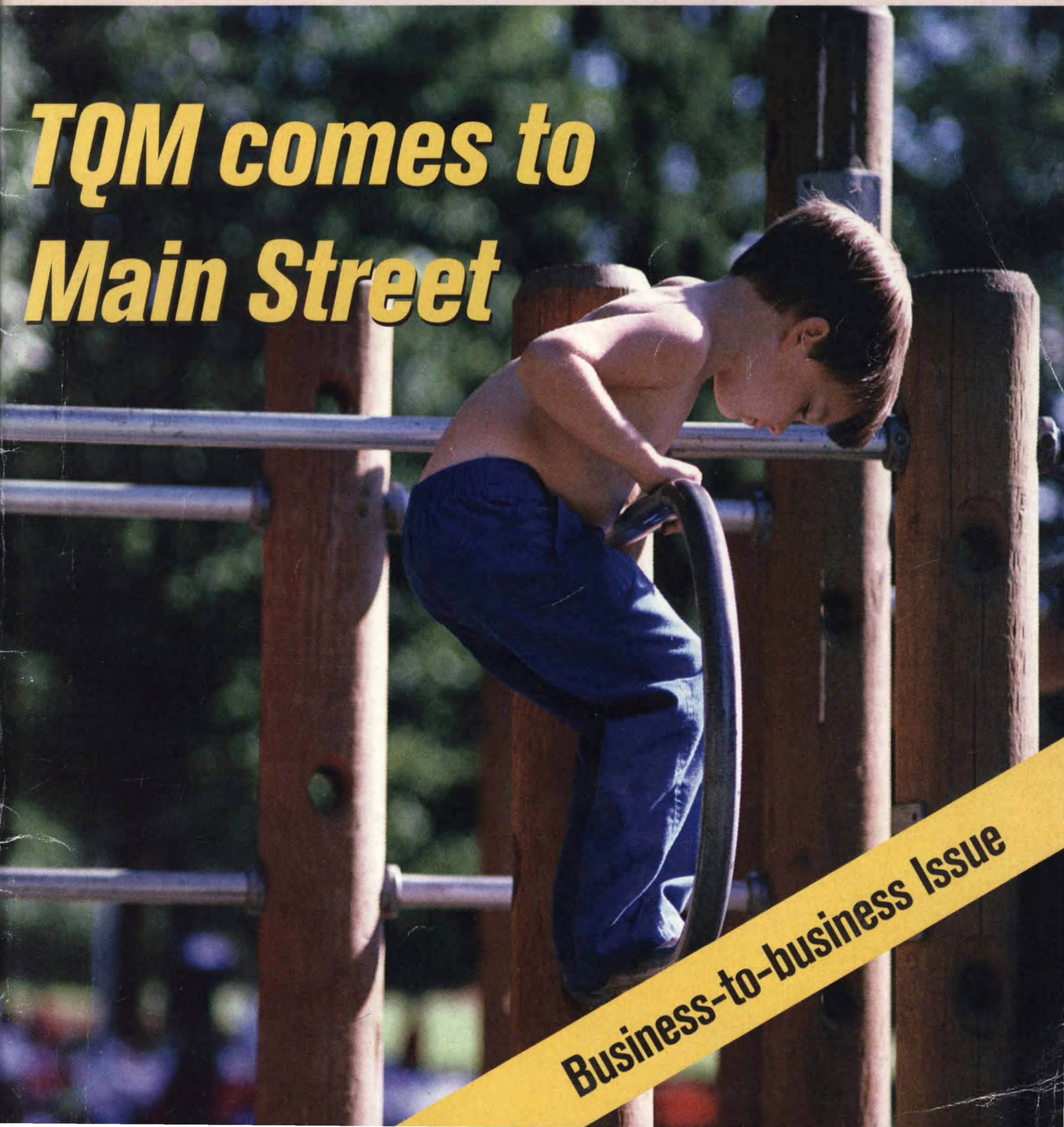
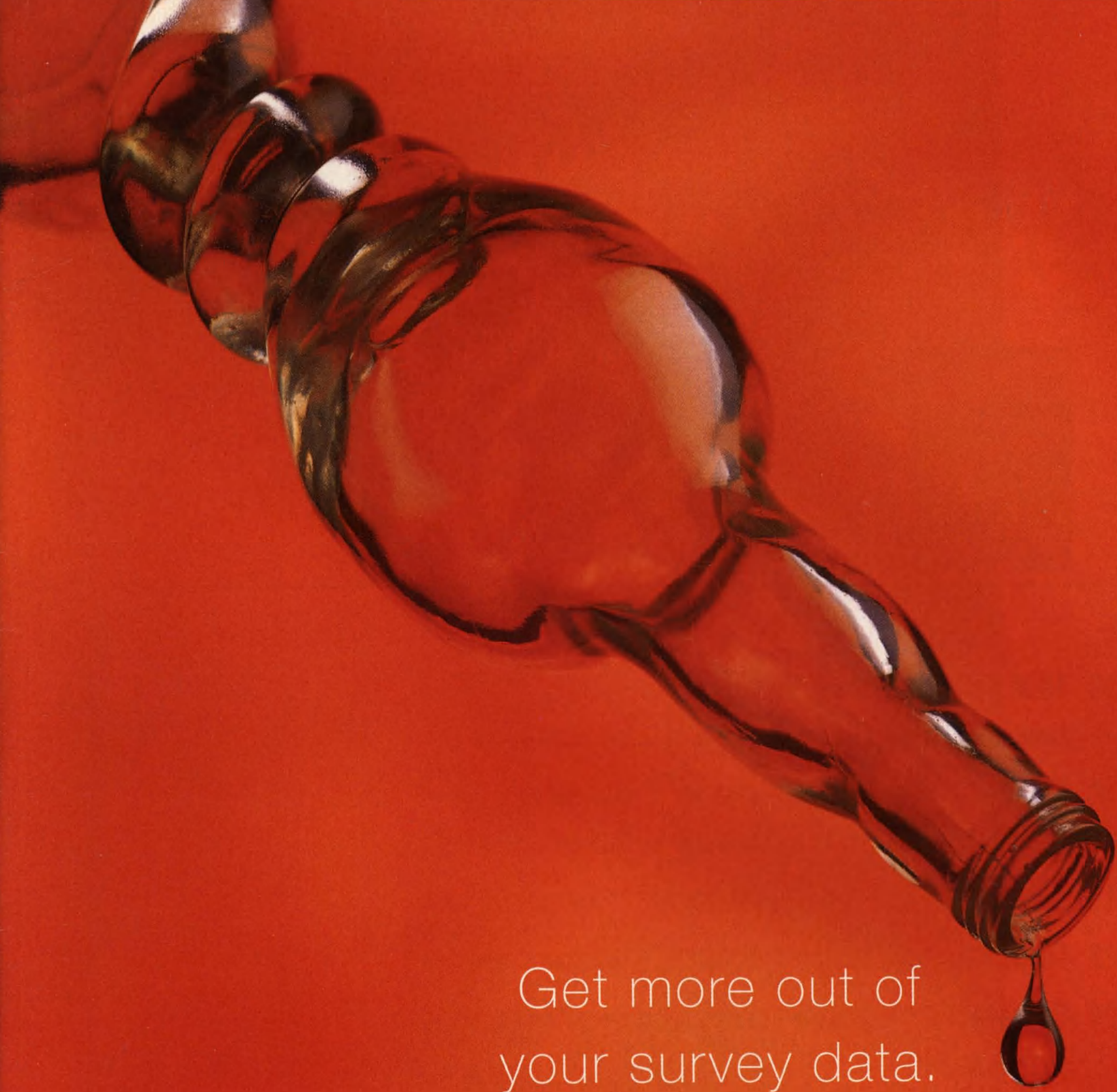
Using business cycle data • Correspondence analysis • Trouble in the Heartland

April 1996

Quirk's MARKETING RESEARCH Review

Practical applications in marketing research





Quirk's
MARKETING RESEARCH
Review

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Volume X, Number 4 April 1996

FEATURES

DEPARTMENTS

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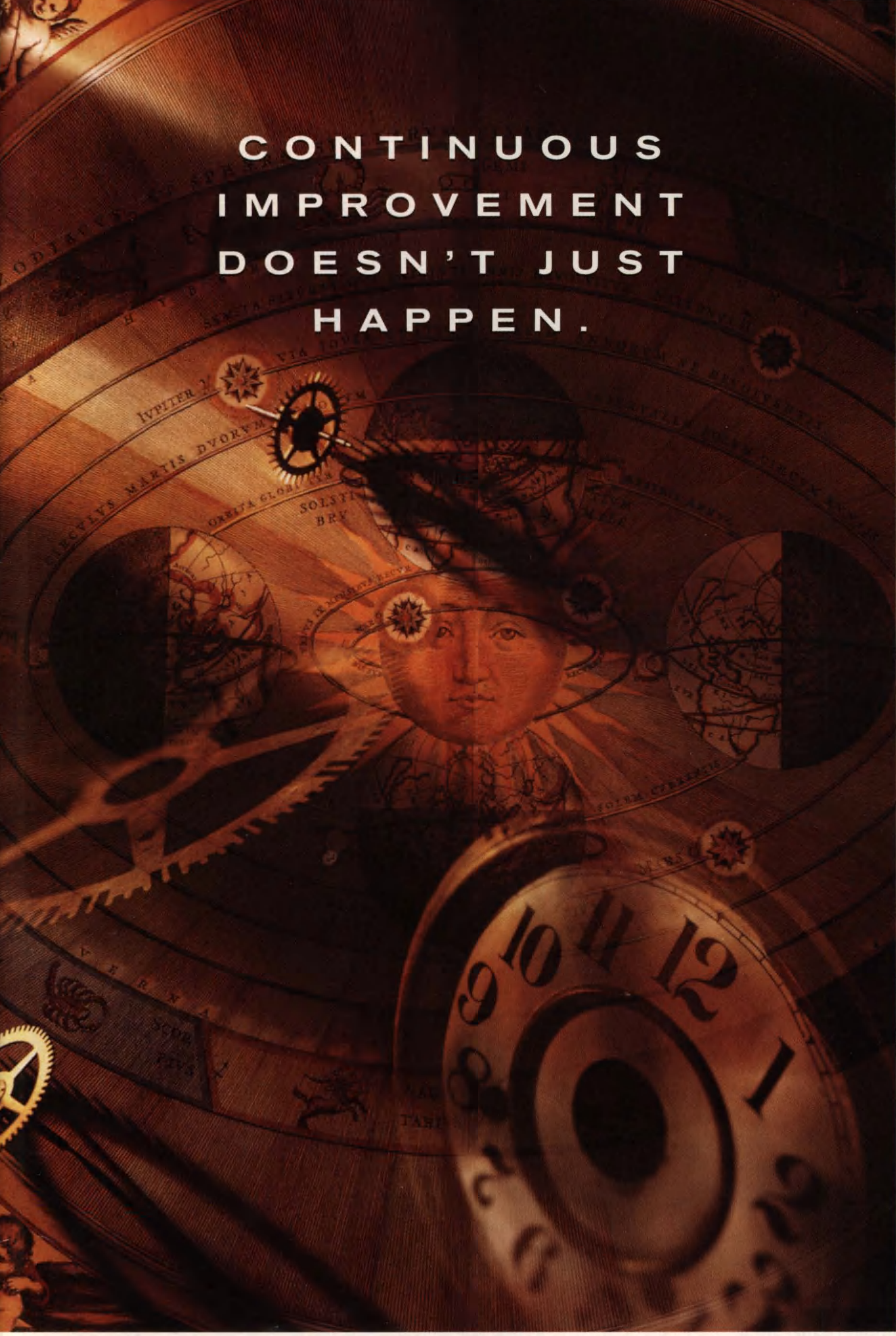
CONTINUOUS
IMPROVEMENT
DOESN'T JUST
HAPPEN.

Americans wary of telecom bill

Recent poll results show that many Americans fear the telecommunications bill will result in higher costs for cable TV and telephone services with no improvement in quality.

The new legislation allows cable TV companies as well as long distance and local telephone service providers to compete with each other in offering a full range of communications services to consumers. Under the new law, cable TV companies can provide local or long distance telephone services and telephone companies can provide cable TV services. The hope is that the resulting increased competition will drive consumer costs down and elevate the quality of services consumers now receive.

However, according to a recent poll, the public remains skeptical of the benefits from enhanced competition. Nearly half of the people surveyed feel that the cost of cable TV will go up (49 percent), while about one in four say it will either stay the same (26 percent) or it will go down (25 percent). About one-third anticipate increases in costs of local telephone service (31 percent), nearly twice the number who think that the cost of local telephone service will go down (17 percent). More consumers also feel long distance telephone costs will go up (32 percent) than go down (23 percent) with 42 percent saying they think long distance costs will remain the same.

The public is not convinced that increased competition afforded by the new legislation will bring about improved service. Only about one in three consumers think the quality of cable will get better (35 percent) and only one in four predict improvement in their long distance (27 percent), or local telephone service (27 percent). About one in 10 think that quality will actually decline in each of these services.

"Based on the results of our survey, Americans do not believe that they will benefit from the new legislation as much as the politicians would have them believe," says Bruce Simmon, Chilton's communications consultant.

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Twentysomethings will pay more for quality

In today's economy, who's willing to pay more for brand names? Twenty something women will. According to the latest MLLEMeter Report from *Mademoiselle* magazine and Roper Starch Worldwide, Inc., twentysomething women will pay more for the brands they believe to be high in quality. Twentysomethings will open their wallets wider than baby boomer women for brand name shampoo, liquor, cold cereal, skin care lotion and soft drinks. Boomer women, who say certain brands of these products are better than others, don't think they're worth higher prices. What will baby boomer women shell out bigger bucks for? According to MLLEMeter, the majority will pay more for better brands of ground coffee, toothpaste and ice cream.

Source: Roper Starch Worldwide Inc., 1995-6, nationally representative sample of women age 18+; all interviews conducted face-to-face in respondents' homes. For more information call 212-880-8800.

Product:	20-Something Women (Age 18-29)	Boomer Women (Age 30-49)
Shampoo		
Will pay more for better brands	53%	40%
Won't pay more for better brands	31%	34%
Little difference between brands	15%	26%
Liquor		
Will pay more for better brands	45%	31%
Won't pay more for better brands	27%	36%
Little difference between brands	15%	19%
Cold Breakfast Cereal		
Will pay more for better brands	46%	39%
Won't pay more for better brands	32%	35%
Little difference between brands	20%	25%
Skin Care Lotion		
Will pay more for better brands	53%	47%
Won't pay more for better brands	30%	30%
Little difference between brands	15%	22%
Carbonated Soft Drinks		
Will pay more for better brands	54%	45%
Won't pay more for better brands	26%	30%
Little difference between brands	18%	25%
Ground Coffee		
Will pay more for better brands	43%	55%
Won't pay more for better brands	35%	26%
Little difference between brands	17%	17%
Toothpaste		
Will pay more for better brands	49%	53%
Won't pay more for better brands	30%	29%
Little difference between brands	21%	18%
Ice Cream		
Will pay more for better brands	46%	53%
Won't pay more for better brands	36%	29%
Little difference between brands	18%	18%

WHO SAYS MARKET EXPANSION ISN'T A PIECE OF CAKE?

It certainly can be. Especially with ProphetPoint™ from Equifax Business Geo-Metrics. A PC-based decision support tool unlike any you've ever seen, ProphetPoint provides the business information you need to answer critical strategic questions. In mere seconds you can identify those high-growth industries most likely to buy from you—then evaluate when, where and how they'll change over the next five years. Or examine industry demand forecasts to optimize your distribution networks and sales territories, so you can soundly position your company for today—and the years ahead. You can even analyze acquisition targets to pinpoint investment opportunities. In short, ProphetPoint helps you to do more, faster. So you spend less time collecting data, and more time doing things that'll make you money. It's no wonder, then, that MCI calls ProphetPoint "a one-of-a-kind breakthrough. Fast, powerful—a clear competitive advantage." To get a bigger slice of that pie, call **1.800.699.8990.** Or visit us at http://www.ebgm.com.

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Product & Service Update

New data capture system from NCS

National Computer Systems Inc. (NCS), Minneapolis, has released a new data capture system designed to automatically read handwritten infor-

mation from documents or faxes and process it for a variety of applications. Called NCS Accra, the system verifies and corrects inaccurate information and stores it on optical media, eliminating the need for optical storage.

The NCS Accra system features high production scanners; proven recognition engines for accurate data capture; advanced contextual editing, including address validation and correction; remote fax input capabilities; and robust image archive storage and retrieval options. The system can read hand-printed, machine-printed and bar-coded data as well as optical marks, including check marks, X's and tick marks, from documents and images. To improve the accuracy of data collection, the system utilizes several technologies, including multiple recognition engines, contextual editing and electronic image cleanup and enhancement to remove noise and de-skew documents. Once the data has been validated and verified, the ASCII record is transferred to a database or user application file.

For applications requiring image archival and retrieval, the system provides automated indexing capability. Image clips, full-page images and imaged attachments, including handwritten notes, signatures, drawings and sketches and charts, can be captured for data entry, automatically indexed and stored for later retrieval. NCS Accra supports central scanning of documents and importing of existing images from a data file, plus entry of images via remote fax. In its basic configuration operating under Microsoft Windows, the system consists of a single personal computer with a fax board or image scanner. The system is fully expandable to support multiple scanners, fax services and data verification/editing stations in high volume, application critical networked configurations. For more information call 800-347-7226.

A Total end to bias?

Total Research Corp., Princeton, N.J., has introduced TRBC or Total Research Bias Correction. Lorin Zissman, Total Research chairman and CEO, says that TRBC "can dramatically reduce fundamental sources of bias, error and distortion in market research data."

"With TRBC," says John Morton, Total Research senior vice president and head of development of TRBC, "we are now able to more accurately differentiate between groups and even among different countries or cultures. Fairer testing of concepts or products has led to better understanding and prediction of market behavior — resulting in up to a 50 percent improvement in predictive accuracy. Incentive systems that reward high customer satisfaction can now be based on a much more level playing field."

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Research Calendar

GREAT LAKES MRA CHAPTER MEETS

The Great Lakes Chapter of the Marketing Research Association will sponsor a program called "Hands On . . . Survival Skills for Marketing Researchers" on May 2-3 in Cincinnati at the Embassy Suites at RiverCenter. The program includes dinner and karaoke at The Syndicate Restaurant, Newport, Ky., on May 2 and workshops on May 3. For more information call 606-655-6072.

MARKETING SEMINARS FROM EXECUTIVE ENTERPRISES

Executive Enterprises, New York, will hold seminars on the following dates and topics: call center management, April 1-2 at the Westin Hotel Galleria, Dallas; new product strategies, June 17-18 at the New York Hilton; alternative sourcing strategies for credit card marketing, July 22-23 at the Intercontinental, Chicago. For more information call Louise Tramonte at 212-645-7880.

Case history

TQM comes to Main Street

Lakewood, Ohio uses research to assess the state of the city

Quantitative research

Civic officials around the country are discovering that their "customers" - the residents of their communities - expect and deserve the same quality treatment that many businesses are striving to deliver. Even very satisfied residents may display complex requirements and expectations that must be understood and addressed. In addition to standard cross-tabulations and percentages, three techniques are especially useful in analyzing citizen survey research results: quadrant analysis, gap analysis and an examination of verbatim responses to open-ended questions. These techniques were used to analyze a citizen survey conducted for Lakewood, Ohio (pop. 59,000), a suburb bordering Cleveland.

"A customer service focus is a major premise in a total quality initiative," says Gale Fisk, Lakewood's finance director. "We needed to know if the citizens of Lakewood, our customers, were pleased with service delivery. We needed to see areas where we were strong and areas that needed improvement. We also needed information on the importance of services and programs. As administrators, we felt more emphasis was needed on upkeep of the infrastructure, such as street reconstruction. However, the key question is, do the residents see this as a priority? The survey has provided this information, and it will be used to guide our planning for service levels and programs."

The research indicated that 88 percent of the residents were satisfied with life in the city. However, even with this high overall satisfaction score, the research pinpointed critical areas where city officials needed to plan and implement improvements.

Joint development

The questionnaire was developed jointly by the City of Lakewood's total quality management team and National Survey Research Center (NSRC), a Cleveland marketing research and consulting firm. Mary Holloran, Lakewood's director of planning and development, emphasized the importance of the joint development. "We relied on NSRC's expertise, but at the same time, members of the total quality management team needed to provide essential input. Acting on the survey results was easier because all members participated in the development of the research questions."

The overall research objective was to capture information about the importance and satisfaction of 21 specific city services. Five-point rating scales were used. Importance was captured with a scale where a 5 indicated "very important" and a 1 denoted "not important at all." Satisfaction ranged from a 5 indicating "very satisfied" to a 1 denoting "very dissatisfied."

Telephone interviews were chosen rather than a survey by mail. Better response rates and a subsequent reduction in non-response bias were important factors in the choice. In addition, a critical component of the analysis methodology involved the analysis of verbatim comments to open-ended questions. Interviewer clarification and probing are absolutely essential to this analysis. Verbatim responses are often a weak point of mail surveys. Some researchers have found that the inclusion of open-ended questions also reduces the response rate to mail surveys.

The research indicated that 88 percent of the residents were satisfied with life in the city. However, even with this high overall satisfaction score, the research pinpointed critical areas where city officials needed to plan and implement improvements.

Alan Dutka, president of NSRC, believes that obtaining opinions from a random selection of residents is an essential aspect of the research. "Public officials get plenty of feedback," he says, "but it usually comes from a very small segment of the population whose views may not be representative of the population as a whole. The citizen survey puts issues and viewpoints in a much broader and more accurate perspective."

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Key measurement programs for a customer satisfaction system in a business-to-business market

By Maria E. Ramos

Editor's note: Maria E. Ramos is a senior analyst in the Digital and Applied Imaging Division of Eastman Kodak Co., Rochester, N.Y. She was previously manager, customer satisfaction research in the company's Office Imaging Division.

The growing popularity of customer satisfaction measurement has given rise to the development of different programs for measuring customer satisfaction. Although these programs vary widely in scope and methodology, most are designed to produce a single satisfaction metric based on random sampling of customers at a single point in time. This common approach ignores the fact that, in many cases, such as equipment and other durable products, customers use products over a relatively long life cycle (usually in years) made up of a sequence of distinct phases. These products may require the investment of significant resources by the customers and the longer the life of the product the greater the potential for customer satisfaction to change (usually decrease) over time. These aspects tend to increase a customer's recollections of his/her experiences with the product throughout its life.

The product's life cycle, and the key phases and events that define it, can be very important to understanding customer satisfaction and to designing effective strategies for enhancing customer satisfaction. First, life cycle events have the potential of influencing customer satisfaction and loyalty. This means that stratifying or segmenting customers according to where they are in the life cycle will reveal more information about the nature of customer satisfaction.

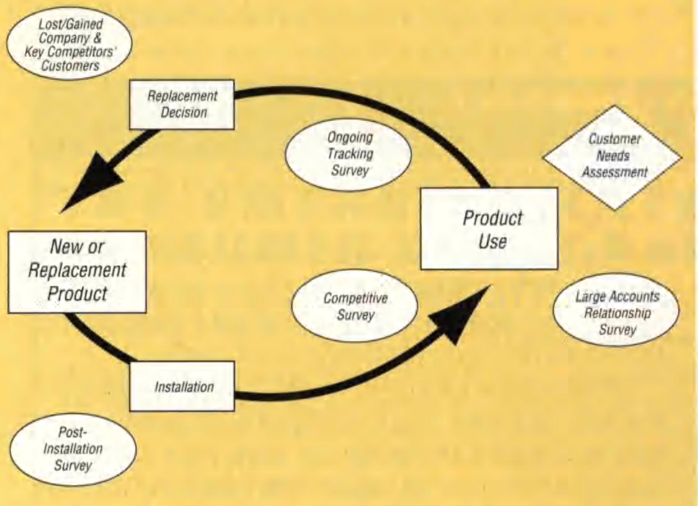
Second, designing and conducting surveys according to where the customers are in their cycle (e.g., having recently purchased or about to replace the product), will provide more accurate customer feedback by capturing the customers' most recent experiences with the product. Such information also enables the company to design finely targeted intervention strategies to increase customer satisfaction.

The customer satisfaction system

In an organization, customer satisfaction should be a system that involves everyone. Customer satisfaction is a systematic process for collecting customer data (e.g., via surveys, complaints, sales calls), analyzing this data to make it into actionable information, driving the results throughout an organization, and implementing satisfaction improvement plans. Therefore, the main components of a customer satisfaction system are the measurement programs coupled with other information provided by the customer (e.g., customer complaints, sales and service information) and customer satisfaction improvement plans. The measurement programs should be designed to assess satisfaction levels at different periods during the life cycle of a customer and should clearly point out what aspects of the business need to be improved. The satisfaction measures and analysis obtained are then used to create close-looped customer satisfaction improvement plans which should be devised and implemented by the different functions in an organization. Once improvement plans are implemented, follow-up surveys should be done to track progress.

A product goes through different phases during its life: installation, use of the product and replacement decision. At the end of the product's life, the customer decides whether or not to replace the product with the same or another manufacturer's new product. One can then think

Customer Life Cycle and Satisfaction Measurement



of the customer as having a "life cycle" which ends and may be renewed when the product's life ends. The events preceding the "replacement" phase can strongly influence customer satisfaction and a customer's willingness to repurchase a company's products. The figure above shows the life cycle phases and the measurement programs that will allow a company to monitor customer satisfaction and make necessary improvement as the product goes through the different phases.

Installation phase

After the customer purchases, rents or leases a product, the installation experience can affect customer satisfaction, not only during or right after the installation of the product but also over the life of the product. This is particularly true when problems that surfaced during installation are not resolved to the satisfaction of the customer. Therefore, it is important to conduct a post-installation survey right after the product "settle-down" period, i.e., when the product begins its normal or expected way of operation. A product's "settle-down" period may differ from product to product and industry to industry.

A post-installation survey is an excellent vehicle to obtain the most accurate information about the customer's satisfaction and dissatisfaction with the equipment's initial performance and features, the operator's training and manuals, and other aspects important to the customers. Ideally, a company should contact all of its new and repeat customers, particularly customers of products that the company has just introduced into the marketplace. If budget and resources are not sufficient to contact all customers, random sampling of customers or concentrating on those customers purchasing newly introduced products and/or products that are key revenue earners are alternative approaches. A post-installation survey also is a way to tell customers that the company cares and it realizes that customer has just invested considerable resources in its product.

A post-installation survey is an excellent vehicle to obtain the most accurate information about the customer's satisfaction and dissatisfaction with the equipment's initial performance and features, the operator's training and manuals, and other aspects important to the customers. Ideally, a company should contact all of its new and repeat customers, particularly customers of products that the company has just introduced into the marketplace.

Use phase

Once the equipment has been installed and settles into

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Correspondence analysis: The big picture

By Kent Rogers

Editor's note: Kent Rogers is a senior project director for St. Louis-based Maritz Marketing Research Inc.'s Agricultural Division. This article originally appeared in the 1995 CASRO Journal. *It is reprinted here with permission.*

Marketing researchers must often provide perceptual maps, or maps of a marketplace that provide insight into relationships between criteria relevant to important decisions. The following discussion focuses on one type of perceptual map — correspondence analysis.

Correspondence analysis is an exploratory method of data analysis that visually displays relationships between categorical variables. As such, it is highly suited for showing association between elements of cross-tabulated variables as points on a map.

Small distances between points indicate high association, while large distances indicate low association. Correspondence analysis is most useful in displaying relative strengths and weaknesses and provides a strong framework for presenting conclusions. It is also useful as a preliminary method of investigating patterns in data.

Keep in mind that correspondence analysis is an exploratory tool, because it is an aggregate procedure. It operates on a summary matrix of data (the cells in a cross tabulation). In contrast, disaggregate methods, such as factor analysis, operate on respondent-level data. With correspondence analysis, information on individual differences is lost. Statistical significance, while available based on a chi-square distribution, is not an issue because there is no initial variance within cells.

Correspondence analysis provides a useful alternative in interpreting data that is not conducive to disaggregate methods of analysis.

Since correspondence analysis is designed to analyze data within a contingency table, data requirements are flexible. For instance, it can be used with binary coding (where attributes are checked "yes" or "no").

Correspondence analysis can also be helpful with scales that have a narrow range of response. If responses are heavily clustered around the top points on a scale, as is frequently the case in satisfaction research, then the application of methods such as factor analysis or multiple regression may lead to disappointing results.

How does correspondence analysis work?

Table 1 shows sample data that lends itself to correspondence analysis. It is a table of top-box performance scores for three soybean herbicides, rated by growers on several attributes related to weed control. The columns show scores by brand across attributes, while the rows show score distributions on particular attributes across each brand. These row and column distributions are called profiles. They represent the row or column categories, which are called elements. It is association among these elements that correspondence analysis portrays.

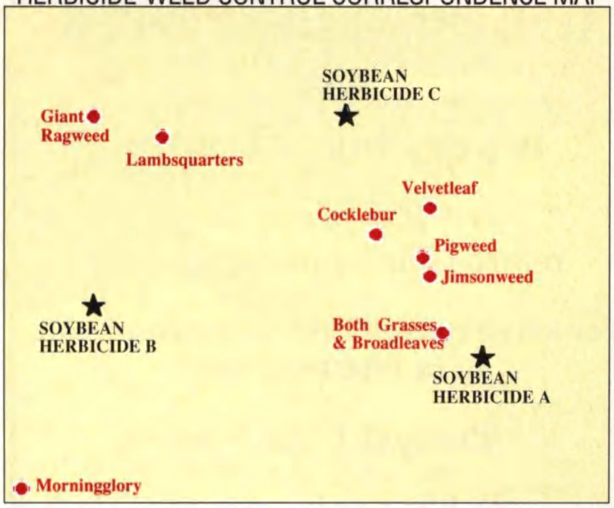
Table 1: Input Data

TOP BOX %	SOYBEAN HERBICIDE			ROW	ATTR.
Attributes	**A**	**B**	**C**	**Mean**	**Mass**
Controls Grasses & Broadleaves	25.4	21.6	25.9	24.3	13.4%
Velvetleaf	22.9	20.2	26.2	23.1	12.7%
Pigweed	22.5	19.9	24.7	22.4	12.3%
Morningglory	15.4	22.8	16.5	18.2	10.1%
Cocklebur	20.6	19.6	23.6	21.2	11.7%
Jimsonweed	24.9	21.8	26.9	24.5	13.5%
Lambsquarters	22.3	29.6	31.5	27.8	15.3%
Giant Ragweed	14.8	22.0	22.4	19.7	10.9%
Column Mean	21.1	22.2	24.7	22.7	
Brand Mass	31.0%	32.6%	36.3%		544.0

Correspondence analysis balances the row and column profiles and displays each as points on a map. Each element has a mass associated with it, which is the relative overall response frequency. The mass and the shape of the distribution determine the location of an element's point.

Figure 1 shows the results of correspondence analysis for the sample data. This solution was produced by Mapwise, one of several programs available for correspondence analysis. In the plot, associations among the three soybean herbicides, and individual weed control attributes are apparent. Relationships among attributes are also displayed.

HERBICIDE-WEED CONTROL CORRESPONDENCE MAP



The solution

The solution starts by using the average row profile (across attributes) and the average column profile (across brands) to find a centroid, or a center of gravity, to serve as a benchmark for the map. The map is centered around the centroid. Distances from individual points are minimized to this centroid, creating a common point of reference allowing us to compare distances between points.

In interpreting the sample map, brands are described in terms of the attributes that are closest to or farthest away from them. First notice that the three brands are far apart on the map, indicating that customers may have unique perceptions of each.

Also, notice that the attributes "morningglory," "giant ragweed," and "lambsquarters" are located apart from the rest of the attributes. This suggests that these weeds may have unique properties that impact customers' perceptions.

A brand's relative strength or weakness is implied by its proximity to attributes on the map. A short distance implies relative strength, and a large distance implies relative weakness. To illustrate this point, observe the position of Herbicide A in relation to "controls both grasses and broadleaves."

Looking at the data for this attribute, Brand C is rated higher than Brand A. Why is the attribute located next to Brand A? The rating for Brand A for "controls both grasses and broadleaves" is over four points higher than the column mean for Brand A, while the rating for Brand C is only one point higher than its respective column mean. Therefore, Brand A is relatively stronger on this attribute than Brand C, and this strength is depicted by closer proximity on the map.

As mentioned earlier, it is important for correspondence analysis users to keep in mind the exploratory nature of the analysis and the qualitative nature of the conclusions that can be drawn. Correspondence analysis is best used as a visual framework for discussion of results or creating hypotheses about the data.

In fact, the best way to use correspondence analysis is in conjunction with other analytic techniques. A correspondence map can provide a context of association in which to visualize information from other sources.

For instance, correspondence analysis can be combined with vulnerability analysis. Showing associations between brands and attributes provides a convenient backdrop for discussing the potential effects on the market of brands vulnerable on certain attributes.

Correspondence analysis can serve as a display alternative, or it can be used in conjunction with charting techniques. For instance, with radar charts we can view multiple attribute ratings for a group of products. Correspondence maps focus on the association of brands and attributes, while radar charts show the absolute levels of attribute ratings.

Correspondence analysis is also useful for summarizing conclusions. By plotting associations among the most important elements of a study, a correspondence map can serve as a visual framework for emphasizing study implications at the end of a presentation.

So, if you are wondering whether correspondence analysis is appropriate for your situation, just ask yourself if it will contribute to your point. The ability of correspondence analysis to reduce a complex data matrix to a simple plot displaying marketing variables as related points on a map offers a unique advantage for research users. If a researcher keeps limitations firmly in mind, the use of correspondence analysis can be a valuable enhancement to the analysis of a study.❑

War stories

True life tales in marketing research

By Art Shulman

Editor's note: "War Stories" is a regular feature in which Art Shulman, president of Shulman Research, Van Nuys, Calif., presents humorous stories of life in the research trenches. Readers are invited to call (818-782-4252) or fax (818-782-3014) Shulman with stories of their own.

Some time ago I was doing in-depth interviews at consumer electronic stores, asking salespeople about their reaction to my client's product, a small hand-held item. A salesperson I was interviewing removed the store's product sample from a glass case, and as she showed it to me, the plastic piece in the back covering the battery case came off, just as my own had done many times at home and in the office. After the interview was completed, I took the sample we'd been discussing and placed it in my briefcase, assuming it was mine. After all, the back piece had detached. It was only as I was almost out the door when the salesperson noticed what had happened and called out to me.

When she told me that I had her product sample, I wondered if I'd be the first person in the history of market research to be arrested for shoplifting while performing their duty.

Of course, when it was all over I had a story to tell my client — that he had a quality control problem with the plastic piece covering the battery case.

Lon Zimmerman of The Research & Planning Group tells about in-depth interviews he was conducting on a catalogue of merchandise for new moms. Toward the end of the interview, Zimmerman was referring to his notes when he noticed one of the new moms begin to breast feed her baby. Zimmerman says he didn't know where to look. Whether he looked her in the eye or just focused on his notes, he felt uncomfortable. Of course, behind the mirror he could hear the howling of his clients.

I wonder if, after the interview was completed, his clients complimented Zimmerman on a good interview, telling him that he had really milked that respondent for information.

Usually, it's clients who complain about the recruiting for groups, insisting that someone doesn't belong in the group. However, Laird Brown of US West recalls being in the viewing room observing a focus group of small business owners. The door to the observation room suddenly burst open and a large and unpleasant looking man strode forward and started pounding on the one-way glass, shouting, "Get her out of there! Don't you tell them anything about my business!"

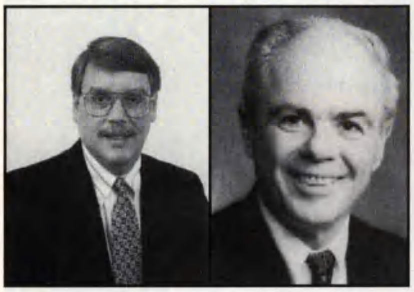
The respondents turned toward the mirror, which Brown was afraid the man would shatter. Shortly, the hostess went into the respondent room and escorted one of the women out of the group. Apparently they had recruited the office manager in place of the business owner, and the owner was none too pleased about it.

Linda Suskin of Brittain Associates is a qualitative researcher with a distinct South African (often mistaken as British) accent. While conducting an in-depth interview on the subject of foundations and charitable giving, Suskin asked an open-end question on donating to the arts, to which her wealthy respondent, a resident of Cleveland, replied huffily, "As a benevolent philanthropist to organizations in need, why on earth should I donate monies to the local yacht (pronounced 'y'art') club?"

Sometimes a researcher's questions result in a different kind of misunderstanding. Mike Exinger of Clearwater Research reports doing a survey on computer peripherals where respondents were asked about computer types, printers and software. When one office manager was asked, "Do you have Windows?" she replied, "No, we're in the basement!" ❑

Names of Note

Michael J. Ludy has joined *MarketVision Research, Inc.*, Cincinnati, as vice president, client service.



Ludy King

Robert King has been named vice president of sales, at *Valley Forge Information Service*, a unit of ICT Research Services, Langhorne, Pa. **Helen-Marie Troy** has been named vice president of project management at VFIS. In addition, VFIS has named **Mary Ellen Fasano** vice president of operations.

Troy Fasano

Tracy Snicker has joined *C.J. Olson Market Research, Inc.*, Minneapolis, as data collection supervisor.

Thomas Leidy has joined *CB&A Market Research*, Winston-Salem, N.C., as vice president of custom research and client services.

Rebecca Edwards Vahlkamp has joined *Aragon Consulting Group*, St. Louis, as a research coordinator. **Amy L. Sundet** has also joined the firm as a research analyst.

Merle Holman, president of *Group Dynamics in Focus, Inc.*, and The VideoConferencing Center of Philadelphia, was presented with the Sam Walton Business Leadership Award by the Greater Philadelphia Chamber of Commerce. The award honors the local businessperson who best exemplifies a commitment to customer service, respect for employees and concern for the community.

Directions for Decisions, Jersey City, N.J., has added **John Almash** to its staff as a principal. He will be an executive vice president.

Howard Furmansky has joined *Leferman Associates*, Stamford, Conn., as a vice president and director of qualitative services.

Elrick and Lavidge, an Atlanta research firm, has promoted two staff members: **Diane Reeve** to senior project manager and **Jo-Anne Goodchild** to senior moderator. **Jack**

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Research Industry News

Elrick and Lavidge, Atlanta, has opened a Web site at: http://www.elavidge.com.

Wirthlin Worldwide, a McLean, Va., research and consulting firm, has acquired Asia Studies, Ltd., a Hong Kong firm specializing in consumer research and consulting.

Bernett Research Services has moved to 1505 Commonwealth Ave., Boston, Mass., 02135. The phone number will remain 617-254-1314.

Information Resources, Inc., Chicago, announced break-even results for the fourth quarter of 1995 compared to a year earlier loss of $4.5 million or $.17 per share. For the quarter ended December 31, 1995 the company reported consolidated revenues of $98.5 million, up 13 percent after adjustment for the sale of a portion of the company's software business to Oracle Corp. in July 1995 and the pro forma consolidation of the company's French information business which was carried on an equity basis prior to January 1, 1995. Fourth quarter 1995 revenues from the company's North American businesses were approximately $85.6 million, 8 percent higher than the corresponding 1994 quarter, with InfoScan revenues up 5 percent versus a year ago.

Market Facts, Inc., Arlington Heights, Ill., announced record revenue and earnings for 1995. Revenue of $64 million for 1995 was 16 percent greater than last year and an all-time record. Total year net income increased 55 percent to $2,226,000 and $1.15 per share, also all-time records.

Personal Touch Marketing, Inc., an Ann Arbor, Mich., research firm, has opened a new office at 617 Detroit St., Ste. 120, Ann Arbor, Mich., 48104. The office, located in the city's Kerrytown area, features a focus group room with a 30' x 16' conference room, a 13' x 13' viewing room and audio and video taping equipment. For more information call Deborah Babcock at 313-741-1134.

Murphy Marketing Research has moved its offices to 322 E. Michigan St., Milwaukee, Wis., 53202. The company's new phone number is 414-273-6604.

Audits & Surveys Worldwide, New York, has created a new Technology Survey Group to help service its roster of clients in computer hardware and peripherals, software, communications, electronics, office equipment, imaging and home entertainment industries. The group will be headed by ASW Vice Presidents Michael Fallig and Edward Cohen.

St. Louis-based **Marketing World Inc.**, the founding company of Pragmatic Research Inc. and Consumer Opinion Council Research Center, has launched Focus On India, a division that will assist U.S. corporations in exploring new business opportunities in India.

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Conjoint analysis valuable in business-to-business research

By William H. Ducker

Editor's note: William H. Ducker is senior partner, Ducker Research Company, Inc., Bloomfield Hills, Mich.

Conjoint analysis, a sophisticated form of trade-off analysis, is widely used in consumer marketing research. It also is a valuable tool in industrial and business-to-business marketing research. We have found conjoint analysis particularly effective in studies involving product development strategies that are quite technical in nature. We have also found the technique a useful supplement to analyses of the purchase decision process in industrial markets.

In nearly every instance, there are far too many variables to permit manual filling out of a questionnaire. It is not unusual to have 50,000 possible combinations of product features and attributes in a product development study or 50,000 combinations of purchase selection criteria. In these studies, an adaptive conjoint analysis program (ACA) is essential.

The ACA system is a microcomputer-based interviewing procedure which was designed for conjoint studies that have a large number of attributes. The interview is customized for each respondent, focusing on the respondent's most important attributes and most relevant attribute characteristics. As the respondent proceeds through the program (about 10 minutes), questions become more complex; intermediate questions and closing questions on buying intentions are programmed to reflect earlier replies from that particular respondent . . . hence, the term adaptive. (There are several ACA programs on the market. The reader's local computer service outlet should be able to help. You may also wish to consult the marketing research software directory in the February 1996 issue of Quirk's Marketing Research Review.)

Pilot study

Prior to a full-scale study launch, a pilot study is conducted. In these pilot interviews, respondents are asked to define attributes they consider when specifying or purchasing the product under study. It is particularly important to define levels within each attribute, such as horsepower ranges, for example. These attributes and their several levels must be practical and actionable; it means nothing if "wish list" items are included. The ACA software then is customized to reflect results of the pilot interviews. The complete interview is on diskette and is thoroughly tested prior to beginning fieldwork.

Respondents asked to participate in ACA need not be computer literate. All they need is access to a PC and the ability to turn it on. The following are examples of recent conjoint studies we have conducted, listed alphabetically: auto components, controls, doors, flooring, insulation, lighting, roofing, valves, waterproofing, windows. We have yet to find a respondent who could not run the self-prompting questionnaire.

Administering the program

There are several ways to administer the conjoint analysis program. Personal interviews are the logical first choice, but are expensive. We have had success with mailed diskettes and having trade show attendees fill out the programmed questionnaire. Each is much lower in cost and yields comparable results.

Mailed diskettes: The ACA diskettes are ideal for mailing. Prospective respondents first are contacted by telephone to be certain that they are a critical part of the specifying/

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Customer loyalty: The competitive edge beyond satisfaction

By Douglas R. Pruden, Ravi Sankar & Terry G. Vavra

Editor's note: Douglas Pruden is senior vice president at Paramus, N.J.-based Marketing Metrics. Ravi Sankar is a project director with Marketing Metrics. Dr. Terry G. Vavra is the firm's president and an associate professor of marketing at Pace University.

Why do we need to focus beyond total customer satisfaction? Customer satisfaction is an acknowledged mandate for a substantial portion of today's business organizations. As Alex Trotman, chairman of Ford Motor Company has said, "If we aren't customer driven, neither will our cars be!" But as companies awaken to the importance of satisfaction many become almost blinded by its seeming singular importance. For example, in a recent *Harvard Business Review* article Jones and Sasser equate totally satisfied customers with truly loyal customers. We think these authors and others have oversimplified the loyalty equation.

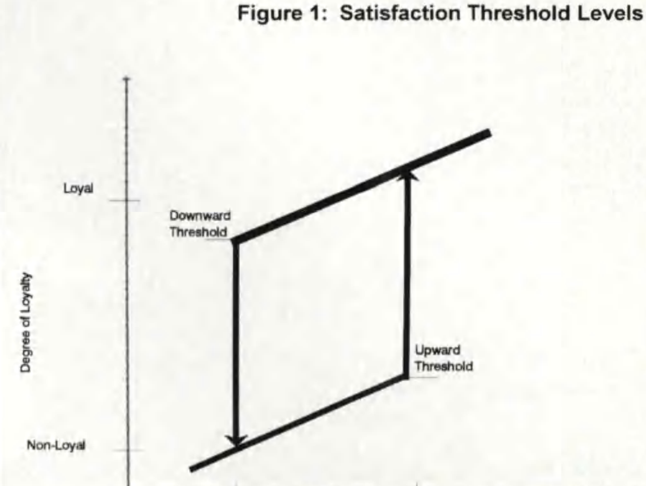
The goal after all is greater customer loyalty and in the long-term improved profits, not higher satisfaction scores. It is loyalty, resulting in increased quantity and frequency of repurchase, increased cross-sales and the generation of more positive word-of-mouth, that must be achieved. To view such behavior as simply an outcome of satisfaction ignores some very real independent considerations for the marketing strategist.

In fact, investing in product and service quality to boost customer satisfaction is not an end in itself. Several studies have shown satisfaction scores relatively high among customers defecting from a brand, or product or service.

We believe there exists a complex relationship between satisfaction and loyalty. Certainly satisfaction is a necessary criterion, but it is not by itself sufficient to instill loyalty (e.g., Oliva, Oliver and MacMillan). The linkage between satisfaction and loyalty is complex for the following reasons:

• The relationship between satisfaction and behavior is non-linear, involving two critical thresholds. There appear to be thresholds of service for affecting customer behavior. When satisfaction rises above the upward threshold (see Fig.1), loyalty climbs rapidly. In contrast, when satisfaction falls below the downward threshold, loyalty declines rapidly. However, between these thresholds, loyalty is relatively

Figure 1: Satisfaction Threshold Levels



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Adjusting buyer attitude data for business cycle variation

Buyer attitudes are as sensitive to changes in the economic environment as sales volume

By Jim Haughey

Editor's note: Jim Haughey is a market research and economics consultant in Sudbury, Mass. He was formerly vice president, market research and economics at Cahners Publishing Co.

Marketing managers know that sales vary predictably with changing economic conditions so they interpret and predict sales results accordingly. They know that much of the sales growth in 1993-94 was due to the economic recovery and not their brand management actions. Business cycle variation, at the market level, accounts for all of the variation in sales, except for gains or losses to competitive markets or technologies.

But few marketing managers account for the impact of business cycle variation in their data on buyer attitudes. Variation in brand specific buyer attitude data is a combination of changes in economic conditions, market shares and individual attitude scores. The business cycle impact is difficult to identify, even with a long and consistent time series of buyer measurements.

As a practitioner of both economics and market research, I have found that "hard" and "soft" market data vary together over the business cycle. Data measuring business cycle changes can be used both to forecast sales and other dollar-denominated measures and to separate the uncontrollable impact of the economy on buyer attitudes from the controllable impact of brand management decisions. The cyclical impact on buyer attitude data can be approximated by using one of the available consumer or business confidence indexes but this is less exact than using cyclical measurements extracted from market or brand sales data.

Removing the business cycle impact from buyer attitude data shows the actual effectiveness of brand management actions. It also permits forecasting of attitude data so products and communications can be changed with buyers' changing preferences.

The first step in doing this is understanding how economic conditions and buyer attitudes in every market are linked through the business cycle. Step two is understanding how the business cycle is identified and measured in market and brand sales data. Step three is the simple mechanics of separating changes in buyer attitude data into cyclical and brand management components.

Business cycle dynamics

A generic description of business cycles is shown in chart 1, often called a rate-of-change chart. Plot any of your monthly or quarterly product data for eight years or more, measuring anything sensitive to economic conditions, and it will look like chart 1. It will have peaks and troughs with the same frequency and spacing. These are turning points in the rate of change, common to all markets, so they can be used to identify and measure the business cycle element in any data.

The business cycle is defined by two measures: (1) the time between high (or low) turning points which are points of time with similar economic conditions and (2) the change on the horizontal percentage scale between the last two turning points relative to the change to the second to the last turning point. The business cycle in chart 1 has a length of 48 months with a relative amplitude of 80 percent for the latest expansion period and 111 percent for the preceding contraction period. With the right scales labeled on the axes, chart 1 could represent any measure for any business.

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Demystifying international industrial marketing research

By Chris Van Derveer

Editor's note: Chris Van Derveer is president of Van Derveer Industrial Research, New York City.

Although makers of consumer products are familiar with international research, for many industrial products firms, it's uncharted territory. While consultants portray researching overseas markets as a magic art, international projects don't differ greatly from those conducted in America. To begin with, industrial market research always starts with the corporation. All industrial firms, whether they are located in Berlin, Caracas or Tokyo, adhere to essentially the same organizational format, e.g., a corporate headquarters staffed with personnel, a factory and perhaps a distribution network. Corporate managers work in generally similar offices regardless of their locale and a telephone is always by their side. Thus, conducting a telephone survey with foreign managers is about the same as it is in America with some small — but important — differences.

Which method is best?

The first debate in managing international research centers around technique. In our experience, telephone surveys have been effective regardless of where they are administered. Many research providers, in their bids, suggest in-person interviews for both the South American and Asian markets. Since business contacts in South America are much more social in nature, conventional wisdom says, the research method you use should be too. The in-person interview is viewed as more social than an impersonal telephone call. For the Asian markets, in-person interviews are often suggested because they allow the researcher to show proper respect for respondents.

While in-person interviews are a fine method of gathering data, they can be much more expensive than a telephone contact and require more time to collect data. There is no difference when it comes to calling a foreign company's switchboard to request a specific person or a general manager's title. Receptionists everywhere will dutifully transfer you to the proper department.

In designing a questionnaire for a foreign market, the introduction and purpose of the survey should be described more fully than in the United States. Foreign respondents are generally more inquisitive and require a higher degree of formality than do Americans. You will find that a survey that requires 15 minutes here may take up to 40 minutes in Germany because German respondents like to talk more and the language is less concise than English. This longer response time adds to the cost of the research. Whereas you can usually expect a completion rate of one per hour in the United States, for international work a completion rate of one every 90 minutes is more likely.

The art of the translation

The major stumbling block of most international research translation. Keep in mind that if you are researching five different markets/languages, the questionnaire must state exactly the same question in the same place for each of those five markets. Otherwise, you could tabulate two different sets of responses, offering nothing in the way of useful information.

The first critical step is to choose a competent supplier of translation services. Don't try to economize on this aspect of the research. Ideally, you should provide your supplier with translations for as many of the technical terms in the survey as possible. Select a company with past experience as well as personnel who do translate as full-time work. In our experience, Berlitz is the only firm that fits this profile.

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Survey Monitor

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"Perhaps owing to fears of mergers and monopolies, some Americans worry that they will pay more for services that may not be better or, in fact, may be worse. It remains to be seen how companies in the marketplace will respond to this new opportunity."

The source of the data is a study conducted February 7-11 among a nationwide sample of 1,008 adults as part of Chilton's weekly EXPRESS Omnibus Survey. The results have a margin of error of ±3 percentage points. For more information call Bruce Simmon at 203-775-6937.

Buyers driven by emotion, not logic

According to "Emotional Retailing: Retailing Above the Rim," a study of consumer buying behavior conducted for Metromail Corporation, 34 percent of shoppers are driven more by emotional factors, such as fun and excitement, than by "logical" retail factors, such as price, quality and convenience. Shoppers polled for the study gave retailers relatively poor marks in gauging and appealing to consumers on emotions. Still, retailers who focused on customer emotional satisfaction saw an average 38 percent increase in sales over those retailers who focus solely on price, location or convenience as determining factors.

"Given that huge increase in sales, a true competitive edge will be experienced by those retailers who tap into the emotional buying process," says Bill Reddy, Metromail Retail Marketing Manager. "Since this study quantifies and defines the emotional buyer by certain demographic criteria retailers will be able to determine who an emotional buyer is as easily as one who purchases based on the more traditional criteria, such as price and quality."

The study, conducted by Service Industry Research Systems, Inc. (SIRS), divided emotional buyers into three categories: individuals prompted by fun and excitement; shoppers influenced by relaxation and stress removal; and consumers concerned with family welfare, trust and safety issues. Of the 34 percent of shoppers influenced by emotions in the buying process, 36 percent were motivated by fun and excitement, 31 percent by relaxation and stress removal, and 21 percent by family welfare, trust and safety. Twelve percent of emotional shoppers were influenced by a mix of categories.

The study included retail-related questions regarding primary versus secondary store preferences, cross-shopping, store preferences for specific product lines, shopping frequency, coupon usage, mail responsiveness and other traditional shopper behavioral issues. In addition, the survey included demographic questions and a question set regarding emotional criteria for shopping. It also featured questions probing lifestyles, product usage, media and other behaviors which matched data variables associated with household types, or segments, in a geodemographic data-

base.

The resultant answers were used to develop a set of demographic and psychographic variables that defined the emotional shopper, known as E-Types. "Until today, the emotional dimension of retailing was considered intangible," Reddy says. "But by using the study information, we were able to run the survey variables against our proprietary DNA segmentation system to create E-types and lists of individuals across the nation who are emotional shoppers," Reddy says. DNA, Distinct Neighbor Analysis, is a segmentation tool developed by Metromail that identifies demographic clusters by the more finite household level, as opposed to census block. For more information call Bill Reddy at 708-574-3146.

Brand names don't rule the produce section

A new consumer study indicates that just more than half of consumers say they look for and buy brand-name produce when it's available. Yet, given the range of brands available, it may be surprising that consumers can name from memory only four they prefer: Dole, Chiquita, Sunkist and Del Monte. Similarly, consumers only associate four commodities with brand names: bananas, oranges, pineapples and lettuce

The study, "Fresh Trends 1996," has just been released by *The Packer*, a business newspaper serving the fresh produce industry, and Vance Research Services, each a part of Vance Publishing Corp., Lincolnshire, Ill.

Coca-Cola, Campbell's and Kellogg's are used to battling private labels in the grocery department. But are national produce brands ready to take on store brands in the department? Eighty-five percent of shoppers say store brands of produce are comparable to national brands, while 10 percent say the store brand is better. And when comparing store brands to non-branded produce items, 75 percent say the two are about the same and 22 percent say the store brand is better.

But just how important is the availability of brand names in evaluating a grocery store's produce department? Only 5 percent of shoppers say brand availability is "extremely important" to them when selecting a supermarket while 18 percent say it's "very important." And a little more than a third of shoppers have gone to a grocery store looking for a specific brand of fresh produce and found it was unavailable. What did they do? Most didn't buy anything or went to another store.

Consumers generally are satisfied with the quality of fresh produce available to them at their local supermarket or other fresh produce store. While only 10 percent are "extremely satisfied," 47 percent are "very satisfied."

The three most important characteristics they look for when selecting produce are freshness/ripeness, appearance and price. However, consumers are likely to alter their shopping lists if the product doesn't meet their needs. In fact, 84 percent of consumers say there are produce items they like, but at times choose not to buy. Price is the No. 1 reason they're turned off.

What in-store information is most critical in helping shoppers choose produce? Freshness/expiration dates is most important, they say. That's followed by nutrition information and storage/handling information.

Twenty-eight percent of consumers say they've purchased a fresh produce item as a result of trying it at a restaurant. The most popular item is kiwifruit, followed by mangoes, carambola, papayas and broccoli. Roasted eggplant or zucchini, sautéed radicchio and lo bok are only a few of the many other produce items that restaurants have introduced to consumers. In the 12 months before the Fresh Trends survey, 21 percent of consumers said they tried a produce item for the first time while dining out. The trial of new fruits, such as kiwifruit and mangoes, was noted by 14 percent of consumers, while 10 percent noted vegetables.

Produce makes a regular appearance on the plates of consumers who dine out —71 percent "regularly" order one or more of the following courses: appetizers, salads, main entrees, side dishes or desserts. Seventy-eight percent "occasionally" order such dishes. But which course is ordered the most? As might be expected, salads.

Do consumers remember seeing or hearing produce advertising? Forty-six percent of shoppers recalled some produce advertising in the 12 months before the Fresh Trends survey, while 50 percent did not. Four percent were unsure. Most shoppers recalled advertising for fresh fruits, despite the influx of advertising for packaged salads. The top fruits recognized were oranges, bananas, apples, pineapples and grapefruit. The top vegetables were potatoes, lettuce and tomatoes. Shoppers were asked to exclude advertising by supermarkets or other local fresh produce stores.

And television is the primary vehicle through which consumers recall produce advertising. That's followed by newspapers, magazines, radio, direct mail and billboard advertising.

Other select findings from Fresh Trends 1996:

• Five a Day? What's that? Five a Day is a national generic promotion program that aims to increase the consumption of produce to at least five servings a day. Twenty-nine percent of consumers know what it is, up from 19 percent in the Fresh Trends 1995 report. However, the increase may, in part, be due to questions consumers also were asked about nutrition guidelines.

• Twenty-nine percent of consumers who have purchased packaged salads "always" buy additional salad items, while another 24 "often" make such purchases.

• Tomatoes are consumers' favorite item to add to salad mixes, while bagged Iceberg remains a consumer favorite.

• Of those consumers who purchased bagged salads six months before the survey, only a quarter say they actually seek out a brand-name salad mix.

• Tomatoes, lettuce, carrots and apples are the top organic items purchased.

• The No. 1 reason some shoppers buy organic produce is because of appearance.

• The No. 1 reason some shoppers don't buy organic produce is lack of availability.

Since 1983, *The Packer* has sponsored 12 consumer studies to track trends in the purchasing and consumption of fresh produce. This year, 1,000 consumers were surveyed by telephone. The questionnaires were designed by *The Packer* and Vance Research Services, the research division of Vance Publishing Corp., publisher of *The Packer*. The surveys were conducted and tabulated by Market Facts Inc., Chicago, which maintains a consumer panel of about 360,000 consumers nationwide.

The survey was completed by the household member who makes most of the produce purchasing decisions. The sample and results were weighted to be nationally representative of the U.S. population for household size, population density, age, income and geographic region. The margin of error is 3.1 percent.

Highlights from Fresh Trends 1996 are available in a 96-page magazine for $10. Write or call Carol Cox, *The Packer*, 10901 W. 84th Terrace, Lenexa, Kan., 66214. Phone 913-438-8700. A full report, including demographic data, is available. Call Cathy Donahue at 913-438-0793.

Trust an elected official?

According to a recent Roper Poll conducted by Roper Starch Worldwide Inc., Newport Beach, Calif., self-interest rather than public interest guides the actions of many high profile offícals including congressmen and senators. The public believes that most people in these groups act more in their own self-interest than in the public interest. Out of seven high profile groups, only federal court judges are seen as acting primarily in the public interest: 54 percent of the public say federal court judges act more in the public interest, while 32 percent say they act more in their own self-interest.

"I'm going to show you a list of some different groups of people, and for each one I'd like you to tell me whether you think most people in that group tend to act more in their own self-interest or in the public interest."

Base: 1,969 (ranked by public interest)	Public Interest	Self-Interest	Don't Know
Federal Court Judges	54%	32	15
Cabinet Officers	37%	45	17
Labor Leaders	36%	50	14
Government Officials	34%	53	13
Senators	29%	60	11
Congressmen	29%	61	10
Executives of Large Corporations	18%	72	10

Cabinet officers and labor leaders are seen as less likely to be self-serving than government officials, congressmen, senators, or executives of large corporations. These perceptions vary only slightly across U.S. demographic groups (age, sex, political party) with one exception: Republicans (60 percent) are far more likely than Democrats (46 percent) to believe that labor leaders act in their own self-interest.

Trend data show that since 1976, only federal court judges have been consistently viewed as acting more in the public interest, even though their "public interest" ratings have dropped from a 1986 high of 66 percent. The public's perception of large corporate executives remains steady over two decades with approximately seven in 10 saying they act more in self-interest and two in 10 saying they act more in the public interest. However, compared to 1986, the belief that government officials, senators and congressmen act more in their own self-interest has increased considerably — 8 percentage points for government officials, 11 points for senators and 13 points for congressmen.

A nationwide cross-section of 1,986 people, 18 years of age and over was interviewed face-to-face in their homes. The interviewing dates on this Roper Poll were November 11-18, 1995 and the margin of error due to sampling is ±3 percentage points. Trend data from 1976, 1986 and 1992 was collected using the same methodology with a sample size of approximately 2,000 for each wave of the Roper Poll.

Industrial research

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Once the questionnaires are translated, they should be faxed to your client's managers in each of the countries where they will be administered. After review and correction, re-submit the new drafts to your translation supplier for final changes. As a third pass to verify survey accuracy, require the managers at your telephone interviewing house to again review the two previous translations.

Choosing a supplier of telephone surveys

In choosing a firm to conduct the interviews, it's key to select one with verifiable experience in the international interviewing business. Our firm has had an excellent experience with a WATS supplier in the New York City area. This firm provides an international interviewing ability due to the diverse foreign language groups living in the area. Retaining a domestic supplier for this service has numerous advantages. The principal one is that your company can monitor how the survey is progressing. Others include: less investment of your staff time; a reduction in shipping and telephone costs; and no exposure of the contract to currency fluctuations.

Once the questionnaires are translated, they should be faxed to your client's managers in each of the countries where they will be administered. After review and correction, re-submit the new drafts to your translation supplier for final changes. As a third pass to verify survey accuracy, require the managers at your telephone interviewing house to again review the two previous translations.

For those not in the New York City area, you may have to retain a WATS facility that is centrally located in the overseas markets you're researching. Therefore, it's best, before choosing a supplier in an overseas country, to get a referral or go directly to the facility to interview personnel and verify business stability. Many times your domestic WATS supplier is a good source for a recommendation as they may have had to sub-contract out the overseas segment of a global research project. Your supplier should have a manager assigned to your project who can speak all of the languages that are being used. Monitoring is especially critical in international research as questions specific to each country come up frequently and must be addressed on the spot.

When developing the calling list, the easiest method is to use a list of company contacts. In this situation, you would use established random selection techniques much as you would do for a domestic project. If no list exists, you must purchase one. The international division of Dun & Bradstreet maintains lists of the major corporate sites with telephone numbers and some contact names. Again, it is important to clearly focus on the industry or industries most likely to use your product and to buy a sample large enough to permit a random selection of respondents.

More complex

While international and domestic research projects may share many similarities, they also have a number of differences. The international project is more complex due to the variety of languages employed and the cultural differences of the respondents in each region surveyed. However, no matter where they live and work, the respondents are all professionals and they will respond to a telephone query.

I hope this article has helped demystify the process of international market research and that your firm will give it strong consideration as an way to support your global marketing plan. ❑

Names of Note

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Brantley, Jr., founder of InterServ, Elrick and Lavidge's parent company, and vice president of InterServ's Cellular/Wireless Marketing Services Division, has joined the Elrick and Lavidge sales team.

Audits & Surveys Worldwide, New York, has tapped **Michael Fallig** and **Edward Cohen** to head its new Technology Survey Group.

Matt Knain has joined *Decision Insight*, a Kansas City, Mo., research firm, as vice president.

Information Resources, Inc., Chicago, has announced that **George Garrick**, president and CEO of its IRI-North America unit, has resigned to form a new company, Digital Marketing L.L.C., which will provide marketing services for organizations conducting business over the Internet. IRI will take a minority interest in the firm.

American Airlines Magazine Publications has named **Eric Czechowski** marketing research analyst for the American Way inflight magazine and Southwest Spirit, Southwest Airlines' inflight magazine.

Pat Hughes has joined *Custom Research Inc.*, Minneapolis, as vice president. In addition, **Aldy Keene** has joined the firm as senior vice president.

Scott Ludwigsen has joined *Maritz Marketing Research*, St. Louis, as New York division manager for the company's Performance Measurement Group. **Linda Birch** has joined Maritz's Southfield, Mich., office as an account manager to Ford in the Maritz Automotive Research Group. **Greg Lukeman** has been promoted to manager, qualitative research in Maritz's St. Louis office.

ICR Survey Research Group, Media, Pa., has added **Sharon Dion** to its staff as vice president.

Jack Fentress has joined *Winona Research*, Minneapolis, as a senior account executive.

Conway / Milliken & Associates has promoted **Kathy Nicolini** to vice president, creative services group and **Sue Larrison** to vice president, qualitative services group.

MATRIXX Marketing, Inc., Cincinnati, a subsidiary of Cincinnati Bell Inc., has promoted **Curt Stoll** to senior vice president and general manager of the business division.

Key measurements

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a "normal" pattern of operation, the customer moves to the use phase. By then the customer has become accustomed to the product's way of operation and what was initially novel or disturbing about the product may be taken for granted. The customer may have actually changed or accommodated his or her way of operating to fit the product. Several measurement programs should be carried out with customers who are in this phase. Customer needs assessment is at the heart of customer satisfaction. Understanding customers' current and future needs and expectations will unveil the added benefits that a company can provide in its future products and services. These are also the aspects that can give a company an edge over its competitors.

Ongoing tracking and competitive surveys are the vehicles most companies have traditionally used to measure customer satisfaction. They track customer satisfaction with the company's overall performance and with its functional areas such as product, service, sales, support and installation, customers' image of the company and their perceived value of the products, and willingness to recommend and repurchase. An overall metric of satisfaction is derived from these surveys to be used for tracking the company's performance over time. Statistical models are developed using these surveys to identify the key drivers of overall satisfaction. The ongoing tracking survey usually identifies the company sponsoring the survey while the competitive survey does not.

Despite the importance of the ongoing tracking and competitive surveys, they typically do not explore, in-depth, recent customer events. They tend to sample customers randomly, without regard to the life cycle phase, and track customer satisfaction over time. Some companies have integrated these two surveys and expanded them to explore, in more detail, recent customer events such as the installation or the replacement of the product. However, the design of this single survey vehicle and the information derived can become cumbersome and difficult to manage and, often, companies will ignore the information obtained on the individual phases of the customer life cycle.

Due to the nature of the measurement programs discussed so far, large customers may not be sampled and surveyed in an appropriate manner. Large account customers may require a different survey vehicle since they may have different buying processes such as a centralized group or committee making overall purchasing decisions. Also, the life cycle of these customers, in particular the "replacement decision," may be influenced by other factors such as corporate mandates to buy uniform products for all of its sites from a few companies or a single company. A large account survey will allow a company to obtain a global understanding of large or complex customers. It is designed to gain an in-depth understanding of these customers' satisfaction levels and expectations, business needs, buying processes and repurchase intent. This survey may be conducted via personal interviews by a team of individuals responsible for the account. The customers or participants are the individuals responsible for making the purchasing decisions, individuals that provide input to the purchasing group or committee and users of the products.

Replacement decision

Moving along the customer life cycle, there comes a point when the customer decides to replace or stop using the product. If a decision is made to replace the product, it is important for the company to understand satisfaction levels during this phase and the different aspects of the decision making process. Learning about satisfaction levels with the new product is especially valuable when lost customers are contacted in the future.

Lost/gained customer surveys have been given little attention in customer satisfaction research even though the information obtained can be critical to the success of a company. These surveys explore: the reasons for high or low satisfaction ratings; the reasons why the company's customers and its competitor's customers decide to replace the product; the brand and model purchased, and the reasons for purchasing the new brand and model. The data from these surveys can be used to develop switching behavior models to understand the key reasons for replacing a product with the company or a competitor's product(s). One can then plot the importance of each key factor versus the percent of the time the factors are mentioned and determine whether the company or the competitor is advantaged, disadvantaged or neither. This analysis will provide valuable insight into what needs to be improved in order to gain competitive advantage. Lost customer surveys can also be conducted with customers lost in a contract bid and with partially-lost customers, i.e., customers who have replaced a portion of the company's products with those of a competitor. These surveys can provide insights into the bidding process, the reasons for not selecting the product or the reasons for replacing a portion of the products. Customers who partially replace their product are considered as being vulnerable; the company should devise plans to avoid completely losing these customers.

Customer needs assessment is at the heart of customer satisfaction. Understanding customers' current and future needs and expectations will unveil the added benefits that a company can provide in its future products and services. These are also the aspects that can give a company an edge over its competitors.

Beyond "event driven"

A mature customer satisfaction measurement process will include and integrate each of the different surveys discussed above. When a company surveys its customers throughout their life cycle, a combined measure or index of overall customer satisfaction can be derived by using weighted averages of surveys during the life cycle.

In recent years, some companies have opted for conducting customer satisfaction surveys that are "event driven," such as after providing service or support. The information provided by these surveys is actionable and accurate. However, using just event driven surveys will miss those customers who do not trigger these events and the information may not be representative of the total population of customers. Also, unless an appropriate sample weighting scheme is used, those customers who frequently trigger these events tend to be oversurveyed.

To effectively manage the wealth of data and its analysis, a customer database can be set up such that each customer's account can be readily accessed to learn such information as the customer's responses to the surveys,* sales and service information and customer comments. Additionally, charts and data summaries can be made available to all employees in the organization which allow employees to be better educated about the company's customers and its products and can lead to better customer service and response.

In acquiring a more complete picture of satisfaction levels over the life of its customers, a company can more effectively devise strategies and improvement plans to keep its customers and attract new customers. A company will also have the information necessary to make short-term ongoing improvements as well as long-term improvements that may require substantial investment of resources. The customer satisfaction process can be set up and managed by a cross-functional team until it is well established throughout the organization. And, one last but important point, the customer satisfaction system needs to have management support and resources in order to succeed. ❑

*Only possible when the survey identifies the company sponsoring it and the customer agrees to disclose the information provided.

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2. *"A National Customer Satisfaction Barometer: The Swedish Experience," Claes Fornel,* Journal of Marketing, *June 1988.*

3. *"Designing a Customer Retention Plan," G. Desouza,* The Journal of Business Strategy, *March/April 1992.*

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Research Industry News

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Inthesis, Inc., a Boca Raton, Fla., research firm, has completed the first phase of its competitive intelligence project with Intecma Network Oy, of Oulu, Finland. The focus of the project was to initiate and enhance Finnish high technology companies' entrance into the North American market.

The Technometrica Institute for Policy and Politics, a unit of Technometrica, Inc., an Emerson, N.J., research firm, will conduct monthly surveys of the opinions of 200 political editors and managing editors of major U.S. newspapers through November. The initial surveys will cover presidential candidates and related political issues. Questionnaires will be prepared under the guidance of a 12-member advisory board consisting of experts in government, political science and opinion research. The surveys will be conducted by E-mail, fax and telephone. Survey results will be reported the same week the surveys are conducted. For more information call James Sears at 201-986-1288.

Qualitative Marketing Software, Inc. (QMS), a Clearwater, Fla., maker of address standardization and geocoding technology, announced that Environmental Systems Research Institute, Inc., has become a reseller of QMS' StarData software.

Intersearch Corporation has moved to new offices at 3 Barker Ave., 3rd flr., White Plains, N.Y., 10601. The phone number remains 914-684-6100.

Atlanta-based **Elrick & Lavidge's** RealTest, a volumetric forecasting product, has been named a finalist for the 1996 Georgia Marketing Award for Excellence (MAX). The MAX award, sponsored by the Georgia State University College of Business Administration's Department of Marketing and the *Atlanta Business Chronicle*, recognizes excellence in product, service and marketing innovation by Georgia-based companies.

Decision Data, Ltd., Chicago, Ill., has acquired the Analytical Services Division of SMG Marketing Group, Inc.

The Gordon S. Black Corporation, Rochester, N.Y., has acquired Louis Harris & Associates from Gannett Co., Inc. Louis Harris & Associates has been a division of Gannett since 1975. Each of the two firms will continue to operate separately but their activities will be merged under the umbrella of a holding company, Harris Black International. Gordon Black will become the chairman and CEO of the holding company and will retain his position as chairman and CEO of the Gordon S. Black Corp. Humphrey Taylor will become the vice chairman and board member of the holding company and will continue as the chairman and CEO of Louis Harris and Associates. David Clemm will continue as the president and COO of the Gordon S. Black Corporation and will become the president and COO of both the holding company and Louis Harris & Associates.

Rubin Barney & Birger, a Miami public relations firm, has established a full-service marketing research department. Tom Plummer, formerly of Cooper Roberts Research in San Francisco, will direct the department.

Conjoint

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purchase decision process and that they are willing to participate in the study. In our experience, among respondents who are part of the decision process, 90 percent agree to cooperate. Access to a PC rarely is a problem; refusals most often are based upon lack of time.

The diskette is mailed and the respondent goes through the ACA program, returning the diskette in the mailer provided. Of the 90 percent who agree to participate, we find that two-thirds or more will complete the interview and return the diskette for an overall response rate of 60 to 70 percent.

Trade shows: Respondent administered, computerized questionnaires can be very effective at trade shows. In one instance 150 well-qualified attendees at a construction products trade show were interviewed using four PCs set up directly on the trade show floor. All of the interviews were conducted over two six-hour periods.

Results

Conjoint analysis studies yield valuable trade-off information on subjects where respondents might show unintended positive or negative bias when asked a direct question. Price/value relationships are a prime example. Business-to-business respondents tend to understate the importance of price. The various ways the price subject is approached in conjoint trade-off questions wipes out any bias, resulting in a true reading.

Another example is comparing the importance and value of technical product features. Engineers tend to fall in love with innovative ideas, a potential trap for market researchers. Conjoint analysis places the importance and value of specific features in perspective. An example we have seen several times is trying to reach a balance between precision performance of a product and durability/longevity.

Conjoint analysis seldom should be a stand-alone technique. Results are valuable, but most clients also need to understand the reasons behind the information obtained. The pilot study is helpful, but one-on-one personal and/or telephone interviews still are needed to develop a full understanding of the subject at hand. ❑

Lakewood, Ohio

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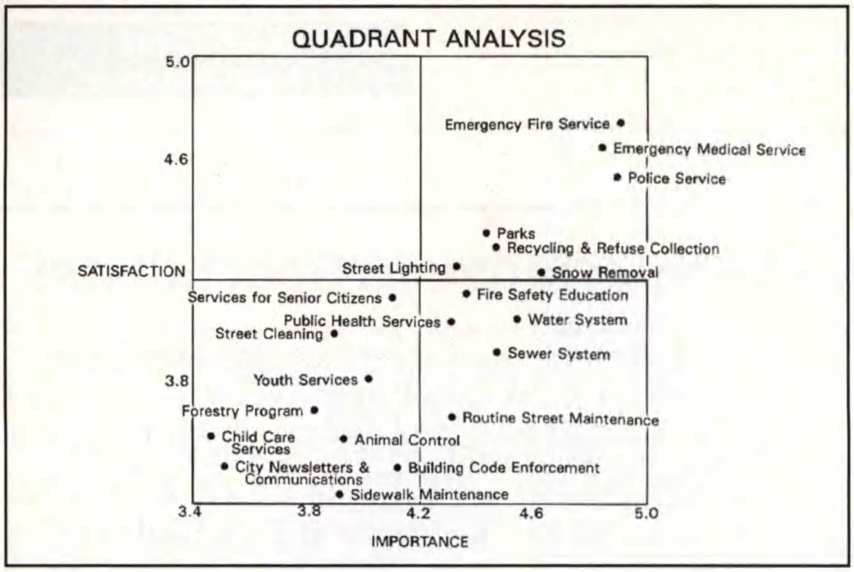
Quadrant analysis

A quadrant analysis, where average satisfaction is plotted against average importance for each city service, was an essential first step in analyzing the survey results. The quadrant analysis for the Lakewood research is displayed in Figure 1.



Each of the four quadrants has a specific interpretation:

1. The upper right quadrant (high importance and high satisfaction) represents current city service strengths. These include emergency fire service, emergency medical service, police service, parks, recycling and refuse collection, snow removal and street lighting.

2. The lower right quadrant (high importance but relatively lower satisfaction) denotes services where satisfaction should be improved. The services in the category include fire safety education, public health services, water system, sewer system and routine street maintenance.

3. The lower left quadrant (relatively lower importance and relatively lower satisfaction) represents lower priority services. These are services for senior citizens, street cleaning, youth services, forestry program, child care services, animal control, city newsletters and communications, building code enforcement and sidewalk maintenance.

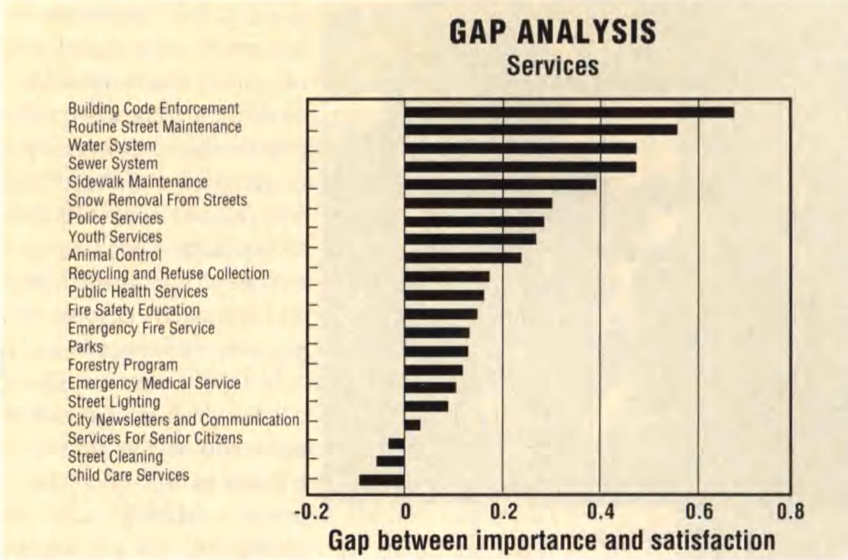
4. The upper left quadrant (relatively lower importance and high satisfaction) is often interpreted as representing "overkill" services where effort exceeds expectations. No service attributes are represented in this quadrant.

The five service attributes in quadrant two are candidates for immediate attention. Citizens placed a high importance on these attributes but also reported relatively lower satisfaction: fire safety education, public health services, water system, sewer system and routine street maintenance.

Gap analysis

Quadrant analysis is very useful in interpreting importance and satisfaction ratings. The technique, however, does not explicitly identify the gaps between importance and satisfaction. For example, a large gap could exist between importance and satisfaction even though a service attribute appeared in the "high importance and high satisfaction" quadrant. Consequently, gap analysis was the second component used in analyzing research results.

The gaps between average importance and average satisfaction for each city service are presented in Figure 2. A big gap between importance and satisfaction usually signifies a problem. The largest gap occurs with building code enforcement. Other relatively large gaps occur with routine street maintenance, water system, sewer system, and sidewalk maintenance.



The smallest gap occurred with city newsletters and communication. Three service attributes registered "negative" gaps where average satisfaction exceeded average importance: child care services, street cleaning and services for senior citizens. These may be "overkill" situations, and two of the three attributes (street cleaning and services for senior citizens) also appeared very close to overkill designation in the quadrant analysis.

Quadrant analysis and gap analysis offer two perspectives regarding the identification of service attributes that require immediate attention. Combining the results of the two analyses, seven attributes were identified as potential problems:

	Quadrant Analysis	Gap Analysis
Water system	X	X
Sewer system	X	X
Routine street maintenance	X	X
Fire safety education	X	
Public health services	X	
Building code enforcement		X
Sidewalk maintenance		X

The list of 21 original attributes was narrowed to seven potential problem areas. An examination of verbatim responses provided the final piece of information required to prioritize and develop corrective action programs.

Verbatim responses

Residents registering low satisfaction scores for service attributes were asked the specific reasons for the dissatisfaction. This is an essential component of the research because the reasons for dissatisfaction are often complex and not always obvious. Interviewers must thoroughly probe to discover why dissatisfaction exists, Dutka says. "Getting good verbatim information is the most difficult part of the research process. A response like 'service is poor' is not adequate enough to understand the cause of the dissatisfaction. You have to find out why the respondent thinks service is poor. Control of the quality of verbatim responses is a major reason for selecting telephone research."

Verbatim responses supplied the vital information necessary to properly interpret the causes of dissatisfaction with service attributes. Of special concern were the seven attributes that were identified as potential problems. For example, building code enforcement, the service attribute with the largest gap, was especially challenging. A substantial number of Lakewood homes are rental properties. Homeowners felt that renters do not properly maintain property and therefore building code enforcement should be increased. Renters agreed with the premise but asserted that absentee landlords are responsible for property maintenance. Consequently, both homeowners and renters supported building code enforcement. Another significant set of property owners, however, was dissatisfied for the opposite reason. They felt that the building codes are too stringently enforced and consequently discourage property improvements.


It's never too early for a city to start seeking the opinions of its residents. Here, Lakewood Mayor David Harberger chats with members of one of Lakewood's Girl Scout troops.

"Clearly an emphasis needs to be placed on rental units and residential code enforcement," says Lakewood Mayor David Harbarger. "We have an outstanding Building Department with sufficient personnel, but we need to shift priorities and be more responsive to residents' concerns."

Similar in-depth analyses of verbatim responses associated with the other six service attributes of special concern indicate the following:

- Three separate issues are involved in dissatisfaction with the water system: the taste of the water, the price and problems with maintenance of the system.
- Basement flooding is the central issue explaining dissatisfaction with the sewer system.
- Street repairs, considered necessary and important, were perceived as being neglected by the city.
- The major complaint about fire safety education was that the residents do not know anything about the service. Many residents stated that they did not know it even existed.
- Comments about public health services ranged from complaints about the services being provided to people who are not taxpayers of the city to complaints that the respondents were not receiving any of the benefits.
- Residents complained that nothing was being done to replace unsafe sidewalks that are uneven and cracked.

The verbatim responses also provide valuable information about the service attributes that were not identified as problem areas. For example, dissatisfaction with police exists because the residents believe that police are targeting the wrong problems. They say that emphasis is inappropriately placed on traffic violations rather than more serious crimes. The residents, however, do not express fears about safety or violence.

There are many facets involved in dissatisfaction with recycling and refuse collection. Many residents were dissatisfied because other residents do not participate in the recycling program or are not forced to cooperate with the recycling program. Some residents were confused about what can be recycled while others were dissatisfied because the city will not collect certain items. Residents complained that they do not know how refuse is collected from apartments. A few thought that the refuse collectors made a mess of the area while other residents viewed the operation as too large in terms of people and vehicles.

Establishing priorities and allocating resources

The quadrant, gap and verbatim response analyses were combined with more detailed demographic information to establish priorities and allocate resources. For example, changing building code enforcement priorities was an immediate consequence. Increased publicity about the fire safety education program was an easy and effective method to improve satisfaction with this attribute. From a planning standpoint, the survey results will be used to bolster a recommendation for a street maintenance program in the administration's 1996 budget.

The City of Lakewood has obtained the information needed to plan and prioritize programs and services. The perspectives of the community are accurately reflected since the survey respondents were selected in a random manner. In addition, benchmark information has been created to monitor progress over time. The importance of feedback from citizens will become even more critical as fiscal pressures on governments continue to mount. ❑

Business cycle

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Business cycles are driven by the operating adjustments constantly being made by every business to get to target margins, market shares, inventory/sales ratios or reserve capacity. Because the same economic changes (credit costs, foreign exchange rates, consumer confidence, tax legislation, etc.) course through the economy, affecting every market, there is usually a predominance of companies making the same type of adjustment. For example, an increase in credit costs that makes inventories more expensive will prompt production cutbacks to reduce inventories and cause an economy-wide slowdown in spending.

Some cycles are long; some are short. Some are very pronounced; others are very dampened. A cycle's individual characteristics are imparted to each market as the cycle courses through the economy, typically taking about four years.

Chart 2 shows where selected markets are in the business cycle at a single point in time. While some markets are expanding, others are still experiencing the recession the leading markets passed through two years earlier. The trailing markets are linked to the leading market. What will happen next in the trailing markets is happening now in the leading markets. Each market reflects the impact of cyclical changes with its own unique timing and cyclical sensitivity, depending on how it is related to the rest of the economy.

CHART 1: BUSINESS CYCLE DYNAMICS

% CHANGE: LAST 12 MONTHS/PREVIOUS 12 MONTHS

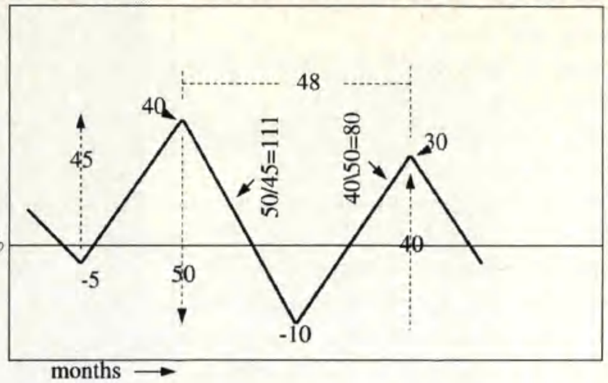
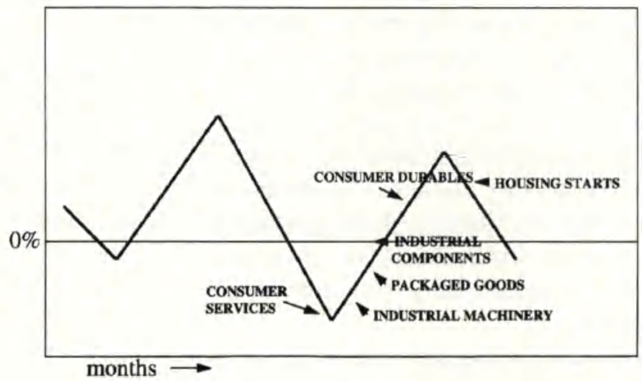


CHART 2: CYCLICAL TIMING BY MARKET

% CHANGE: LAST 12 MONTHS/PREVIOUS 12 MONTHS



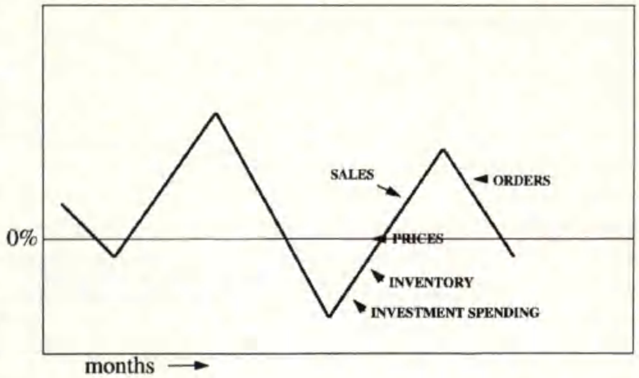
Similarly, chart 3 shows the business cycle position at a single point in time for various measures for a single market or brand. Orders, sales, inventory, selling price, capital investment, margins, etc., are linked. The impact from the general economy being felt today on orders will be felt successively on sales, selling prices, inventory and capital spending. For example, rapidly rising consumer income increases, in succession, customer orders from car dealers, dealer orders from the factory, the dealer's selling price, the dealer's inventory and finally, the dealer's investment in facilities.

The income increase improves buyers' attitudes about the purchase of cars and buyers' evaluations of the average dealer and manufacturer. A few months earlier, when their income was either lower or less certain, buyers rationalized that they should delay a car purchase because the available cars were not good quality. Now, with more income, they rationalize their decision to purchase because cars (and dealers and manufacturers) are good quality.

The items on chart 3 could be relabeled as "sales," "customer satisfaction with brand X," "probability of buying within the next X months," "probability of buying a top of the line model," "probability of rebuying the current brand," "importance of image relative to function in buying decision," etc. Plotting any of these attitude measures would show a consistent relationship over the course of repeated business cycles with any measure of hard data, such as sales.

CHART 3: CYCLICAL TIMING BY ACTIVITY

% CHANGE: LAST 12 MONTHS/PREVIOUS 12 MONTHS



Identify business cycle in brand data

This is a graphic illustration of time series trend/cycle decomposition, a topic in many statistics texts. It can also be done with variants of the Census X-11 seasonal adjustment program which is widely available or with the Early Warning Forecast program from Cahners Economics (Cahners Publishing Co., Newton, Mass.). And it can be easily programmed in spreadsheet or database packages. But the manual illustration shown below should be sufficient for occasional use. It will let you separate external from internal impacts on a brand so you can target the problems that you have the power to change.

(1) Plot the product sales data in the same format as chart 1. It will have the characteristic business cycle pattern as in chart 1. Use market data not brand data because this eliminates variation due to market share changes and minimizes the impact of any irregular events (a competitor's facility was destroyed in a fire so you got much of its business for a few months). Use monthly or quarterly data for a long enough period to plot at least three turning points. If the turning points are not obvious, you can identify them with reference to an overlay plot of a related market or the next highest level of aggregation, such as all household appliances, which includes all washing machines.

(2) Calculate the length of the last complete cycle and the relative amplitudes of the last two periods between turning points. These calculations define the business cycle for this product.

(3) Plot the attitude data for the product in the same format as chart 1. Assume that the attitude data is a customer satisfaction measure. Compare the sales and attitude charts to see how much, if any, the turning points in the attitude data lead the turning points in the sales data. Satisfaction changes before buyers act on the changed attitudes. My experience is that attitudes lag sales by about the length of the buying process. So attitudes are coincident with sales for low value, frequently purchased products and lag up to four to five months for the most complex pur-

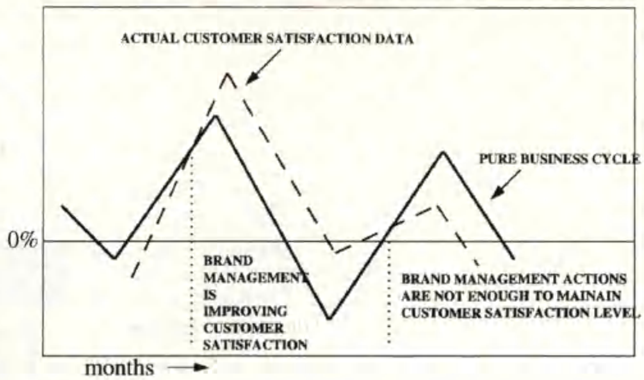
chases. You will have to estimate the lag from the advice here if you do not have a long time series of consistent attitude data.

You will also have to estimate the relative amplitude of the attitude data compared to the sales data if the amplitude turning points are not well defined. My experience is that attitudes change more quickly than actions. A decline in the evaluation of one of your many product features may not cause a shift in suppliers. And even a decline in a summary attitude, such as overall customer satisfaction or supplier preference, does not always cause a switch to a new supplier because of contractual constraints.

(4) Plot the "pure business cycle" for the attitude data by using the cycle length and relative amplitude data extracted from the actual sales data plot for the product, adjusted, if necessary, for the cyclical lag of attitude behind sales and more or less amplitude in attitude versus sales taken from the plot of the actual amplitude data. See chart 4.

CHART 4: IMPACT OF BUSINESS CYCLE ON CUSTOMER SATISFACTION MEASUREMENTS

% CHANGE: LAST 12 MONTHS/PREVIOUS 12 MONTHS



(5) Now add the actual attitude data to this plot. The deviation of actual from business cycle is the impact of brand management on customer satisfaction. If the actual data is above the "pure business cycle" estimate then brand management actions are improving satisfaction with the product. Satisfaction levels declined in the 1991-92 recession but the decline was partially offset by brand management actions that boosted customer satisfaction relative to the average for all competitors in the market. Satisfaction levels increased in the 1993-94 economic recovery but the increase was less than that recorded by the average competitor in the market.

Using business cycle data

Even if you have only four or five data points over a two to three year period — not enough to make one of the charts shown above — you can judge where to put a few points on chart 4 and determine if your brand management actions are sufficient to improve attitudes about your product.

Working with hundreds of companies, I have never failed to find the business cycle element in sales data. Actually, I prefer to use order data because it is not affected by shipping, accounting or inventory practices. The business cycle impact is larger for products bought less frequently and may be trivial, even though identifiable, for some consumer staples, such as canned corn.

Which data should be examined to see if the business cycle impact is large enough to be regularly tracked? Any data relating to preferences between high and low price point products should be first because buyers switch to economy from image, to short-term benefits from long-term benefits and to fewer functions when their incomes decline or become less certain. Summary brand or company preference measures should be examined because more "no preferences" are recorded when purchases become less imminent. Consequently, brand loyalty is cyclical. Satisfaction declines in a recession when buyers are pessimistic and less forgiving of minor faults. The cyclical impact on buyer attitudes will vary by market segment because the business cycle impacts different regions and industries with different timing. ❑

Customer loyalty

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flat. We believe that this is the region of loyalty opportunity, where marketing programs can be designed to modify behavior.

• Behavior lags behind satisfaction. Dissatisfaction with a single transaction is unlikely to cause the customer to switch loyalties, particularly when switching barriers are high. Similarly, a single transaction producing a state of excitement is unlikely to lead to new loyalty. Customers have many encounters and state of mind builds over time. For example, a string of encounters in a short period producing dissatisfaction can lead to anger, then to a behavior change. Or a string of encounters producing an excited state can lead to the belief that the provider is unique.

Product marketing — market evolution

To enter a market or to sustain a product or service over time, a product needs to have some minimal functionality that fulfills customer needs. But having only minimal functionality grants the product nothing more than a commodity type status — hardly enough to ensure market success. To move beyond commodity type products marketers have created brands. The thrust of brand marketing is to create and sustain an image that differentiates the brand from other products in the category. An oft cited example of such differentiation is that of Perdue chicken, where branding helped raise Perdue up from the clutter of the other commodity type products. Creating brands based on adding an appropriate image ensures market success, when most other products in the category are commodity-like.

Once the category has several brands developed, however, the opportunity to gain share and move to the next level is sought through differentiation in customer satisfaction. Customer satisfaction is achieved not just by offering a quality product or service, but by surrounding it with after-sales care and service. In the early '90s, achieving total customer satisfaction proved to be a competitive advantage over competing brands. Two major success stories are Motorola and Xerox. But as with any evolution, competitors within most categories have caught up or are attempting to catch up, in achieving total customer satisfaction. This has leveled the playing field once again.

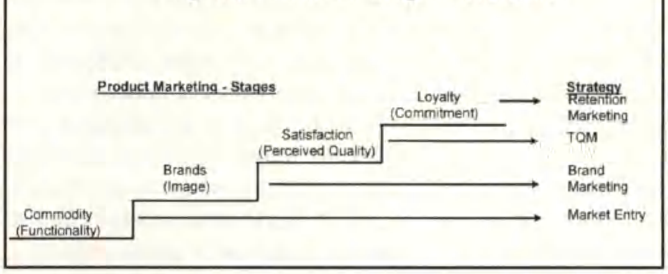
To now break away from the competition firms will have to move to the next level and begin differentiating their products and themselves with customer loyalty. The main strategy for achieving customer loyalty is "aftermarketing" or retention marketing — offering value-added services, one-to-one customer dialogue and the building of emotional connections. Retention marketing, it seems, is becoming an industry buzzword as we approach the next millennium. It has become well understood that:

• 65 percent of the average company's business comes from its present, satisfied customers;

• It costs five times as much to acquire a new customer as it costs to service an existing customer.

Firms have to look beyond achieving total customer satisfaction. Even totally satisfied customers can leave a company as their needs change, when a better offer is made or just to examine the benefits of the available options. Companies have to build lasting relationships with their customers. This involves acknowledging customers for their business, communicating with them, responding to their concerns and auditing them for their satisfaction on an individual basis (not to be part of research, but to understand their individual needs and expectations).

Figure 2: Product Marketing Market Evolution



Measuring brand loyalty

Traditionally, brand loyalty research has used various behavioral measures drawn from panel data. These measures include proportion of purchase (Cunningham 1966) and purchase sequence (Kahn, Kalwani and Morrison 1986).

• Proportion of purchases — The commonly used definition of brand loyalty, at least in empirical research, is the proportion of total purchases within a given product category devoted to the most frequently purchased brand or product or service. Proportion of purchases has the advantage of being quantifiable and closely related to market share.

• Purchase sequence — Loyalty has also been defined according to the sequence of purchasing a specific brand, or product or service.

— Undivided loyalty is the sequence AAAAAA.

— Divided loyalty is the sequence ABABAB.

— Unstable loyalty is the sequence AAABBB.

— No loyalty is the sequence ABCDEF.

Jacoby and Chestnut (1978) have criticized these measures as lacking a conceptual basis and capturing only the "static outcome" (brand purchased) of a dynamic process (brand choice). The main drawback with the behavioral measures is their failure to differentiate among the mechanisms leading to repeat purchase behavior. A research vendor claims to measure loyalty using three measures — complete satisfaction, intention to repurchase and willingness to recommend. We believe that this model is not only simplistic, it also lacks potential diagnostic value.

Implicit in most definitions is the notion that brand loyalty plays a special role in generating repeat purchase (e.g., Kahn, Kalwani and Morrison 1986). Repeat purchase could be due to a variety of reasons, such as low involvement, consumer inertia, merchandise being out-of-stock or true brand loyalty. Hence merely measuring repurchase or retention rate as a surrogate for brand loyalty could lead us to erroneous conclusions.

In addition to potentially erroneous measures of loyalty, there are instances when customer behavior cannot be monitored. When firms do not directly sell to customers, as is the case with many frequently purchased goods, it is not possible to track customer behavior. On the other hand, when repurchase cycles are long as with consumer durables, monitoring customer behavior is impractical and costly. In such instances a measure of customer loyalty can be obtained by measuring attitudes.

The aftermarketing loyalty index

Cognizant of the fact that measuring behavioral outcomes alone does not provide a sufficient measure of loyalty, we review some of the other definitions of loyalty. Day (1969) viewed brand loyalty as consisting of repeated purchases prompted by a strong internal disposition. Consistent with this perspective, repeat purchases that are not accompanied by a strong attitude are labeled as "superficial loyalty" or "inertia" (Assael 1987). Vavra (1995) emphasizes that brand loyal customers not only repeat purchase, but also become "advocates" of the product. This positive word-of-mouth behavior is an oft forgotten consequence of loyalty. Our definition of brand loyalty is a variation of Jacoby and Chestnut (1978): a behavioral response expressed over time by consumers which is the result of a psychological commitment. A single behavioral act like repurchase does not constitute brand loyalty. Brand loyalty is both an attitude and a behavior which is repeated over a period of time. Managerial interest should just not be on the next purchase, but on the pattern of future purchases. In addition to behavior, the individual should also develop a degree of commitment to the brand (or company).

Based on the above definition of brand loyalty we have developed a composite index that includes both attitudinal and quasi-behavioral measures of loyalty called the Aftermarketing Loyalty Index^{SM}. The two dimensions of Aftermarketing Loyalty Index are Quasi-Behavioral and Attitudinal.

• Quasi-Behavioral — Intent to repeat purchase and willingness to advocate. The long-term success of a firm is not based on the number of consumers who purchase its products or services once, but on the number who become repeat purchasers. Hence the intent to repurchase is a key outcome of loyalty.

• Attitudinal — Psychological commitment to a brand (or company). The various factors that lead to a psychological commitment are:

Responsiveness. In various customer listening groups conducted in the computer, insurance and financial services industries, a firm's responsiveness in responding to a customer's problems/questions is cited as a critical component of the post-purchase product evaluation process. Responsiveness includes both timely and effective resolution of problem.

Accessibility. To understand customer needs, firms have to open lines of communication with the customer. Providing accessibility through different points of contact offers customers an opportunity to contact the firm, be it with a question, a complaint or a compliment.

Customer empathy. Vavra (1995) points out that customers view a purchase as initiating a relationship, while organizations may view a sale as the culmination of a marketing effort. He argues that customer empathy is a key factor affecting customer loyalty.

Management of evidence. Customers often are unable to adequately assess the value of a product. Providing customers with communication about the value and benefit received from a product reassures customers about the decision they have already made.

Emotional bonds. Superficial loyalty can be had through low prices or frequent promotions, but true loyalty can be cultivated only by allowing a customer to develop emotional bonds through trust and confidence towards a company.

Applications

An attitudinal measure of customer loyalty could conceivably have several applications:

• Customer segmentation. The customer base can be divided into three segments based on index scores — loyal, vulnerable and non-loyal. Different marketing programs can be designed for different segments. Equally important, index scores can be used to filter out undesirable customers, those who cannot be served profitably.

• Drivers of loyalty. The scale provides diagnostic input about the drivers of loyalty. This helps determine those factors that influence customer loyalty for a particular brand and enable them to be manipulated to achieve higher levels of loyalty.

• Retention program tracking. Measure index scores before initiation of retention programs and then track improvements in customer commitment which results from implementation of the programs. When combined with information about retention program costs, the index can be used for comparing various retention programs.

• Benchmarking against competition. Firms can monitor competitive activity by measuring index scores for company and competition's customers. By assessing the drivers of loyalty, a firm can design marketing programs proactively to gain a competitive advantage.

Case study

Based on listening groups we conducted with customers in several industries, we developed a 21-item scale for measurement of loyalty — the Aftermarketing Loyalty Index. This scale was pre-tested among a small group of consumers (about 20), for a variety of industries. The scale was further refined and used to measure loyalty among consumers of a leading athletic shoe manufacturer.

Management at the shoe manufacturer had developed a rudimentary customer loyalty program with the expressed purpose of determining what specific "leverage" a relationship marketing program might help develop. The customer base was divided randomly into two groups, a test and a control cell. The customers in the test group were offered the loyalty program, while those in the control group were not. After the test period, the Aftermarketing Loyalty Index was administered to both the test and control groups.

A factor analysis was performed to identify the underlying factor structure. The factor structure was close to the hypothesized factors in the Aftermarketing Loyalty Index construct:

• quasi-behavioral measures (intention to repurchase and willingness to advocate);
• accessibility/responsiveness;
• emotional bonds;
• evidence of concern;
• management of evidence.

The group of customers who had enjoyed the loyalty program scored 29 percent higher on overall measures, with even higher scores on key measures relating to crucial issues of trust and confidence. Specifically the test group's attitudes regarding the shoe manufacturer were:

- 8 percent higher for quasi-behavioral measures;
- 65 percent higher for accessibility/responsiveness;
- 23 percent higher for emotional bonds;
- 32 percent higher for evidence of concern;
- 25 percent higher for management of evidence.

The differences between the test and control group were statistically significant at the 95 percent confidence level, demonstrating the sensitivity of the scale in differentiating between loyal and non-loyal customers.

Currently we are testing the use of the Aftermarketing Loyalty Index as a predictive tool in identifying non-loyal customers. Subsequently behavior will be tracked to determine the extent these customers leave the company.

In the final analysis, firms that go beyond customer satisfaction and focus on building customer relationships by achieving loyalty are the ones that will witness sustained market success. Customer loyalty is an asset. It increases marketing efficiency by lowering customer acquisition costs (generating new customers through positive word-of-mouth), while simultaneously increasing price tolerance and reducing susceptibility to competitive brands. Total customer satisfaction is the starting point of the loyalty process. Companies should nurture their satisfied customers through aftermarketing — developing after-sales care and service, for them to become loyal customers. ❑

Table 1: Aftermarketing Loyalty Index Scores (Maximum = 100)

	Total	Test	Control	Index of Test to Control*
Quasi-behavioral measure	80	83	77	108
Accessibility	60	76	46	165
Emotional bonds	67	75	61	123
Evidence of concern	64	74	56	132
Value imparted	62	70	56	125
Overall	67	76	59	129

*** Test/Control 100**

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Product & Service Update

continued from p. 8

Actual research studies showed that when TRBC was introduced, the ability to predict loyal usage of Kodak film increased by 109 percent. TRBC also contributed to a 93 percent prediction of loyal usage of Levi's jeans, a 114 percent improvement in prediction of usage of United Airlines, and a 64 percent gain for IBM personal computers.

A Total Research study of international health care practitioners showed that more than 80 percent of the measured differences among countries and specialties was due purely to response tendencies. For instance, the apparent negative response of Japanese health care practitioners turned out to be positive once response tendency was taken into account. For more information call 609-921-8100.

New version of 4Thought

Right Information Systems, Newbury, Mass., has released Version 3.20 of 4Thought, its business modeling, analysis and forecasting software program. The new version includes increases in modeling speed and other user-requested enhancements. The company has also entered into distribution agreements with two software companies, Comshare and Cognos, to embed a new core forecasting technology within their EIS products. These licensing agreements will produce business analysis software offering data mining and forecasting in a single product based on the desktop. For more information call Susan Yeames at 508-463-9415.

Talking Shoppers take to the aisles

Pathfinder Research Group, Acton, Mass., recently began distributing tape recorders to professional interviewers and asking them to record their top-of-mind thoughts while shopping for groceries. The transcribed audio tapes are made available to manufacturers within specific product categories. The company

plans to send out hundreds of Talking Shoppers throughout the country to give manufacturers insights into the minds of the average shopper during the shopping experience. Pathfinder is currently experimenting with the Talking Shopper program in two markets and plans to have the service operational in four markets within six months. While initially offering clients verbatim responses by product category, the company anticipates offering greater analysis and expanding the service to other types of retail outlets, such as drug stores, in the near future. For more information call Steve Kalter at 508-263-0400.

PC directory of research firms coming this summer

Scheduled for delivery in July, Datarectory is a PC-based directory of marketing research companies, independent moderators and service bureaus from Marketeam/Doane, St. Louis. The Windows-based system allows users to scan the offerings of a full directory of marketing research companies and select those providing the services they need. Datarectory lets users perform multi-faceted selection by facility, location, specialization, personnel, services, expertise and more. Users can print out floor plans, maps, bid sheets, hotels, full company listings, and files for mailing labels. For more information or a free demo disk call 800-753-6263.

2020 forecasts from Woods & Poole

Woods & Poole Economics, Inc., Washington, D.C., has released its updated county economic and demographic forecasts through the year 2020. The new database contains historical data from 1969 and forecasts to 2020 of more than 500 variables for every county, state, metropolitan area (MSA/PMSA) and designated market area (DMA) in the U.S. The variables include population by race, sex and single year of age, employment and earnings by industry, personal income, households by income and retail sales by kind of business.

The new forecasts are based on historical county data through 1993. The projections include the regional impact of the recovery from the 1990-91 recession. The regional impact of current and expected cuts in military spending is also included in the new projections.

The Woods & Poole county forecasts are available in printed reports as well as on disk or CD-ROM. The data on disk or CD-ROM can be used in GIS software, desktop mapping systems and in Lotus, Excel, dBASE, Paradox, Atlas and other software on PCs and Macintoshes. For more information call 800-786-1915.

Service tracks brand name use on the Internet

Datalytics, Chicago, has introduced MarkWatch, a service that allows clients to monitor how their trademarks and brand names are being used on the Internet. The service is an early warning system, giving brand managers, advertising executives and public relations consultants the ability to respond to developing situations that could otherwise damage their brand image. MarkWatch monitors four areas of cyberspace: the World Wide Web, Usenet groups, databases of domain names, and on-line news wires. Clients can choose to receive daily electronic reports, weekly printed reports or periodic telephone calls warning them about dangerous use of their marks. For more information call 800-890-5791.

Moderators

Listed below are names of companies specializing in qualitative research moderating. Included are contact personnel, addresses and phone numbers. Companies are listed alphabetically and are also classified by state and specialty for your convenience. Contact publisher for listing rates: Quirk's Marketing Research Review, P. O. Box 23536, Minneapolis, MN 55423. Phone 612-854-5101/ fax 612-854-8191.

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New dimensions in business-to-business research

By Dr. Leslie M. Harris

Editor's note: Leslie M. Harris is chairman emeritus of Focus on Boston and founder of the International Network of Focus Group Research Centers. This article is based on conversations with a number of researchers who frequently conduct business-to-business projects.

In business-to-business research, often the learning from focus groups generates an interest in further learning — both for strategic/planning purposes and to illustrate findings for sales force members and other channel representatives. Terry Pranses, president of T. Pranses Consulting Services in Hoboken, N.J., uses Up-Close ethnographies to help achieve this result. These are in-depth interviews conducted at the respondent's workplace which illuminate not only his/her relationship to the product category, but also their entire work environment, the roles of other decision influences and their personal side. Pranses brings these findings to life with a video distillation of the interviews or a slide-and-script presentation.

Judy Hoffman, president of Profile Marketing Research in Lake Worth, Fla., reports that her company is conducting more and more business focus groups via teleconferencing. Her clients see the value of being able to have national or international participation within a given session. Often, materials are faxed to the participant just prior to or even during the session, thus minimizing any hesitancy that might exist with regard to competitive issues.

Within the context of the teleconferenced focus group, Profile Marketing has successfully used an online connection with client observers/listeners, who link up via their client's E-mail system with an access point for their use or via a third party provider.

Vicki Savala, president of ACG Research Solutions, St. Louis, says that her business-to-business clients are increasingly interested in incorporating interactive hand-held dialer technology into their focus groups. This technology, which ACG calls RAMS (Rapid Analysis Measurement System) Interactive, offers the clients the opportunity to receive second-by-second analysis of audience reaction to visual test material.

Be eclectic

With executives, it is frequently necessary to be eclectic, says Alan Bell, president of Bell Associates in Cambridge, Mass. One project may require many different information gathering techniques. One such project undertaken by Bell Associates involved evaluating the opinions of executives on moving their businesses into or out of the downtown Boston area during the replacement of the Central Artery, an interstate highway that crosses central Boston.

Bell found that a singular approach was not expedient. For some respondents, a conference call was more convenient; for others, an electronic forum or "side conference" room on the Internet or a specialized electronic bulletin board service was an attractive medium. Some wanted to respond via their company's new "video link;" others preferred to communicate by fax. Still others opted for the in-person communication.

According to Siri Lynn, president of The Idea Exchange in Fairfield, Conn., clients seem to want to explore new avenues for gaining information about their business-to-business products and services. They are interested in end users' perceptions. They are identifying new contacts/sales targets outside the normal channels (i.e., offering telecommunications products to sales managers so the sales become internally driven rather than relying strictly on telecom decision makers).

Many are also taking into account their own reps' views of the market, comparing reps' expectations and reactions to what customers themselves are saying.

One trend noted by Tom Greenbaum, president of Groups Plus in Wilton, Conn., is the growing sophistication in utilizing research techniques by business-to-business companies. In the past, consumer companies were more sophisticated in their use of research because their people had been trained in the use of research technologies. In the business-to-business environment most marketing people were sales people who had been given the added responsibility of using research without knowing how to use it. Today more business-to-business companies are staffed by consumer goods-trained marketing people who understand the research function and what is needed to carry out good research.

Some other thoughts:

• Business-to-business clients want to return home with tangibles. Often that means that rating and sorting exercises are important. These often require handouts or props. (T. Pranses)

• Clients increasingly are interested in how fast research firms deliver data once they have given the green light on a project. Recruiting, questionnaire development, conducting the group and report are generally expected within three or four weeks unless a large number of groups are needed. (T. Pranses)

• The cost/benefit ratio has reduced the size of focus groups to seven to eight participants. (J. Hoffman)

• Focus groups are often scheduled to last two-and-a-half to three hours, assuming there is sufficient interest in the subject matter on the part of participants and assuming decent incentives. (J. Hoffman)

• Clients are more frequently seeking quasi-quantitative data that can be collected through focus groups, during which respondents are asked to complete a written quantitative questionnaire or to complete a card-sort exercise. (V. Savala)

• Breaking the target sample of respondents into smaller groups is often the only way to obtain the data you need. (A. Bell)

• Respondent specifications are changing, thereby offering new dimensions to business-to-business research and findings. (S. Lynn)

• Although the number of on-line focus groups and surveys will increase, there is still a great amount of benefit in communicating directly either in person or over the telephone. However, as people become more familiar with communicating on line, opportunities for targeting business and professionals will grow dramatically. (J. Hoffman) ❑

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Please add the following firm to the 1996 Directory of Data Processing, Statistical Analysis and Software:

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Please note the correction to the following listing from the 1996 Directory of Data Processing, Statistical Analysis and Software (corrected text shown in bold):

Surveycraft System Ltd.
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West Coast: Lane Weiss, Lane Weiss & Associates, 10 Black Log Rd., Kentfield, Calif., 94904. Phone 415-461-1404. Fax 415-461-9555.

Corrections

Due to an editing error, the continuation of the Product & Service Update — In-Depth story on p. 63 of the March issue was confusing. The jumped section of the story should begin with the line " . . . watched while their consumers changed their product's packaging before their eyes." The paragraph that appeared at the beginning of the jumped section should have been placed at the bottom of the first column. The first column should read as follows:

". . . watched while their consumers changed their product's packaging before their eyes.

In the first couple of focus groups, consumers talked about the packaging very generally and helped them discover what worked with the current package and what could be improved. Keeping this in mind, consumers were shown some of the new packaging that had been developed by the creative team through the computer projection product. They were asked to react to the new packaging and to improve it.

At first, consumers made very simple changes. But then they started talking about how fragile the packaging is, and wouldn't it be wonderful to have a package that was not so fragile. Someone came up with the idea of bricks, and instantaneously, the computer projection product showed them the product made of bricks. Consumers looked at the new packaging and decided the brick package could be the new packaging.

Armed with the computer projection product and their previous learning, off they went to the next city and the next set of groups. These groups went through a similar process. However, during these groups, respondents were shown the new brick packaging and were asked to react to it and to improve it.

The new respondents liked the idea of fortifying the packaging but decided that they also wanted to increase its aesthetic appeal. During the discussion, someone remembered how beautiful a basket of fresh strawberries looked in the summer. They also thought that strawberries would be a stronger package than the current packaging. So, instantaneously, the computer projection product showed them the product packaged with strawberries. Consumers looked at the new strawberry package and decided that this was the perfect package and should be the new packaging."

Classified Ads

Trade Talk

continued from p. 66

Incentives work

To test the impact of various incentive levels, the sample was equally and randomly split into four incentive groups: the first group received no incentive, the second received $2, the third $5 and the fourth $10.

The research found that use of incentives, even modest ones, may increase cooperation rates significantly. In the Market Directions study, a $2 incentive increased cooperation rates from 70 percent to 80 percent. Incentives of $5 and $10 increased participation to 86 percent and 81 percent, respectively.

Of the incentives tested, six of 10 of the respondents ranked money first as having the greatest value in causing them to participate in telephone surveys. A donation to an ag organization like 4H or FFA came in second.

Other study highlights:

• For some reason, farmers recalled telephone interviews lasting about half as long as they actually did.

• Though lawmakers and research industry organizations have made valiant efforts to curb sugging (selling under the guise of research), farmers reported receiving many calls from telemarketers who couched their intentions in a phony survey.

• Most respondents indicated they were either not at all likely or not very likely to respond to interviews where they were asked to phone an 800-number.

• The study also shows that it's important to keep surveys focused on one or two information areas and to clearly express the purpose of the research to respondents. Farmers expressed displeasure with being contacted for research they felt was little more than a "fishing expedition."

Good interviewers are key

What makes farmers likely to participate in a telephone interview? A skilled, knowledgeable interviewer is perhaps the most important contributor to contented respondents. If a farmer already perceives participating in research as a waste of time, he or she will have no patience for a poorly trained interviewer who stumbles over product names and appears to know little about the farmer's industry. On the other hand, if the interviewer is sharp, businesslike and appreciative of the farmer's time, chances are high that the farmer will come away from the process with good feelings. ❑

Index of Advertisers

Trade Talk

By Joseph Rydholm/QMRR editor

Midwestern farmers express troubling view of research

There's discontent growing in the Heartland. Midwestern farmers seem to be nurturing a bumper crop of ill will toward the research industry, a study shows.

Last fall, Market Directions, a Kansas City, Mo., research firm, conducted telephone interviews with 208 farmers in 12 Midwestern states. The objectives were to: gauge their interest in and opinions of the research process; determine the factors (time of year, incentive, survey subject matter, etc.) that influence cooperation; and to learn how to optimize farmer cooperation in research studies.

To be contacted for the study farmers had to have 250+ acres in crop production, be the primary decision maker on farm operation input purchase decisions, and have participated in market research in the past.

The upshot of the study is that research firms and their clients have some work to do to repair farmers' opinions of the research process. They also may want to look into sponsoring or undertaking some kind of educational effort to let farmers know how they benefit from participating in research.

Why? Well, in addition to just over half of the respondents feeling that answering research survey questions is a waste of time, Market Directions found that a majority of Midwest farmers do not believe:

- the research industry serves a useful purpose (88 percent);
- surveys are a way for people to give feedback to manufacturers (92 percent);
- confidentiality of responses is maintained (66 percent);
- answering questions is in their best interest (64 percent);
- answering questions is an interesting experience (53 percent).

Yet despite their apparent dissatisfaction with the research process, the farmers reported participating in seven of every 10 research calls. The most common reasons for refusing to participate center around convenience issues (too busy, bad time of day/night, not in the mood) and lack of interest in the subject.

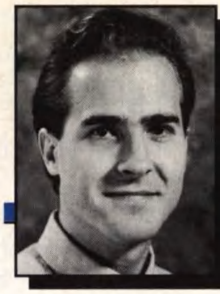
Contacted regularly

Farmers reported receiving about one mail survey per month. While they are contacted regularly with mail surveys or for telephone research, the farmers reported few calls to participate in a focus group or other qualitative research. Forty-five percent said they hadn't done any in-person interviews during the past three years. Eleven percent said they had participated in at least one in-person interview. On average, respondents said they received one invitation to participate in a focus group every six months.

A majority of respondents said they would be more likely to attend a focus group where a meal is served. The subject matter of the group had the most influence on their attendance. The date, time and other factors were less important. As with most consumer groups, evening appears to be the best time of day to do groups with farmers. Six out of 10 said they preferred to attend an evening group.

In general, Midwest farmers weren't very satisfied with the typical ag market research telephone interview. Ratings varied considerably, but the mean was a 5.0 on a 10-point scale. Other than the length of the survey, the most common causes of frustration were interviewers who lacked skill/knowledge, the time of day of the call, and confusing and/or difficult to understand interviews. Only one respondent cited the lack of an incentive.

continued on p. 65



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105. Questionnaire Design
- San Antonio .... Jan. 18-19
- Cincinnati Feb.29-Mar.1
- New York .... April 18-19
- Chicago .... June 13-14
- Cincinnati .... Aug. 15-16
- Boston .... Sept. 26-27
- San Francisco .... Dec. 19-20

201. Focus Groups
- Chicago .... Feb. 1-2
- Boston .... Oct. 1-2

202. Focus Group Moderator Training
- Cincinnati Jan.30-Feb.2
- Cincinnati .... Mar. 12-15
- Cincinnati .... Apr. 9-12
- Cincinnati .... May 21-24
- Cincinnati .... July 9-12
- Cincinnati .... Aug. 20-23
- Cincinnati .... Sept. 17-20
- Cincinnati .... Oct. 15-18
- Cincinnati .... Nov. 19-22

203. Focus Group Applications
- Cincinnati .... Apr. 15-17
- Cincinnati .... Oct. 21-23

204. Qualitative Research Reports
- Cincinnati .... Apr. 18-19
- Cincinnati .... Oct. 24-25

301. Communicating Marketing Research
- New York .... Jan. 22-24
- Cincinnati .... Mar. 11-13
- Toronto Apr.29-May1
- Detroit .... June 17-19
- New York .... July 22-24
- Cincinnati .... Aug. 26-28
- Chicago .... Oct. 2-4
- Cincinnati .... Nov. 4-6

401. Managing Marketing Research
- Cincinnati .... Mar. 14-15
- Boston .... June 6-7
- Cincinnati .... Aug. 29-30
- San Diego .... Oct. 31-Nov. 1

501. Applications of Marketing Research
- Cincinnati .... Feb. 22-23
- New York .... Apr. 25-26
- Cincinnati .... June 27-28
- Cincinnati .... Aug. 8-9
- Chicago .... Oct. 10-11
- Atlanta .... Dec. 5-6

502. Product Research
- Cincinnati .... Jan. 11-12
- New York .... Apr. 11-12
- Chicago .... July 18-19
- Cincinnati .... Oct. 15-16

504. Advertising Research
- Baltimore .... Feb. 15-16
- Cincinnati .... May 23-24
- New York .... Aug. 1-2
- Cincinnati .... Oct. 24-25

505. Market Segmentation Research
- Baltimore .... Feb. 13-14
- Cincinnati .... May 21-22
- New York .... July 30-31
- Cincinnati .... Oct. 22-23

506. Customer Satisfaction Research
- San Francisco .... Jan. 11-12
- Cincinnati .... May 9-10
- New York .... Sept. 5-6
- Cincinnati .... Nov. 25-26

509. Using Geodemographics for Marketing Decision Making
- New Orleans .... June 6-7

601. Translating Data into Actionable Information: An Introduction
- New York .... Jan. 25-26
- Baltimore .... Mar. 21-22
- Toronto .... May 2-3
- New York .... July 25-26
- Chicago .... Sept. 12-13
- Cincinnati .... Nov. 7-8

602. Tools and Techniques of Data Analysis
- New York Jan.30-Feb.2
- Cincinnati .... Mar. 5-8
- Toronto .... May 7-10
- Detroit .... June 25-28
- Cincinnati .... Aug. 20-23
- Baltimore .... Oct. 1-4
- Cincinnati .... Nov. 12-15
- San Francisco .... Dec. 10-13

603. Practical Multivariate Analysis
- New York .... Feb. 6-9
- Cincinnati .... Apr. 1-4
- Chicago .... May 14-17
- San Francisco .... July 23-26
- New York .... Oct. 8-11
- Cincinnati .... Nov. 19-22

701. International Marketing Research
- New York .... May 29-30
- Cincinnati .... Sept. 17-18

702. Business to Business Marketing Research
- New York .... July 1-3

CERTIFICATE OF ACHIEVEMENT IN MARKETING RESEARCH METHODOLOGY & APPLICATIONS
- Cincinnati .... Feb. 19-Mar. 15
- Cincinnati .... Aug. 5-30

CERTIFICATE OF PROFICIENCY IN QUALITATIVE RESEARCH
- Cincinnati .... Apr. 9-19
- Cincinnati .... Oct. 15-25

CERTIFICATE OF PROFICIENCY IN QUANTITATIVE ANALYSIS
- New York Jan.22-Feb.9
- Toronto/Chicago Apr.29-May-17
- Cincinnati .... Nov. 4-22

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