

Choosing a Sample Size

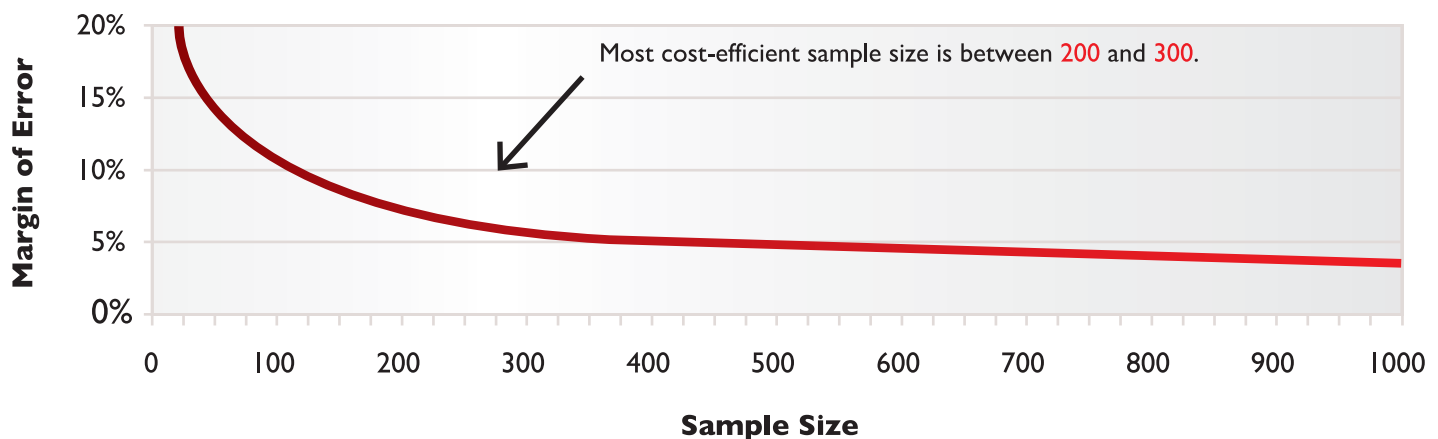
Businesses often wonder how many people to survey. The more people surveyed, the more accurate the results, but also the higher the cost. Choosing a sample size is therefore a trade-off between accuracy and cost.

There are diminishing returns to increasing sample size. For example, increasing a sample size from 100 to 200 would bring the margin-of-error down by 2.9 percentage points (from 9.8% to 6.9%). However, adding another 100 surveys to a sample of 500 would bring the margin-of-error down by only 0.4 percentage points (from 4.4% to 4.0%).

For this reason, the best trade-off between accuracy and cost is usually somewhere between 200 and 300 surveys. Note that if there are important sub-groups, you may need 200-300 surveys for each sub-group.



■ **Choose an agency that really understands quantitative research.**



Margins of Error at Different Sample Sizes and Percents

	Sample Size							
	30	50	100	200	300	400	500	600
50%	17.9	13.9	9.8	6.9	5.7	4.9	4.4	4.0
60% / 40%	17.5	13.6	9.6	6.8	5.5	4.8	4.3	3.9
70% / 30%	16.4	12.7	9.0	6.4	5.2	4.5	4.0	3.7
80% / 20%	14.3	11.1	7.8	5.5*	4.5	3.9	3.5	3.2
90% / 10%	10.7	8.3	5.9	4.2	3.4	2.9	2.6	2.4
95% / 5%	7.8	6.0	4.3	3.0	2.5	2.1	1.9	1.7
100% / 0%	none	none	none	none	none	none	none	none

* **How to read the table:** say your results show that 80% of you customers are satisfied with your customer service, and the sample size was 200. The margin or error is plus/minus 5.5 percentage points, meaning the true figure is between 74.5% and 85.5%.

Note 1: the margin of error of 90% is the same as the margin of error of 10%, the margin of error of 80% is the same as the margin of error of 20%, and so on.

Note 2: the above margins of error are at the 95% confidence level which is the standard level used for business.