

Establishing international standards for measuring demographics

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Age, Gender, Education, Working status, Job, Income, Socio-economic classifiers

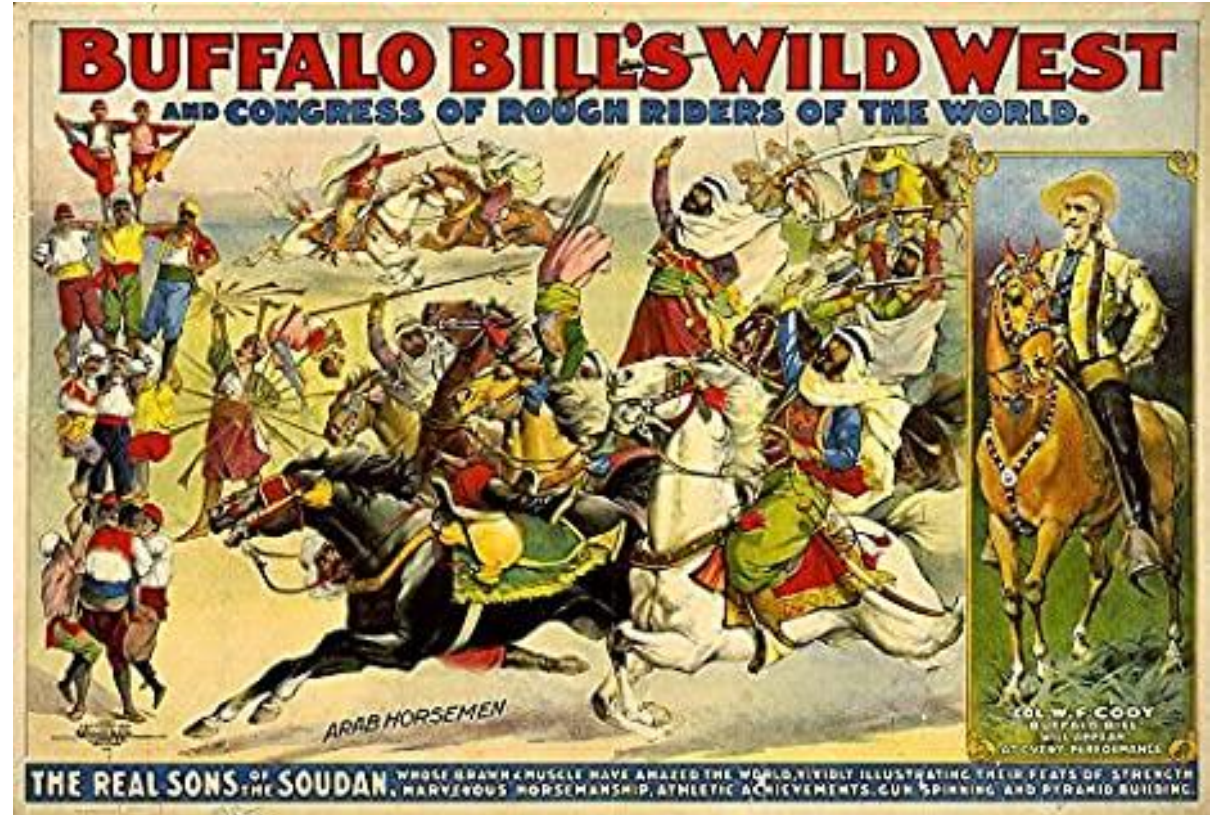
Demographics are the founding bedrock of market research

We all rely on them to target audiences, set quotas, purchase sample and ensure the representivity of the research we conduct.



We have absolutely no standards in the way we measure basic demographics around the world

Every company, every country has their own idiosyncratic way of doing things



Studying how we measure demographics...

There are often big gaps between the answers people give to basic demographic questions we ask and what is expected.



A realisation that the way we ask many demographic questions is so often biased in the language we use and the choices we offer...

- Non-inclusive
- Hierarchical
- Patriarchal

Encouraging overclaim

What is your **highest level** of education?

What is your **annual income**?

Are you?
Male
Female

What is your **job status**?

How old are you?
18-14
25-34
35-44
45-54
55+

Many techniques in common practice are outdated and highly idiosyncratic – particular in the realm of socio-economic measurement



International
researchers
have endured
these problems
for decades



Why?

- Requires global co-ordination
- National methods are so long established
- Requires investment in establishing benchmarks and comparisons which is hard to find funding for
- Interested parties lack the power to drive through at a global scale
- Perhaps there also has been low underlying demand – low relative volumes of cross market research & locally dominated systems and solutions



But industry is changing

Growing levels of international cross market research – the web has internationalised marketing over the last decade

The harmonisation of sampling technology & automated sample supply demands having more consistent demographic standards

There is a stronger commercial appetite

The research industry and society as a whole is becoming more aware of the need for more inclusivity

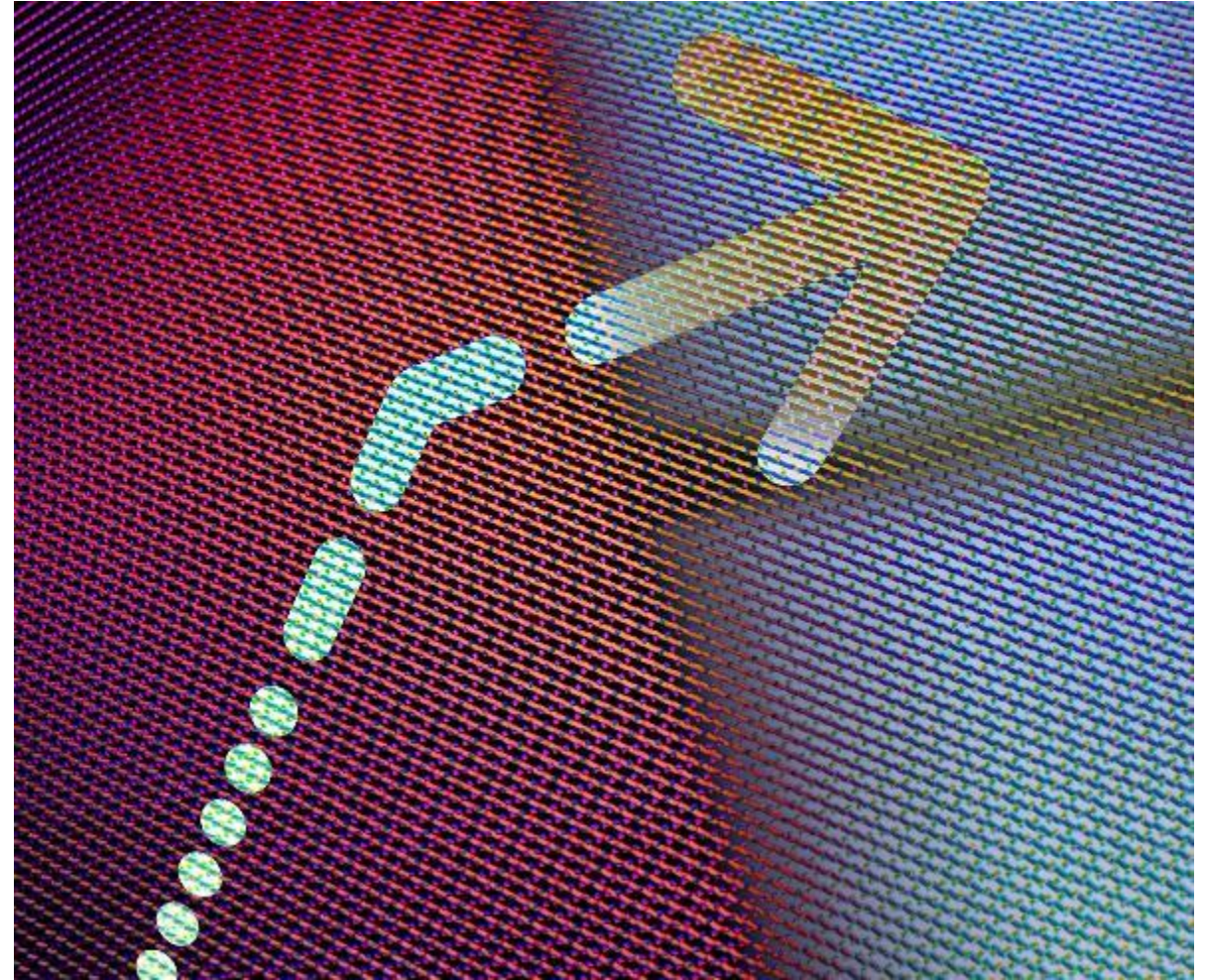


Ambition

To establish standardised ways of measuring demographics that we can use around the world

- That measures each demographic component in the most reliable way
- Adopting questioning techniques that are non-biased and inclusive
- That we can cross-calibrate to individual country measures
- That are always kept up to date

Seek collaboration to establish these as a global standard



One of the missing pieces:
the research on research
evidence to point us towards
a more harmonised solution



Undertaken two years of extensive research-on-research to try and devise best practice methods of measuring basic demographic

- Desk research examining how demographics and socio-economics classification are measured in 44 countries around the world
- 50+ research pilot experiments in 15 countries
- Academic review
- Publishing paper

Establishing international standards for measuring demographic

A paper exploring the best ways to measure basic demographics

Author



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Introduction

In this paper I want to explore the best ways to measure basic demographics (age, gender, education, income, working status, job, social economic classifiers) based on 2 years of research on research exploring and comparing different methods used around the world and testing against some new improved techniques.

The basic demographic questions we ask in survey are the bedrock of market research, we all rely on them to target audiences, set quotas, purchase sample, and ensure the representivity of the research we conduct.

There are however no international standards for how to ask these questions are asked and not many any established best practices either. Left to our own devices everyone has gone about it their own merry ways. Methods vary dramatically from one market research company to the next. Every country seems to have its own idiosyncratic ways of measuring things like social class and job status to the point that they are almost incomparable.

This makes it extremely difficult for anyone wishing to conduct any form of cross market research to reliably compare data and for anyone wishing to mix and match sample from different supply sources to know whether what they are getting from one sample supply is the same as the other.

Many of the methods used are badly flawed, delivering biased data. Over the last few years, a focus of our research has been to explore the gap between the answers given to survey questions and what we know to be the truth - trying to understand about the underlying biases which impact on how questions are answered. I am afraid to say that some of the biggest gaps can be observed in some of the basic demographic questions we ask.

This has been an elephant that has been sitting in the room of market research several decade now, if not a whole century. You could consider it one of the biggest inefficiencies holding back the growth of

Summary of learnings

The background of the slide is a dark blue gradient. Overlaid on this are several thick, diagonal lines that intersect to form a star-like pattern. The lines are in shades of light blue, lavender, and a vibrant magenta/pink. The text 'Summary of learnings' is positioned on the left side of the slide, centered vertically relative to the main content area.

Age

How this is typically asked...

Your age?

- 18-24
- 25-34
- 34-44
- 45-54
- 55-64
- 65+

Your age?

- 18-34
- 45-55
- 55+



Your age?

- Under 18
- 18-24
- 25-34
- 35-44
- 45-55
- 55-64
- 64-74
- 75-84
- 85-95
- 95+

--> if select may ask exact year: 45, 46, 47, 48, 49, 50, 51, 52, 53, 54



What is your year of Birth?

6% → 2% error



Measuring Education levels

How this question is typically asked

What is your highest level of education?

☐ Grade School

☐ Some High School

☐ Graduated High School or GED

☐ Some College - no degree

☐ Technical School or Vocational Training

☐ Graduated College - Associate's degree

☐ Graduated College - Bachelor's degree

☐ Post Graduate Degree - MS, MA, MBA, MD, DVM, etc.

☐ Doctorate - Ph.D.

☐ Other/None of these

Removing the judgement from how we measure education levels

What did you do after leaving school?

- ☐ Looked for a job
- ☐ Took up an apprenticeship (or job with training)
- ☐ Went on to do more education/training
- ☐ Pursued my own goals

What type of further education did you undertake?

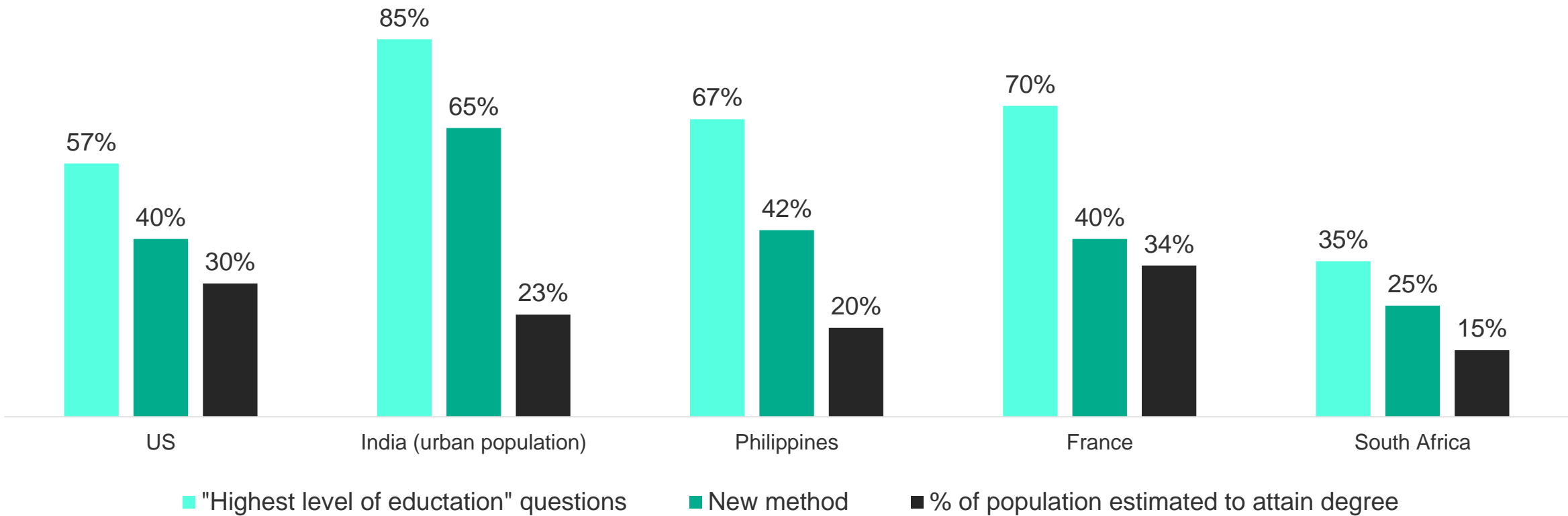
- ☐ Studies to learn a profession (e.g. nursing, cookery, plumbing etc)
- ☐ College or Associate degree
- ☐ Bachelor's degree
- ☐ Masters or post-graduate professional degree
- ☐ Doctorate/PHD
- ☐ Other type of further education
- ☐ None

Have you undertaken any more education later on in life?

Education level

Current vs new method

Degree level education



Working status measurement

How this question is typically asked:

What is your working status?

- ☐ Working full time
- ☐ Working part time
- ☐ Self employed
- ☐ Unemployed
- ☐ Housewife
- ☐ In education/still studying
- ☐ Retired
- ☐ Other

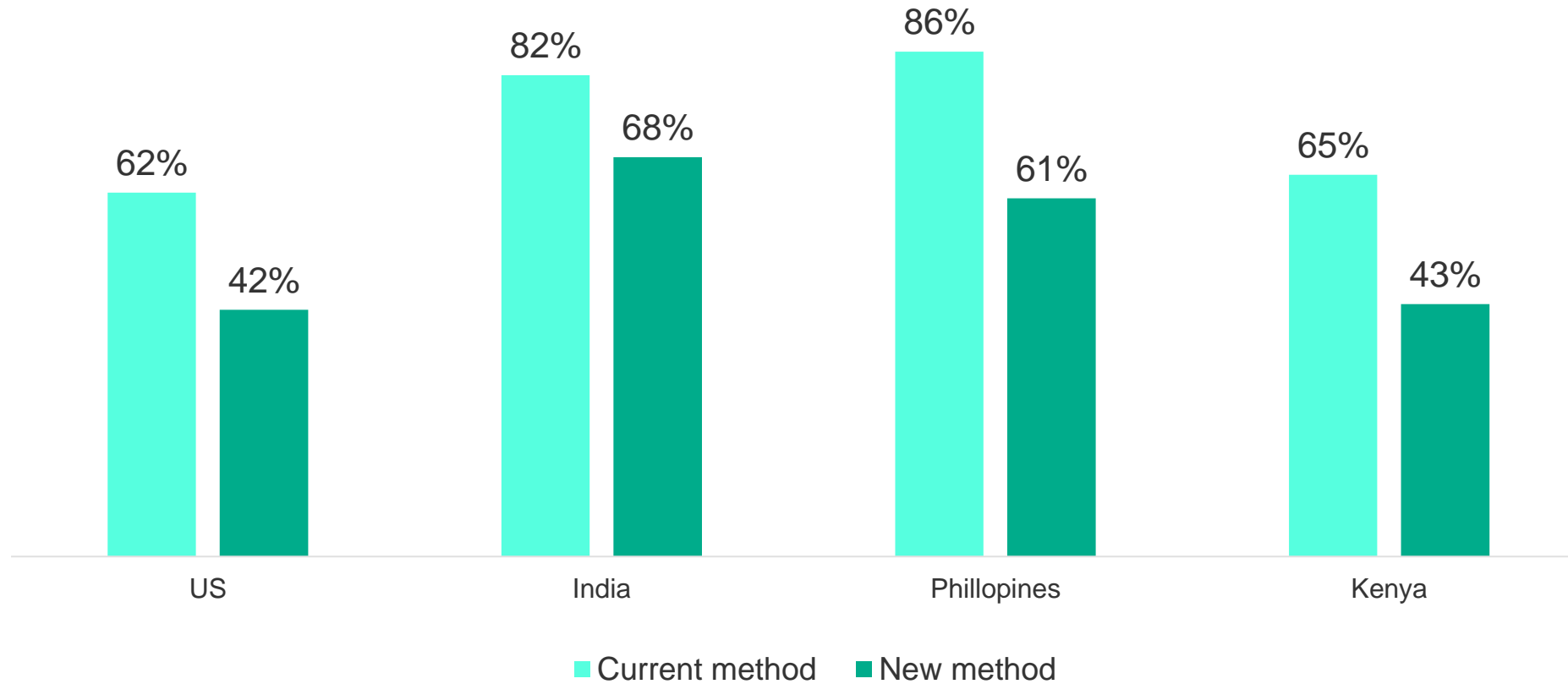
Changing the question to de-emphasise work and expand out non-working roles

What best describes your lifestyle currently?

<input type="checkbox"/> Retired	<input type="checkbox"/> Bringing up family
<input type="checkbox"/> Studying / retraining / in education	<input type="checkbox"/> Full time carer
<input type="checkbox"/> Working	<input type="checkbox"/> Homemaker, Housewife, house husband
<input type="checkbox"/> Not working/ In between jobs	<input type="checkbox"/> Other
<input type="checkbox"/> Pursuing own goals e.g. travelling, a creative pursuit, buying/selling things online	

Claim to be working

Current vs new method



Note these experiments did not use not fully matched samples so this anecdotal evidence for time being

Job measurement

**Pleased indicated what best describes
you profession?**

High managerial, administrative or professional

Intermediate managerial, administrative or professional

Supervisor, clerical, junior management,

administrative or professional

Skilled manual worker.

Semi-skilled or unskilled manual worker

Self-employed

Housewife/ Househusband

Unemployed

Student

Retired and on state pension













Tenant (others land)
Unskilled worker
Petty trader
Skilled worker
Farmer (own land)
Clerk/salesman
Shop owner
Landlord
Supervisor
Junior Officer/Exec
Businessman
Self employed professional
Industrialist
Senior/Middle Officer/exec

<input type="radio"/> Active armed forces/military			
<input type="radio"/> Administrative/Clerical	<input type="radio"/> C-level executive		
<input type="radio"/> Agricultural works			
<input type="radio"/> Applications progr (e.g. app developer)	<input type="radio"/> Computer network and s	<input type="radio"/> General contractor	
<input type="radio"/> Architecture, engl	<input type="radio"/> Craftsman/Tradesman	<input type="radio"/> Health professional (doctor, nurse, pharmacist)	
<input type="radio"/> Builder, general co	<input type="radio"/> Database designer and a	<input type="radio"/> Network administrator	
<input type="radio"/> Building manager/	<input type="radio"/> Director	<input type="radio"/> Health service m	<input type="radio"/> Other IT Architect/consultant
<input type="radio"/> Building manager/	<input type="radio"/> Driver (e.g. taxi, van, bus, truck dri	<input type="radio"/> Healthcare techn	<input type="radio"/> Other non management staff
<input type="radio"/> Business Administ	<input type="radio"/> Facilities manager/direct	<input type="radio"/> Help desk techn	<input type="radio"/> Owner or Partner
<input type="radio"/> Buyer/Purchasing	<input type="radio"/> Faculty/Teaching Staff	<input type="radio"/> Hospitality, retail,	<input type="radio"/> Project Management
<input type="radio"/> Carpenter or joiner	<input type="radio"/> Finance manager/directo	<input type="radio"/> HR manager	<input type="radio"/> Roofer
<input type="radio"/> Chief Financial Off	<input type="radio"/> Financial analyst	<input type="radio"/> Information techn	<input type="radio"/> Personal care/protective service
<input type="radio"/> Chief Technical Of	<input type="radio"/> Financial and investment	<input type="radio"/> Laboratory profes	<input type="radio"/> Plant/machine operator, heavy t
<input type="radio"/> C-level executive	<input type="radio"/> Flooring/tiling/wallpaper	<input type="radio"/> Laborer/service o (maid, miner, waiter)	<input type="radio"/> Plumber or pipe fitter
	<input type="radio"/> Foreman	<input type="radio"/> Legal professiona (attorney, paralegal,	<input type="radio"/> President/CEO/Chairperson
	<input type="radio"/> Forestry or fishery worke	<input type="radio"/> Middle Managem	<input type="radio"/> Product Manager
		<input type="radio"/> Network administ	<input type="radio"/> Production/ specialized service
			<input type="radio"/> Project Management
			<input type="radio"/> Roofer
			<input type="radio"/> Sales Manager
			<input type="radio"/> Sales Staff
			<input type="radio"/> Salesperson (e.g. shop, market salesperson)
			<input type="radio"/> Senior Management
			<input type="radio"/> Social and cultural professional
			<input type="radio"/> Software developer
			<input type="radio"/> Stonemason
			<input type="radio"/> Supervisor
			<input type="radio"/> Supply Manager
			<input type="radio"/> Systems administrator
			<input type="radio"/> Systems analyst


Job status measurement

Devising a more sophisticated job definition list that works effectively in every part of the world

What type of job do you do?

Health, therapy, care, social service sectors		
	Healthcare roles	▼
	Social care and community outreach roles	▼
	Health, social care organisational and support roles	▼
	Religious or spiritual work	▼
Teaching , coaching training or academia		
	Teaching roles	▼
	Education Support, administrative or management roles	▼
Government or local government NGO or Charity		
	Civil servant, government or public employee	▼
	Charity or NGO or Not for profit	▼
Retail, shop based work		
	Retail or shop based work	▼
	Food or Drink production e.g. baker, butcher, brewer	▼
	Hair or beauty occupations	▼
Sport, Leisure, Hospitality or Travel		
		

→

	Teaching roles	▲
<input type="radio"/>	School Teacher	
<input type="radio"/>	Head teacher	
<input type="radio"/>	Trainer , Coach, Tutor (non-school or college based)	
<input type="radio"/>	Teach something specific e.g. driving instructor, Yoga teacher etc	
<input type="radio"/>	University/college lecturer	
<input type="radio"/>	Professor	
<input type="radio"/>	Researcher	

Management status measurement...

Do you have to manage anyone?

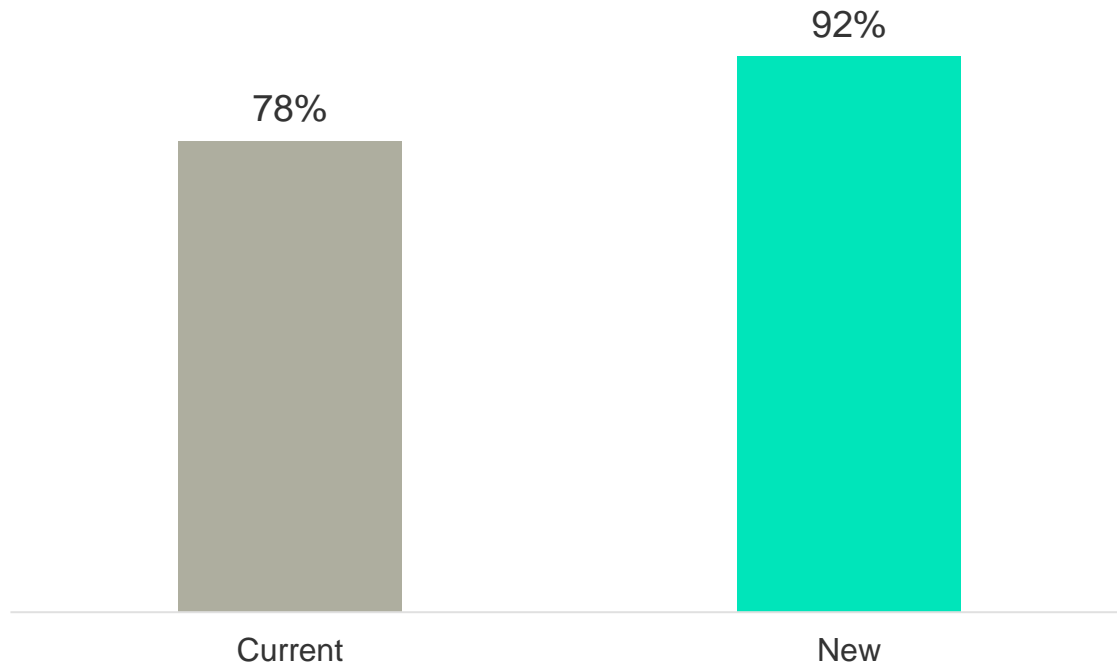
Select one

- ☐ I work on my own so don't have to manage anyone
- ☐ I have a manager/supervisor but I don't manage anyone
- ☐ I manage 1 or 2 people
- ☐ I manage a team of 3-10 people
- ☐ I manage manages more than 10 people

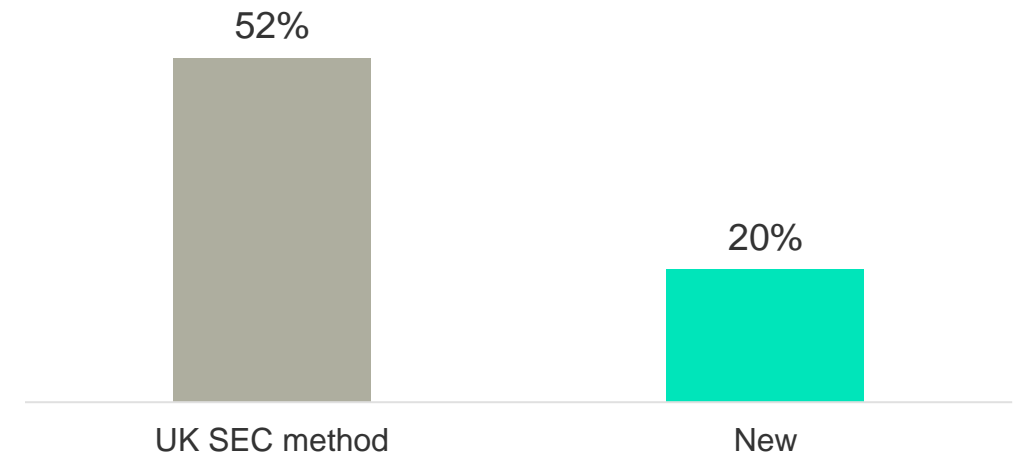
Job status

Current vs new method

Able correctly define their job*



Claim to be in a manager role



* Matching open ended description of their job

Measuring income

How much is your monthly household income before tax?

☐ Less than \$1,000

☐ \$1,000 - \$1,499

☐ \$1,500 - \$1,999

☐ \$2,000 - \$2,499

☐ \$2,500 - \$2,999

☐ \$3,000 - \$3,499

What do you estimate is your total ANNUAL household annual income is BEFORE tax or any other deductions?

Think about your salary or in total how much you earn, or if not working your pension and any other forms of income. We would like to know the total estimated sum before paying taxes or any other deductions and including things like bonuses.

- ☐ Less than \$10,000 a year before tax
- ☐ \$10,000 - \$14,000 a year before tax
- ☐ \$15,000 - \$19,000 a year before tax
- ☐ \$20,000 - \$24,000 a year before tax
- ☐ \$25,000 - \$29,000 a year before tax

A chaotic situation

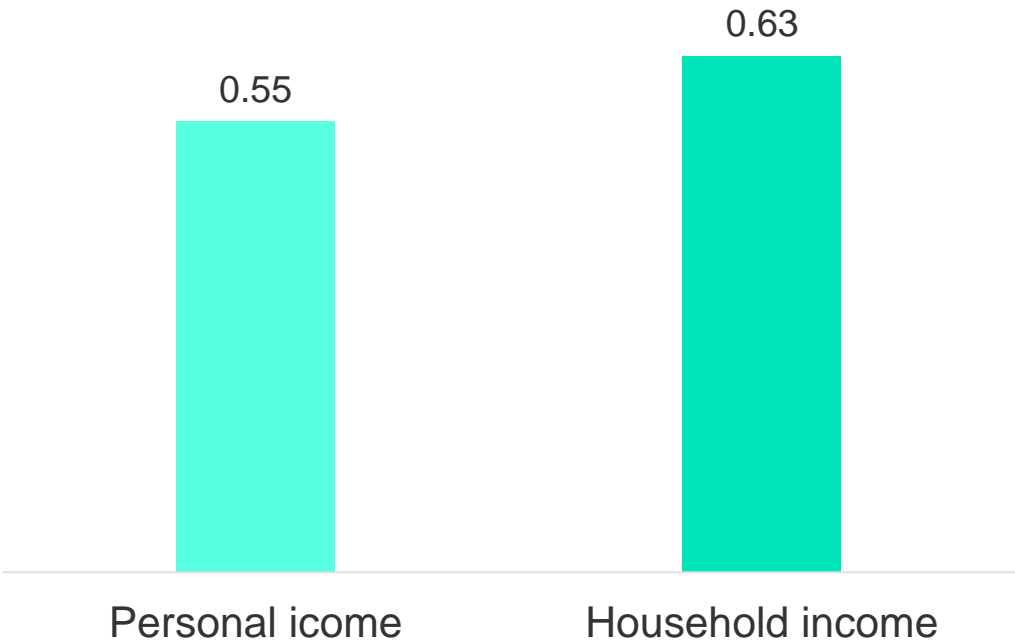
- Ever ones using different income ranges often out of date

Confusion over whether its best to measure:

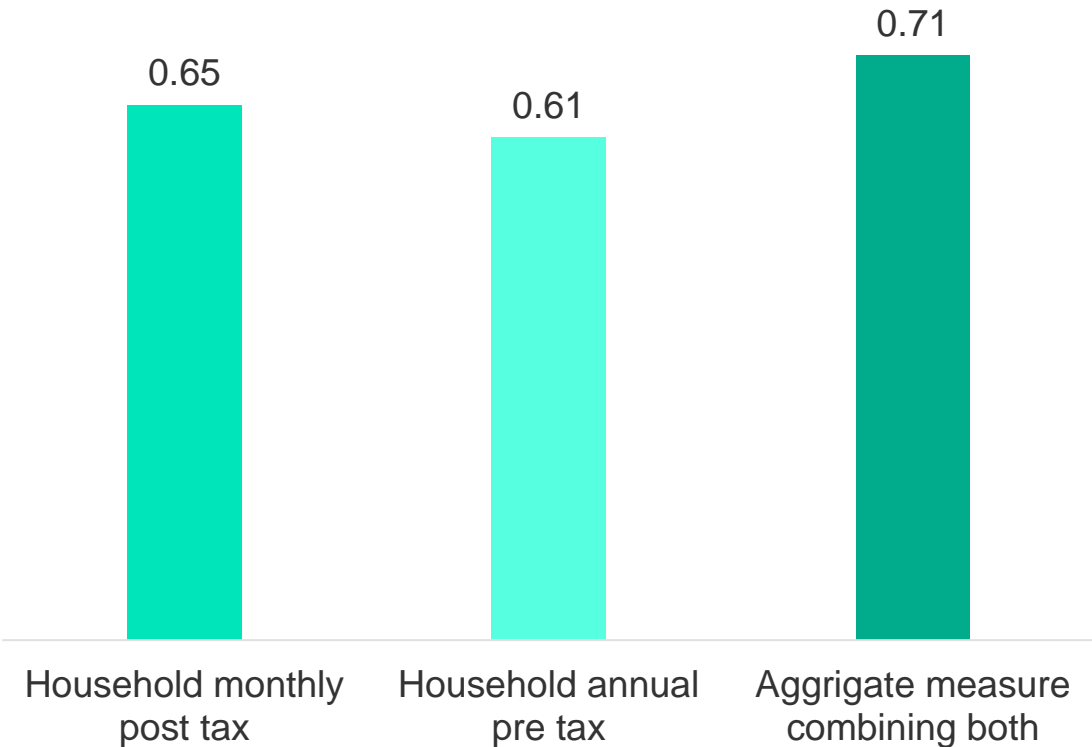
- pre and post tax income
- Personal v household income
- Monthly or annual income
- Question suffers badly from overclaim

Income as a predictor of wealth and disposable income

Correlation with meta wealth score



Correlation with meta wealth score

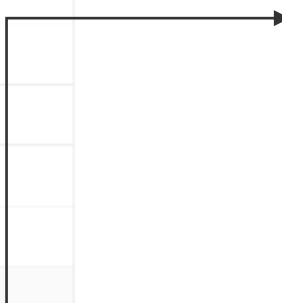


Income: Proposed new method to reduce overclaim

How much do you estimate [pipe: household_type] to live on each month?

Thinking about all money you have coming in each month from your jobs, pensions or any other other sources after taxes and other deductions

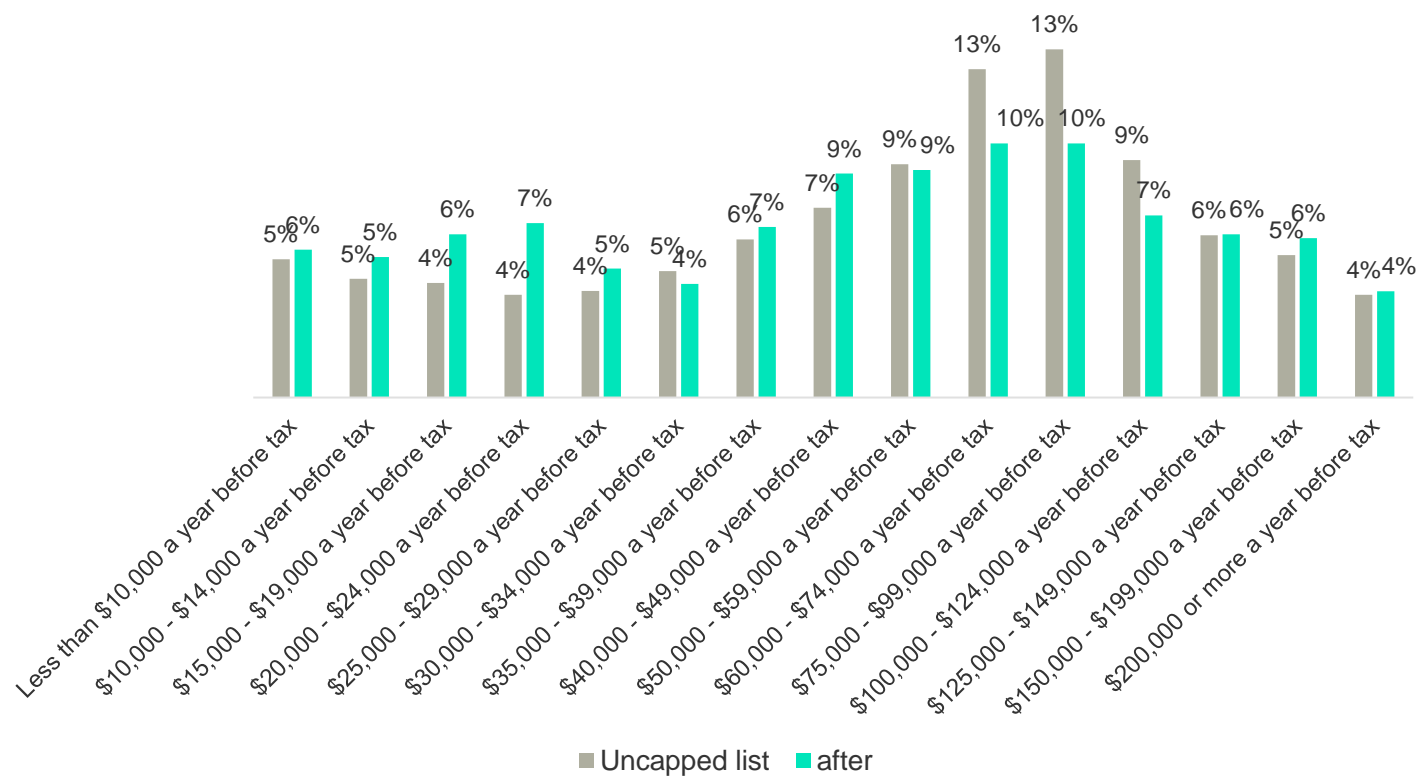
<input type="radio"/> Less than \$1,000 per month	
<input type="radio"/> \$1,000 - \$1,500	
<input type="radio"/> \$1,500 - \$2,000	
<input type="radio"/> \$2,000 - \$2,500	
<input type="radio"/> \$2,500 - \$3,000	
<input type="radio"/> \$3,000 - \$3,500	
<input type="radio"/> \$3,500 - \$4,000	
<input type="radio"/> \$4,000 - \$5,000	
<input type="checkbox"/> \$5,000+	<input type="checkbox"/> \$5,000+
<input type="radio"/> It's hard for me to calculate/prefer not to answer	<input type="radio"/> \$5,000 - \$6,000
	<input type="radio"/> \$6,000 - \$7,500
	<input type="radio"/> \$7,500 - \$10,000
	<input type="radio"/> \$10,000 - \$12,500
	<input type="radio"/> \$12,500 - \$15,000
	<input type="radio"/> \$15,000 - £20,000
	<input type="radio"/> \$20,000 or more



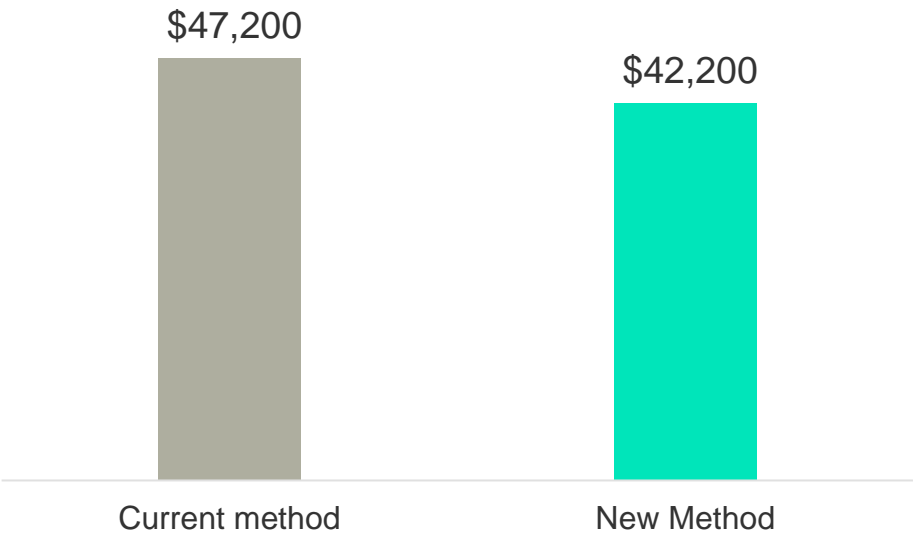
Claimed annual income (US)

Current vs new method

US Annual income groups



Average annual income



Social economic measurement



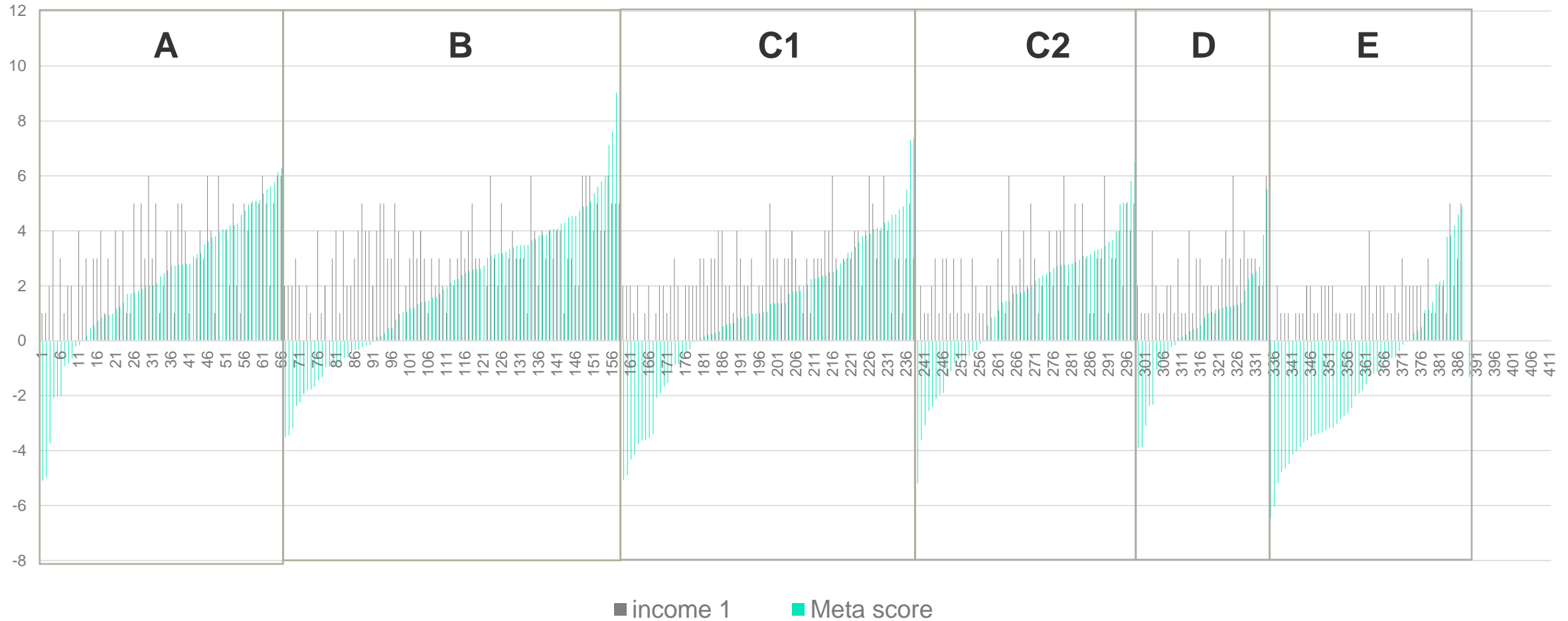
Compared the way social economic classification is done in 44 countries

Every country is different – 5 broad method

- **Income & Education classification assessment**
- **Education & job classification assessments**
- **Measuring house type and living circumstance** e.g. what type of house do you live in
- **Assessment of spending power/what you can afford methods:** do you have enough money to buy food, clothes, a car etc
- **Audits of items of value in household:** e.g. do you own a fridge, TV, washing machine etc

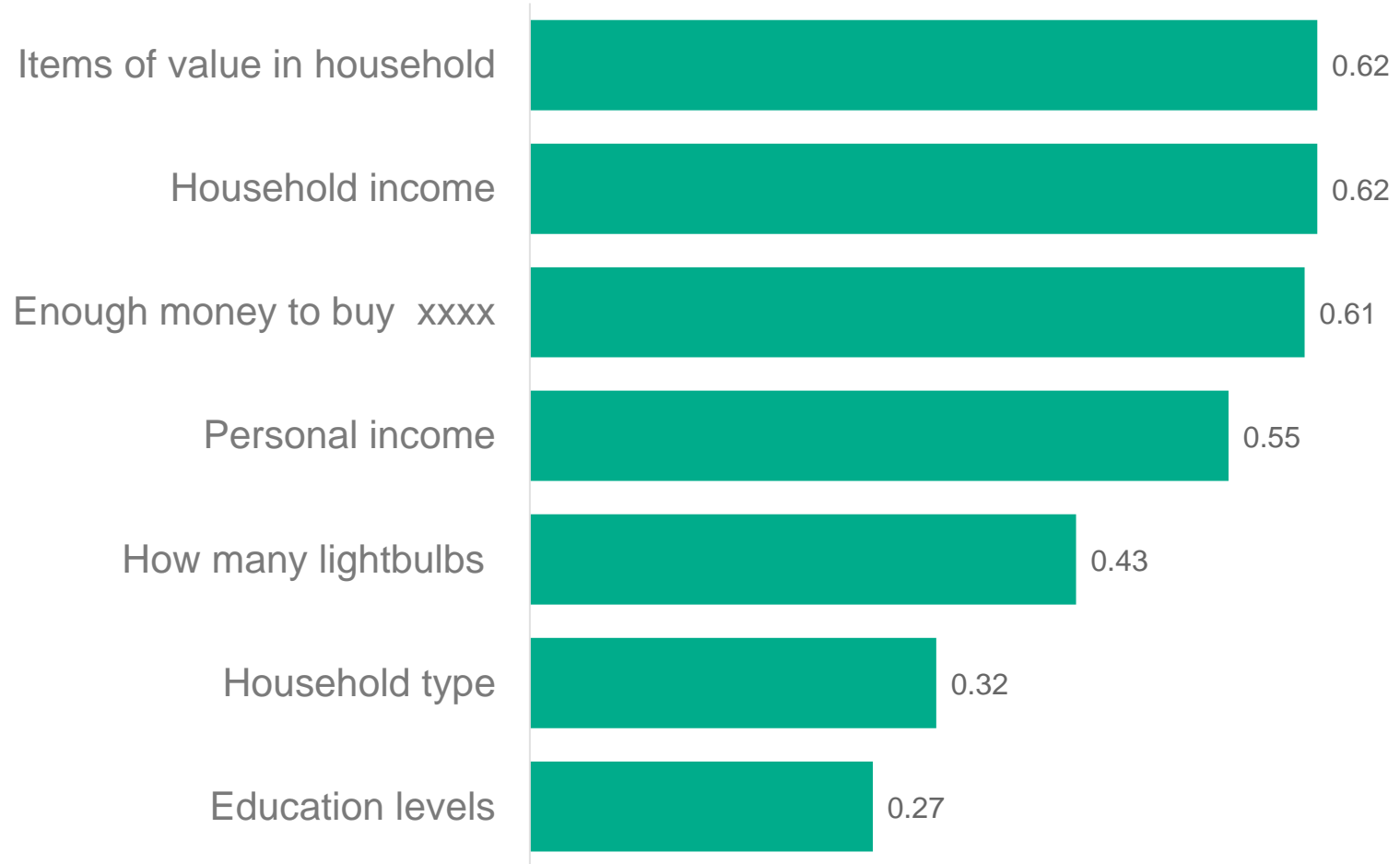
Research comparing Income to Socio-economic classifications

Assessing the scale of error



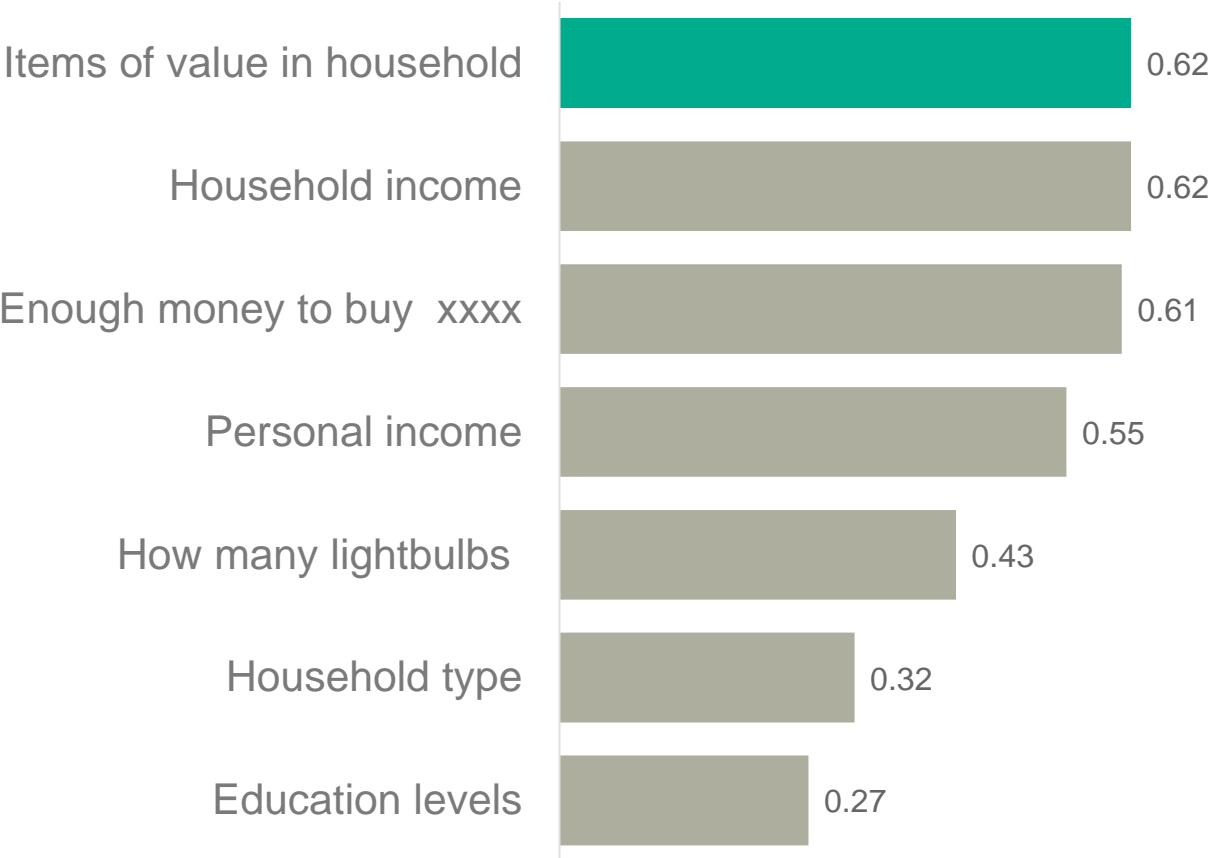
Conducted research cross compared every major techniques

Correlation with an assessment of overall disposable income:



Conducted research cross compared every major techniques

Correlation with an assessment of overall disposable income:



Which of these things do you have at home?

- ☐ An electricity supply
- ☐ Ceiling fans
- ☐ Air conditioning
- ☐ LPG Stove
- ☐ Electric/gas cooker
- ☐ Electric/gas oven
- ☐ Refrigerator
- ☐ Floor mop
- ☐ Vacuum cleaner
- ☐ Colour TV
- ☐ Computer or Laptop

Refining the list of items and tackling overclaim with honesty priming....




1970s



2020s


19%



This is one of those questions where some people are tempted to say yes to owning lots of things

Continue »

20%



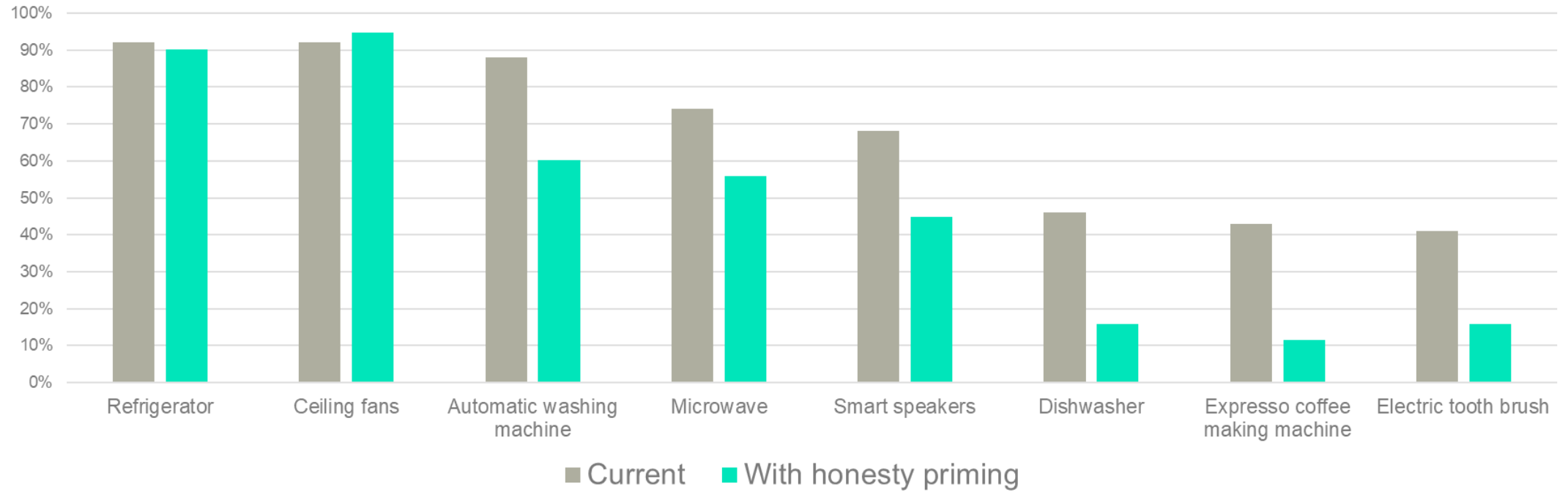
Do I own that?
NO

...But we want to know the truth about the actual things that are in real peoples homes in Kenya. We are just as interested in what people don't own as do own.

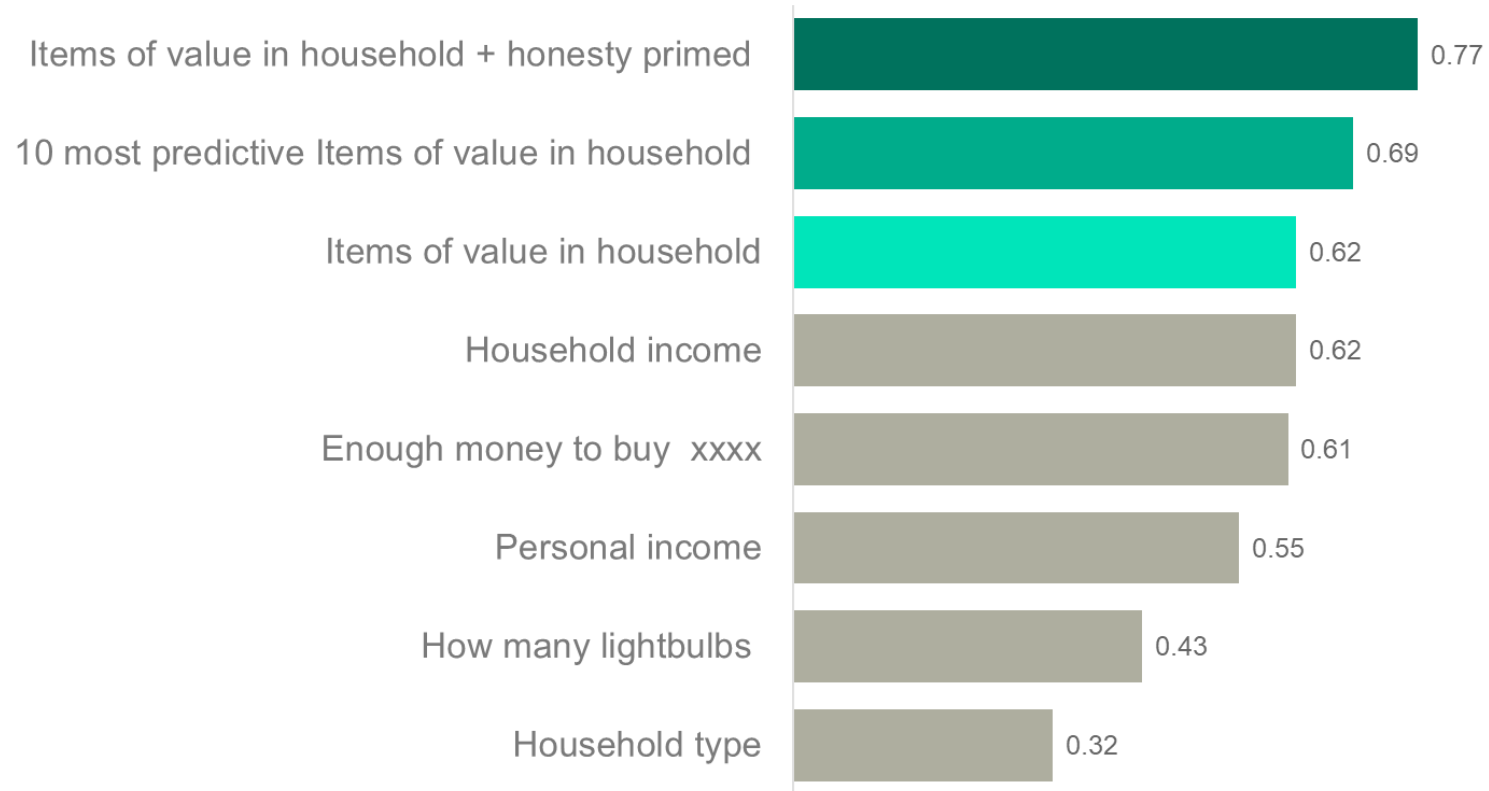
Its OK to say No I don't own some of these things.

Continue »

Items in home comparison



Correlation with an assessment of overall disposable income:



Tested out some alternative methods to try and find a way to more reliably measure wealth for socio-economic measurement purposes

How often do you buy a coffee from a coffee shop?

e.g. Starbucks, Costa Coffee, Cafe coffee etc

☐ Never

☐ Less than once a year

☐ Once or twice a year

☐ Every month or so

☐ A few times a month

☐ Every week

☐ A few times a week

☐ Every day



What do you expect to pay for a pair of jeans these days?

Price in £

Which of these things do you or a household member currently have to pay for?

we are excluding household bills from this list

☐ Mortgage payments

☐ Rent

☐ Loan repayments / credit card interest payments

☐ Car or other lease payments

☐ Pension/retirement saving

☐ Regular money you pay into saving for something else
e.g. for a holiday

☐ A Film/TV or video steaming service
e.g. Netflix, Hulu, Amazon prime

☐ Premium TV services
e.g. Sports/film services

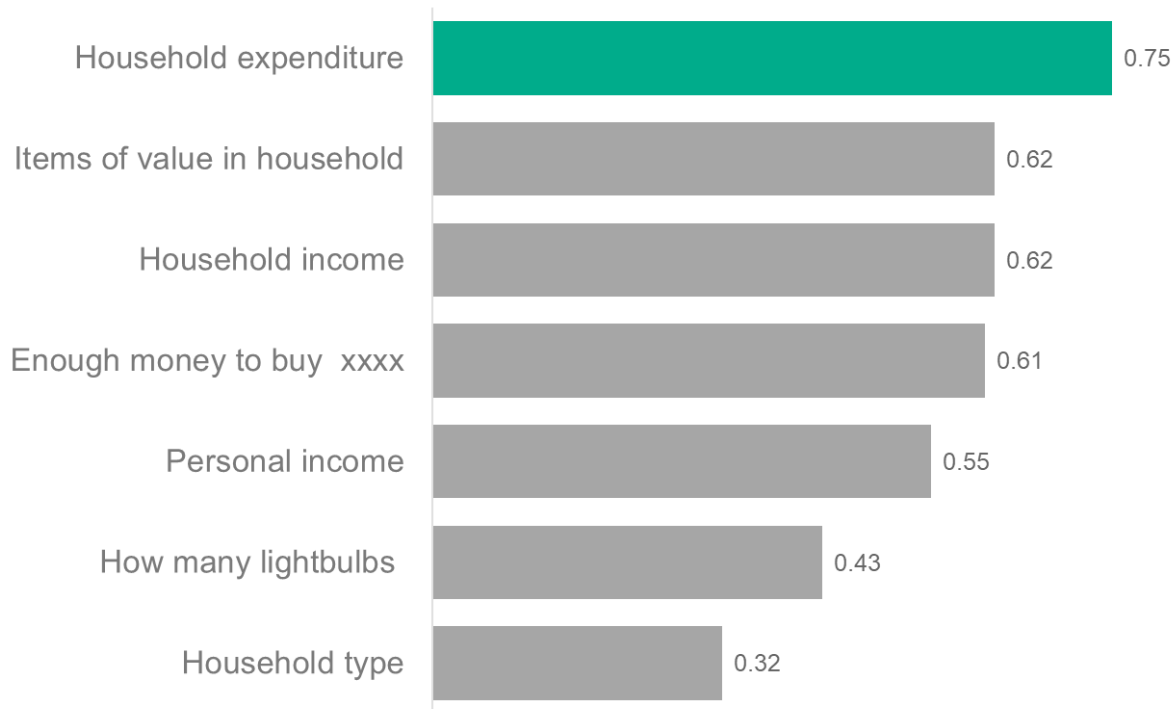
Discovered the expenditure assessment is potentially more reliable socio-economic measurement technique

Which of these things do you or a household member currently have to pay for?

we are excluding household bills from this list

- ☐ Mortgage payments
- ☐ Rent
- ☐ Loan repayments / credit card interest payments
- ☐ Car or other lease payments
- ☐ Pension/retirement saving
- ☐ Regular money you pay into saving for something else
e.g. for a holiday
- ☐ A Film/TV or video steaming service
e.g. Netflix, Hulu, Amazon prime
- ☐ Premium TV services
e.g. Sports/film services

Correlation with an assessment of overall disposable income:



Propose international standard for measuring Socio-economic status

A new hybrid method measuring:

Education

Income

Items of value

Expenditure assessment



c0.87 meta wealth assessment

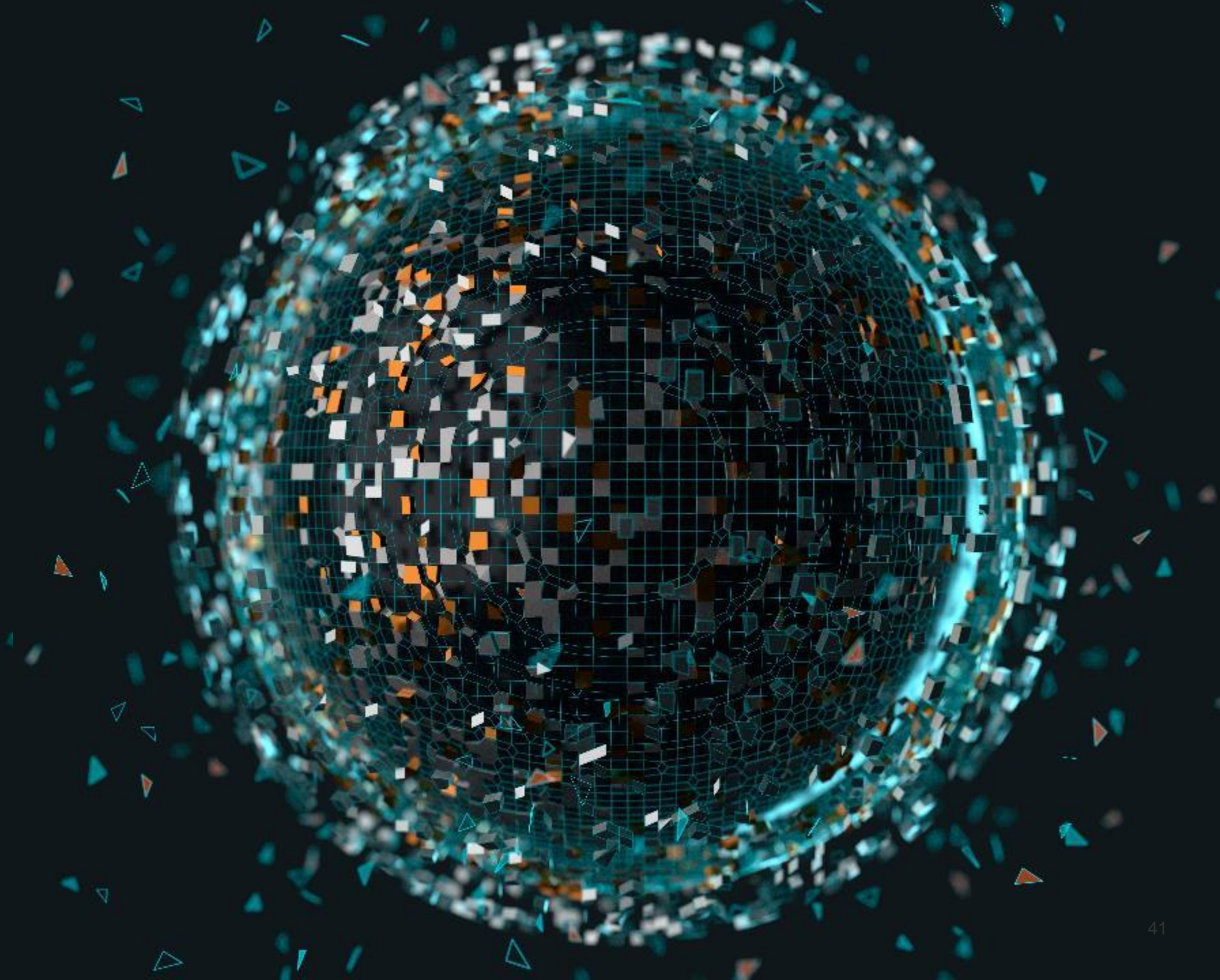


What I have presented here today may not be the exact solutions but I hope it points our industry in the right way

Next steps

ESOMAR planning
to establish a
demographics
standard committee
to agree upon some
basic international
standards.

Are you in?



What I believe could a realistically achievable international demographic standard

Agreement on...

Standardised education level measures and inclusive assessment methods

Standardised income measurement technique

Standardised gender definition classifications and inclusive language

Age validation techniques e.g. year of birth v exact age

Job and industry definitions

Items of value in household

Agree additional wealth measures to adopt and use

Agree an international standard social class measurement protocol

Establishing
international standards
for measuring
demographic and
social class

Any Questions?

