Asia and Oceania, are removed from the panel. This stringent policy ensures that we continue to refine our communities so that an ever-growing percentage of members are active participants.

WACS' Early Adopters/Innovators© Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL:**

IDENTIFICATION AND SCREENING OF EARLY ADOPTERS/INNOVATORS

- Those wishing to join our panel must undergo a battery of screening questions to confirm their early adopter/innovator status. The battery itself was developed in 2002 through a series of consumer and B2B research studies, then validated and refined. Prospective panel members scale-rate, then are scored on the following Early Adopter/Innovator eligibility criteria for those product and service categories for which they indicate current active purchase and engagement:
 - ✓ Viz., whether and the extent to which:
 - They are consulted, asked for advice regarding newest brands, products, services
 - They consider themselves to be 'ahead of the curve' when it comes to newest genres, brands
 - They are usually the FIRST within their 'tribe' to buy, try new products, brands
 - They usually purchase the newest and latest regardless of cost
 - Learning about new products, services, brands is exciting to them
 - They try newest brands because it insures they are getting the latest and most up-to-date
 - They feel 'left out' if they're not quick to own newest items/services
 - Newest products and services most often 'give them what they want'
 - They make it a habit to keep up-to-date on what's new, what is the latest
 - They see new products and services as making their lives 'more convenient'
 - Being seen as the 'go-to' mentor regarding new products and services makes them 'feel good' and provides other psychic, intangibles

WACS' Early Adopters/Innovators® Panel (cont.)

□ **WACS' EARLY ADOPTERS/INNOVATORS PANEL**

ACTIVE PANEL SIZES

- Europe (Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Poland, Spain, Sweden, Switzerland and UK): 697,231 households
- North America (US and Canada): 924,469 households
- Latin America (Argentina, Brazil and Mexico): 266,632 households
- Asia (China, Hong Kong, Japan, Singapore, South Korea and Taiwan): 210,227 households
- Oceania (Australia and New Zealand): 101,871 households

WACS' Early Adopters/Innovators® Panel (cont.)

❑ WACS' EARLY ADOPTERS/INNOVATORS PANEL

**USES: ONLY IN CONJUNCTION WITH FULL SERVICE CUSTOM SERVICES
CONDUCTED BY WACS**

- Concept testing, Product Line Optimization Studies
- Conjoint Studies
- Product testing
- Tracking (Brand, ad effectiveness, impact of 'viral marketing' efforts, awareness and usage, satisfaction, social attitudes and issues)
- Market segmentation, competitive intelligence
- Promo/ad testing (online exposure of test ads, promos)
- TV Program testing (online exposure of programming)
- Strategic studies
- 'Buzz' or public opinion measurement
- Newsworthy polls for editorial purposes
- Ad sales studies
- Web usability tests
- Online focus groups

Contact Us

FOR FURTHER INFORMATION ON EXCLUSIVE ACCESS TO THIS PANEL
(AS PART OF A FULL SERVICE CUSTOM RESEARCH PROJECT UNDERTAKEN FOR YOU BY **WACS**)
PLEASE CONTACT:

ART SAVITT, CEO, CRO

asavitt@wacsurvey.com

516-466-7467

212-987-8756

917-992-2761

JIM FRISCH, Ph.D., PRESIDENT

Jfrisch@wacsurvey.com

516-466-7467