centercode

# THE HIDDEN COSTS OF ON-DEMAND RESEARCH PANELS

## AND WHY TEAMS ARE SEEKING ALTERNATIVES



# Introduction

Is everyone feeling the pressure to bring products to market **faster**? It's understandable—new products and feature releases drive revenue. At least, well-built, functional ones do. And who isn't looking for more revenue?

To keep our products on track, we rely on checks and balances to avoid building something unnecessary or broken. Research and testing help us evaluate ideas, refine designs, and validate products. But like everything in modern business, resources—both time and people—are limited.

When deadlines are tight and the only extra hands available are your own, on-demand research panels can feel like a lifesaver. With just a few clicks, you can recruit users and start gathering feedback in minutes.

But **speed and convenience come at a cost**. Lately, concerns have been rising about the quality and authenticity of data from paid panels.



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# Behind the Paid Panel

A CASE4Quality study uncovered some alarming statistics about paid research panels:

- ~22 surveys attempted per day-per participant, across multiple panels.
- "40% of devices entering 100 surveys a day still passed all other quality checks."

For teams relying on this data to make product decisions, these numbers raise important questions. If nearly half of hyperactive respondents can evade quality controls, **how much of the feedback they provide is genuine?** And if the same small group of participants is cycling through studies, **how representative is the data?**

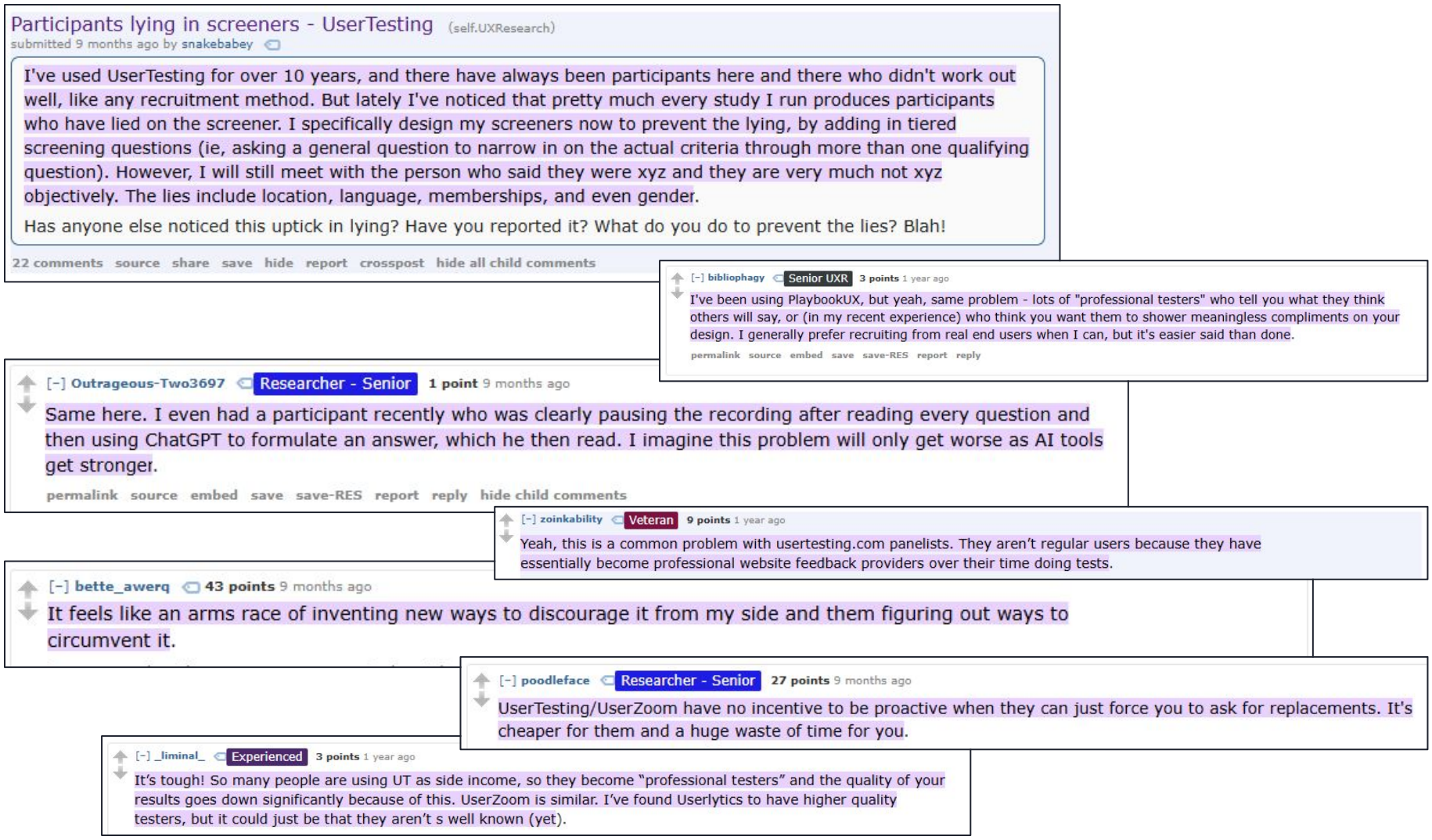
A Director of Product Insights put it bluntly:

> *"We ran a follow-up study with real customers and got completely different insights from what we got from the panel. It was a wake-up call that we'd been basing product decisions on bad data."*

The appeal of paid panels is their speed and accessibility, but their reliability is coming under increasing scrutiny.



# What Do People *Really* Think of Paid Panels?




https://www.reddit.com/r/UXResearch/comments/1cowqs4/participants_lying_in_screeners_usertesting/

https://www.reddit.com/r/UXDesign/comments/11uasuv/what_is_the_quality_of_results_from/

# The Data Quality Problem

Research is only as good as the data it's built on. And right now, on-demand research panels are facing a major credibility problem. The issue isn't just isolated cases of fraud or bias—it's baked into how these panels operate.



**Motivation Misalignment**

Paid panelists are there for the reward, rather than genuine product interest, resulting in lower quality, transactional feedback.



**Artificial Behavior**

Paid panelists know they are in a test environment, which shapes how they act. They may push through issues they'd otherwise give up on.



**Lack of Long-Term Insight**

Most panels focus on one-time interactions, failing to capture adoption, retention, or behaviors evolving over time.



**Participant Recycling**

The same frequent participants cycle through multiple studies, often submitting repetitive, low-effort feedback.

## The root cause: The purpose of the panel itself

# The Impact on Product Management & UX Teams

*Using fast panels can feel like a quick win, but the downstream impact of poor data can be significant.*

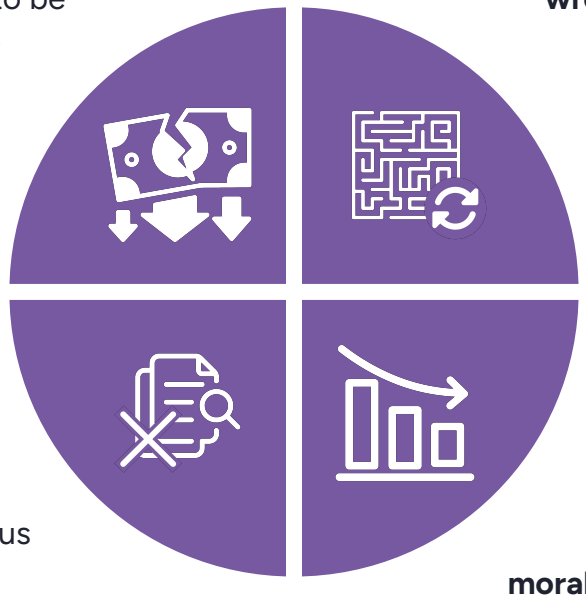
Let's look at how these data quality issues translate into real-world consequences for product teams:

### Wasted Time and Money

Perhaps the most immediate impact is the waste of resources. When your sessions turn out to be low-quality or fraudulent, you've essentially **thrown away the time and money**.

### Misleading Direction and Rework

The ultimate harm of bad inputs is **making the wrong decisions**. Research is meant to de-risk product direction – to validate that you're building the right thing in the right way.



### Erosion of Trust in Research

Over time, repeated encounters with dubious participants can cause your team (and stakeholders) to **lose confidence in research and its results altogether**.

### Team Morale and Alignment Issues

One subtle impact worth noting is on **team morale and alignment**. Product development is a team sport, and user research is often what aligns everyone on what the user needs.

# The Shift Towards Community-Driven Research

Faced with the challenges of panel data quality, product teams are asking for a better way to conduct rapid research. Enter community-driven research.

When done right, community-driven research creates the ideal environment for continuous, high-quality insights. Instead of recruiting random participants for each study, you build a private research community—real users who are engaged, invested, and eager to provide meaningful feedback over time.

This approach connects product teams with a reliable group of trusted users, leading to better data and deeper insights. Here's what an effective program delivers:

- **Authentic, trusted users** – Real customers who truly care about your product
- **Higher data quality** – Reliable feedback from users who understand your product
- **Deeper insights & longitudinal feedback** – A richer understanding of user needs
- **Faster recruitment turnaround** – A ready pool of engaged participants
- **An ongoing dialogue** – A continuous feedback loop to guide product decisions

Let's explore each of these advantages in more detail:



# 1. Authentic, Trusted Users

When you recruit from your **own user base or target audience**, you immediately eliminate a huge layer of doubt about authenticity. These participants have a real interest in your product category – they are customers or prospective customers, not professional test-takers. This means their feedback comes with context: they can draw on actual experiences, pain points, and needs related to your product. You can **trust that their reactions are reflective of real usage**.

By building a research community of real app users, Waze ensured that feedback on new features was grounded in **authentic, everyday experiences**—whether it was *"This would save me 10 minutes on my route"* or *"Our family wouldn't use it this way."* Unlike panel participants, these users had a vested interest in improving the product.

This trust and authenticity benefits both sides. Users feel valued and heard, strengthening their connection (and often loyalty) to the product, while companies gain deeper, more reliable insights from people who actually rely on their solutions.



# 2. Higher Data Quality

Higher data quality starts with known users. A community of engaged, profiled users means **you already know their demographics, behaviors, and past feedback**.

Unlike paid panelists, who often provide surface-level answers to move through studies quickly, community members have a vested interest in your product's success. Their feedback comes from real-world usage and personal investment, making it more reliable.

- No need for lengthy screeners—your participants are pre-vetted.
- Reduces fraud—a user's history confirms their legitimacy.
- Feedback is contextual, not just transactional.

One product leader shared how their team built a customer panel and engaged members with small surveys, gradually building out their tester profiles. When they needed participants for a specific study, they didn't have to screen externally—they simply invited a qualified subset of their community. **Because participants were already known and vetted, their research sessions were far more accurate and trustworthy.**





# 3. Deeper Insights & Longitudinal Feedback

A community enables something panels typically can't: **ongoing, longitudinal research**. You can return to the same users for follow-ups, test feature iterations with familiar participants, and track how sentiments evolve over time.

For example, you might run an initial concept test, then months later, have the same users beta test the update. Their early feedback ties directly to later insights, showing whether concerns were addressed and how behavior changed. **This continuity makes testing more meaningful and product decisions more informed.**

With a known community, **iterative testing becomes seamless**. Instead of gathering feedback from random participants each time, you're building on a baseline. A user who tested an early prototype can later tell you, *"I see you improved the onboarding flow, but I'm still struggling with X."* This kind of engagement provides **deeper, more actionable insights** at every stage of development.

In essence, you **turn users into partners** in the development process, raising the depth and actionable nature of feedback.



# 4. Faster Recruitment Turnaround

It might seem counterintuitive, but once established, **having a dedicated panel can actually speed up recruitment**—especially for niche audiences.

Paid panels pride themselves on being fast, but that's typically for broad, general tests. If you need **specific users**, like enterprise admins or healthcare professionals, these panels often **struggle to find them quickly (if at all)**. Many product teams work in industries where panels simply can't deliver the right participants, forcing them to spend extra time filtering applicants or pay steep fees for specialized recruiters.

With a **proactively built community or even a database of interested users**, recruitment becomes far more efficient. Need beta customers who use integration ABC? Instead of waiting on a panel, you might already have 50 qualified users in your community that you can email today. As User Interviews noted, having an engaged, identified group of participants makes it easier to conduct qualitative research quickly and frequently—especially when targeting niche segments (Building and Managing a Research Panel).

This shifts research from a reactive process—waiting on an external service to (hopefully) find the right testers—to a proactive one, where teams can **confidently plan studies** knowing the **right participants are readily available**.



# 5. An Ongoing Dialogue With Customers

Beyond individual studies, a thriving user community can serve as an **always-on insight engine**. Members can be engaged through forums, feedback boards, or periodic surveys, producing a constant stream of qualitative input. This can surface issues or ideas that the product team didn't even think to ask about.

Microsoft's **Windows Insider Program** transforms software testing from a one-off event into an **ongoing conversation** with users. Millions of Windows enthusiasts opt in to receive early builds, providing feedback through forums, surveys, and telemetry data. This **continuous feedback loop** allows Microsoft to identify pain points, refine usability, and prioritize feature improvements **based on real-world usage**.

This kind of engagement fosters **trust and alignment** between the product team and its users. When customers feel like their voices are heard and reflected in product decisions, they become **more invested** in the software's success. In turn, the company benefits from **ongoing, high-quality insights** that a traditional panel could never replicate.



# Building Your Own Panel

Switching from generic panels to a customer community delivers cleaner data, deeper insights, and stronger stakeholder confidence. But despite these advantages, building and maintaining a research panel is a significant challenge.

It requires time, effort, and resources to recruit the right users, keep them engaged, and manage logistics at scale. Many teams underestimate the complexity and struggle to sustain an active, reliable panel over time.

In this section, we'll break down the biggest hurdles of building an engaged community from scratch:



# Six Challenges of Building a Research Panel from Scratch



## Upfront Recruitment Effort

Finding and convincing the right users to join your research panel takes time, outreach, and a compelling reason to participate.



## Ongoing Activity & Retention

Without regular interaction, panel members can lose interest, become unresponsive, or have outdated profile information.



## Logistics & Operations Overhead

Managing a panel requires handling sign-ups, screening, incentives, and legal considerations—tasks that quickly balloon your to-do list.



## Resource Intensity & Skills

Running a panel takes ongoing effort, and without a dedicated Research Ops role, it often falls on already busy PMs and UXRs.



## User Availability & Turnover

Even with a strong panel, users aren't always available. Maintaining an active and relevant group requires continuous effort and outreach.



## Speed vs. Preparation Trade-off

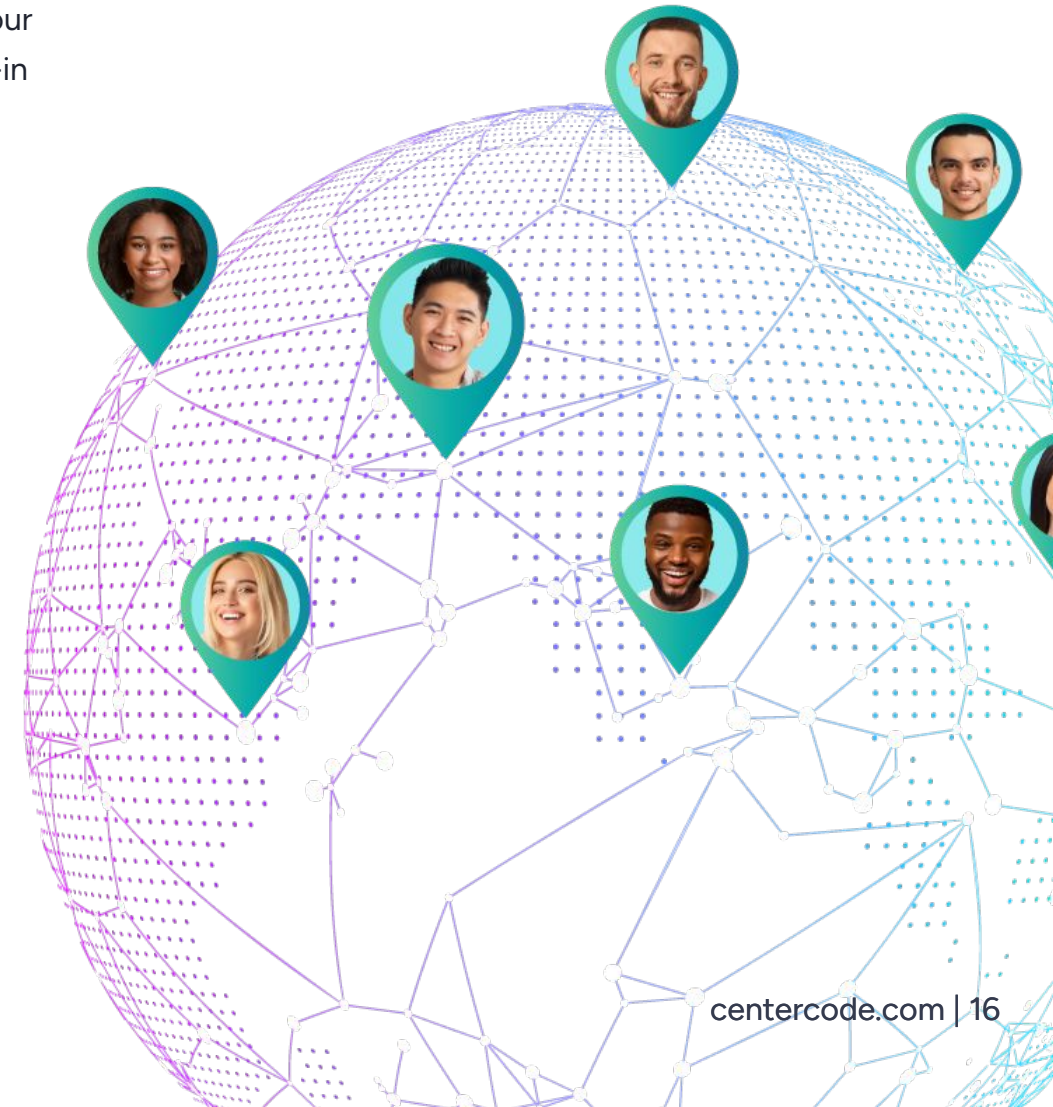
Panels speed up research in the long run, but building one takes time, requiring patience and commitment before seeing full benefits.

# Building a Research Panel That Lasts

Building a research panel from scratch is challenging, but the right tools eliminate the biggest roadblocks. A well-designed research platform removes the friction by automating recruitment, verification, and engagement—so you can focus on gathering insights, not managing logistics.

But not all research platforms are created equal. To make sure your panel delivers real, ongoing value, you need a solution with built-in quality controls, seamless recruitment workflows, and powerful engagement tools.

## Let's explore the essential capabilities that empower teams to get their panel established and activated quickly:



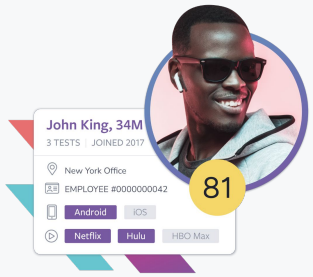
# Participant Verification & Quality Controls

Most research teams rely on manual participant screening, but this approach is time-consuming, inconsistent, and vulnerable to fraud. A strong research platform should provide built-in verification processes to confirm identities, block fraudulent responses, and ensure every participant is a true fit for the study.

## KEY CAPABILITIES TO LOOK FOR:

- **Identity Verification** – A strong platform should have built-in processes to verify participants, such as phone verification, digital fingerprinting, behavior tracking, and ways to filter out professional testers and duplicate accounts.
- **Participant Profiling & Qualification** – The ability to segment users based on demographics, behaviors, or past participation ensures that the right users are selected for each study without extensive manual screening.
- **Continuous Quality Monitoring** – Look for a solution that provides user scoring, flagging of low-quality participants, and automated removal of unqualified users.

Tools like Centercode offer inherent participant management features that help research teams maintain a vetted, engaged panel. By combining identity verification, profile-based recruitment, and automated quality control, these platforms reduce the risk of low-quality data while making it easier to find the right participants for every study.




Ensure your research participants are real, relevant, and reliable with Centercode. **User Profiles and Scoring** track demographics, technographics, and past performance, while **custom onboarding** screens and qualifies users before they join your panel.

**Book a demo to see it for yourself**

# Automated Recruitment & Screening

Recruiting the right participants quickly is one of the biggest challenges in building a research panel. Manually sourcing testers, screening for relevance, and keeping a steady flow of qualified users can slow down research and limit insights. The right tool should make it easy to find and onboard participants at scale without sacrificing quality.

### KEY CAPABILITIES TO LOOK FOR:

- **Multiple Recruitment Sources** – The best platforms allow you to recruit from your own customer base, external tester networks, or both. Look for integrations with CRM systems, marketing lists, and external recruitment services to expand reach while maintaining control over participant quality.
- **Automated Screening & Enrollment** – A tool that offers pre-screening questionnaires, automated approvals, and self-service onboarding can dramatically speed up the recruitment process while ensuring only qualified users join.
- **Flexible Panel Growth Options** – Whether you need to build a research community over time or quickly fill a study with a niche audience, a strong solution should provide flexible recruitment methods that adapt to your needs.

Platforms like Centercode simplify recruitment by automating participant sourcing, screening, and onboarding. With built-in workflows for inviting, verifying, and enrolling testers, Centercode can help research teams quickly build a panel that is both scalable and reliable.

betabound

Need help finding engaged testers? Submit your beta test to Betabound for free to get it featured, reach a wider audience, and attract qualified participants eager to provide feedback.

Announce your beta test

# Advanced Audience Targeting & Segmentation

Recruiting a large panel is only part of the equation. Research teams also need the ability to quickly identify the right participants for each study. A tool that offers advanced filtering, segmentation, and targeting ensures that every test includes users who match specific demographics, behaviors, and product usage criteria.

### KEY CAPABILITIES TO LOOK FOR:

- **Pre-Qualified Participant Pools** – Tools that maintain detailed user profiles enable faster study setup by eliminating the need for repetitive screening.
- **Custom Screeners & Filters** – A strong platform should allow researchers to segment participants based on custom attributes like experience level, industry, or device type.
- **Dynamic Segmentation** – The ability to create and update audience groups based on past participation, feedback quality, or product engagement ensures that each study reaches the most relevant users.

Like paid panels, Centercode offers pre-screened user profiles, automated segmentation, and real-time filtering, making it easy to fill studies with relevant participants while reducing manual screening. Unlike paid panels, however, Centercode gives teams full control over their research community.




Use these best practices and templates to attract quality testers and speed up the recruitment period. You'll learn a proven process for finding enthusiastic beta testers from your target market.

**Download the Recruitment Kit now**

# Smart Engagement & Participant Retention

A thriving research panel should function like an engaged community. When researchers maintain ongoing relationships with testers, they get richer insights, faster study participation, and a more consistent flow of feedback over time. The right tool should make it easy to keep testers engaged without requiring constant manual effort.

### KEY CAPABILITIES TO LOOK FOR:

- **Automated Re-Engagement** – A strong platform can send reminders, personalized outreach, and follow-ups to keep participants involved between studies.
- **Community Communication & Announcements** – Researchers should be able to share updates, invite testers to new opportunities, and acknowledge contributions to foster a sense of involvement.
- **Built-In Incentive & Recognition Tools** – Rewarding participation strengthens engagement. Platforms that automate incentives, track user activity, and highlight top contributors help maintain an active panel.

A great panel management and engagement tool should support a community-driven approach to research by automating engagement, streamlining communication, and reinforcing tester involvement. Instead of treating participants as one-time respondents, platforms like Centercode help teams cultivate lasting relationships—ensuring more reliable, high-quality feedback over time.

ARRIS

sonim

Companies like Arris and Sonim Technologies have leveraged Centercode to build engaged communities that drive higher-quality insights and better product decisions.

Read their stories

# Integrated Study Management & Execution

Managing a research panel goes beyond just recruiting and engaging participants—it also means running studies efficiently. Without the right tools, researchers can get bogged down in scheduling, data collection, and administrative tasks, taking valuable time away from analyzing insights.

## KEY CAPABILITIES TO LOOK FOR:

- **Integrated Scheduling & Study Workflows** – A tool should allow participants to self-schedule sessions, automate follow-ups, and manage ongoing studies in one place.
- **Built-In Feedback Collection** – Surveys, task completion tracking, and structured feedback forms should be embedded into the platform to streamline data gathering.
- **Participant & Task Tracking** – Researchers should be able to monitor participation, flag incomplete responses, and ensure testers complete their assigned tasks.

Effective research panels require structured workflows to manage user engagement, streamline data collection, and reduce logistical overhead. Without these, teams lose valuable time coordinating studies instead of analyzing insights. The right approach centralizes recruitment, engagement, and feedback loops, making long-term research more scalable.




Centercode streamlines user engagement with automation so you can focus on insights instead of admin work. With **custom feedback forms**, **feedback prioritization**, and **automated workflows**, the platform removes the manual work from test management.

**Book a demo to see it for yourself**

# Actionable Reporting & Insights

Collecting feedback is only valuable if teams can easily analyze and act on it. A strong research platform should help researchers organize responses, identify trends, and share insights with stakeholders—without spending hours sifting through raw data.

### KEY CAPABILITIES TO LOOK FOR:

- **Custom Reporting & Dashboards** – The platform should offer built-in reporting features that highlight key trends, track participant engagement, and measure study outcomes.
- **Qualitative & Quantitative Data Analysis** – Structured tools for tagging, categorizing, and analyzing open-ended feedback help uncover deeper insights.
- **Stakeholder-Friendly Sharing** – Research findings should be easy to export, visualize, and distribute to product teams, ensuring insights lead to action.

Comprehensive tools like Centercode streamline research analysis by automating feedback collection, surfacing key trends, and making it easier to share insights across teams. With a panel of engaged participants providing ongoing input, teams can track sentiment over time and make informed, customer-driven product decisions.




Cisco's Webex Beta 2.0, powered by Centercode, drove 11x community growth and 14x more tester participation, fueling product improvements through real customer feedback.

**Read more about Cisco's success**

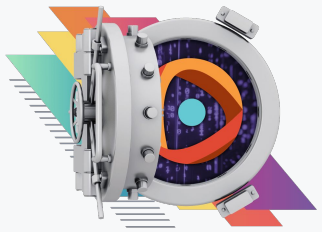
# Robust Data Security & Compliance

Protecting participant data and ensuring compliance with global regulations is crucial for maintaining trust and data integrity. A strong research platform should offer security measures that safeguard sensitive information while simplifying compliance management.

### KEY CAPABILITIES TO LOOK FOR:

- **Regulatory Compliance & Data Privacy –** Ensure the platform adheres to GDPR, CCPA, and SOC 2 standards with built-in privacy controls. This includes private data fields, automated consent management, and participant data request handling to meet regulatory obligations.
- **Access & Identity Management –** Look for Single Sign-On (SSO) (e.g., Google Authentication) to enhance security and ease of access. Role-based permissions and audit logs can help track data interactions.
- **Trade & Policy Compliance –** The platform should support agreement tracking, privacy policy management, and trade compliance screening to ensure compliance with legal and trade regulations.

Centercode and tools like it offer built-in compliance and security features that help research teams protect sensitive data while maintaining operational efficiency.



With automated privacy controls, seamless SSO integration, and compliance workflows for agreements and trade regulations, Centercode ensures that teams can focus on gathering high-quality insights without worrying about security risks or regulatory burdens.

**Book a demo to see it for yourself**

# A Panel That Delivers Long-Term Value

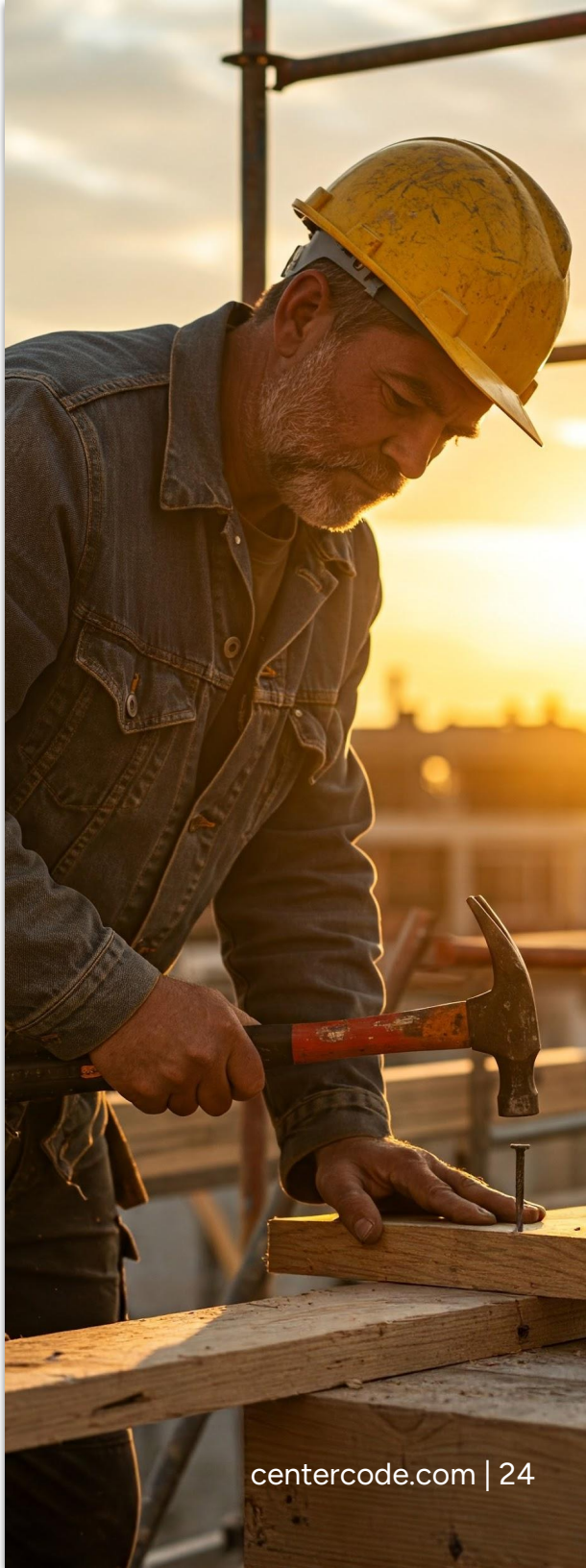
Maintaining a trusted, high-quality panel requires intentional effort and the right tools to keep participants engaged and their data accurate.

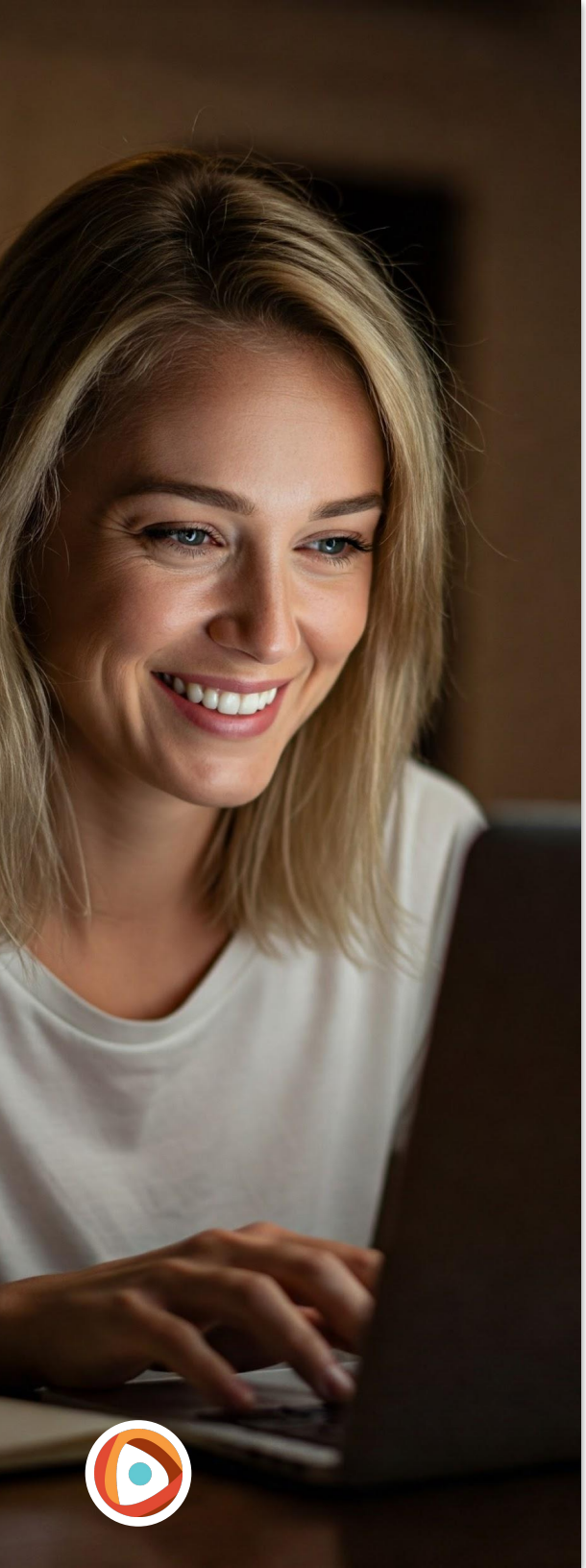
A strong solution should handle the complexity of **verifying testers**, **preventing data decay**, and **fostering engagement.** With those tasks handled, your team can focus on gathering meaningful insights and improving your product.

By prioritizing the quality, authenticity, and ongoing relationship with your participants, you create a panel that delivers reliable, actionable feedback when you need it.

### Checklist - Community-Driven Research Solution

- ☐ Participant verification & quality controls
- ☐ Automated recruitment & screening
- ☐ Advanced audience targeting & segmentation
- ☐ Smart engagement & participant retention
- ☐ Integrated study management & execution
- ☐ Actionable reporting & insights
- ☐ Robust data security & compliance





# Your Community-Driven Research Panel, Powered by Centercode

Centercode eliminates the biggest trade-off in user research: **speed vs. quality**. Traditional paid panels deliver fast results, but their data is often **unreliable, transactional, and disconnected from real user behavior**. On the other hand, **community-driven research offers authentic, high-quality insights**, but maintaining a panel takes effort.

Centercode gives you the **best of both worlds**. It combines the **depth** and **reliability** of an **engaged user community** with the **efficiency** and **automation** needed to **scale research quickly**. No more guesswork. No more disconnected tools. No more time wasted on unreliable insights.

**Fast, reliable, scalable research—without the trade-offs.** With Centercode, you get an on-demand panel of real, engaged users, backed by automation that handles recruitment, verification, and retention. Whether you're running rapid usability tests or long-term studies, you get insights you can trust to drive better products.

# Level Up Your Testing with Centercode

## Testing Solutions

### User Testing Platform

Automated user testing designed to meet the demanding needs of modern development

### Tester Network

300,000+ members worldwide
Access to millions via extended networks

### Fully Managed Tests

Dedicated expert test management team
Project-based on dedicated annual programs

## Why Choose Centercode

**Increase Revenue**

½ ⭐
**INCREASE**
in product rating

**Release Sooner**

**50%**
**FASTER**
test cycles

**Gain Participation**

**75%**
**INCREASE**
in tester engagement

**Save Time**

**40%**
**DECREASE**
in time managing tests

**Be a Hero**

**646%**
**ROI**
over 3 years

## Preferred by Market Leaders

amazon · T-Mobile · fitbit · Ford · HONDA INNOVATIONS · verizon · LG Life's Good · intel · FedEx · AUTODESK
BOSE · AMD · iRobot · MATTEL · SONOS · PELOTON · P&G · logitech · WYZE · peacock · Spectrum
alteryx · intuit · salesforce · esri · vmware · DAZN · zoom · citibank · SAP · Microsoft · waze

# Engage Your Audience Continuously

## Early Concept

Investigate and optimize product market fit of early concepts and designs

### Use Cases

- Prototype Feedback
- Feature Validation
- Market Fit Testing

## Customer Zero

Build internal awareness and learn from colleagues testing products

### Use Cases

- Alpha Tests
- Dogfooding
- Employee Tests

## Product Launch

Optimize release candidates with real world insights from your market

### Use Cases

- Beta Tests
- User Acceptance Tests
- Fields Tests

## Product Growth

Evolve products over time with post-launch feedback from engaged customers

### Use Cases

- Progressive Delivery
- Early Access
- Advisory Boards

## With the Centercode Platform

The leading solution for product teams to **engage audiences** throughout the development cycle and get **fast, actionable insights** with **minimal effort**.

More **automation**. Better **insights**. Less **work**.

Book a demo

