

# **CAN'T BUY ME LOVE, BUT HOW ABOUT RESPONSE. AN ANALYSIS OF RESPONSE RATES FROM THE EUROPEAN BUSINESS READERSHIP SURVEY**

**Faye Gorczyca, Financial Times  
Simon McDonald & Hilary Birt, Ipsos-RSL Media**

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## **Synopsis**

1998 was the silver anniversary of the European Business Readership Survey (EBRS) jointly guaranteed by the Financial Times and Ipsos-RSL Ltd. In the course of its history, EBRS, like many other surveys, has seen a decrease in response rates - 58% in 1984 falling to 43% in 1998.

EBRS targets the most influential business decision-makers across seventeen European countries, a group from which it is notoriously difficult to elicit response. Sampling is undertaken in two stages: the first involves selecting a representative sample of eligible establishments from appropriate directories in each country; the second involves telephoning each establishment and obtaining the names of senior business executives with pre-selected responsibilities. The sample of individuals selected is then sent a questionnaire by post.

Over the course of the EBRS series, different techniques have been employed to improve response, including different postage mechanisms and different types and values of incentives. In 1998, the 12<sup>th</sup> EBRS survey, there were four waves of mailing in total, with targeted use of incentives by country, and by sector within country.

The results of the various tests conducted show that it is not possible to apply the same formula across countries: each country must be examined at each stage of the survey process to determine the most appropriate strategy. And it is not only response rates that determine the action taken but also the relative cost of different strategies and their impact on the overall survey schedule.

## **Introduction to EBRS**

EBRS was born in 1973. In those days, the Financial Times was only printed in the UK, with a mere 12% of its circulation coming from other countries and just one advertising edition available. At that time there were increasing opportunities for pan-European advertising campaigns, which the Financial Times felt well placed to take advantage of. However, no data was available with which the Financial Times could sell, or advertisers and their agencies plan and buy, pan-European campaigns. EBRS therefore became one of the first truly European media surveys providing a currency for publishers and advertisers alike.

In the proceeding 25 years, the Financial Times has opened 12 more print sites, over half of its circulation now comes from outside the UK and there are eight advertising editions available. EBRS too has continued to flourish, becoming, in the words of the EAAA, "the premium media survey across Europe" with which to plan advertising aimed at the European business community. The objective of EBRS was, and continues to be, to provide users with marketing information on the readership behaviour and business responsibilities of the most influential business decision-makers in Europe. EBRS remains the Financial Times' flagship readership survey so the highest quality standards must be maintained. Jointly guaranteed by the Financial Times and Ipsos-RSL, the last edition (EBRS 98) was supported by 27 other leading international and national titles plus 13 advertising agencies.

It should come as no surprise then that since EBRS does target the most influential business decision-makers across 17 European countries it is extremely difficult to elicit response from this group. We all know that it is becoming harder to persuade people, particularly business decision-makers, to take part in research and that it is becoming even more difficult to achieve the same response rates as in previous years.

Does this then mean that we should concede defeat and give up altogether, since chasing response can only become even more troublesome and expensive? Of course not. The challenge for us is to continue to make EBRS a survey in which respondents want to participate. This means keeping it relevant, interesting and convenient, in order for the task not to become just another chore, one that can easily be disregarded.

**Methodology**

In 1998 EBRs covered a universe of 406,955 senior business individuals in 57,047 establishments. The establishment universe included industrial and commercial establishments with 250 or more employees, other leading European companies with 150 or more employees, plus the head offices of banks and insurance companies, irrespective of size.

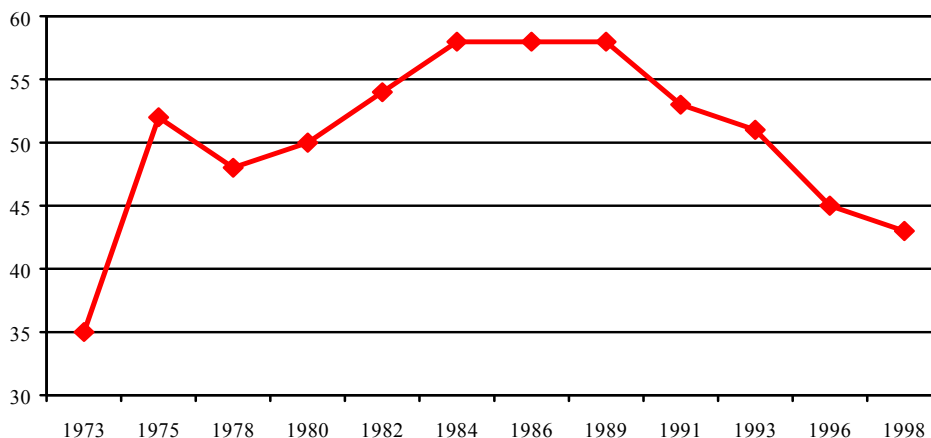
EBRS employs a two stage sampling technique. The first involves selecting a representative sample of eligible establishments from appropriate directories in each country, whilst the second involves telephoning each establishment and obtaining names of senior business executives with pre-selected responsibilities. Each executive sampled is then sent a questionnaire and covering letter in their own language, plus in the first wave an incentive of US\$1.

The stage of telephoning establishments has yielded response at fairly consistent levels over the years: 86% in 1993, 89% in 1996 and 85% in 1998. The process is an efficient one: names of heads of functions are collected mainly from company switchboards; it is not necessary to talk to the executives themselves. This is therefore not our main focus when looking at response.

**The Response Challenge**

When EBRS began in 1973, response to the mail survey was very low, thought to be due largely to the fact that this was the first time anything like this had been attempted. By the next time EBRS was administered there had been a substantial increase in response. From these early stages response grew and then remained stable for a period. However, during the 90's there has been a steady decline with response rates in the high 50's falling to the low 40's. The major methodological change during this time was an increase in questionnaire length from two to four pages in 1989: however, Figure 1 shows this did not depress response in 1989 and we do not believe this to be the major factor in the longer term decline in response. This downward trend is obviously of considerable concern.

**Figure 1: EBRS Response Rates over Time**



When the Research Development Foundation<sup>1</sup> looked into what affects participation among business people in the UK, they found the main factor was time. For many, the decision on whether or not to take part correlates strongly with how busy people are at the time of contact.

*“It’s an ad-hoc decision. It depends entirely on the time available”*  
*“Depends on how busy I am and if it’s a subject I may be interested in”*  
*“It depends on what I am doing, if I had the time and if I’m interested and if it’s relevant”*

Persistence can therefore play an important role when looking at response since it can literally be hit and miss as to whether the respondent has time available at the point of contact to participate in the survey. This would appear to work in favour of postal questionnaires. The methodology allows the respondent to make the decision as to when to fill in the questionnaire, at a time that is convenient to them, rather than to us. Follow-up mailings should help to increase the probability of reaching the respondent when they have that spare time.

The convenience of the postal methodology for respondents' schedules is, however, counteracted by their ability to ignore or forget the task requested of them. Despite the survey being our main focus, it will not be the main focus of potential respondents. This means we must make every effort to make the survey a high priority and make the process a two-way conversation between respondents and ourselves. We need to continue to make EBRS relevant and convenient in order to motivate them to participate.

### Nature of Non-Response

Our task is to maximise response for EBRS to ensure the survey continues to be of the same high standard. Key to the response issue is whether non-respondents differ from respondents, in which case the sample would be biased in some way. Effort therefore needs to be taken to ensure that not only response rates but also sample representativeness are maintained on EBRS.

As illustrated by Figure 1 response has decreased over the last few years and the number of those who do not respond has overtaken those who do. Response rates over the series are shown in Figure 2 for a selection of countries, and despite being at differing levels, the patterns do appear to be similar.

**Figure 2: Response Rates for Four Countries over Time**

	All Countries	Netherlands	France	Spain	Sweden
1989	58%	48%	49%	56%	59%
1991	53%	51%	45%	50%	66%
1993	51%	45%	48%	47%	61%
1996	45%	39%	40%	42%	62%
1998	43%	35%	41%	43%	54%

Using the EBRS sample contact interviews we can look at the profile of non-respondents in terms of job title and industry, overall and by individual countries. What we cannot ensure is whether the attitudes, or indeed readership behaviour, of non-respondents differ in some way.

However, when we look at response by sector within country on EBRS 1998, the patterns are not consistent: in the Netherlands, for example, where response is harder to obtain across the board, the medium sized industrial and commercial companies proved particularly pro. In some ways these findings make the issue of non-response easier to cope with since there is no clear pattern to it, particularly on a country by country basis. However, it does mean that each country must be monitored individually in order not to misrepresent any industry within it.

When assessing response by job title one might hypothesise that the higher up the business ladder the less likely people are to respond. Overall, Chief Executives are less likely than the average to respond but this is not true in Sweden where response for this group was higher than the average. Again, response was not consistent by country, partly due to the differing number of respondents by specified job title in each country.

The persistence factor of the repeat mailings does play a part, bringing in response at different times from different functions, but the overall conclusion is that there is no consistent pattern in non-response, other than by country over time. This is actually good from the perspective of non-response bias. However, it does present difficulties when trying to increase response rates since there is no simple solution. Each country does need to be monitored and an individual diagnosis given to each in order to ensure no sub-group is under-represented.

At the analysis stage of EBRS, any final imbalances in the achieved sample are corrected by weighting: by job function, within industry group and within country.

### Factors which Drive Response

So what drives response to a survey like the EBRS? We can divide up the factors which impact on response into two categories: those about which there is extensive and well documented evidence which form part of a body of received wisdom regarding 'best practice' - these we can take as 'givens'; and those which are variables which may operate differently in different circumstances. This paper will focus mainly on the variables we have tested on EBRS: notably the use of different forms of postage, values of incentive, follow-up techniques, and all this on a country by country basis.

### Best Practice

But first the ‘givens’. Common sense suggests that the **perceived relevance of the survey subject matter** will impact on respondents’ likelihood to co-operate. Arguably this may be even more important for the sample of senior business people that EBRS represents, given increasing demands on their time and the need to justify valuable minutes spent filling in a questionnaire – particularly when the EBRS survey will be just one of many surveys for which they are contacted. EBRS competes for respondents’ attention by including questions not only about their readership habits but also about their business lifestyle and activities and, most importantly, questions about respondents’ opinions on how they see business developing. We therefore try to include questions that are of general interest and, by offering respondents a summary of the survey results (if they attach a business card to their completed questionnaire), we aim to involve respondents in the whole survey process.

It is also generally accepted that the **shorter the questionnaire the better**. Since 1989, the EBRS questionnaire is a strict four sides in length with a total of just 20 questions; one whole side is dedicated to the readership questions. But it is not just the length of the questionnaire that matters but the **overall design**. The questionnaires for EBRS are professionally designed and printed in two colours to give a prestige image as well as looking user-friendly.

The **use of local languages** is also important, both at the stage of collecting the names by telephone, when we also check on the appropriate language for respondents living in multi-lingual countries such as Switzerland, and in the mail survey – a total of 22 language versions of the questionnaire are produced. We may regard English as the lingua franca but when it comes to research we have to speak the respondent’s language!

Another ‘given’ is the practice of **personally addressing the envelope and letter** to distinguish it from junk and circular mail – EBRS business people will receive mountains of mail and it is important that the survey package says ‘open me’. So rather than addressing the survey to the Finance Director at a given company, we collect names and salutations in a large-scale telephone exercise and carefully check these before mail-out.

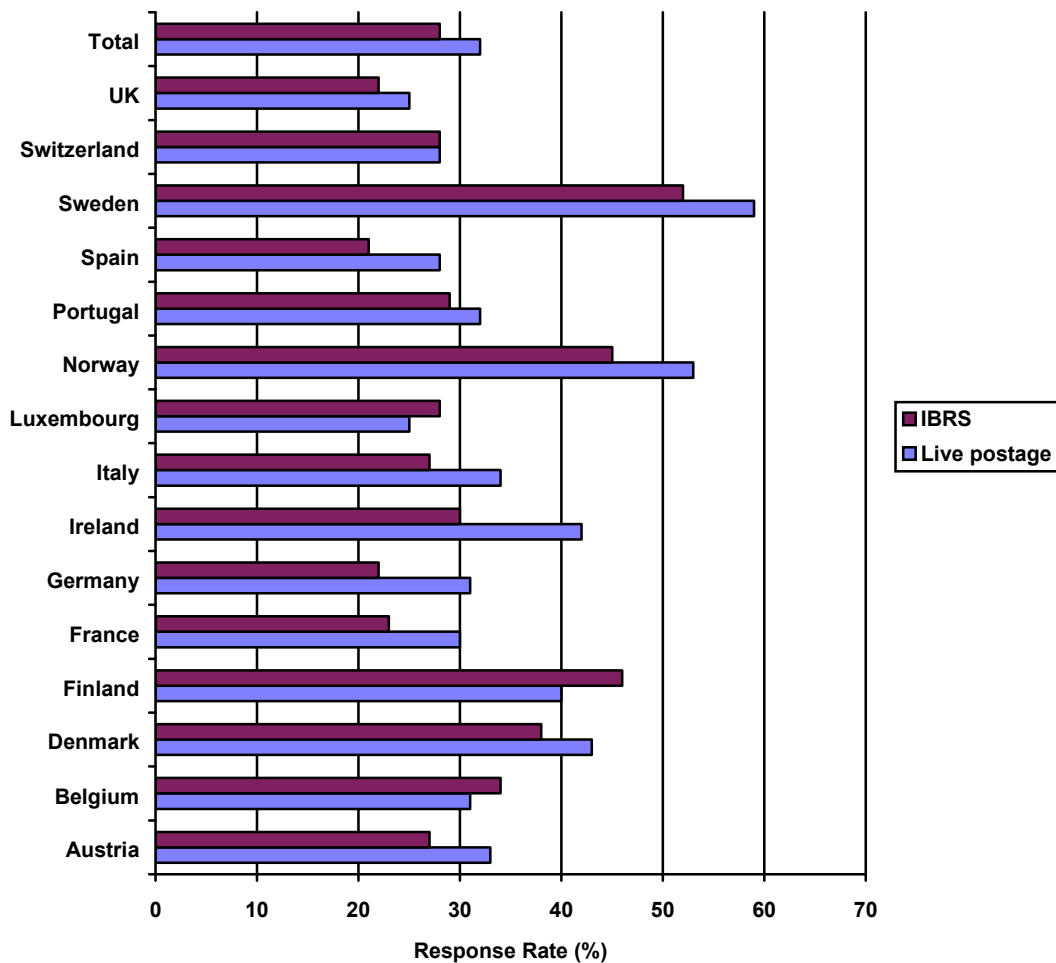
There has been much published work, such as that by Jeannine James and Richard Bolstein in 1992<sup>2</sup>, regarding the inclusion of an **incentive** with the survey (a ‘live’ incentive) versus the promise of an incentive if the questionnaire is returned. The evidence says that, however small, a ‘live’ incentive works better as it introduces an element of reciprocity - in other words we are giving them something in return for filling in the questionnaire – and it indicates good faith and trust in this reciprocity on the part of the research company. The standard incentive we use on EBRS, at least in the first two mailings, is a dollar bill, which we position as an optional donation to charity.

### Variable Factors - Postage, Incentives and Follow-up Procedures

So what other factors can we manipulate to help improve response rates? Over the EBRS series we have conducted a number of tests to see if we can devise a formula to apply to future surveys that will maintain, and hopefully improve, response rates. These tests have focused on a number of key areas: regarding **postage**, we have looked at the use of stamps compared to Freepost/Business reply – given Freepost has the benefit that we pay only for postage on returned questionnaires, we were interested to see whether stamps actually made a difference; on the important area of **incentives**, we have tested the effect of using different values of incentive (along the lines of the experiments conducted by James and Bolstein in 1992<sup>2</sup>, and Walter McCullough of Mendelsohn Media Research, Inc. as presented at the last Symposium in 1997<sup>3</sup>); we have looked at the **follow-up or reminder process**, testing telephone versus postal methods, and also the number of follow-up waves; and finally with a 17 country survey such as EBRS, it has proved essential to look at everything on a country by country basis and, not only that, to look at different sample categories that might behave differently.

### Postage Tests

On EBRS 1996, we tested the effect on response of using a Freepost reply method, International Business Reply Service (IBRS) compared to ‘live’ postage stamps on the first mailing. Response at the end of wave one was 28% for the sample that had IBRS envelopes and 32% for the sample that had actual ‘live’ stamps. However, the picture was not even across countries, as Figure 3 shows.

**Figure 3: EBRS 1996: Live Postage vs. IBRS (response after wave 1)**

NB:

- In the UK, only 400 were sent IBRS.
- In Greece and the Netherlands, only live postage was sent.

Finland, for example, shows a higher response for IBRS than 'live' postage. Given the generally high response rates in the other Nordic/Scandinavian countries this test suggested that IBRS could be used in these countries with little or no detrimental effect on response and substantial cost savings could be made. However in other countries where response was already lower, IBRS could have a negative impact on response.

In the 1998 survey we adopted this policy of using IBRS in the Scandinavian countries, and live postage elsewhere, to good effect.

### Incentive Tests

Testing on the 1993 EBRS confirmed that incentives, however small the value, do indeed work. In each of Italy, Sweden and the UK, 200 out of each country's sample were sent a first mailing without any incentive at all, whilst the bulk of the sample was incentivised with a US dollar bill. The results, Figure 4, speak for themselves:

**Figure 4: EBRs 1993: 'With' vs. 'Without' US\$1 Incentive (response after wave 1)**

Country	Number of questionnaires mailed out Response rate with \$US1	Number of questionnaires mailed out Response rate without \$US1
Italy	1,181 39%	200 22%
Sweden	518 55%	200 35%
UK	2,523 37%	200 17%

After two mailings of the 1996 EBRs, a number of tests were carried out to ascertain, at this crucial stage in the survey when a few percentage points on the response rate determine the credibility of the survey, whether different higher value monetary incentives might pay dividends.

For the third mailing in the UK a small test was carried out whereby a sample of 100 was mailed the reminder package with a £5 note (value approximately US\$8) and the same number were mailed a £10 (value approximately US\$16) note. Response rates for both sample groups were high but there was no significant difference in the response to the £5 and £10 note (44% and 45% respectively). This would suggest that the enclosure of a significant monetary incentive may work, but beyond a certain amount there is no real gain. This supports the research carried out by James and Bolstein<sup>2</sup>. Interestingly the findings of the Mendelsohn experiment demonstrated that the use of a US\$10 (value approximately £6) note did increase the response rate significantly over a US\$5 note (value approximately £3), which suggests that the relative value of the incentives used must also be taken into account (McCullough, Mendelsohn Media Research, Inc. 1997<sup>3</sup>).

### Follow-up Tests

Telephone reminders were tested on the 1996 EBRs: calls were made to a proportion of the sample in four countries following the third mailing to remind them about the survey and to encourage participation. The findings of the test showed that telephone reminders to individual respondents made no discernible difference to the response rates. Our experience of conducting this telephone exercise was that it is extremely difficult to make effective contact with such a senior group of people. This does not however mean that the technique would not work with a different population. It is also worth noting that we have experience of telephone follow-ups working well with senior business people in other regions, namely South East Asia.

### EBRS 1998 Experience

Armed with all this knowledge, two years later we embarked on the next survey, EBRs 1998.

Freepost reply was used in Scandinavian countries; stamped return envelopes were used in all other countries. Two mailings were carried out enclosing a US dollar bill, along with a further copy of the questionnaire and a covering letter explaining the purpose of the survey, how they had been selected, the importance of their reply and the fact that it would be treated confidentially. The response rates after two mailings stood at 36.9% overall but there was enormous variation in response patterns by country, the lowest being the Netherlands at 24.8% and the highest being Sweden at 52.2%: this is similar to response patterns over previous surveys.

A blanket third mailing was sent to all non-respondents, this time enclosing no incentive. This mailing proved sufficient to edge some countries to the acceptable response level of over 40%, most notably the Scandinavian countries, showing that persistence alone can pay dividends. However, in some countries this mailing barely had any effect and a number of countries remained below the minimum acceptable response threshold: response rose from 36.9% overall at the end of wave 2 to just 39.8% by the end of wave 3.

Drastic measures were now needed, this time on a more targeted basis, to pull certain low response countries up to an acceptable response level. Seven out of the original eighteen survey countries (including Northern Ireland) were selected for special treatment: France, Germany, GB, Netherlands, Greece, Ireland and Northern Ireland. We also looked at response by sample category within each of these countries to assess whether further measures should be targeted at specific groups such as companies of a particular type or size, specific job functions such as Chief Executives and so forth. The patterns, although not very marked (as discussed earlier), did enable us to select certain groups for special treatment in certain countries. Then we had the challenge of allocating the remaining budget in the best possible way, balancing up the targeted use of high value incentives with wider coverage mailings. Here is what we did in each country:

- In **France**, where response was lower in the larger industrial and commercial companies, those with 250+ employees, we mailed a random 2:5 of this group a further questionnaire with a 50FF note (value approximately US\$8) enclosed. The remaining 3:5 received a further mailing but without any incentive.
- Likewise in **Germany**, 2:5 of the comparable group were mailed with a 20DM note (value approximately US\$10) enclosed, the remaining 3:5 being mailed without incentive.

- In the **GB**, all respondents were mailed, a random half received a £5 note (value approximately US\$8) as an incentive, and the other half received no incentive.
- In the **Netherlands**, where response was particularly low, all non-respondents were mailed with a 10 Guilders note (value approximately US\$5).
- In **Greece**, a smaller country within the overall survey universe, all non-respondents were mailed but without incentive.
- In **Ireland**, where response was close to an acceptable level, a random 1:3 respondents were mailed, all with an IR£5 note (value approximately US\$6).
- And in **Northern Ireland**, a blanket mailing was made to all non-respondents but with no incentives.

The targeted fourth wave measures did pay off, as shown in Figure 5, which adds the final response rates to the cumulative wave by wave response rates. The response rates for those countries, where a fourth wave was conducted, are shown in italics. For those countries where we split the fourth wave mailing with and without incentive we were able to see the power of the higher value, local currency incentive.

**Figure 5: EBRS 1998 Response Rates**

Country	Total Mail Out	Overall response rates at end of W2 %	Overall response rates at end of W3 %	Overall response rates at end of W4 (Final) %
Austria	926	39.7	43.1	43.1
Belgium	876	41.0	43.8	43.8
Denmark	645	47.9	50.5	50.5
Finland	717	43.9	49.8	49.8
<i>France</i>	<i>3015</i>	<i>36.2</i>	<i>37.6</i>	<i>40.7</i>
<i>Germany</i>	<i>3476</i>	<i>33.5</i>	<i>36.0</i>	<i>40.0</i>
<i>Greece</i>	<i>656</i>	<i>35.7</i>	<i>37.5</i>	<i>40.7</i>
<i>Ireland</i>	<i>670</i>	<i>42.8</i>	<i>43.4</i>	<i>45.7</i>
Italy	1408	43.3	46.8	46.8
Luxembourg	248	33.9	37.1	37.1
<i>N. Ireland</i>	<i>302</i>	<i>36.4</i>	<i>39.4</i>	<i>40.1</i>
<i>Netherlands</i>	<i>1318</i>	<i>24.8</i>	<i>28.1</i>	<i>35.2</i>
Norway	648	46.8	50.6	50.6
Portugal	643	40.7	44.3	44.3
Spain	1392	38.4	42.7	42.7
Sweden	694	52.2	54.3	54.3
Switzerland	1008	36.9	41.1	41.1
<i>GB</i>	<i>2896</i>	<i>29.6</i>	<i>32.7</i>	<i>41.1</i>
<b>TOTAL</b>	<b>21538</b>	<b>36.9</b>	<b>39.8</b>	<b>42.6</b>

### Balancing the Books

As we now prepare for the next EBRS, EBRS 2000, how best can we maximise cost efficiency, response rates and timing? Timing is clearly important given the commercial usage of the data and the pressure to give up-to-date information to the marketplace as swiftly as possible.

From a commercial point of view we need to apply creative thinking to balance sample representativeness, upholding the quality of the survey, but trade that off with cost efficiency.

EBRS 1998 highlighted the relative low value of the third 'without incentive' mailing in the already low response countries, where the required uplift was only achieved by the use of higher value incentives at the fourth wave. So what would be the effect of bringing forward the wave 4 efforts to wave 3? If we could achieve the same result for close to the same cost, in a shorter space of time, this would clearly be a bonus.

We have taken two 'low' response countries, France and the Netherlands, and calculated some cost comparisons, taking into account, at this stage, only the 'out of pocket' costs of postage and incentives.

Firstly in **France**, let us suppose that, of the non-respondents to the second mailing, we were to have mailed a random 2:5 of the industrial and commercial companies with 250+ employees a further questionnaire with 50FF note, and 3:5 without incentive (as we did in the actual fourth mailing). We know from the actual wave 4 experience that the “with incentive” response was 12.7% compared to the “without incentive” response of 3.9%, so we can work out the likely response rate and the costs. From this we can estimate that the response would be almost the same as the actual final response rate of 40.7%.

What this estimate does not take into account is the persistence factor, in other words the impact of mailing a fourth time on top of a third mailing, which we would lose - the third mailing may have appeared to have a minimal impact in response terms, but it may have played a part in persuading people to respond to the fourth mailing. On the other hand nor does it take into account the fact that there was a small percentage of people who did reply to the actual third mailing without incentive - so we may be slightly under-estimating the response to this new third mailing. For the purposes of this exercise, we have to assume that the one effect would counterbalance the other.

More importantly, when we observe that the incentive and postage costs of the new wave 3 would be comparable to the actual costs incurred from waves 3 and 4 (this does not take into account savings in terms of packing time, questionnaire printing and so forth) and there would be a substantial saving in time (say four weeks on the schedule), this option begins to look like a very viable proposition.

If (budget permitting) we were to have mailed all, rather than only 2:5, of the selected group in France the higher value incentive, the incentive and postage costs would double, which seems a high price to pay for a relatively modest, estimated uplift in response of about 3%.

In the **Netherlands**, if all non-respondents after the second mailing were to have been mailed a questionnaire with a 10 Guilders note enclosed, this time the results do not look as positive in response rate terms: an estimated response rate of 32.2% compared to the actual response rate of 35.2%, and that before taking into account the persistence factor. The costs, on the other hand, would be a substantial 20% less. The reason that the equation is not in line with that for France is because the third no incentive mailing had a bigger effect in the Netherlands than in France (4.4% compared to 2.4%).

We can conclude that the strategy of bringing forward the use of higher value incentives will work in some countries, like France, but less so in others where respondents are more susceptible to the persistence effect of receiving four mailings.

## **Conclusions**

So what have we learned over the EBRS series?

Firstly, managing response on a multi-country survey such as EBRS is a complex business. It is not possible to apply the same formula across countries, we need to look at each country individually, at each stage of the survey in order to determine the most appropriate strategy.

Secondly, it is worth considering ‘biting the bullet’ and using higher value incentives earlier in certain low response countries. This may mean less mailings are required and cost and timing efficiency are maximised.

However the persistence factor cannot be ignored - it will always take a considerable length of time with a series of reminder mailings to maintain the EBRS response rates at current levels. Ipsos-RSL will continue to test different methods of increasing response rates on postal surveys both through EBRS and other surveys. What works well in one region and with one population, may not work in other regions and other populations, so there is much work still to be done.

## **EBRS – The Future**

Are there other techniques we could use in the future? E-mail is a consideration for EBRS since the type of people sampled will have a high incidence of connectivity. There is obviously the advantage that no prepaid or preaddressed envelopes are required. With the improvements being made in technology and access becoming faster and easier the medium does have its attractions, one of which is ease of sending and receiving mail, particularly for a multi-country study. However, e-mail does have its drawbacks. Representative e-mail lists are not as readily available as other directories, the quality of the questionnaire when opened can be poor, and live incentives cannot be included.

We will continue to investigate the best ways forward for EBRS. Meanwhile work on the next EBRS (EBRS 2000) is now underway. The basic method remains the same, telephone screening of establishments followed by a postal survey. However, we are now better equipped to tackle the response problem on a country by country basis, particularly with the strategic use of incentives.



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