QUIRK'S

Marketing Research Review

JUNE 2008

Health care research

> Put your medical research interviews through these tests

> Make your pharma research insights more relevant

Multicultural research

> What every marketer should know about African-American consumers

> Conducting qualitative with Latinos

Quirk's Marketing Research Review
Volume XXII Number 6

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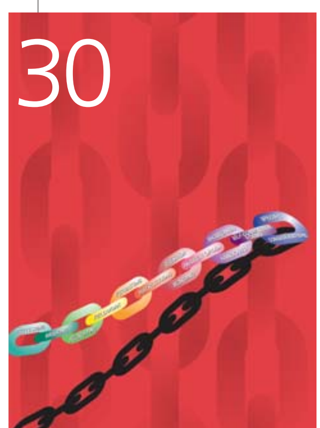

Illustration by Jennifer Coppersmith

Publisher
Steve Quirk

Editor
Joseph Rydholm

Content Editor
Emily Cook

Production Manager
James Quirk

Directory Manager
Alice Davies

Advertising Sales
Eastern U.S. and International
Evan Tweed, V.P. Sales
651-379-6200

Central U.S. and Canada
Lance Streff
651-379-6200

Western U.S. and Canada
Adam Petersen
651-379-6200

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Cincinnati	Jun 24-26
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Minneapolis	Aug 26-28
San Francisco	Sep 29-Oct 1
Chicago	Nov 4-6
Philadelphia	Dec 8-10

104 | Designing Effective Questionnaires: A Step by Step Workshop $2,095

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Baltimore	Jul 8-10
San Francisco	Sep 9-11
Cincinnati	Oct 21-23
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106 | Online Research Best Practices & Innovations $1,695

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Baltimore	Nov 18-19

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Cincinnati	Apr 29-May 2
Cincinnati	Jun 17-20
Cincinnati	Aug 5-8
Cincinnati	Sep 22-25
Cincinnati	Nov 4-7
Cincinnati	Dec 9-12

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Cincinnati	Nov 10-13

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Baltimore	Aug 5-7
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San Francisco	Dec 3-5

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Philadelphia	Dec 11-12

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Chicago	Dec 9-12

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San Francisco	Nov 18-21

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Los Angeles	Oct 14-16

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news and notes on marketing and research

Gay and lesbian adults are active bloggers

When asked, just over half (51 percent) of gay and lesbian respondents reported reading some type of blog, compared to 36 percent of heterosexual adults, according to results from a national survey conducted by Rochester, N.Y., research company Harris Interactive. A similar question on blog readership also was asked in November 2006, and at that time 32 percent of gay and lesbian adults then reported reading blogs.

Gay and lesbian adults are also more active in and connected to the blog medium. When asked to choose from a list of online activities, 27 percent of gay and lesbian adults reported posting a comment on a blog in the last month, compared to 13 percent of heterosexuals. Also, more than one out of five (21 percent) gay and lesbian respondents said they had written a personal blog in the last month, compared to 7 percent of heterosexuals.

Regarding the varied interests of blogs, the survey found 28 percent of gay and lesbian adults reported reading news and current-issue blogs, compared to 19 percent of heterosexuals. More than a quarter (26 percent) of gay and lesbian adults also read entertainment and pop culture blogs, compared to 11 percent of heterosexuals. Given the heightened interest in this year's electoral contests, a significant number, nearly one-quarter (23 percent), of gay and lesbian adults also read political blogs. In comparison, only 14 percent of heterosexual adults reported reading political blogs.

Gay and lesbian adults also feel more positive toward advertisements found on blogs. Nearly one in five (19 percent) reported that they felt positive toward advertisements, compared to 8 percent of heterosexual adults. And in a similar study conducted two years ago, roughly the same proportion (21 percent) of gays and lesbians reported feeling positively towards blog ads.

Gaming sites may be a good platform for CPG brands to persuade women ages 45+

Analysis from New York research company Dynamic Logic's MarketNorms database shows that advertising on games and contest (gaming) Web sites can be highly effective in increasing brand metrics for various brand sectors and demographics. In particular, consumer packaged goods (CPG) advertisements on gaming sites tend to perform much better among women ages 45+ compared with younger females. And this is not a small audience. In fact, 8.3 million women ages 45+ say they access the Internet to play online games.

CPG Ads on Gaming Sites Among Women
(Average Delta as a % of people impacted; n=23,205 respondents)

Age Group	Brand Favorability	Purchase Intent
18-34	1.5	3.7
35-44	0.0	4.2
45+	3.3	4.4

For CPG brands, brand favorability is typically the most difficult metric to move through advertising, as consumers often wait until after they have tried the product to form an opinion since these are often lower-priced items. In this case, CPG advertising on gaming sites is able to persuade women ages 45+ to form an opinion before trial/purchase and the results show these shifts in brand perceptions are positive, most notably among this demographic.

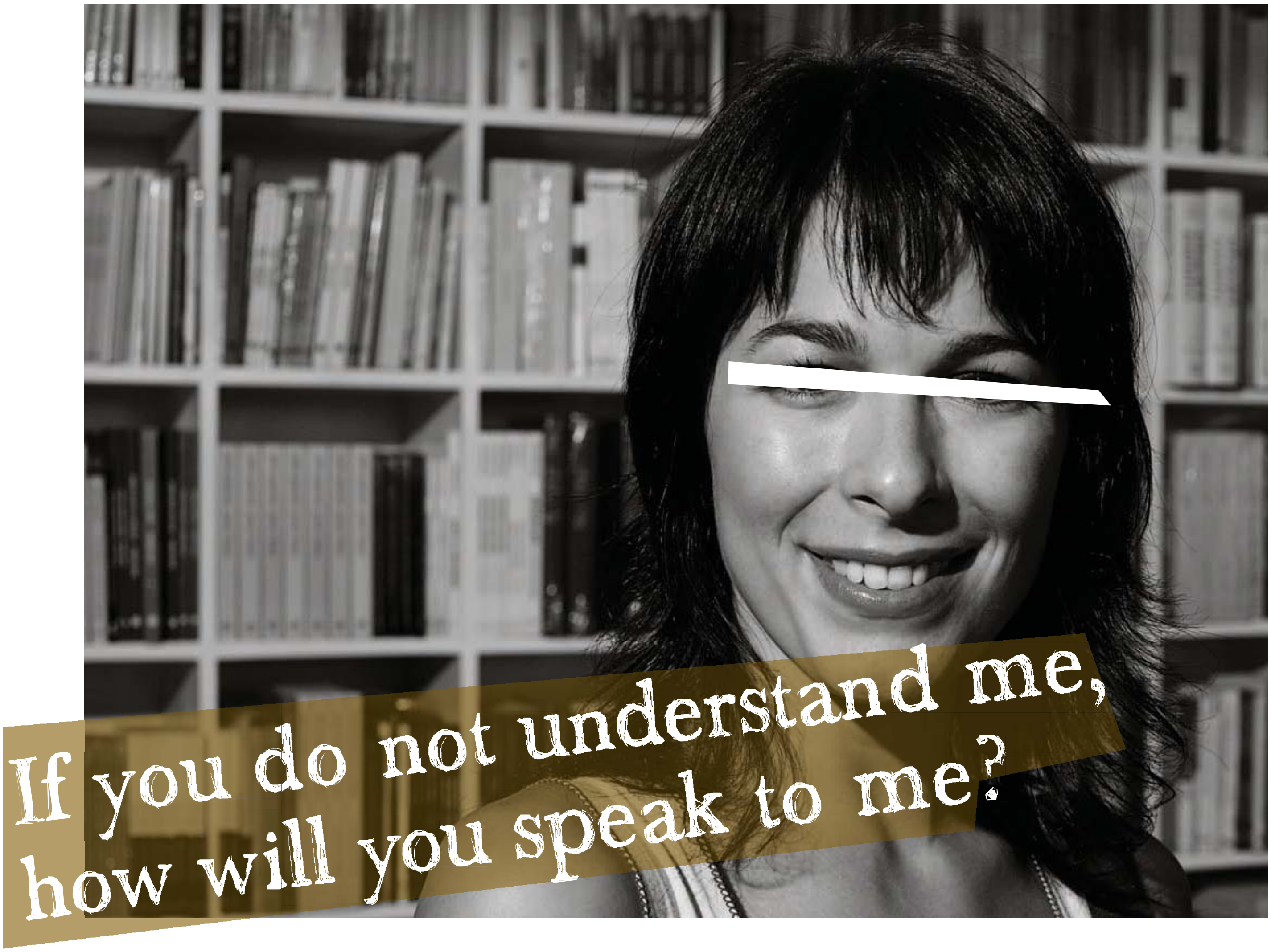
Some celebrities stand the test of time – even in death

Manhasset, N.Y., researcher Marketing Evaluations Inc., The Q Scores Company "Dead Q" study (conducted biannually since 1997) finds that America's devotion to their favorite personalities transcends even death. The study finds that some personalities have held their popularity steady from 10 years ago, indicating that, although these personalities are out of sight, the people who remember them clearly still regard them as favorites.

Lucille Ball was cited as a favorite by 52 percent of respondents (no change from 1997). Louis Armstrong by 26 percent (up 3 percent from 1997), Elvis Presley 36 percent (up 2 percent from 1997) and John Belushi 31 percent (up 6 percent from 1997). Familiarity among respondents for all four personalities declined slightly (1 percent each) since 1997, with Elvis Presley holding the most-well-known title (98 percent familiarity).

"We continue to see ongoing interest in deceased personalities, mostly from marketers, advertisers, distributors of movies and even the deceased personality's estate," said Steve Levitt, president of Marketing Evaluations Inc., The Q Scores Company. "Although some of these personalities have been gone for over 10 years, it would make sense that there would be some out-of-sight, out-of-mind aspect happening."

Q Scores also finds that deceased personalities are just as relevant today as they were in their prime. In recent years, the U.S. Postal Service featured Lucille Ball in a commemorative stamp collection. Advertisers superimposed John Wayne in Coors Light commercials and Fred Astaire in Dirt Devil ads, while Louis Armstrong was featured in commercials for Schaefer beer and Visa.



Laura, 30
Bicultural by choice.

How do you begin to market to a group that is loyal to its culture and living against a backdrop of a kinetic world?

Many of Latinos' consumption patterns and behaviors are different from that of the general market and, unless they are included in a research study, these patterns and behaviors can be overlooked by marketers and potentially alienate this group.

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Generic drugs prove best-received by home-delivery pharmacy consumers

Consumers using home delivery for their prescriptions were more likely to choose a lower-cost preferred therapy after a formulary change than those using a retail pharmacy, according to a study that appeared in the December 2007 issue of the *Annals of Pharmacotherapy*.

The study, by pharmacy benefit manager Express Scripts, St. Louis, evaluated consumer behavior after the company recommended a formulary to better position consumers and plan sponsors to take advantage of the availability of generic Zocor (simvastatin) in mid-2006.

More than 200,000 retail and home-delivery consumers were included in the study, which examined the relationship between plan design factors and patient formulary adherence. All consumers in the study were sent a notification letter by mail informing them of the formulary change. The mailing included therapeutic options and materials they could share with their physician as well as a Web site and toll-free number for more information. Home-delivery consumers received additional messaging through refill mailings and an automated outbound call as the change approached. These consumers also received assistance in moving to the lower-cost option after the formulary change.

The study found that more than half (52 percent) of home-delivery consumers chose to switch therapies as compared to one-third (33 percent) of retail consumers. Overall, 42 percent of consumers chose to switch to a formulary statin. Consumers using home delivery were also more likely to use the Web or call into Express Scripts for more information than retail users (50 percent versus 11 percent), which may be partially due to the fact that they use these channels to order their prescriptions.

A portion of the retail consumers were part of a rapid-response program in which they received an education letter by mail about alternative therapy options soon after their first non-formulary statin refill. Receiving this letter increased their likelihood of changing to a lower-cost statin by 28 percent. Other plan design factors positively influencing change included brand preferred and non-preferred co-payment differentials. Interestingly, the study shows co-pay differentials have a greater impact on retail consumers.

Compared to home-delivery consumers with savings opportunities of $15 or less, those in home delivery with a savings opportunity from $31 up to $40 had a 23 percent increase in the likelihood of switching to a preferred statin; for those with savings of $41 and higher the likelihood rose to 59 percent. Among retail consumers, compared to those who would save $10 or less, those with savings from $16 to $20 had a 41 percent increase in the likelihood of switching; those saving $21 or more had an 80 percent increase in the likelihood of switching.

In the case of statins, step therapy increased the likelihood of using formulary agents by 27 percent among both retail and home-delivery consumers. Step therapy encourages first-use of equally effective lower-cost agents. A prior statin change also had an impact on selecting a formulary option, increasing the chances by 84 percent for retail consumers and 23 percent for home-delivery consumers. For more information visit www.express-scripts.com.

For birth control advice, women turn to physicians and the Internet over family and friends

A study by Reston, Va., research company comScore Inc. revealed that women turn most often to the Internet for health information, second only to consulting a physician. Eighty-five percent of women using the Internet have researched women's health issues online while two out of three (63 percent) have used the Internet specifically to learn about birth control options. The study was designed to help explain how women choose their birth control method, how they view alternative methods and ultimately whether their online activity influences their offline decisions. ComScore surveyed 921 women between the ages of 18 and 44 who had been heterosexually-active in the past six months and had used a form of prescription or over-the-counter birth control.

As for where women age 18-44 turn for health information, 82 percent choose medical professionals (i.e., doctors, pharmacists and health care workers), 60 percent choose the Internet and Web sites, and 51 percent choose friends, family and significant others.

"Traditionally, women have relied on friends, family or a significant other for health-related information,

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names of note

Indianapolis research company *Harper* has named **Nicky Halverson** team leader and **Jason Shockey** qualitative researcher.

Rochester, N.Y., research company *Harris Interactive* has appointed **Stephen Wallace** as CIO; **Steven L. Fingerhood** as independent director; **Kevin Ford** as European head of brand and marketing communications research; and **Andrew Freeman** as senior consultant for media research in the U.K.

Nanette Brown has joined New York research company *ICC/Decision Services* as market research project director.

Buckingham, U.K., research company *InterQuest* has hired **Benedikt Grundemann** as project director.

Clare Collins has joined London research company *Opinion Leader* as research director in the health and social care team.

ABI Research, Oyster Bay, N.Y., has appointed of **Kevin Burden** as research director, mobile devices.

Abi Cornwall has joined *Market Research Partners*, Edinburgh, Scotland, as field manager.

Bellomy Research Inc., Winston-Salem, N.C., has hired **Mikele Cayton-Woody** as a senior research manager and **Jolayne Sikes** as a research manager.

Insight Research Group, London, has appointed **Lee Gazey** as director, promoted **Andrew Forman** to marketing and sales director, and promoted **Julie Maudrich** to account manager.

Mike Pardee, senior vice president of Knoxville, Tenn., marketing company *Scripps Networks*, has joined the board of directors of the *Advertising Research Foundation*, New York.

CMS Research Inc., Charleston, S.C., has promoted **Barb Nye** to senior vice president, **Jenni Bannister** to director of client services, and **Jason Kean** to manager of information technology. The three will operate out of the Toledo, Ohio, office.

DoubleClick Inc., a New York advertising company, has named **Heath Row** and **Jai Singh** senior research managers.

Cincinnati research company *EMI Surveys* has promoted **Aaron Walton**

Walton **Scott**

and **Jason Scott** to vice president, client services.

Vienna, Va., research company *D3 Systems Inc.* has hired **Janet Lee** as project manager.

Mark Smith has joined Cincinnati research company *LaunchForce* as vice president, creative director.

Dexterity, a Chennai, India, research company, has appointed **Anantha Krishnan** as chairman and CEO.

Donna Taglione has been promoted to vice president of Farmington Hills, Mich., research company *Morpace Inc.*

International Communications Research, Media, Pa., has appointed **Neil Modi** as senior vice president, financial services sector, and **Karin A. Ferenz** as senior vice president, telecommunications/technology.

Boston research company *Observant LLC* has hired **Penny Mesure** and **Lana Limpert** as directors.

Brent White has joined Stamford, Conn., research company *SmartRevenue* as vice president, client services.

Naperville, Ill., research company *Millward Brown* has appointed **Patricia Driver** as managing director, Millward Brown Singapore.

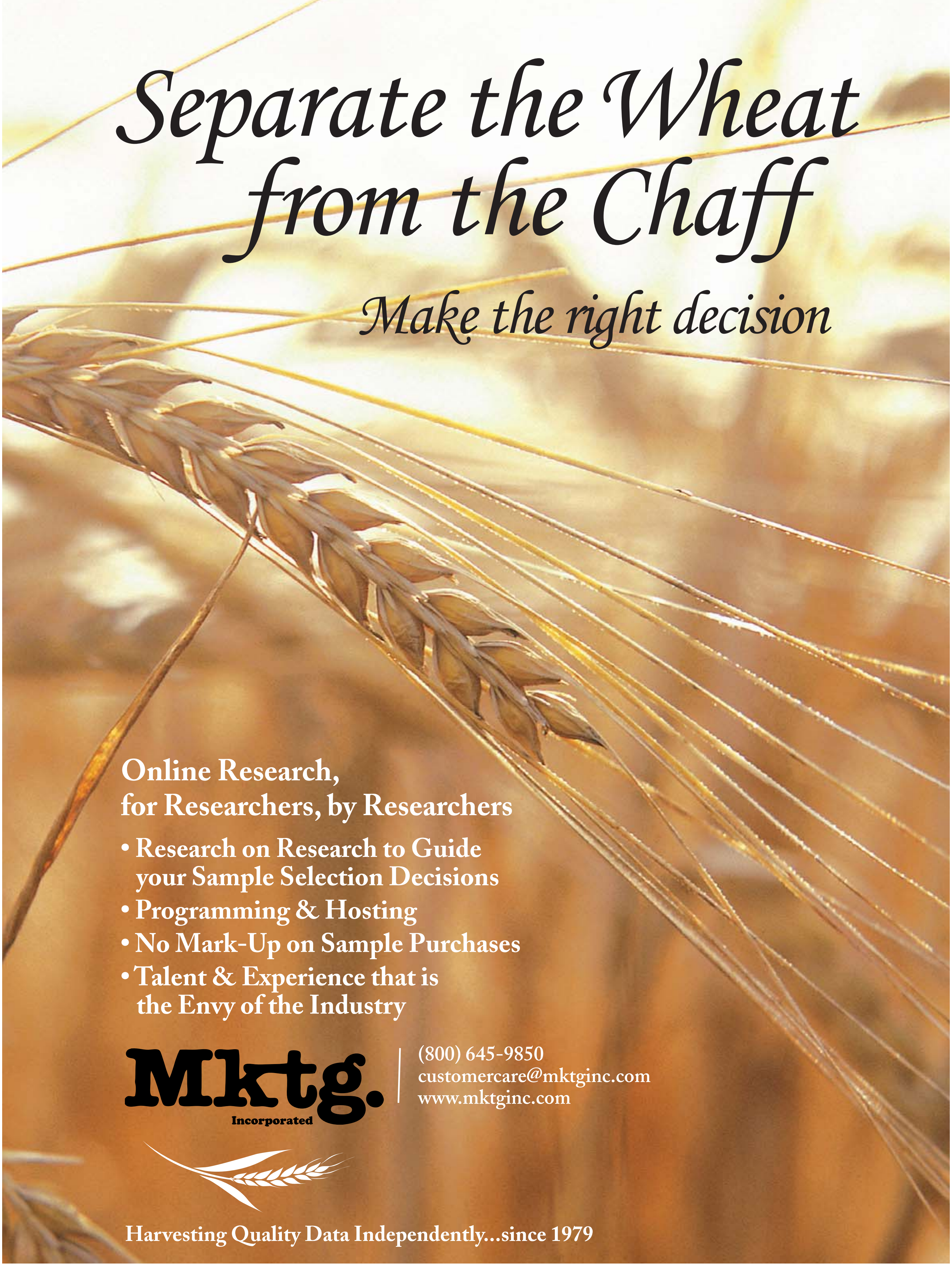
London research company *TNS* has named **Scott Ernst** president of its recently-acquired company *Compete Inc.*

The Nielsen Company, New York, has hired **David Parma** as the global product leader for its customized research group; **Dawn D'Cotta** as marketing manager, Pacific and South East Asia; and **Karen Watson** as CCO and senior vice president, global communications.

Integrated Marketing Associates, a Bryn Mawr, Pa., research firm, has appointed **Christopher George** as a senior project director and **Patty LaBarbara** as manager of administrative services.

Jeong-Han Hong has been named director of U.K.-based *Research International*'s marketing science center in Korea. **Cherry Hung**'s role has been extended at the marketing science center in Taiwan.

New York research company *Ziment* has appointed **Eva Laparra** as vice president, marketing, and **Jonathan S. Spiess** as vice president, technology and innovation.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product and service update

Build communities with Vovici module

Dulles, Va., research company Vovici has launched the Community Builder module, which is designed to allow organizations to create and manage online community panels. Community members are invited to join and given profiles to garner interest in participation and ensure that member feedback will be shared. The profiles are used to eliminate the need to repeatedly request basic demographic and lifestyle data and to verify that panelists are qualified for surveys before they are invited to participate. Profiles also allow members to log in and view results from surveys they previously participated in.

The screens built with Community Builder are customizable so that they may look and feel like an extension of an enterprise's existing marketing efforts. Community Builder contains all of the functionality to build a stand-alone community page or function as a complementary extension of an existing community site. This functionality is available without the need for specialized product knowledge or specific coding skills. For more information visit www.vovici.com.

OptimusID software targets fraudulent respondents

San Francisco research company Peanut Labs has unveiled OptimusID, a patent-pending software technology developed to eliminate fraudulent online responses and help improve data quality.

OptimusID utilizes a proprietary algorithmic method to fingerprint a survey taker's computer, without using cookies or downloads, for accurate measurement of individual online response. OptimusID gathers some 150 publicly-available machine information points from a respondent's computer and then processes the information points through the algorithmic method and assigns a digital fingerprint to each unique computer-user combination to build a survey-specific behavioral history for each respondent.

Using this survey history and machine fingerprint, OptimusID blocks professional respondents using multiple e-mail accounts for survey taking on the same computer as duplicates and filters respondents using multiple accounts from multiple research firms on the same computer. Survey takers found to be participating in too many surveys within a predetermined time period are identified as professional respondents and blocked. Respondents speeding through surveys are stopped, and respondents straight-lining, lying or satisficing through answers are flagged and entered into the rehab database.

Even if users delete their cookies or change IP addresses, OptimusID provides an extra layer of detection that still recognizes habitual bad respondents.

With OptimusID, Peanut Labs has also unveiled its respondent rehab database, a centralized database of repeat bad respondents that restricts these professional respondents from taking further surveys until clearing rehab. For more information visit www.peanutlabs.com.

MarketTools enhances zTelligence online survey software, launches online data quality service

San Francisco research company MarketTools Inc. has updated its online survey software zTelligence to offer new features designed to allow marketers and researchers to be more self-sufficient while increasing the efficiency and productivity of survey creation, study deployment and data analysis.

A new feature of zTelligence is the zTelligence resource center, which offers guided, interactive video tutorials; FAQ and tips sheets on zTelligence functions and capabilities; a library of templates for conducting various types of research projects; whitepapers to help users conduct more informed research; a search function for all resource center content; access to product and company news and support information; and live, hosted, bi-weekly trainings on zTelligence.

In addition, zTelligence offers new authoring features intended for more experienced users, including a section copy-move-delete feature that enables users to work with groups of pages as a single page. The new scale rollup feature, part of zTelligence real-time reporting, provides users more flexibility in applying top-, middle-, or bottom-two box rollups to any combination of questions. For more information visit www.zoomerang.com/ztelligence.

The firm is also now offering TrueSample, a product designed to improve the quality of online sample by ensuring real, unique and engaged responses from the company's proprietary ZoomPanel and from samples sourced from certified TrueSample partners.

TrueSample is a three-part process aimed at ensuring authenticity in survey respondents. First, MarketTools verifies each prospective panelist against external databases with consumer demographics, including age, gender, address and income, to ensure that respondents are who they say they are. MarketTools applies this validation process to all prospective panelists and to those of MarketTools' participating certified partners. All panelists are required to provide accurate data or they are prevented from joining any panel.

Second, TrueSample ensures that no respondent can take a survey more than once, regardless of whether he or she has joined ZoomPanel or one of the firm's certified partner panels. Panels are also de-duplicated against each other to ensure that studies using multiple panels have only unique survey takers. MarketTools also identifies suspicious respondents, removes them

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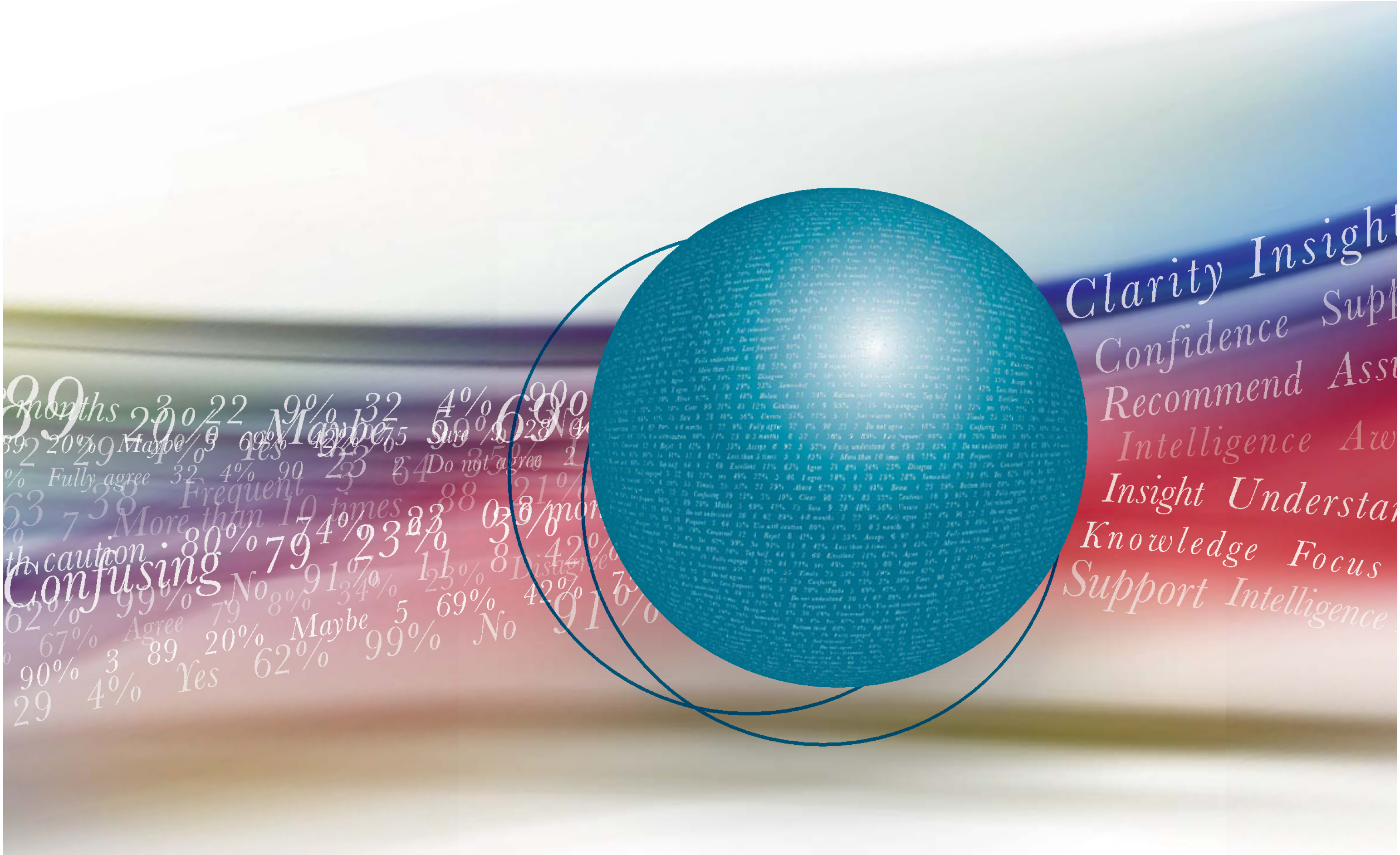

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News Notes

In March, Kansas City, Mo., research company **Decision Insight** celebrated its 25th anniversary.

Dallas research company **e-Rewards** has made a $50,000 donation to the Marketing Research Association Education Endowment Fund to support scholarships for market research. The donation has been made in partnership with more than 450 of e-Rewards' market research clients.

An antitrust lawsuit dating back to 2005 between St. Petersburg, Fla., research and ratings company **erinMedia** and New York-based **Nielsen Media Research** (NMR) has ended with the dismissal of all claims "with prejudice" and both sides agreeing to a settlement for an undisclosed amount. The lawsuit began when erinMedia owner Frank Maggio launched his bid to end NMR's TV ratings monopoly, claiming NMR's long-term staggered contracts with major broadcasters made it "effectively impossible" to set up a competing TV audience measurement tool.

A lawsuit filed against Swiss research company **AGB Nielsen** over the alleged bribery of TV ratings panelists has been thrown out by a court in the Philippines. Broadcaster ABS-CBN filed the suit in December 2007 following claims that a rival broadcaster, GMA network, had been bribing AGB Nielsen's panelists in the city of Bacolod in an attempt to boost their audience share. The judge said that the suit for a total of 81 million pesos was prematurely filed, as the contract between AGB Nielsen and ABS-CBN gives the ratings provider 30 days to look into any data problems and three months to rectify them. According to a statement made by AGB Nielsen, "There is still no evidence that the broadcaster contact with panel homes has had any impact on audience viewing behavior or share." ABS-CBN is appealing the decision to throw out its lawsuit.

Westlake Village, Calif., marketing services company **ValueClick Inc.** has come to a settlement with the Federal Trade Commission (FTC) regarding the ValueClick's lead-generation practices. The FTC alleged that ValueClick utilized deceptive marketing practices that violated the CAN-SPAM Act and FTC Act. In an effort to resolve this matter, ValueClick agreed to a settlement payment of $2.9 million without an admission of liability or conceding that the company had violated any laws. In addition, ValueClick and the FTC have agreed on the standards that will govern its lead generation business.

Wilton, Conn., research company **Greenfield Online Inc.** has updated its cost estimates for legal, accounting and other fees and costs related to its defense of the class-action lawsuit pending against the company to $3 million to $3.5 million. The lawsuit was brought by former em-

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Calendar of Events June-October

IIR will hold its return on marketing investment conference on June 23-25 at the Hyatt Regency Coconut Point Resort & Spa in Bonita Springs, Fla. For more information visit www.iirusa.com.

The Advertising Research Foundation will hold its Audience Measurement 3.0 conference on June 24-25 at the Millennium Broadway Hotel in New York. For more information visit www.thearf.org.

The Conference Board will hold its marketing research conference, themed "Moving Market Research Beyond the Online Virtual World," on June 26-27 at the Hotel InterContinental in Chicago. For more information visit www.conference-board.org.

The Council of American Survey Research Organizations will hold its annual technology conference on June 26-27 in New York. For more information visit www.casro.org.

LIMRA International Inc. will hold its multicultural marketing strategies conference on July 8 in Toronto. For more information visit www.limra.com.

The American Marketing Association will hold its summer marketing educator's conference on August 8-11 at the Sheraton San Diego Hotel & Marina in San Diego. For more information visit www.marketingpower.com/research.

IIR will hold its Segmentation 2.0 conference, themed "Actionable Strategies to Drive ROI," on August 18-20 at the Hilton La Jolla Torrey Pines in La Jolla, Calif. For more information visit www.iirusa.com.

The American Marketing Association will hold its annual marketing research conference on September 14-17 in Boston. For more information visit www.marketingpower.com/research.

The Australian Market & Social Research Society will hold its national conference on September 14-16 at the Melbourne Exhibition and Conference Centre in Melbourne, Australia. For more information visit www.amsrs.com.au.

ESOMAR will hold its annual congress on September 21-25 in Montreal. For more information visit www.esomar.org.

IIR will hold its annual market research event on October 13-16 at Disneyland Hotel in Anaheim, Calif. For more information visit www.iirusa.com.

To submit information on your upcoming conference or event for possible inclusion in our print and online calendar, e-mail us at editorial@quirks.com. For a more complete list of upcoming events visit www.quirks.com/events.

By Gavin Johnston

Ethnographers should inform, not lecture

In general, companies hire ethnographers (anthropologists, sociologists, etc.) for a simple reason: to uncover new ways to achieve competitive advantage and make more money. This translates, most often, into research to understand new product opportunities or develop brand positionings or salient marketing messages.

Unfortunately, as researchers and ethnographers, we find that our clients often have no idea what to do with the research information we provide them. The fault lies with us, not the client, and can be overcome if we apply ourselves just a bit.

When clients complain about the research experience they typically fall into two broad camps. When you hear the phrases "It's too academic" or "I don't know what to do with it," the right thing to do is tell the client you will revisit the research and translate it into something they can use. Better still, make sure they never feel that way. Not only does this save the researcher countless hours of added work, but more importantly it helps ensure a returning client who sees the value of well-done ethnography and advocates for its use.

The heart of the matter

So what does it mean when a client says, "It's too academic."? It means that they didn't hire you to teach a class about anthropological theory and method. It means that they need more than interesting bits of human behavior. It means they don't want to sit through a 100-page PowerPoint presentation before getting to the heart of the matter. They are in business and have neither the time nor the interest of a scholar or student. Of course, this doesn't mean that you don't do the work or that you fail to set up the points you are trying to make, but it does mean that you be cognizant of the fact that the audience hired you to improve their business and products, not teach a course on anthropological methods.

And to be fair, meetings are a constant (often annoying) reality for executives. They have little or no time to waste. The people with the luxury of sitting through a lengthy presentation rarely have a significant amount of authority in the decision-making process, and they rarely hold the purse strings. This isn't to say that those two hours of research findings we put forward aren't meaningful, but rather that presentations need to be tailored to the needs of the people buying your product. For the business community, the product is knowledge and the ability to make that knowledge useful.

Editor's note: Gavin Johnston is vice president of research and strategy at Two West Branding and Communications, Kansas City, Mo. He can be reached at 816-581-8202 or at gavinj@twowest.com.

Solution is simple

The solution is simple and deceptively obvious: Tell them what you are going to tell them, tell it to them, then tell them what to do with it (this final point can't be stressed enough). A corporate presentation or report is not a textbook or an artfully-crafted novel and the people buying your services aren't

generally interested in a stunning climax at the end. You can and should still tell a story, but the story needs to be simple and direct – an abridged version, so to speak.

Start by quickly and succinctly telling them why they are there, why it matters and what the main points are on which they need to focus. The people you need to influence will stick around and pay attention to what you tell them if your presentation begins, for example, by telling the client, "You have thought people liked the taste of your beer. But the truth is they drink it because it tastes funky and that gives them street credibility." Spending 15 minutes explaining the concepts of social capital and dramaturgy will simply put them to sleep.

Act upon

The other frequently-heard phrase after presenting research findings to a client is "I don't know what to do with it." It isn't enough to encapsulate your work into a form that can be quickly grasped; it needs to be something they can act upon. Video footage of a woman demonstrating how to buy Valium from India online may be interesting but that doesn't mean the client knows why it is significant or how to use the information. People need very concrete bridges between findings, insights and application, and the information you put out there is of little strategic or tactical value if you can't apply it.

The value for clients in hiring anthropologists and ethnographers goes beyond the cultural lens we use to look at the world. The value lies also in the holistic view of the world we are trained to take in and the way we connect seemingly unrelated (or seemingly unimportant) information into innovative approaches to a business problem. Our seemingly-skewed way of "reading" the world is unique and results in unique solutions that we must articulate.

Something actionable

When all is said and done, ethnography is an incredibly powerful tool, but only if it can be turned into something useful for the client. The job doesn't end when you're finished collecting data. It doesn't even end with analyzing and interpreting that data. It ends when the information you have collected can be turned into something actionable by the client, be it a new ad campaign, a new brand platform or a new type of hammer.

The researcher, research team, creative team, client and everyone invested in the project need to work toward turning information into a final product. When the time comes to sit down with the client and explain what you saw, heard and did, the ethnographer better be prepared to also explain what to do with it next. If we keep that in mind as we work through the data, our value to our clients will be unparalleled. | Q

By William M. Bailey

An indexing approach to brand equity

This is the second part of a two-part series that concentrates on alternative tools helpful in evaluating a set of opinion and/or judgmental attributes often used in selecting suppliers. Part 1, "Evaluating P-E gap analysis," which appeared in the June 2006 issue, presented the results of examining the difference or gap between performance and expectations of the set of attributes as they applied to a respondent's most-often used supplier (attribute importance also was taken into consideration); the resulting model was called a P-E gap analysis. This article introduces an indexing approach based on derived importance leading to a perceptual map of the set of suppliers, an indicator of brand imagery.

The project was based on a survey among life science and medical professionals that addressed emerging technologies, tested reactions to new product concepts, measured brand awareness and loyalty, and assessed advertising effectiveness. For a complete description of the overall project scope and data source refer to the earlier article.

Better indicator

Asking respondents to state the importance of product attributes can lead to ambiguous results because so often, many of the attributes are deemed as being equally important. To get a more accurate picture of what is truly important, determining derived importance (versus that stated in the set of importance questions) can give a better indicator of what is really important. For the study, and with a focus on the supplier most often used, respondents were asked their opinion toward a series of product, service and brand features (attributes) using questions designed to obtain their impression regarding importance, expectations, and how they felt about the supplier's performance (see following question examples) along with an overall satisfaction question. It has been found that the collective usage of these three question categories gives a much better indication of what drives overall satisfaction and thus a stronger indicator of "true" importance.

Each respondent was asked to rate a series of attributes using a seven-point Likert scale ranging from a "low" rating to a "high" rating using the following type of questions. (The questions were presented in a grid fashion with the attributes sectioned by category as row elements and the three rating scales as column elements. Alternative presentations were tested and no discernable difference in technique was found.)

Editor's note: William M. Bailey is principal of WMB & Associates, a Cocoa, Fla., statistical services firm. He can be reached at 321-637-0777 or at statmanz@earthlink.net.

Very High Rating						**Very Low Rating**
7	6	5	4	3	2	1

Previous studies have identified the following features as important to other life science researchers. When considering your Primary Supplier's [noted in an earlier question] ability to provide [such product or service], how IMPORTANT to you are each of the following?

How we expect a company to perform may differ from how they actually perform. How high or low are your EXPECTATIONS for each of these features when purchasing [such product or service] from your Primary Supplier?

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Table 1: Mean Summary Table					
Attributes	**Supplier**				
	A	**B**	**C**	**D**	**E**
Overall, how satisfied are you with [Supplier]?	6.0	6.1	5.7	5.8	5.9
Automation (e.g., bar coding)	6.1	6.2	5.8	5.9	6.2
Guaranteed minimum yields	5.8	5.9	5.5	5.5	5.9
Size ranges available	5.9	5.9	5.7	5.9	5.9
Guaranteed purification levels	6.0	6.0	5.7	5.9	6.0
Large-scale synthesis offered	5.8	5.9	5.6	5.9	5.9
Purification options available	5.5	5.5	5.2	5.4	5.5
Easy-to-label/identify	5.8	5.7	5.5	5.8	5.8
QA/QC documentation	5.9	5.9	5.5	5.7	5.8
Quality of raw materials	6.0	6.0	5.7	5.9	6.0
Lot-to-lot consistency	5.8	5.8	5.4	5.7	5.8
Range of synthesis scales offered	6.1	6.0	5.7	6.1	6.1
Easy-to-handle/manipulate	5.9	5.9	5.6	5.8	5.9
Variety of formats offered (e.g., tubes, plates)	5.8	5.8	5.6	5.6	5.8
Variety of modifications offered	5.0	5.1	5.3	5.4	4.9

As we mentioned in the previous question, how we expect a company to perform may differ from how they actually perform. How well is your Primary Supplier PERFORMING based on your experiences when purchasing [such product or service] from this company?

Common methods used to develop derived importance include bivariate correlation and regression analysis. For the former, the correlation coefficient between each independent variable (opinion set of importance questions) and the dependent variable (overall satisfaction) is an indication of derived importance, whereas for the regression approach, the level of importance is based on the beta coefficient (if mixed independent variable data types then the standardized beta), taking level of significance into account. This is often called the cause/effect or key driver model. Additionally, the response scale would be interpreted as interval for purposes of the regression model.

Composite and individual models

This study sought an indicator of brand equity or imagery and used regression analysis to develop derived importance as described above. A composite (overall) model as well as individual models for each supplier in the study (Table 1) were determined.

Next, a method of rank ordering based on an indexing scheme was conducted for each attribute across suppliers relative to the attribute's overall result (Table 2). Thus, when comparing each supplier's individual beta coefficient (per attribute) to the overall coefficient an index or ratio between the two can be derived that shows a relative posi-

Table 2: Linear Regression, Beta Coefficients by Supplier

Attributes	Overall Parameter Beta (n=1033)	Supplier A (n=293)	B (n=281)	C (n=124)	D (n=78)	E (n=149)
Automation (e.g., bar coding)	0.143	0.165	0.256	0.170	0.073	0.374
Guaranteed minimum yields	0.112	0.104	0.128	0.104	-0.042	0.039
Guaranteed purification levels	0.140	0.127	0.131	0.064	0.281	0.062
Large-scale synthesis offered	0.058	0.130	0.004	0.008	-0.072	-0.053
Purification options available	0.059	0.059	0.040	0.126	0.071	0.097
QA/QC documentation	0.054	0.127	0.103	-0.126	-0.020	-0.098
Quality of raw materials	0.058	-0.001	-0.010	0.173	0.132	0.139
Range of synthesis scales offered	0.073	0.095	0.039	-0.023	0.131	0.222
Variety of formats offered (e.g., tubes, plates)	0.099	0.096	0.135	0.243	-0.035	0.162
Variety of modifications offered	0.079	0.054	0.007	-0.043	0.222	0.182

Note: Dependent variable is overall satisfaction for primary supplier; independent variables are the set of importance opinion attributes

Table 3: Index Table by Supplier

Attributes	Supplier A (n=293)	B (n=281)	C (n=124)	D (n=78)	E (n=149)
Automation (e.g., bar coding)	1.149	1.787	1.185	0.509	2.605
Guaranteed minimum yields	0.921	1.142	0.927	-0.375	0.343
Guaranteed purification levels	0.911	0.935	0.458	2.006	0.440
Purification options available	0.995	0.672	2.124	1.190	1.639
QA/QC documentation	2.328	1.884	-2.314	-0.373	-1.807
Quality of raw materials	-0.013	-0.169	2.993	2.283	2.407
Large-scale synthesis offered	2.222	0.074	0.130	-1.232	-0.914
Range of synthesis scales offered	1.312	0.531	-0.323	1.802	3.057
Variety of formats offered (e.g., tubes, plates)	0.969	1.363	2.457	-0.358	1.640
Variety of modifications offered	0.677	0.084	-0.541	2.802	2.299
Index sum	11.471	8.303	7.096	8.254	11.709

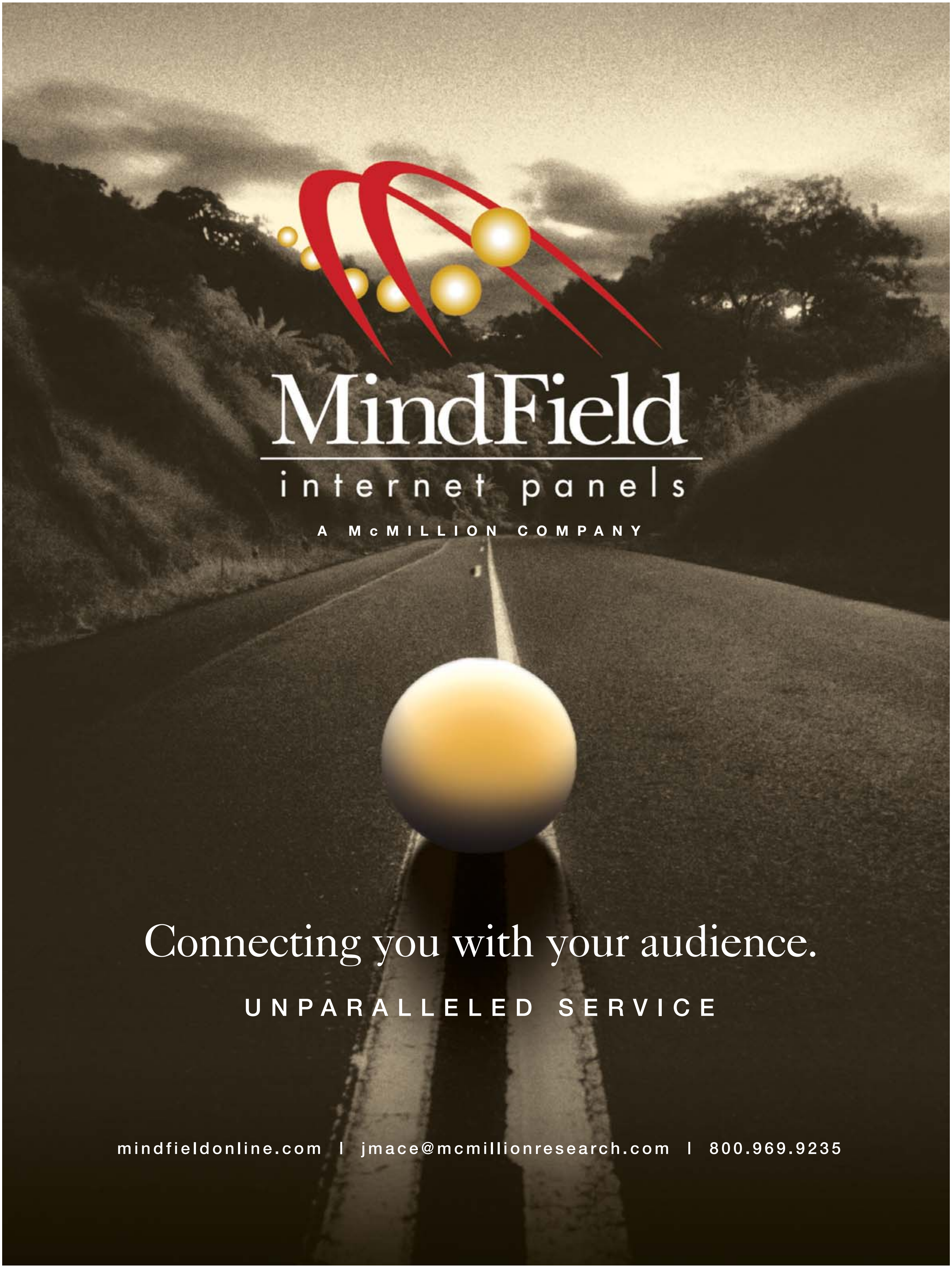
tioning of each attribute by supplier. This index can then rank ordered and summed. When summing the attribute indices supplier-by-supplier, the supplier with the highest overall index has the highest brand equity (taking the sign into consideration). From this, a perceptual mapping of these results would display the brand position of the different suppliers.

Table 1 displays an example of the mean results by supplier for overall satisfaction and the series of attributes in the survey. The results are presented in Table 2. Table 3 displays the resulting indices that are used to depict derived brand equity and shown in Figure 1.

Table 2 shows the result of the regression model for derived importance (set of statistically significant attributes); the larger the absolute value of the beta coefficient the more important the attribute. Overall, automation stands out (0.143). The same holds true for Supplier B (0.256) and several others, whereas for Supplier D, guaranteed purification levels (0.281) is key.

On the other hand, the model finds that QA/QC documentation had relatively little importance (0.054, overall). Notice that this attribute's level of importance was much higher for Supplier A than for Supplier D, 0.127 compared to -0.020, respectively.

Table 3 shows the brand equity indices for each attribute across suppliers. Each index was derived using the overall beta coefficient for each attribute as the basis, and then comparing each supplier's beta to that base: The indices are the ratio between each attribute's beta within each supplier and the overall beta for that attribute. For example, from Table 2 and the attribute automation, the overall beta coeffi-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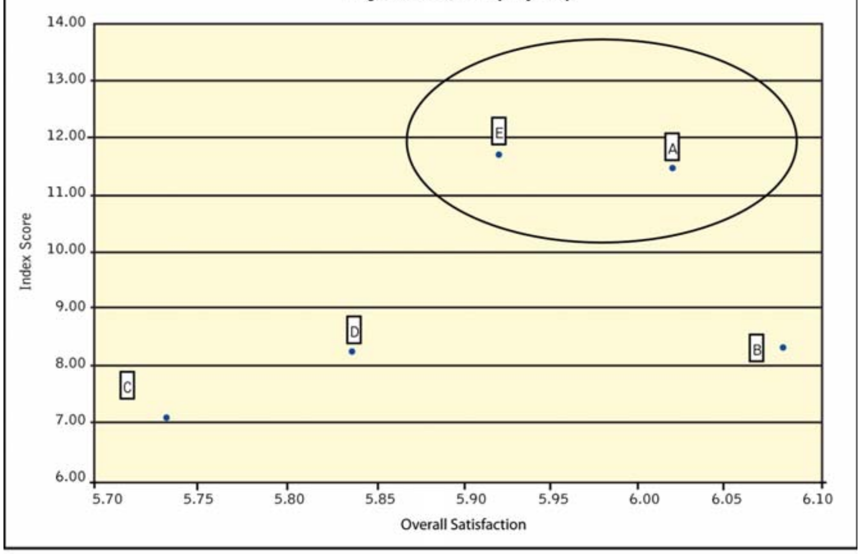


Figure 1: Brand Equity Map

cient was 0.143 and for Supplier A the beta was 0.165, giving an index of 1.149 (0.165/0.143). Thus, when a comparison is made to Supplier E's index (2.605), it suggests that automation was much more important to overall satisfaction among respondents who use Supplier E more often than among users of Supplier A. On the other hand, with an attribute index of 0.509 this attribute is less important to users of Supplier D.

Once all indices are derived, the sum should give a composite indicator, an overall rating of brand equity based on the derived importance model. The higher this overall index the higher the perceived supplier (or brand) equity. These rank sums are found at the bottom of Table 3.

Also notice that the signs from the beta coefficients are carried forward and are interpreted in a similar fashion: A positive attribute/supplier index says that that attribute has a direct cause/effect relationship on overall satisfaction and its brand equity, whereas a negative sign denotes an indirect relationship and then is deducted from the supplier's overall score.

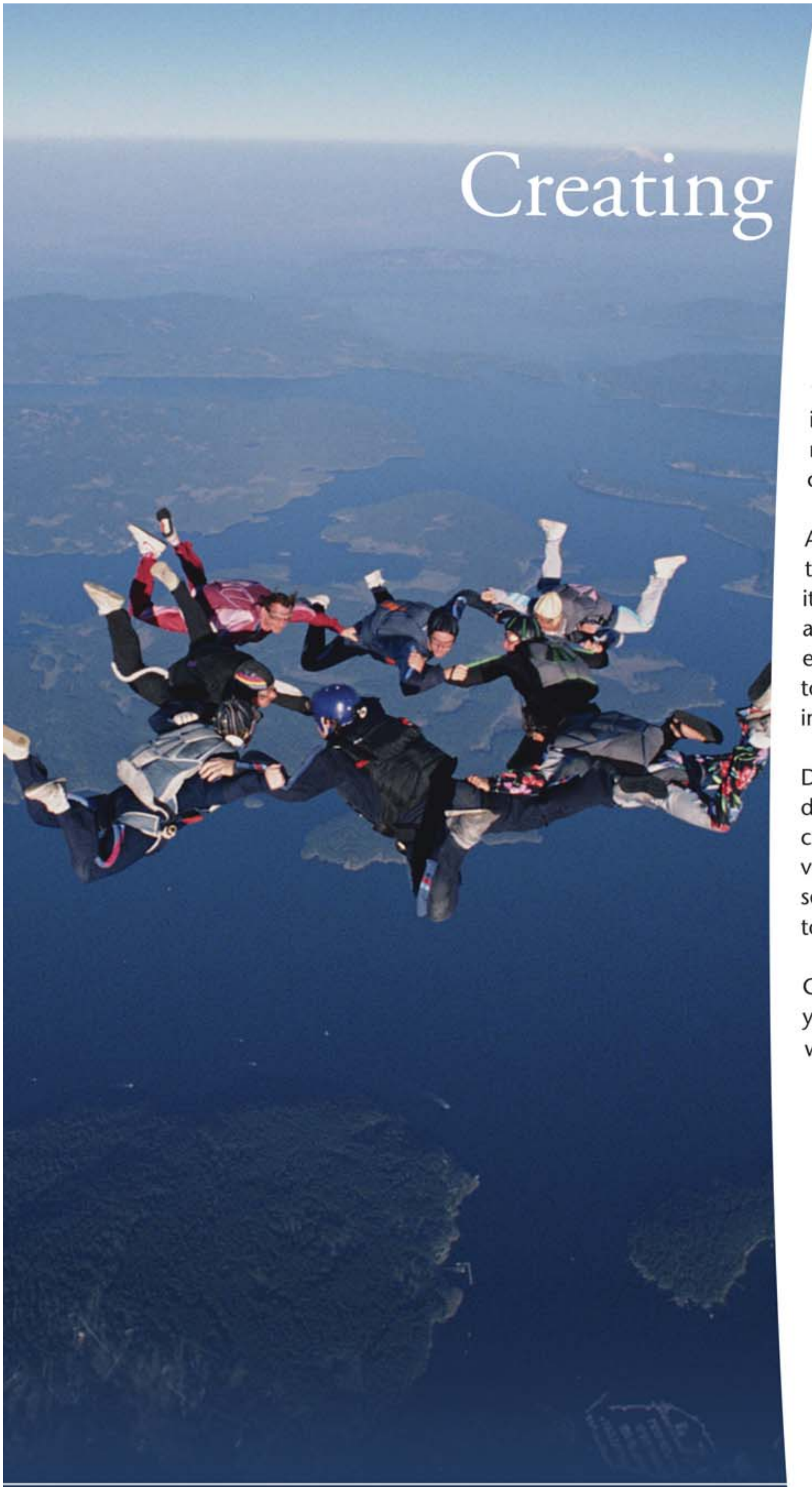
Figure 1 shows the supplier positions, with overall satisfaction along the x-axis and the equity index along the y-axis. The findings indicate that, while a supplier's satisfaction rating might be high, when opinion attributes are taken into consideration there can be a shift in perception. That is, an indicator of brand equity has more to do with the cumulative effect of perceived opinion than simply satisfaction. The "ideal" positioning would be in the upper-right-hand quadrant, where both satisfaction and cumulative opinion are the greatest.

Though Supplier B has the highest overall satisfaction rating among this set of suppliers, its brand equity index (8.303) under this model's scenario is less than both Supplier A (11.471) and Supplier E (11.709).

Combination of methods

While there are various ways to determine and present brand imagery, the appeal here is that it utilizes a combination of well-known methods from traditional approaches, primarily derived importance, and then expands on that information to collectively estimate brand equity. One final note: While one might attempt to view the results as an indication of market share, this should be avoided. Just because a brand has high equity does not necessarily mean that it has high market share. | Q

Creating Connections



In this high-tech world, it's easy to forget that face-to-face interaction is still one of the best ways to learn about people's experiences and impressions. Even though technology is playing an increasing role in data collection, we know it will never replace direct conversations with customers in a focus group setting.

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35
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health care research

By John Voda

A thorough examination

To field successful medical interviews, run them through these tests

Medical marketing research is challenging and rewarding. Most respondents are extremely intelligent and engaging, the topics are intriguing and the research results can have life-or-death consequences. But research is expensive and medical interviews run at the high end of the spectrum. The honorarium alone typically costs several hundred dollars and you also have to add to that the costs for survey design, recruiting, interviewing, project management and data analysis.

With stakes – and budgets – this high, it is essential to maximize the quality of information captured. All research is adversely affected by unqualified interviewers, unqualified respondents, poor survey design and many other factors – some beyond our control. Our goal is to eliminate sources of error we can control (the research chain is only as strong as the weakest link). The effort and expense invested to carefully recruit and interview is wasted if doctors misunderstand the questions.

It is critical, therefore, that interview guides be reviewed and pre-tested by an experienced interviewer. A series of pilot interviews can quickly and inexpensively identify and eliminate potential sources of error before the study goes to the field. The small investment will help ensure that questions don't surface only after hundreds of interviews have been completed around the world.

Editor's note: John Voda is a moderator and marketing research consultant based in St. Louis. He can be reached at 314-973-3047 or at jcvoda@sbcglobal.net.

Following is a checklist of suggestions and considerations regarding how to improve the design and execution of in-depth interviewing. Most apply to all types of research, and several of the suggestions may appear obvious or simplistic. But based on my experience interviewing thousands of doctors and patients, I know the problems they address still occur - and far too often.

Pre-testing

• Invest the time and effort to have an experienced interviewer pre-test the guide with a variety of doctors and specialties. Interviewers have a different perspective than the team that designed the instrument and they bring real-world experience regarding what works in the field. Encourage the pilot interviewer to ask questions and make suggestions. This will help ensure that potential problems are found and fixed before the study goes in the field.

• During pilot testing, ask respondents to provide a disaster check at the end to ensure questions are clear, the survey order makes sense and all relevant topics are addressed.

• For multinational surveys, ensure the survey is carefully checked (preferably pre-tested) in each country after being translated.

• If pilot testing cannot be conducted, encourage the client to monitor the first few interviews.

Briefing

• Provide adequate background information. The more the interviewer knows about the topic and research objectives, the better he/she will perform.

• Ensure field agencies receive and review all materials early enough to obtain client clarifications (if needed) before interviewing begins.

• Conduct a briefing for every study to ensure details are clear and all materials have been reviewed. Encourage field agencies to ask questions and suggest improvements (take advantage of their experience).

• For paper surveys, indicate if answers and interview notes should be captured in pencil or pen, and in a particular color.

Recruiting and fieldwork

• If you want all screeners saved (even doctors that DQ) inform the field offices before the project begins.

• Provide an accurate assessment of the interview length (including any self-completion assignments or patient diaries). Lengthy interviews may negatively impact recruiting. An unrealistically short estimate can improve recruiting but upset respondents and impact the research quality.

For longer surveys, compensate respondents accordingly.

• Avoid changing quotas or changing the screener after fieldwork begins unless essential.

• Don't sacrifice in-field time to make up for other delays. Provide field staff with adequate time to recruit and interview. If the time frame is unrealistic, recruiting will suffer and field offices may be tempted to cut corners.

• Provide a contact that interviewers can call if they encounter a problem or need clarification during an interview.

• Encourage interviewers to provide feedback so you can quickly identify and resolve issues that arise. Promptly review and share with all field offices relevant new questions/clarifications so everyone can benefit. Ensure interviewers make no changes without the client's explicit approval.

• Respect the doctor's decision to not participate in marketing research. Provide an option to be removed from future study invitations.

• For taped interviews, encourage interviewers to take notes on the paper survey as a backup to the recording equipment and to aid in probing when referring to prior answers.

• If the survey is administered electronically, ensure there is a way to capture comments/clarifications on the computer during the interview. The doctor/interviewer may forget them by the interview's end.

• When feasible, allow backing up (in the event an answer is captured incorrectly). If not possible, provide a log for capturing comments or edits. Ensure the form clearly captures the question(s), the required edits and the unique respondent ID.

• If the interview will generate medical waste, provide the field offices with sharps boxes for proper disposal.

• Assign respondent numbers when the study begins (if possible) to ensure respondent confidentiality and reduce confusion. Ensure all paperwork and forms include space for recording the number.

• Ensure all paperwork has the date and/or version number displayed so that if edits are made the field offices can distinguish the old from new paperwork. Ensure the client/product/brand does not appear anywhere.

Formatting

• Before printing materials, fix page breaks to ensure questions and/or answer options don't wrap onto two pages (which could result in the question or the answer options being misread, misunderstood or missed altogether).

• Use bolding and underlining to highlight differences between questions that might otherwise seem identical (such as conjoint profiles).

• Indicate words that should be emphasized when read aloud by using bolding, underlining or uppercasing.

• Ensure there is adequate space to capture a complete answer to every question. If you provide a small space for a question that warrants a long answer, the interviewer/respondent will likely summarize or eliminate valuable comments.

• For long lists, use lines, shading or borders to ensure doctors can easily (and correctly) indicate their answer (such as when matching attributes with drugs). If several options are similar, underline or bold the key differences.

• Unless a list must be randomized, sort items alphabetically or group them logically (such as side effects, then contraindications, etc.) to make it easier for the interviewer to record responses.

• Do not combine a series of questions into one long block of text. Break each question into a separate item. Similarly, if a probe or instruction is actually a unique question, format it accordingly to ensure the interviewer sees and asks it.

• For taped interviews, when asking several questions about a list of items, create a grid so the interviewer can keep track of what has been asked and can record any explanatory comments from the doctor.

• Ensure questions with precoded answer options accept an "Other - specify" option (unless absolutely essential not to) and capture the verbatim comment. Don't force doctors to select the wrong answer because the right one isn't allowed.

Instructions

• Make instructions easy to read, complete and precise.

• Clearly indicate when answers must sum to a specific amount or equal other numbers (such as 100 percent, a subtotal or a previous answer).

• Many people are confused by the symbols < (less than) and > (more than). Spell them out and review them in the briefing to ensure questions are asked correctly.

• Use formatting to clearly distinguish interviewer instructions (which are not read aloud) from questions (which are read aloud). Use bolding, italicizing and brackets for clarification. Do not embed questions within interviewer instructions.

• Clearly indicate if probes and answer options are to be read aloud. Do not leave interpretation up to each interviewer.

• Don't ask the interviewer to refer to prior answers unless it will clarify the question, enhance the accuracy and/or expedite the interview.

• Ensure skip patterns are clearly marked and keep them to a minimum. Ensure skips are correct - especially if question numbers are changed due to additions/deletions.

• When answer options are to be read aloud by the interviewer, have them first say: "Please do not answer until you have heard the entire list."

• Provide instructions for the interviewer to read aloud before giving out paperwork/self-completion forms. Once the paperwork is handed over, the respondent may begin reading it and not pay attention to the interviewer. When using a show card or self-completion form ensure the doctor reads the entire text before answering.

• If questions or forms are to be rotated or randomized, ensure instructions are clearly marked (and prepared in advance when possible).

• When asking a series of questions about a series of items, clearly indicate if the questions are to be asked vertically (ask all attributes for one item, then the next item, etc.) or horizontally (ask one attribute for all items then ask the next attribute). Answers can be impacted by the order asked.

• If two attitude questions are opposites of the same issue, instruct the interviewer to challenge and clarify inconsistent answers.

• Clearly instruct whether to rank (1 = most, 2 = second, etc.) or rate (1 = low and 10 = high) items.

• Clearly indicate whether only one answer is allowed or multiple answers are acceptable.

Question wording and answer options

• Abbreviations can have multiple meanings. Ensure all abbreviations are spelled out in the survey (or at least provided in the briefing information).

• Spell out phonetically the pronunciation of each drug or condition that will be read aloud. If conducting a multinational study, ensure lists of drug brands are customized for each country.

• Ensure questions are clear and provide all necessary information. (The brand-name drug or a generic? What dose? What strength? What mode? What usage frequency? What time period? What co-morbidities?)

• Ensure answer options are exhaustive and mutually exclusive. For example, consider a drug where one prescription covers three injections per week, for four weeks. The survey asks: "How many times per month do you use Drug X?" What does "use" refer to? Should the interviewer record one prescription or 12 injections? Office injections only or also self-administered?

• Provide adequate information for the doctor to give a definitive answer rather than "Well, that depends..."

• Order questions to enhance clarity and minimize redundancy. For example, ask "Which drugs have you used?" prior to "Which drugs are you aware of?" and simply transfer answers from the first question to the second. Reversing the order forces doctors to answer twice.

• When using a list, capture yes/no responses for each item rather than "check all that apply" to ensure each option was asked.

• When asking "the average number of patients" or "the average length of use" provide instructions to capture bimodal distributions - such as when half the patients use it for 10 years and half use it only a few days. The "average" of five years does not convey the true length!

• When asking use of drugs or procedures, don't ask yes/no questions - which don't capture nuances. Provide options such as "I used to but recently stopped" and "I typically don't, but would if the need arose." Similarly, it is usually better to capture intended use on a likelihood scale rather than as a "yes/no" question, since the answer often depends on numerous criteria not explicitly provided.

• Capture an exact number rather than a range (when possible). The values can be collapsed into categories later. If ranges are necessary, ensure the number of categories is adequate (for example, don't break a 0-100 scale into just two ranges).

• Ensure attributes/statements are meaningfully different, so doctors don't ask "Didn't I just answer that question?" If the difference between phrases is subtle, underline, bold or uppercase the key words that are different.

Show cards, handouts and self-completion forms

• When using a show card with a long list of answer options, number the options to make it easier/faster for the interviewer to find and record *medical market research*

Allergists
Anesthesiologists
Cardiologists
Cardiothoracic Surgeons
Critical Care Specialists
Dermatologists
Electrophysiologists
Emergency Medicine Physicians
Endocrinologists
Gastroenterologists
General Surgeons
Geriatricians
Hematologists
Hematology Oncologists
Hepatologists
Hospitalists
Infectious Disease Specialists
Nephrologists
Neurological Surgeons
Neurologists
OB/GYNs
Oncologists
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Orthopedic Surgeons
Otolaryngologists
Pain Management Specialists
Pediatricians
Physiatrists
Plastic Surgeons
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Psychiatrists
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Sports Medicine Specialists
Thoracic Surgeons
Urologists
Vascular Surgeons
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the answer. Ensure the numbers on the show card match the survey.

• When creating charts/graphs, use shading/shapes that will remain apparent if copied/printed as black and white.

• Use show cards when there is a lot of text for the doctor to evaluate, to ensure comprehension.

• Only use separate handouts or show cards when necessary to enhance understanding or to expedite the interview.

• If paperwork must be faxed, ensure it is formatted on standard 8.5 x 11 paper (rather than legal).

• Ensure the question matches the handout or self-completion forms. For example, don't ask "importance" while the handout reads "performance."

• Ensure instructions clearly indicate when each self-completion sheet and show card is to be used. Ensure each is clearly marked and the label matches the survey. If possible, name the show card as the question(s) it is used for. Ensure question numbers are updated if questions are added or deleted.

• When pre-interview assignments are given (such as patient), ensure the doctor has adequate time to complete the materials prior to the interview. Call prior to the interview to ensure the doctor has completed all assignments. If necessary, reschedule the interview rather than have the doctor rush through the materials.

• For paperwork sent to the doctor prior to a phone interview, ensure all forms are clearly marked in large text on each page whether they are to be read/completed in advance or during the interview.

• Have field offices submit the original paperwork the doctor completed rather than transferring answers onto a new sheet, which could result in errors.

• E-mail or ship paperwork rather than faxing (when possible) to maintain legibility. If paperwork must be faxed, ensure shading isn't too dark, the type isn't too small and items aren't too close to the page margins (where they will be cut off). If an image must be faxed, ensure it is a line drawing (versus a picture) so the fax will be clear (shading can make faxes unviewable).

• If paperwork must be mailed back by the doctor, provide a pre-addressed, postage-paid return envelope.

• Ensure contact information (including your phone and fax number) and the project deadline is clearly displayed on materials sent to the doctor.

• Ensure the respondent number is recorded on all materials before sending it to the doctor.

Considerations specific to medical marketing research

• Indicate if samples (i.e., not prescribed) should be included or excluded when reporting drug usage.

• Price/insurance/coverage/formulary frequently has a major impact on prescribing. Provide relevant instructions to ensure consistent answers.

• When asking "What percentage of your patients discontinue treat-

ment with Drug X?" clarify whether patients who die while on it should be included or excluded.

• When asking if a doctor would switch a patient from their current drug to a new drug, the instructions should specify if the patient is currently performing well or poorly.

• When asking about workload ("patients typically treated per month" etc.) it may be more accurate to capture subtotals as percentages rather than numbers. The percentages can be converted to numbers during analysis and vice versa. The interviewer can use percentages to calculate a number and verify it with the doctor: "So, that would be about X patients per month?" (This provides more accurate data, especially when splitting small bases.)

• For multidoctor practices, it is probably unrealistic to have a doctor estimate how many patients the entire practice treated in three-month or six-month period. If asked, capture how many doctors are in the practice.

• Eliminate ambiguity. What does "problematic" mean in the following question: "Do you experience any adverse reactions in patients on Drug X that are problematic to manage?" Does it mean "required titrating" or "required stopping that drug" or "required adding another drug" or "caused side effects"? One doctor may consider a side effect that is treatable (though uncomfortable) not to be problematic. Another may consider patient inconvenience to be problematic.

• Does "it limited your treatment" mean "it caused you to discontinue treatment" or "it caused you to change the dosing" or something else? Don't leave questions open to varying interpretations.

• Don't ask "Why did you prescribe Drug X to this patient?" (which may result in a discussion about drug classes) when you really want to know "Why did you prescribe Drug X to this patient rather than some other drug?" (which captures how this specific drug differs from other drugs). Similarly, don't ask "What do you seek from a drug rep?" when you want to know "What personality traits do you want in a drug sales rep?"

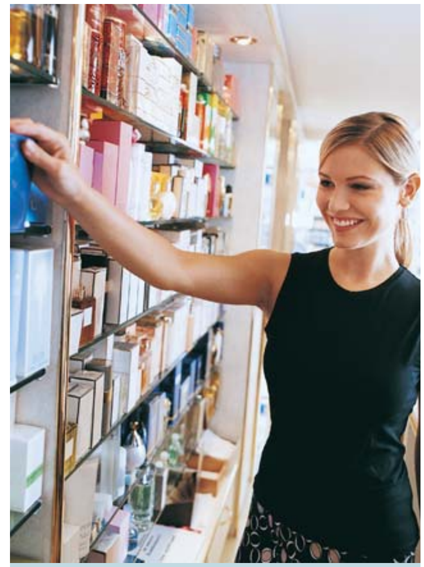
• When creating drug profiles, be as exact as possible. Reduces by how much? How quickly? Sustained for how long? Don't leave it to each doctor to speculate what is meant. The more precise the profile, the more accurate and comparable answers will be.

Enhance the value

If you follow all the suggestions above you will greatly enhance the value of your research. If you remember only one thing it should be this: leave nothing open to interpretation. While it is easier to rely on the experience of the interviewer, your trust may be unfounded and your data could be jeopardized. The effort you spend refining your survey instrument directly impacts the quality of the research results. And with medical research, your findings may have life-saving implications. | Q

health care research

Make it matter



By Melinda Kizer

Develop and deliver pharmaceutical market research that improves brand strategy

The divide among pharmaceutical market researchers, brand teams and the sales force is almost a cliché. Market researchers should have a bigger voice in brand strategy but they often don't make it to that proverbial table.

To improve your chances of getting there, take a closer look at the impact of how you're networking and functioning within the teams you support. Consider the level of service you receive from your external agency and how their competencies and insight reflect on you as a professional. You might find that your internal-access issues are less about the importance of your studies or data and more about how you interact and communicate with research stakeholders.

Expectations have changed

Performance expectations for pharmaceutical market research have changed. As resources shrink and industry regulation and scrutiny reach historic highs, brand managers and others who rely on market research are overwhelmed with responsibilities. Few have the time to sift through data and consider its implications. There are just too many balls in the air.

Marketing and sales people - and the other departments and agencies supporting them - look to market research for answers and insight that give them an edge over competitors. Market researchers working inside drug companies seem to get this.

They say, according to an independent study conducted by G & S Research, that the true test of value for market research is how useful it is when making decisions. (The study was based on an Internet survey fielded in November 2006 among 35 client-side market researchers with an average 10.4 years industry experience.) Many even indicate that market researchers should be held accountable for the impact of the studies they conduct. Yet 75 percent of respondents reported that many market research projects don't reach their potential of positively impacting their brands.

So what can we do to improve the usefulness of research? At the heart of usefulness is relevancy. To generate relevant insights that are

Editor's note: Melinda Kizer is vice president, qualitative research at G & S Research Inc., Indianapolis. She can be reached at mkizer@gs-research.com.

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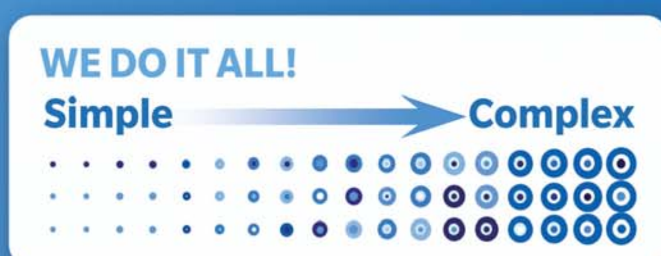

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used to make smart decisions, it's critical that you and your agency are acutely familiar with the range of market dynamics that may be impacting product performance. This includes major regulatory events and shifts in public opinion along with competitive developments in the market, especially any new compounds and promotional strategies. As well, consider the following elements:

The impact of managed care

Know how managed care is impacting prescribing trends. Are generic alternatives less expensive for patients and thus generating a high volume of callbacks to prescribers from pharmacies? Are patients required to "fail" on one or more agents before they can reimbursed for your product? If so, the brand team needs to know how they can help prescribers overcome formulary constraints and value your product over alternatives.

Treatment algorithms

Particularly for brands that target conditions that have previously had risk-prohibitive – or no – treatment options available, physicians must be educated to think about treating the disease. They need to understand the benefits of your product and how it can be used effectively for specific patient groups. Thus, the brand team needs to know how to engage physicians and compel them to prescribe it to qualified patients. An educational program like this is especially important if your product is perceived to be cost-prohibitive or presents strong concerns about patient compliance.

Regulatory influences on prescribers

Increasingly, physicians are operating within an array of legal and regulatory parameters. It's critical to understand how these influences are impacting prescriber behavior. For instance, when recruiting a sample of physicians, researchers need to know that recent legislation in some states requires physicians to disclose income from market research or advisory board participation. As a result, prescribers are becoming more selective about the activities in which they participate to avoid negative perceptions.

Evolving sales model

When designing research that's intended to affect frontline strategy, you and your market research agency must understand how the sales force functions – within your company as well as in competing companies. One cannot assume that yesterday's model is today's reality, because the role, structure and expectations for pharma sales are being reconsidered. For example, some companies are evaluating scenarios that include fewer reps who have formidable expertise in a therapeutic category – not just their own product(s) – and who call on prescribers less frequently than reps today to discuss the total disease state.

Availability of data

Pharmaceutical companies have come to rely on access to prescribing information to determine who is writing prescriptions for what and to identify trends in prescription choice. This secondary data helps companies target prescribers for future promotions or certain kinds of information. However, increased scrutiny and other factors have led to questions about the appropriateness of prescriber information being used for commercial purposes. Be sure your market research agency fully understands these and other limits of industry data sources and processes.

Identify and involve

To deliver hands-on value to the teams you support – and earn their respect as a strategic contributor to the organization's success – you need to perform consistently as a leader and expert. Aside from being tuned into marketplace realities, strategic market researchers must identify and involve the people and groups that potentially share a stake in the research results before, during and after

Table 1: Elements of a Communications Plan

Approach	Tools	Format	Frequency
Corporate culture	E-mail	Written summary	Frequent
Business decision	Telephone	Informal conversation	Periodic
Stakeholder support	Voicemail	Voicemail script	Milestones
Interest/Expectations	One-on-one meeting	Detailed report	Final results
Personal style	Live presentation	Slides	By request

the project is conducted.

Getting buy-in from sales and other frontline personnel makes all the difference in the world as to whether or not a new strategy based on your research will be successfully implemented. Especially for potentially game-changing studies - such as segmentation, positioning or messaging - time and capital are often wasted on research to support plans that are not executed in the field. In many cases, marketing initiatives fall apart during execution because too little thought goes into involving the implementers and bringing them on board. When serious conversations about the logistics of implementation never take place, hundreds of thousands of dollars are wasted on dormant data and unworkable strategies.

To get a project moving and keep it on track, determine who needs to be involved at each step and how much influence they should have. Think about anyone who shares a stake in the research results: your boss, the marketing team, sales management and the field force, and pertinent external partners, including your market research agency, the ad agency and any co-marketers. Then determine whose input and buy-in is needed at each step of the project's progression.

Of course, the more people who are involved, the more difficult it will be to move the project forward. So, while general input may be appropriate for framing the target business decision, a more focused group can typically handle reviews of research design, data collection and analysis of results. Implementation planning should be led by those with direct responsibility for these activities. The larger group will likely reconvene to discuss and develop specific execution tactics.

To ensure that the right people are involved at the right time, ask yourself at each step:

– Whose insight might improve this effort?

– What buy-in will help move the project forward?

– Who is likely to support/sabotage the research results?

– How might an individual or group's involvement affect implementation?

A variety of factors can influence how and when you interact with project stakeholders. If more involvement ensures success, then just anticipate a longer timeline. Involvement considerations include but are not limited to:

– Corporate culture: What is the standard way of doing business within your company?

– Significance of the business decision: How will the research results affect the company's bottom line and strategic planning?

– Individual interests and expectations: What impact does the project have on a stakeholder's direct responsibilities, professional reputation and ability to succeed?

– Personal style: What are the individual characteristics of various stakeholders: formal/casual, stern/humor-ous, etc.?

These factors vary by company, so if the dynamics of your organization make it difficult to formally group a cross-departmental project team, use informal channels to communicate and gather perspective. Talk to people in other departments and find out what they are thinking, what they need, what they're trying to accomplish and what obstacles they're facing in the field or their area of responsibility. Whatever it takes, just be sure to communicate and get a sense for what's happening in the real world. It'll keep you relevant.

Communication plan

Establishing a good flow of information with your project team and research stakeholders can foster a strong working relationship. Your communications plan should encourage internal constituents to voice their needs and include a process for providing information to external partners.

Understanding the needs and preferences of various groups and individuals is essential. Find out, up front, how often and in what ways a person wants to receive information and provide input on your project. Some individuals will want to be more hands-on than others and it's important to respect and respond to these preferences and stay cognizant of the time you require of them.

Explore the considerations outlined in Table 1 to develop your communications plan.

Be strategic about your project communications as well. Before moving too far forward, examine the level of support that each stakeholder provides for your project. Identify advocates and critics and develop a plan for dealing with each. For instance, if your boss is a strong supporter of your project, while the brand manager seems determined to poke holes in it, you'll want to approach each party separately and differently. Your boss may sign off on your recommendations in an e-mail, while the brand manager may require a lengthy meeting to discuss his/her concerns and ideas.

In some cases, it may become necessary for market researchers to get creative with communications planning to ensure key constituents are informed and actively engaged the research process. Some ideas:

• Schedule a phone meeting for the commute home. Since the standard one-on-one meeting can become laborious - and often get cancelled when pressure rises on competing projects - it may be helpful to use this otherwise-unscheduled time to catch up.

• Post a "burning questions" white board outside your office. This may be a convenient forum for marketers to voice concerns, issues and questions to your market research team in a minimal amount of time. It also gives you time to respond with relevant materials and information. The board could include basic status information of various projects as well.

• Use e-mail to issue a periodic project summary. Depending on the size and communication structure of the organization, this format might be used to document and communicate the primary objectives of a study in context of marketing strategy and other considerations. It could also include a timeline of project milestones (e.g., data collection start/end, topline report delivery, final report delivery, presentation of results) to ensure that the needs of end users are being met.

No matter the format or style, what matters most is that communications are regular, open and responsive. By implementing a flexible communications plan and responding to the needs and preferences of stakeholders, you can eliminate unnecessary delays and maximize the mileage of your research.

Actively involved

If your extended project team communicates appropriately at the beginning of a research initiative and remains actively involved throughout the study, then research results should be spot on. Your market research agency, if you've used one, should deliver solid research conclusions and strategic recommendations that require only slight tweaks from you as an insider.

And while the report may reveal a range of interesting findings, it's critical in the presentation stage that you stay focused on the business issues and communicate only results that matter to specific audiences. There's simply no way - or reason - for brand teams and other constituents to absorb all the results from every study. Instead, present only the findings that help a specific audience make imminent decision(s).

Stay focused by adopting the following practices:

• Provide several small presentations of results - possibly by objective - rather than a single large one. This helps focus the delivery of results and related discussion on relevant topics. It also minimizes the possibility of missing a significant insight due to limited time. By presenting too much information to a general audience, you risk losing the attention of key constituents who want insight to their immediate area of focus.

• Following a presentation, the market research team should hand out a brief - possibly single-page - summary slide of the "aha" findings that address key business objectives. This becomes a meaningful tool that the brand team and other constituent groups can reference from meeting to meeting.

• Set a limit to the number of slides allowed in the full report deck that your agency provides. This will improve the odds that results are prioritized and consolidated before they even reach you.

New metric for value

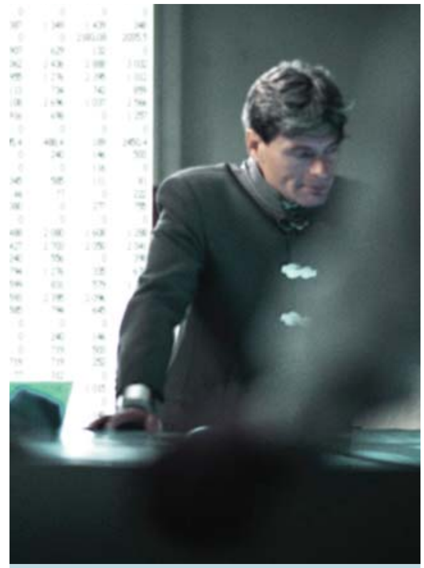
How well a researcher - inside or outside of the end user's organization - can help push results through the extended team and impact change with them is the new metric for value. This is a more specialized skill than delivering competent research.

Make sure that your market research agency puts as much thought into your influence planning as it does to a study's design. Find a partner that understands your world, fits culturally with your team and organization and has the capabilities and interest to help you succeed as a professional.

Given the unique business environment of health care, make sure your external partners account for the one-to-one marketing approach of this industry. As well, they must be able to strategically address how to approach, message and apply programs designed for specific audience groups in health care - all while observing the rules, tools and channels that need to be considered when conducting research with physicians, patients and other system stakeholders. Admittedly, this may seem like a tall order, but for agencies specializing in health care, it should go with the territory. Don't settle for less. | Q

health care research

It's not your strategy, it's your marketing research



By Michael Latta

In today's hypercompetitive business climate, the only viable strategies come from primary marketing research. The use of primary marketing research across the product life cycle is necessary to find competitive advantage, which will be defined below as the intersection of market focus, company flexibility and willingness to sacrifice parts of the market to husband resources.

This article will explore the successful development and launch of Faslodex by AstraZeneca - which was supported by primary marketing research throughout product development and at launch - as an excellent example of how to use marketing research in crafting and executing strategic marketing plans.

Elements of strategy

Using a war analogy, Prussian soldier and intellectual Carl von Clausewitz, in what is one of the most important books ever written on strategy, presented the elements of strategy that still apply in marketing warfare and business contexts today (Clausewitz, 1982). His writings emphasized the development and use of strategic judgment, fine-tuned to deal with an ever-changing environment.

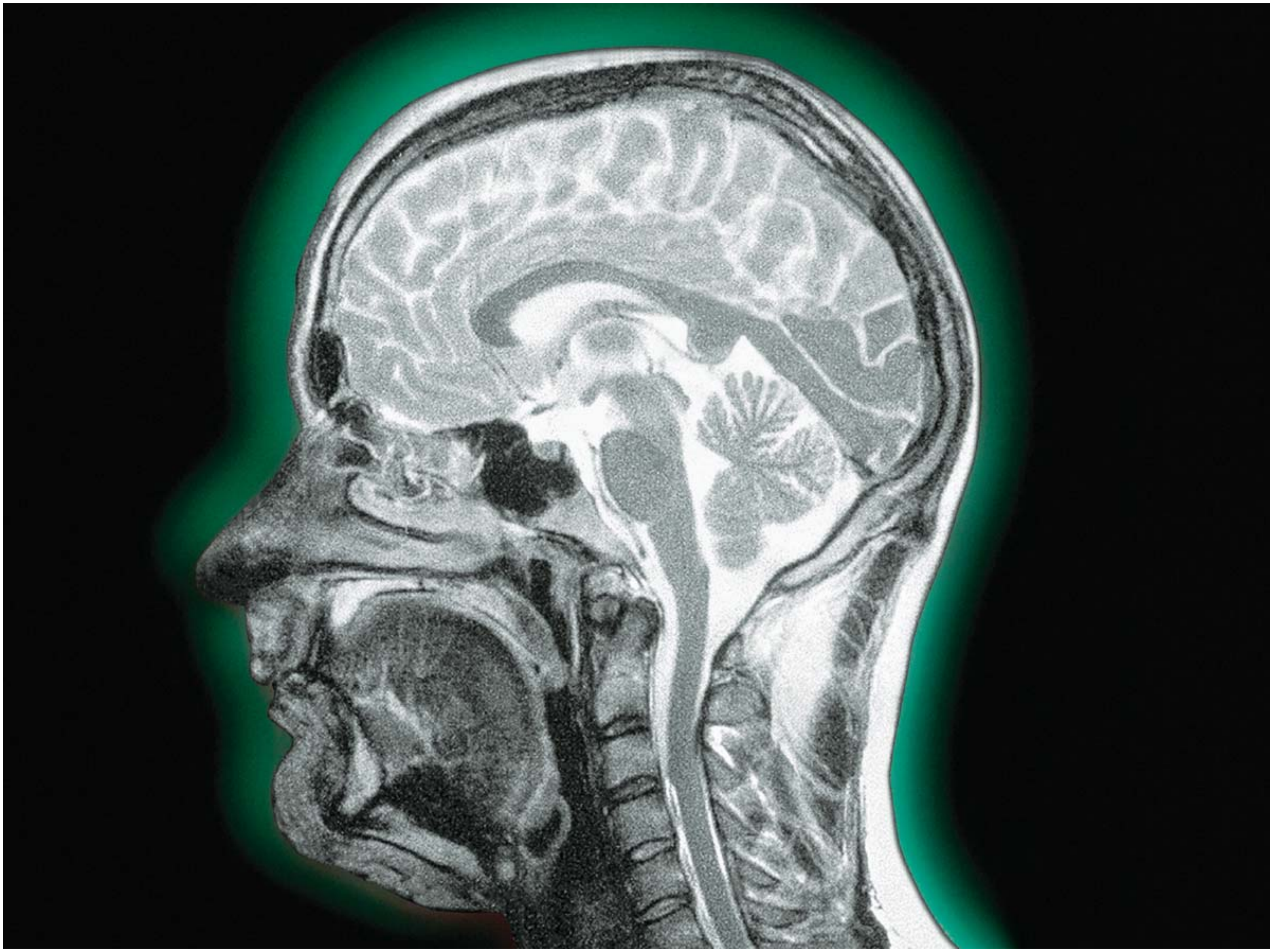
Though written during the 1800s, his approach is profoundly relevant today in that it describes the complex and uncertain manner in which real-world events unfold, taking into account both human nature and its attendant lapses of judgment and the complexity of the physical and psychological business world where marketing warfare is conducted. Clausewitz knew that knowledge of the battlefield and one's opponent was crucial and that abstract ideas and education must always be accompanied by practical experience and information in order to craft and execute effective strategy.

Seeking competitive advantage in launching a pharmaceutical product

For Clausewitz, actual experience always took precedence over the kind of abstract "truth" that can be transmitted by mathematics, thinking or writing. Thus, marketing strategy must never conflict with reality and must be essentially descriptive of marketing warfare to support judgments about tactics to be employed. Strategic thinking and judgment requires knowledge of the enemy and battlefield.

In updating and adapting Clausewitz's approach for the American market, Ries and Trout (1986) recognized and adopted Clausewitz's

Editor's note: Michael Latta is executive director of YTMBA, a Wilmington, Del., research and consulting firm, and assistant professor of marketing at Coastal Carolina University, Conway, S.C. He can be reached at 843-349-6476 or at mlatta@coastal.edu.



principle of "going down to the front to see what is going on." The aim of information-gathering at the front is to devise tactics to handle the unexpected consequences of the current competitive struggle, making the process dynamic. Indeed, there is no cookbook for strategy or an approach that can succeed without direct knowledge of what is going on at the front, where competitive advantage is demonstrated in reality, not as ideas dreamed up in a corporate boardroom.

It is contended here that knowing what is in the mind of the customer is the first step in crafting a strategy that will survive competitive intensity. The reality of the current situation, as defined by customer perceptions, is brought to the strategic planning process in corporations by customer-focused primary marketing research, providing essential information about how the marketing war is being fought and how it can be won through competitive advantage.

Special appeal

In the definition of strategy used here, competitive advantage comes from the intersection of focus, flexibility and sacrifice. Focus means finding the hole in the market or the target market where the product or service has special appeal and advantage relative to competition and concentrating on winning the marketing battle to get trial. Flexibility means we selectively modify the product or service we deliver to match the changing needs or requirements of a particular customer as far as possible to build loyalty. Finally, sacrifice means we realize we cannot be all things to all people in the hypercompetitive global market and avoid expending resources where they are unlikely to provide a return on their investment.

Beginning at the product or service design phase with a customer-focused development process supported by primary marketing research, we can seek competitive advantage early and often. Primary marketing research supplies the information needed to reduce the unpredictability of marketing warfare caused by emotion, chance, rational choices and competitors.

Companies that seek competitive advantage, therefore, need to develop a customer-focused marketing strategy utilizing primary marketing research.

Such a strategy is based on market information and knowledge related to:

- knowledge of customer decision algorithms and decision criteria associated with use of products and services;
- awareness of customer attitudes, perceptions and beliefs about price, product/service features and benefits, and what the competition is offering;
- knowledge of customers' unaided, aided and proven awareness of all the in-kind and functional competitive products/services;
- information about customer activities such as trade shows attended, receptivity to selling efforts, professional or trade journals read, company profile; and
- information about customer segments related to their size, profile, media preferences, influence hooks and product/service usage patterns.

Primary marketing research functions to deliver information that:

- assists in establishing goals and objectives;
- provides measurement of company performance in meeting goals and objectives;
- reduces uncertainty in forecasting future demand;
- provides timely information to assist in marketing problem-solving;
- assists in setting optimal prices;
- assists in competitive positioning analysis; and
- assists in identifying attractive new market segments or acquisitions.

Power centers

In spite of attempts to eliminate functional silos in corporations, there are still power centers that function relatively independently. In the pharmaceutical industry, there are many power centers that wield great influence over the strategic direction of the company and individual brands and portfolios of brands. Marketing in many cases is less powerful than sales, finance, legal or research and development, making those employees who are most adept at crafting marketing strategy less influential.

To encourage communication of important departments within the corporation with marketing personnel, many pharmaceutical companies have moved toward a less structured, more open system of brand and portfolio teams. These teams include various representatives from the internal functional silos and in some cases external floating members from ad agencies and marketing research firms that have worked on individual brands or portfolios of brands for some years (Latta, 2000).

These internal-external relationships of marketing research suppliers and brand and portfolio team members produce the best marketing information (Latta and Schwartz, 2004). Sometimes the institutional memory of these external floating members of the team exceeds the internal institutional memory of the internal team members due to frequent job changes both within and between pharmaceutical companies by internal team members.

Range of decisions

Regarding strategy issues, the brand or portfolio team must consider a wide range of decisions that are either determinative of strategy or affect the success or failure of an adopted strategy. Each issue must be dealt with in the strategic and marketing plans.

These strategic decisions include, but are not limited to, the following:

- What sales message should be communicated about our brand?
- Who will use our brand and why?
- Who will not use our brand and why?
- What position should our brand occupy?
- What will competition say about our brand?

Answers to these questions determine the initial success of the execution of our adopted strategy. It is important that all members of the business are in agreement concerning the "best" answers to these questions. Customer-focused primary marketing research is the mechanism for providing objective and accurate information for answering these strategic questions, as illustrated by the Faslodex example.

Begin very early

Some pharmaceutical companies are starting to use primary marketing research very early in the product development process. One success story occurred at AstraZeneca with Faslodex, which is used to treat breast cancer. AstraZeneca used the brand-team approach for Faslodex, with 17 cross-functional members comprising the breast cancer portfolio team. At Faslodex launch, the composition of this team was:

- the breast cancer portfolio team positions;
- group director, breast cancer portfolio;
- brand promotions leader, breast cancer portfolio;
- product manager, Nolvadex;
- product manager, Faslodex;
- brand director, Arimidex;
- senior professional relations manager, Faslodex;
- two promotions managers, Faslodex;
- global brand director, Arimidex;
- senior promotions manager, Arimidex;
- promotions manager, Arimidex;
- professional relations manager, Arimidex;

• director, regulatory affairs;

• senior medical director, oncology/clinical research, U.S. drug development;

• development program director;

• senior e-promotions manager, breast cancer portfolio; and

• manager, oncology public relations.

The breast cancer portfolio team at AstraZeneca was responsible for marketing three of the top breast cancer drugs worldwide including Nolvadex (tamoxifen), Arimidex (anastrozole) and the new product Faslodex (fulvestrant). The marketing challenge involved managing drugs that are in product life cycle stages ranging from early market development (Faslodex) to growth (Arimidex) to decline (Nolvadex). The goal was to introduce and maximize the impact of the newest product at launch while not cannibalizing the "gold standard" of therapy (Nolvadex) which had been on the market since 1978, and continuing growth of Arimidex. Thus, the breast cancer portfolio team was charged with maximizing awareness and use of Faslodex at launch and growing sales of Arimidex while not killing Nolvadex.

Prior to launching Faslodex in first quarter 2002, AstraZeneca used primary marketing research in the spirit of continuous improvement from 1996 on to prepare for launch in the U.S. market, including:

• informing annual reviews and SWOT analysis (strengths-weaknesses-opportunities-threats);

• determining what key attributes of Faslodex should be emphasized;

• identifying potential barriers to use that would need to be overcome;

• identifying unmet needs that Faslodex might address;

• crafting and executing a strategy for Faslodex; and

• creating a forecast for Faslodex adoption and use.

Faslodex primary marketing research began in early 1996. Using those early research results, AstraZeneca set benchmarks for unaided (44 percent) and total (52 percent) awareness as well as product penetration in terms of trial by U.S. medical oncologists (8 percent).

Starting in the first quarter of 2001, AstraZeneca tracked awareness quarterly and use of Faslodex among U.S. medical oncologists. The pre-launch market development efforts of AstraZeneca were highly successful and grew unaided and total awareness of Faslodex to 100 percent at launch in March of 2002. Trial had reached 4 percent, a little short of the benchmark, while growth in Arimidex was greater than 37 percent in moving annual total prescriptions, and Nolvadex was stable in its gradual decline as a mature product (*Product Management Today*, 2000).

The Faslodex story illustrates the major components of primary marketing research as strategy implemented in a customer-focused marketing strategy following Clausewitz's approach. The core concept of strategy identified by Clausewitz and implemented by AstraZeneca includes the competitive moves and business practices utilized by AstraZeneca to attract medical oncologists to:

• gain unaided awareness and get trial;

• compete successfully in a hypercompetitive market;

• grow the existing Arimidex business;

• avoid cannibalizing the existing Nolvadex business;

• execute operations efficiently; and

• achieve goals and objectives based upon information gathered from the market through primary marketing research.

Faslodex went on to become an important and successful product in AstraZeneca's breast cancer portfolio.

Most effective weapon

In today's hypercompetitive business climate, the only viable brand and portfolio marketing strategies emerge from primary marketing research. Using customer-focused primary marketing research early in development and across the product life cycle is necessary to find competitive advantage defined as the intersection of market focus, company flexibility and willingness to sacrifice parts of the market to husband resources.

Many pharmaceutical brand managers are either too busy or unable to write their own strategic marketing plans. Consequently, these important documents are written by either advertising agencies or consulting firms. Experience both inside pharmaceutical companies and as an outside supplier of strategic research services to pharmaceutical companies suggests the need for primary marketing research to inform strategic marketing plans as part of an ongoing process.

Key to success

The process of continuously developing an effective strategy is not finished before the war is fought but evolves with new information in real time. No matter how rational and complete an initial analysis of strategic contingencies may be prior to engaging the enemy, ongoing processing of primary information from the front is the key to success. In the battle for competitive advantage, primary marketing research is the pharmaceutical brand and portfolio manager's most effective weapon and the best way to craft and execute effective marketing strategies (Thompson, Strickland and Gamble, 2005). | Q

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multicultural research

The twain have met after all

By David Morse

In his poem *The Ballad of East and West*, Rudyard Kipling wrote the now-famous lines "East is East, and West is West, and never the twain shall meet." Globalization and the growing influence of Asian culture (and demographics) on the United States are proving his adage anachronistic. But Kipling did have a point. There are distinct differences between Asian and Western culture; where they do meet is in the lives of Asian-Americans.

According to psychologist May Paomay Tung, these cultural differences are also a source of conflict for Asian-Americans. In her book *Chinese Americans and Their Immigrant Parents*, she relates some of the common themes she encounters while conducting psychotherapy with young Chinese-Americans. She writes that these themes include "a sense of parental disapproval or emotional withholding ('It's never good enough'), inadequate or mistaken guidance, role reversals and puzzling beliefs and behaviors. In relation to society at large, they often feel unsure of themselves, not knowing who they are. The sense of being 'invisible' or overlooked is pervasive. I began to see that much of the intergenerational and societal conflicts basically stem from the intercultural misunderstandings and antagonism."

Common problems

In our research, when we go for a deeper line of questioning with Asian-American participants, there are common problems that many have faced and continue to face based on cultural differences. One is the lack of assertiveness, either in school or on the job. American children are taught to develop their own opinions, to speak up, to assert themselves. Asian children are generally taught not to speak their minds. Chinese children, for example, according to Tung, are taught to *ting hua*, literally, "listen to the speech/talk/words of elders, implying obedience." A corollary is the Western belief in individualism and the collectivist spirit of many Asians; Japanese children, for instance, are taught that the nail sticking up will be hammered down.

As people, and as consumers, many Asian-Americans must balance the demands of two cultures

One Asian value – one that frequently causes misunderstandings with Westerners – is the desire to maintain harmony at all costs. That

Editor's note: David Morse is president and CEO of New American Dimensions, a Los Angeles research firm. He can be reached at 310-670-7889 or at david@newamericandimensions.com.

Japanese and other Asians will say yes when they mean no is well known. In Japanese, the yes is often an indication that the Japanese person follows what is being said, and not necessarily that he or she is agreeing with it. To disagree would cause a loss of face, it would create disharmony. Harmony must be upheld at all times.

Because Asians as a whole are affluent, they are a popular segment for financial institutions to target, and, as a result, my company has done a lot of work in this area. A common theme is the importance of thrift to Asians, which also translates into a consumer who is hungry for a bargain. This doesn't mean, however, that Asian consumers are willing to sacrifice on quality. On the contrary, Asians will often pay a premium, but if and only if they feel that they are getting value for their money.

I recently conducted an interview with a Chinese-American woman who was an officer with a San Francisco branch of a large American finance company. I was trying to understand what was important to her Chinese customers. "Do you know what a Jew is?" she asked me. I told her that I did, that in fact I was one. "Oh," she said knowingly. "Then you can understand that like Jews, Chinese will never let you get away with charging a price that is too high." I had a vivid image of my grandmother arguing with the kosher butcher and I knew exactly what she was talking about.

A filter

These and other cultural beliefs are a filter through which marketing messages are interpreted. In order to be successful, it's important to keep them in mind when developing marketing messages. Themes like individualism and assertiveness, which might play out well with a Western consumer, will have different resonance with an Asian-American, particularly an immigrant. Conversely, images with a collectivist or patient feeling may work well. As always, the most important thing to do is to test your concepts with real consumers.

Many identities

Despite the fact that Asian-Americans represent so many different ethnic identities, U.S.-born Asians and acculturated Asian-Americans of different ancestries find that they have many things in common with each other - similar experiences with immigrant parents who struggled to adapt to a new and very different country, parents who stressed similar culture values like education, discipline, respect for family and more mundane pursuits like after-school language lessons, a la the Hebrew school classes and piano training I know so well.

Many U.S.-born Asians, like Hispanics, undergo a return to their ethnic roots, a process called retro- or re-acculturation. To quote an article in *Time* magazine, today's young Asian-Americans often follow "the path of a boomerang: early isolation, rapid immersion and assimilation, and then a re-appreciation of ethnic roots."

Jeff Yang, who writes a column for the *San Francisco Chronicle* on Asian popular culture, asked his readers what it meant to them to be Asian-American. Here are some of the responses that he received:

"I save napkins and plastic utensils from restaurants."

"I cook Chinese food, like wonton soup, tomato beef and sticky rice."

"I push my kids to get good grades."

"I've eaten with chopsticks because that was the 'Asian thing to do,' even though Filipinos don't eat with chopsticks."

"I fight for the dinner bill at the restaurant with my other Asian friends."

"I've taken 10 Caucasian colleagues to lunch in a dim sum restaurant and ordered in Cantonese."

"In America, when I'm with Caucasians or other races, I feel like I'm Asian. But when I'm trying to work with Asians who don't speak Vietnamese or English, I don't feel Asian."

"My parents would describe themselves as Indian Americans when talking to non-Indians. Among Indians, they'd describe themselves as Gujarati. I always described myself as Indian-American right up until I started working in national politics, when I started using the term Asian-American. Now I do think of myself as Asian-American - though I'm not sure that Indian people are always accepted in that terminology."

Yang concludes "If there's one thing my unscientific survey made clear, it's that Asian means many things to many people."

Educated and affluent

For companies considering targeting Asian-American consumers, here are some facts about the market:

• There were 15 million Asian-Americans in 2007. In 1970, there were less than a million. Between 2000 and 2005, this population grew by 19.8 percent (the Hispanic population grew by 20.9 percent). Nearly half of Asians live in either California or New York.

• Chinese make up the largest subgroup of Asians (the Census tracks 10); they make up about 23 percent of the Asian population (excluding Taiwanese), followed by Asian-Indians and Filipinos who make up 19 percent and 18 percent of the Asian-American population. The two fastest-growing subgroups are Pakistanis and Asian-Indians, which grew by 36 percent and 34 percent respectively between 2000 and 2005.

• As a group, Asian-Americans are educated and affluent. Nearly half have a bachelor's degree or more and they are the most likely group to work in managerial or professional jobs (46 percent compared to 38 percent of non-Hispanic whites). The median income of Asian-American households is 26 percent higher than the average. Still, there are disparities between different ethnic groups. For instance, the median household income for Asian-Indians and Filipinos is $69,000 and $66,000 per year. For Cambodians, it's $36,000 and for Hmong it's $32,000.

• Asian-Americans are primarily an immigrant population, with slightly over two-thirds being foreign-born. As is the case with income, there are differences by ethnicity. About three-quarters of Koreans and Asian-Indians are foreign-born, compared to about two-thirds of Chinese and Filipinos. Nearly six in 10 Japanese-Americans were born in the United States. Also, there are big differences by age. While 80 percent of Asian adults are immigrants, about 80 percent of Asians under the age of 19 were born in the United States.

Huge disparities

The Asian-American market, if such a thing does exist, is extremely diverse. Even within certain groups there are huge disparities. The Chinese market consists of Mandarin speakers from Taiwan and mainland China; it also consists of Cantonese speakers from Hong Kong and the southern provinces. Taiwanese tend to be high wage earners, higher than people from mainland China. Cantonese speakers include poor people from the southern provinces of mainland China and many wealthy people who came from Hong Kong in great numbers to the United States and Canada.

In 2006, Packaged Facts released a report on the Asian-American market called Asian-Americans in the U.S. It's an analysis of data from multiple sources including the Census Bureau and other government agencies, Simmons' 2005 National Consumer Surveys (NCS) for kids and teens as well as adults, plus information collected from firms active in the Asian-American market. Some highlights:

• Asian-Americans enjoy shopping, significantly more so than the national average. Compared to the average American consumer, Asian-Americans are more frequent shoppers and more likely to pay attention to advertising.

• As consumers, Asian-Americans are more driven by price and more likely to seek out bargains where they shop. Compared to U.S. adults as a whole, they are more drawn to stores they don't usually frequent because of sales and coupons, travel an hour or more to factory outlet stores, and postpone buying things until they are on sale.

• They over-index in credit cards, allocate more of their budgets to designer clothing, are health-conscious about food and have a preference for prescription medicine carrying a brand name.

• Asian-Americans are big consumers of electronics and are far more likely than the average consumer to say they keep up with developments in technology.

• Asian-Americans are far more likely to say that the Internet has changed the way they shop for and get information about products. They buy more on the Internet and are more than twice as likely to have spent $1,000 or more on the Internet in the last year.

Given that so many Asian-Americans today are foreign-born, it's not surprising that so many prefer to be marketed to in their own languages. A 2005 poll conducted for New California Media found that 80 percent of Korean, Chinese and Vietnamese adults read an ethnic newspaper on a regular basis. The study, which is ongoing, also concluded that Chinese and Koreans are watching in-language television more frequently. About a quarter indicated watching television in either Chinese or Korean more often than in English - impressive given that large numbers of Koreans and Chinese do speak English.

Need to be clear

Right now, marketers need to be clear on which Asian ethnicity they plan to target as well as what level of acculturation makes the most sense. Many companies have been successful narrowing their scope, for instance by focusing on Chinese or Koreans. Others have targeted more than one Asian segment. Many have focused on newly arrived Asian-American immigrants, while still others have focused on more acculturated immigrants or even U.S.-born Asian-Americans.

However, in spite of the diversity of cultures lived in and languages spoken in the Asian segment, the real future of Asian marketing is through English. This is borne out by reports such as one by Packaged Facts, which points out that 78 percent of foreign-born Asians speak English, compared to only 52 percent of foreign-born Latinos. In addition, the Made in America studies by New American Dimensions have shown that only about half of second-generation Asians speak an Asian language, compared to the three-quarters of their Hispanic counterparts that speak Spanish.

Still, the Asian-American adult market, like the Hispanic adult market, remains largely an immigrant one - about 80 percent immigrant to be more precise. Today and in the near future, the rewards will go to the companies that figure out how to reach this group. | Q

multicultural research

A group that's wanting to be heard

By Mitchell Eggers

African-Americans are one of the fastest-growing communities in the U.S., with 40.2 million people making up 13.4 percent of the population (U.S. Census). *Target Market News*, a black-oriented publication, estimated the purchasing power of African-American consumers to be $744 billion in 2007. Yet, African-American consumers are greatly undervalued by many marketers and wanting to be heard. In many instances, gaining their loyalty and a share of their buying power is as simple as acknowledging their importance by marketing to them directly with a tailored message. Improving socioeconomic status among African-Americans represents a major untapped opportunity for many new, emerging product and service categories, particularly in the areas of financial services, travel, Internet, insurance and pharmaceutical products. Reaching this market requires the use of sensitive, culturally-relevant messages.

Rapid expansion of the African-American middle class over the past several decades has significantly increased the purchasing power and value of African-American consumers (U.S. Department of Commerce). This article provides 10 important factors to consider when designing a marketing plan for products and services useful to the African-American community. The broad goal is to respect the African-American consumer's mainstream aspirations while being sensitive to their distinct social history.

10 things every brand should know about marketing to African-Americans

1. Leave stereotypes at the door

Popular culture and broadcast media tend to foster stereotypes which do not hold true in real life. In December 2007, the findings of a GMI Poll conducted online among 1,285 African-Americans found that having a lot of bling doesn't boost one's social status in the African-American community. A stable family and a solid education were quoted as most important to social standing. Clothes, jewelry and cars were all ranked at the bottom of the list. "This study debunks the myth that African-Americans are only interested in fancy jewelry and tricked-out cars," says Lawrence Martin Johnson Pratt, host of the Technocolorradioshow, a technology information radio show for African-Americans in New York on WHCR-FM. "Nearly

Editor's note: Mitchell Eggers is chief technology officer at Global Market Insite Inc., a Bellevue, Wash., research firm. He can be reached at meggers@gmi-mr.com.

everyone surveyed said status and respect in the African-American community centers around family, education and career. Despite how we are portrayed on TV and in Hollywood, members of the African-American community have the same hopes and aspirations as every other American." So be careful not to fall into the stereotype trap when embarking on a marketing campaign intended to appeal to African-Americans.

2. Ask yourself: what's black about it?

When creating a marketing or advertising campaign, ask yourself this simple question: what's black about it? Does this advertising depict something African-Americans can relate to or identify with, minus stereotypical images?

One approach is to use positive images of African-American men with families and in leadership roles. Qualitative research has shown that marketers will elicit a positive response from most African-Americans by showing African-American men as a respected family head and concerned father, business owner or corporate executive.

Procter & Gamble is the largest advertiser targeting African-American consumers with $89.7 million in spend (2006-2007, Nielsen Monitor-Plus). Along with ad agency Burrell Communications, P&G developed a culturally-relevant ad for Tide with Downy. The commercial featured an African-American man lying in bed on his back with a small child sleeping on his stomach. He wears a shiny gold wedding band on his left hand, with neo-soul music playing softly in the background. P&G took on an important issue in the African-American community, the perception that all African-American men are absent fathers, and turned it into something positive and relevant.

The campaign demonstrated an insider's knowledge of the African-American mindset by dispelling a major stereotype about African-American men. Fast forward: The ad generated major awareness of the brand among African-Americans and, more importantly, helped P&G achieve the highest return on investment of any Tide brand. Had the spot featured Caucasian people, it would not have received the same response.

3. Look beyond the English language

"They speak English, don't they?" Pepper Miller, ethnic market consultant and co-author of the book *What's Black About It?*, first heard this statement seven years ago while attending a client meeting. A senior manager used these words to communicate the rationale among marketers for not targeting African-American consumers. The rapid growth of the Hispanic market has led to decreasing marketing dollars being spent on reaching African-Americans. Too many advertisers and marketers assume African-Americans will respond to any message simply because it is delivered in English.

The absence of a language barrier has become a major rationalization for reduced spending, generic messaging and inadequate market research when attempting to gain awareness, loyalty and purchasing power from African-Americans.

4. Understand African-American living

Most African-Americans live, worship and socialize with each other, and many do so by choice. The desire to live black also means that many African-Americans read African-American newspapers and magazines, visit African-American Web sites and listen to African-American radio. A one-size-fits-all marketing approach signals to many African-Americans that the way they live and know life does not require any special understanding or consideration of their culture or distinct social history. A general-market message often fails to convey that a product or service is seeking African-American awareness and support.

Some advertisers may worry that targeted efforts merely separate consumers and support stereotypes. The key is to target without stereotyping. In the early 1990s, General Foods created a very successful campaign for its Stove Top Stuffing. Research revealed that African-Americans use cornbread instead of loaf bread to make their stuffing. They also refer to stuffing as dressing. Research also found that African-Americans using the word stuffing refer to the recipe used by Caucasians that calls for bread, versus the traditional

African-American recipe that requires cornbread.

These research findings led General Foods to develop a cornbread recipe and created a tagline specifically for the African-American market that read, "The box says stuffing, but the taste says dressing." Targeted television, radio and print ads were placed in various African-American media, and Stove Top Stuffing awareness and sales among African-Americans went through the roof.

5. Recognize the value of the African-American influence

As a group, African-Americans have been, and continue to be, one of the primary trendsetters of society. Marketers who consciously establish a relationship with this lucrative yet underserved market will reap significant long-term rewards from a loyal, influential customer base. The key is to understand the African-American mindset, attitudes, behavior and lifestyle. The ability to generate significant influence beyond their own market segment is truly a distinct quality of African-Americans. They exert a powerful influence on fashion, music, slang, sports, language and the overall perception of what is cool around the world.

Understanding African-Americans as trendsetters, and leveraging the value of that influencing power, is an essential step to tailoring more effective advertising. African-Americans aren't just more likely than the mainstream to be among the first to set new trends, they also want to be identified as on the cutting-edge. According to *What's Black About It?*, 34 percent of African-Americans are likely to keep up with changes in trends and fashions (compared with 25 percent of Caucasians) and 71 percent say it is important to keep up with the latest technology products and services (compared with 65 percent of Caucasians).

6. Acknowledge African-American cultural heritage: you're not an insider

Most African-Americans agree that the opinion of society matters. So when in public, they conduct themselves in such a way as to avoid reinforcing negative stereotypes. Many African-Americans feel that certain situations, stories and expressions should not be shared outside of their community, otherwise running the risk of being viewed as stereotypical.

When speaking with Caucasians, many African-Americans use language and accents that seem and sound less African-American. They are keenly aware that people outside their community may view their different speech patterns and language negatively. The use of familiar slang, cultural references and expressions is more prevalent within the community, around friends or at home. This establishes rapport and cultural identity but alienates when used by marketers.

Culturally sensitive, positive and relevant appeals that celebrate the culture rather than reinforce stereotypes are more likely to gain the attention and loyalty of African-Americans. Marketers should develop strategies and communications that reverse the common stereotypes by including:

— upscale African-American individuals and families;

— African-American family units (including the father as an emotionally engaged and responsible caretaker);

— African-Americans working with and helping other African-Americans;

— African-American men and women in integrated leadership roles; and

— African-Americans involved in technology and health care.

Remember that when marketing to African-Americans, most of them value and define their self-image in terms of education, career, family, style and intellect. But all these tips are just guidelines. Finding that hook that makes your product relevant to African-Americans is most important. When State Farm wanted to woo African-Americans into using its financial services, it investigated whether African-Americans had different reasons for saving.

Using marketing research, the company learned that saving for education was a priority (vs. saving for retirement, which is more important to Caucasians). State Farm created a print ad campaign featuring a child on a bed with outstretched arms wearing an oversized college sweatshirt. The ad read, "The only thing that will grow faster is the cost of a college education. Kids grow up fast, and soon it's time for college." The campaign was successful because a college education is a sign of success and good parenting within the African-American community. African-Americans feel proud when they see their sons and daughters achieve success at the college or graduate level. In the GMI Poll mentioned earlier, 25 percent of respondents indicated that education was most important to social standing while 60 percent ranked it in their top three.

7. Understand your own internal challenges

Many marketers are still confused about multicultural marketing. A recent study conducted for Heidrick & Struggles reports that although 84 percent of marketers agree that multicultural marketing is critical to their business, nearly 40 percent say they don't know how much minority groups contribute to their companies' revenues.

Another problem is that corporations don't work with the right types of market research firms. In this study, 58 percent of marketers said they use general market research firms. When targeting African-Americans, marketers should preferably work with an experienced multicultural research agency to put all chances of success on their side. Yet, before that, they need to overcome the challenge of convincing their management team and their peers of the value of multicultural marketing as it relates to the business.

8. Build loyalty over time

A lot of businesses make the

common mistake of concentrating solely on Black History Month as their opportunity to target the African-American community. And when they do, they still focus more on their product messaging than on celebrating actual African-American historical achievements. February may only come around once a year, but why should advertising and marketing to that community be put on hold for the other 11 months?

Typically, this happens because insufficient budget has been allocated to properly take advantage of the opportunity. The downside is that instead of building brands or relationships within the African-American community, it often backfires and causes negative word-of-mouth about the brand. Like with any ethnicity, building brand loyalty takes time, but when African-Americans listen to a well-targeted message and then buy, they do it in larger numbers than the general population.

9. Understand class differences within the African-American community

Differences in values from class to class are the same among the African-American community as they are in the general market. Aspirational messaging of success, education, career and family can all be used to make products and services appealing for African-Americans. It is essential for marketers to understand those subtle differences, so they can craft the right message for the right audience.

10. Leverage online research

Like any success story, marketing to African-Americans will start with diligent market research. One way to gather the opinions of the African-American community is to conduct research online. Publication *eMarketer* expects African-American Internet users in the U.S. to total 21.7 million in 2010. According to a new report from syndicated media ratings service The Media Audit, 40.6 percent of African-Americans now shop online, compared to 27.1 percent five years ago.

New opportunities

Recognizing and acknowledging African-American differences, and crafting targeted messages to acknowledge their uniqueness as consumers can lead to new opportunities. The African-American market exerts an enormous influence on American culture. The increasing purchasing power of that community, coupled with its rapid growth, will only make this market more valuable and attractive over time.

According to a study by Packaged Facts, African-American buying power is expected to exceed $1.1 trillion in 2012. The U.S. Census predicts that the single-race African-American population will reach 61.4 million by 2050. So if you do your homework diligently and equip yourself with the right expertise and online tools, you can better understand this community and put all chances of success on your side. | Q

Research Company Spotlight - African-American Research

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866-882-8351 | www.accentonresearch.com

Accurate Research, Inc.
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Advanced Focus
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Advanced Market Research, Inc.
305-620-4244 | www.rifemarketresearch.com

Affordable Samples, Inc.
800-784-8016 | www.affordablesamples.com
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Aha Solutions Unlimited®
301-657-2934 | www.ahasolutions.org

AIS Market Research
800-627-8334 | www.aismarketres.com

Almiron-Caban & Assoc. Bilingual Research, Inc.
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Alucid Solution
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AOC Marketing Research
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Arizona Market Research Services
602-944-8001 | www.ruthnelsonresearch.com
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Asia Link Consulting Group
212-721-5825 | www.asialinkny.com

Ask Dallas/Pregunta Dallas
800-315-TEXX

Athena Research Group
951-369-0800 | www.athenamarketresearch.com

Atkins Research Group, Inc.
323-933-3816 | www.atkinsresearchinc.com
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Barraza Consulting Group
866-385-2696 | www.barraza-consulting.com

Bethart Bilingual Research
305-255-2170

Blackstone Group
312-419-0400 | www.bgglobal.com

Blake Qualitative Research Services
215-297-8225

BRC Field & Focus Services
602-258-4554 | www.brc-field.com

C R Market Surveys, Inc.
312-376-1250 x1 | www.crmarketsurveys.com

Campbell-Communications, Inc.
718-671-6989 | www.campbell-communications.com

CIBA Research & Consulting, LLC
770-565-0882 | www.gociba.com

City Focus
212-239-2186 | www.cityfocusny.com

Colorado Market Research Services
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Communications Center, Inc.
866-968-7224 ext. 116 | www.yourcci.com

comScore, Inc.
703-438-2000 | www.comscore.com

CRG GLOBAL, INC./Test America
386-677-5644 | www.crgglobalinc.com

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Cultural Vision Research
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DataPrompt International
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M Davis & Co., Inc.
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Delve
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Distinctive Marketing, Inc.
973-746-9114 | www.distinctivemktg.com

DSG Associates, Inc.
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Ebony Marketing Research, Inc.
718-320-3220 | www.ebonymktg.com

e-Rewards Market Research
888-203-6245 | www.e-rewards.com/researchers
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Erlich Transcultural Consultants
818-623-2425 | www.etcethnic.com

Ethnic Focus
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FGI Research
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Focus & Testing, Inc.
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Focus Groups of Cleveland
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Focuscope, Inc.
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The Golden Door
212-647-9181 | www.goldendoor.net

Greenfield Consulting Group
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HEADFIRST market research, inc.
770-879-5100 | www.headfirstinc.com

Hispanic Research Consultants
513-777-0289 | www.hispanicresearchconsultants.com

Horowitz Associates, Inc.
914-834-5999 | www.horowitzassociates.com

House of Marketing Research
626-486-1400 | www.hmr-research.com

The Hunter-Miller Group, Inc.
773-363-7420 | www.huntermillergroup.com

ICR
484-840-4300 | www.icrsurvey.com

IMAGES Market Research
404-892-2931 | www.imagesusa.net

Informa Research Services, Inc.
800-848-0218 | www.informars.com

Insight Research Group
212-343-9894 | www.insightresearch.biz

The Insight Works, Inc.
212-929-9072 | www.theinsightworks.net

Insights Marketing Group, Inc.
305-854-2121 | www.insights-marketing.com

Insights Research Center
888-755-9911 | www.insightsresearchcenter.com

Interviewing Service of America, Inc.
818-989-1044 | www.isacorp.com
See advertisement on page 57

IPC (International Point of Contact)
212-213-3303 | www.ipcgroup.us

JRH Marketing Services, Inc.
718-786-9640 | www.jrhmarketingservices.com

In conjunction with our multicultural research editorial emphasis, below is a list of marketing research companies from our Researcher SourceBook™ that specialize in African-American research.

Juarez & Associates
310-478-0826 | www.juarezassociates.com

Just The Facts, Inc.
847-506-0033 | www.justthefacts.com

L & E Research
919-782-3860 | www.leresearch.com

LaVERDAD Marketing & Media
513-891-1430 | www.laverdadmarketing.com

Leflein Associates, Inc.
973-728-8877 | www.leflein.com

Leibowitz Market Research Associates, Inc.
704-357-1961 | www.leibowitz-research.com

LexPark Studio
212-529-7570 | www.lexparkstudio.com

Lightshed Group
415-640-7795 | www.lightshedgroup.com

LPM Market Research Services
203-322-6890

LW Research Group
818-501-4794 | www.LWresearchgroup.com

Market Ease Urban Focus
312-654-9910

Market Research Dallas
972-239-5382 | www.marketresearchdallas.com

Market Segment Research
305-669-3900 | www.marketsegment.com

Marketing & Research Resources, Inc.
301-694-2800 | www.m-rr.com

Marketing Semiotics, Inc.
773-281-1555 | www.marketingsemiotics.com

MarketTools, Inc.
415-957-2200 | www.markettools.com

MarketVision Research®
513-791-3100 | www.mv-research.com

MBC Research Center
212-679-4100 | www.mbcresearch.com

Meadowlands Consumer Center
201-865-4900 | www.ConsumerCenters.com

The Media Network, Inc.
301-565-0770 | www.themedianetwork.com

Medimix International
305-573-5220 | www.medimix.net

Metropolis Research
216-371-9979 | www.metropolisresearch.com

Miami Market Research, Inc.
305-666-7010 | www.miamimarketresearch.com

Millward Brown, Inc.
630-505-0066 | www.millwardbrown.com

Moderators Etc.
407-922-1164 | www.moderatorsetc.com

MRS Houston
888-320-6277 | www.mrshouston.com

Multicultural Insights, Inc.
305-445-2211 | www.multicultural-insights.com

Multicultural Solutions, Inc.
310-378-2388 | www.multicultural-solutions.com

Murphy Moderating, LLC
336-765-8884 | www.murphymoderating.com

Ruth Nelson Research Services
303-758-6424 | www.ruthnelsonresearch.com
See advertisement on page 64

New American Dimensions
310-670-6800 | www.newamericandimensions.com
See advertisement on page 63

New York Consumer Center
212-302-9393 | www.ConsumerCenters.com

Novasel Associates
718-591-7736

OMR (Olchak Market Research)
301-441-4660 | www.OMRdc.com

Opinion Access Corp.
718-729-2622 | www.opinionaccess.com

Pacific Market Research
425-271-2300 | www.pacificmarketresearch.com

Perceptive Market Research, Inc.
800-749-6760 ext. 4012 | www.pmrresearch.com

Persuadable Research Corporation
913-385-1700 ext. 302 | www.persuadables.com

Phoenix Multicultural
213-228-0300 | www.phoenixmi.com

Pioneer Marketing Research
770-455-0114 | www.pioneermarketingresearch.com

Population Research Systems
415-777-0707 | www.fscgroup.com

Precision Research Inc.
602-997-9711 | www.precisionresearchinc.com

Probe Market Research, Inc.
212-922-9777 | www.probemarket.com

Q&M Research, Inc.
708-479-3200 | www.qandm.com

QSA Integrated Research Solutions
703-567-7655 | www.qsaresearch.com

Qualitative Insights
818-988-5411 | www.q-insights.com

Quantum Market Research
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Recruiting Resources Unlimited, LLC
718-222-5600 | www.recruitingresourcesllc.com

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214-239-3939 | www.rerez.com
See advertisement on page 48

Research Data Design, Inc.
503-223-7166 | www.rdd.info

Research Explorers, Inc.
847-853-0237 | www.researchexplorers.com

Reyes Research
661-872-4433 | www.reyesresearch.com

Rincon & Associates
214-750-0102 | www.rinconassoc.com

S I S International Research, Inc.
212-505-6805 | www.sisinternational.com
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Sachs Insights
212-924-1600 ext. 105 | www.sachsinsights.com

Savitz Field and Focus
972-386-4050 | www.savitzfieldandfocus.com

Schlesinger Associates New Jersey
732-906-1122 | www.schlesingerassociates.com
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Scientific Telephone Samples
800-944-4787 | www.stssamples.com
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Southern Spectrum Research, Inc.
504-539-9222 | www.southernspectrum.com

Spaulding & Associates
818-540-2950 | www.marketing-methodology.com/biography.html

Strategy Research and Consulting, LLC
520-623-9442

Survey Sampling International
203-255-4200 | www.surveysampling.com
See advertisement on page 69

Surveys Unlimited, Inc.
516-794-5650 | http://members.aol.com/nysurveys

Synovate
312-526-4000 | www.synovate.com

T.I.P Research, Inc.
816-891-8240 | www.tipresearch.com

Taylor Research, Inc.
800-922-1545 | www.taylorresearch.com
See advertisement on page 45

361 Degrees Consulting, Inc.
626-309-0532 | www.361degrees.net

TNS Multicultural
619-814-1902 | www.tns-global.com

Touchview Survey Solutions
650-968-0405 | www.touchviewsurvey.com

Tragon
800-841-1177 | www.tragon.com

V & L Research & Consulting, Inc.
770-908-0003 | www.vlresearch.com

Venture Marketing Associates, Inc.
901-795-6720

WordExpress Corporation
310-260-7700 | www.wordexpress.net

Zebra Strategies
212-244-3960 | www.zstrategies.net

Zogby International
315-624-0200 | www.zogby.com

multicultural research

You say Hispanic, they say Latino

QRCA group offers tips on conducting qualitative research with Latinos

By Steve Richardson

When your next qualitative research project seeks the insights of Latinos, will you know how to approach this market segment? It might be harder than you think because the U.S. Latino market is not a homogeneous group of people. Rather, it is a fragmented and complex tapestry of Latino backgrounds that includes more than 20 countries of origin.

"Many clients think that there is one solution to reach all Latinos in the United States, and there's not. Latinos, like any other market segment, represent many levels of acculturation, education, income levels and ethnic influences," says Ricardo Lopez, president of Hispanic Research Inc., East Brunswick, N.J., and past president of the Qualitative Research Consultants Association (QRCA).

To identify and share best practices in conducting qualitative research among Latinos, the QRCA created the Latino Special Interest Group (SIG). The group notes that from a Latino consumer's perspective, the term "Latino" is often preferred because it is the correct Spanish word to define people who come from Latin America. The term "Hispanic" is rarely used by people who speak Spanish.

According to the U.S. Census Bureau, 43 million people in the United States identified as Latino in 2006. Of that number, more than half are of Mexican descent, with Puerto Ricans accounting for almost four million of that population and Cubans numbering two million. The remainder of the group consists of Central American, South American or "other" areas of origin.

Because people of Mexican descent greatly outnumber people from other Latino countries in the United States, some marketing campaigns focus on geographies and ethnic preferences of Mexicans only.

"One common misconception among clients is that we are all Mexicans. I find that markets like Miami and other areas that are not primarily Mexican feel untargeted since many products and campaigns seem to strictly target the Mexican segment," says QRCA member Otto Rodriguez of Hispanic Research Inc.

Lopez cites a recent qualitative research study for client Time Inc. that clearly showed the differences between Latino groups in the United States. Lopez used focus groups to highlight opinions among readers and prospective readers of *Sports Illustrated's SI Latino* magazine in New York and Los Angeles.

Editor's note: Steve Richardson is director of communications for the Qualitative Research Consultants Association. He can be reached at steve.richardson@qrca.org.

The research showed that baseball is very popular in the Caribbean islands of Puerto Rico, the Dominican Republic and Cuba, as well as in countries that border the Caribbean basin like Venezuela, Colombia, Panama and Nicaragua. However, soccer is more popular in the rest of Latin America and South America including Mexico. In many countries where soccer is extremely popular, baseball is not, and vice versa. This phenomenon has fueled baseball/soccer segmentation among U.S. Latinos from different countries of origin.

The research explored Latino attitudes regarding the *SI Latino* cover. Similar to other magazines, the cover of *SI Latino* is crucial in eliciting reader interest, and the most important aspect is the person/sport featured on the cover. Not surprisingly, covers depicting soccer players immediately turned off the Caribbean readers and covers depicting baseball players were strongly disliked by most Mexican participants.

As a result of the research, *SI Latino* started publishing the magazine in 2007 with split covers. While the content of the magazine remains the same and appeals to all Latinos, areas with larger number of Caribbean Latinos receive a baseball player photo on the cover, while cities with more Latinos from Mexico and Central America receive a soccer player cover. Both sports continue to be covered in the magazine.

"When we started *SI Latino*, we knew that we were targeting a large, diverse group of people," says Steve Montgomery, research manager for Time Inc. "Through the focus groups, we found that our readers' interest increased significantly when we targeted our magazine covers to the specific sports preferences of different Latino ethnicities."

Levels of acculturation

After considering the ethnicity question, the QRCA Latino SIG suggests that marketers should consider the many levels of acculturation of American Latinos. Latino opinions and preferences vary widely depending on several factors:

- How long have they lived in the United States?
- Were they born in the United States or did they immigrate here?
- How old were they when they moved here?
- Do they primarily consume media in English or Spanish?
- What language do they speak at home?
- What language do they speak with their friends?

Rose Marie Garcia Fontana, a QRCA member and president of Garcia Fontana Research, Half Moon Bay, Calif., recently conducted qualitative research for California's Monterey Bay Aquarium. The research consisted of 148 in-person interviews over a three-month period in four different northern Californian cities.

The main purpose of the research was to determine if there were major differences between the perceptions, motivations and barriers between Spanish-dominant and bilingual/English-dominant Latinos. The aquarium also hoped to improve overall communication to the Latino market with the goal of increasing attendance.

The research found that Spanish-dominant respondents were more likely to be concerned about transportation for getting to the aquarium and knowing how to get there. Having an automobile, auto insurance and a driver's license was simply not possible for some of the respondents. This was not as much of a concern for acculturated Latinos although they still were concerned with the distance driven to get to the aquarium. Respondents also cited bilingual signage inside the aquarium as being very important to them.

Few respondents were concerned about admission costs, and children were by far the most important motivation for going to the aquarium. Another key finding of the research was that mothers may suggest going to the aquarium but it was the father who is usually the ultimate decision-maker particularly in Spanish-dominant households.

"Having this type of information helped us to further fine-tune our messages and create customized communication to reach all Latinos regardless of acculturation," says Lorraine Yglesias, manager of diversity and partnership marketing for the aquarium.

The Latino Special Interest Group also stresses that acculturation levels are important when recruiting participants for focus groups. "Mixing unacculturated/Spanish-dominant and partially acculturated/bilingual participants can create problems if a bilingual begins to use 'Spanglish' that the Spanish-dominant individuals do not understand," says QRCA member Marta Bethart of Bethart Bilingual Research Inc., Miami.

The moderator should pick one language and stick to it and they should require participants to do the same. That includes any written material. "Many bilingual Latinos who grew up in the United States were never taught in school to read or write in Spanish," says Hispanic Research Inc.'s Rodriguez.

Comfortable with nuances

Recruitment is key to the success of any research conducted among U.S. Latinos. The group suggests several techniques. First, use someone who can recruit in the variety of Spanish used in the target community. The recruiter and interviewer should be comfortable with the certain nuances of that particular community.

The markets are vitally important as well. With the wide differences in Latino markets, clients cannot conduct research in one market and use the results to infer the opinions of other markets. "Clients and researchers need to be careful in selecting markets. Miami is a great market if you want to primarily sell your product or service in Miami, but Miami often has very little to do with any other market – not even the rest of Florida," says Hispanic Research Inc.'s Lopez. "Texas and Southern California are as different within their Latino communities as they are in the general Anglo market."

Reacted unfavorably

Marketers should keep in mind that not all Spanish is the same. In a recent project for American Express, Rodriguez tested several taglines developed for a new Latino ad initiative. He found that Mexican-Americans reacted unfavorably to phrases that appealed to Latinos of Caribbean descent and vice versa. And although complying with all of the different language variations can be time-consuming, the research suggested that the overall results were well worth the trouble.

Rodriguez found that many taglines that were successful in campaigns targeted to Anglo Americans flopped when they were translated into Spanish of any variation. He also found that Latinos preferred the use of formal Spanish rather than more colloquial phrasing. For instance, participants were more favorable to the formal *Usted si puede* than the informal *Tu si puedes* – both meaning "Yes you can." The finding was particularly true for companies like American Express that participants considered a "trusted" financial institution.

"The exploratory qualitative study that we conducted in four key U.S. Latino markets provided us with extremely vital information on how to properly target and better understand the many complexities of this market," says Ana Palmer, director of account development and U.S. Commercial Card Services for American Express. "The findings from this research initiative clearly validated many of our initial concerns and were instrumental in the creation of a very successful advertising campaign. Using the services of a research firm that specializes in this market segment proved pivotal in the overall success of the study."

Rodriguez conducted the research in Miami, New York, Houston and

Los Angeles using several projective techniques including picture sorting and personification exercises to assign personal characteristics to the brand. "Because participants had never seen or heard a Spanish-language American Express advertising campaign, they tended to choose powerful, fierce images to describe American Express, showing that they did not consider the company as one of their own. This helped American Express better target its new campaigns," says Rodriguez. "These techniques worked extremely well among Latinos because they were entertained and engaged at the same time."

Other tips

The group suggests several other tips to consider before starting a qualitative research project with U.S. Latinos.

– Consider holding the focus group on a Saturday. Latinos might have varying work schedules during the week, making after-work sessions difficult.

– Providing babysitting services is recommended, and providing transportation to and from the group can increase participation.

– Holding a raffle to further reward participants for showing up early can curb the amount of late arrivals.

– Having a bilingual host meet participants in the lobby can make them feel more comfortable instantly.

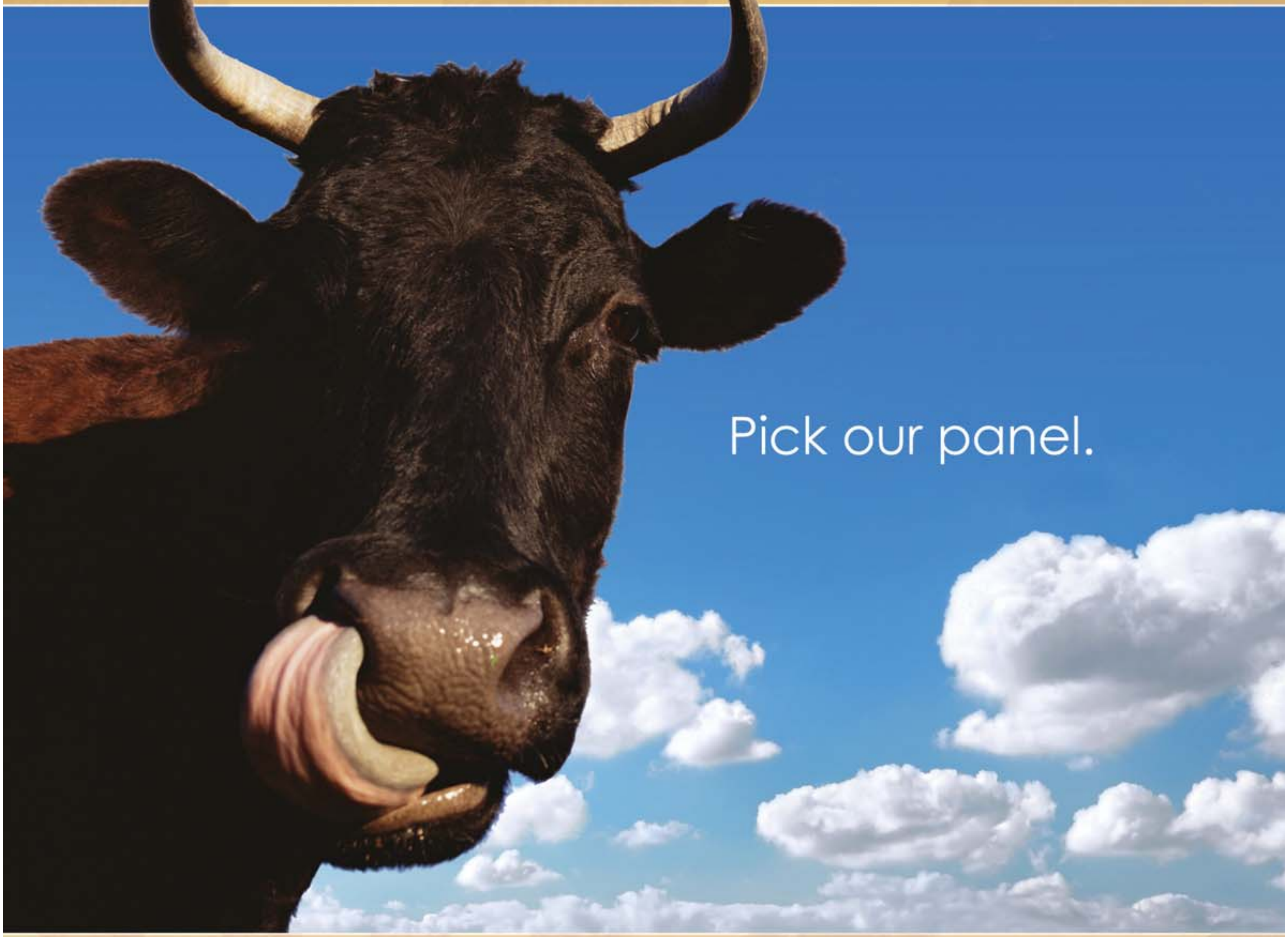
– Moderators should dress informally to avoid being perceived as someone of higher status than the participants. Let them know up front that you don't have any stake in the product and that you value their honest opinions even if they are negative towards the product.

– Less formal settings are often more productive. Many Latinos have never been in a large corporate building and might feel intimidated entering this type of structure. Some researchers find designing the room like a living room is effective. Ethnography is also very effective if the researcher fits easily into the household setting.

– Mixing genders in focus groups can be a problem. Many Latino households, especially Spanish-dominant families, have very clear roles within the family structure for men and women. As exhibited in the aquarium case study earlier, men are often the decision makers. This can inhibit women from expressing their true opinions in a group situation.

– Non-linear exercises tend to work better. Written exercises and linear exercises like laddering are generally ineffective with this group.

– Use a simultaneous interpreter who is able to pick up nuances and emotion in the participants' voices. Also, provide an interpreter booth and headphones for the clients to minimize cross-talk and ensure that all of the participants' comments are being heard. Do not use someone from the client's company as an interpreter as they could be biased toward a certain finding and they likely do not have professional training as a simultaneous interpreter. | Q


Pick our panel.

brand positioning research

Let the maps be your guide

By Patrick Quinlan

The old maxim "a picture paints a thousand words" couldn't be truer than when applied to presenting complex consumer behavior information to marketing decision makers. This article will discuss how two traditional mapping techniques, one qualitative and one quantitative, can be combined in a complementary manner to provide increased clarity of consumer perceptions and more successful positioning of brands.

The first, laddering, is a theory of consumer behavior and an interviewing technique based on a theory of consumer behavior which suggests that consumer selections result from their perceptions of the relationships between physical attributes, the consequences to the consumer that result from possession of these attributes and more "core" values connected to the consequences.

The creation of these means-end chains, or ladders, results from an in-depth, one-on-one interviewing technique termed laddering. Laddering is an interviewing technique using a series of probes designed to elicit the attribute, consequences and values chains. One of the problematic components of the interview itself is for the interviewer to recognize when the core values have been reached. Many theories exist that describe what these core values actually are. I have found the paradigm of self-esteem, developed by Sharon and Glenn Livingston, to be particularly useful.

Laddering, mapping lead the way to better positioning

Once the series of laddering interviews is completed, the report is written, including a map to visually communicate the results. The type of interviewing and report-writing skill required for successful laddering projects is unique, but practitioners can be found. A good source would be the membership of the Qualitative Research Consultants Association.

The laddering example used in this article is a modified version of an actual project conducted to provide insight into consumer perceptions of the cell phone category for the purpose of repositioning one of the brands.

Figure 1, the map of cell phone category, is the result of the series of in-depth laddering interviews. The solid lines communicate connections felt by respondents. One of the notable occurrences in the interviews was the importance respondents attached to the attribute-consequence-values chains on the right-hand side of the ladder. A well-written report will also reveal important variations in the ladder

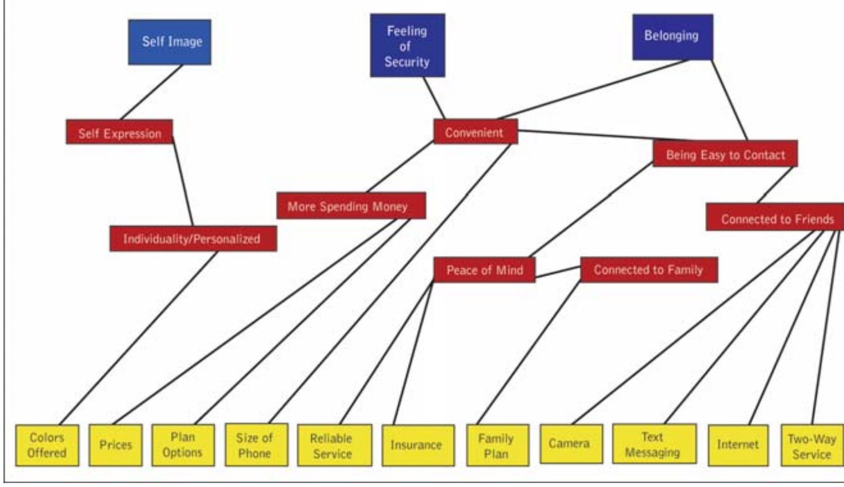
Editor's note: Patrick Quinlan is principal of Quinlan & Associates, an Adrian, Mich., research firm and is also professor of marketing at Adrian College. He can be reached at 517 264-3942 or at pquinlan@adrian.edu.

results by subgroups while still creating a map that captures the core means-end chains for a category. In this project, the gender differences revealed in the interviews were significant.

Laddering is a useful tool for category exploration, when needing to understand the benefits associated with a category, as a starting point for marketing communication strategy development or as a guide to developing a positioning strategy.

It is not a way to measure current consumer perceptions of the actual alternative brands in a category. That is the focus of another map, a perceptual map.

Figure 1: Map of Cell Phone Category



Uses are many

Perceptual mapping is a term used to describe a category of survey-based research that measures consumer perceptions of the members of a competitive category on relevant attributes, consequences or values. The managerial uses of this visual representation of a category are many and can include:

1. Market description.

This application can identify which brands in a category are competing with which others, thereby providing a description of the market structure.

2. Market segmentation.

Although not an ideal segmentation approach, perceptual maps can provide insight into possible clustering of consumers in a market.

3. Idea generation for product development.

Unoccupied spaces in a perceptual map can suggest opportunity for new product development.

4. Concept development and testing.

It is possible to ask consumers to provide their perceptions of concepts that can then be integrated with perceptions of actual entries in a category. This provides insight into the perceptions of a new product, prior to the actual physical development and commercialization of the product.

5. Positioning research.

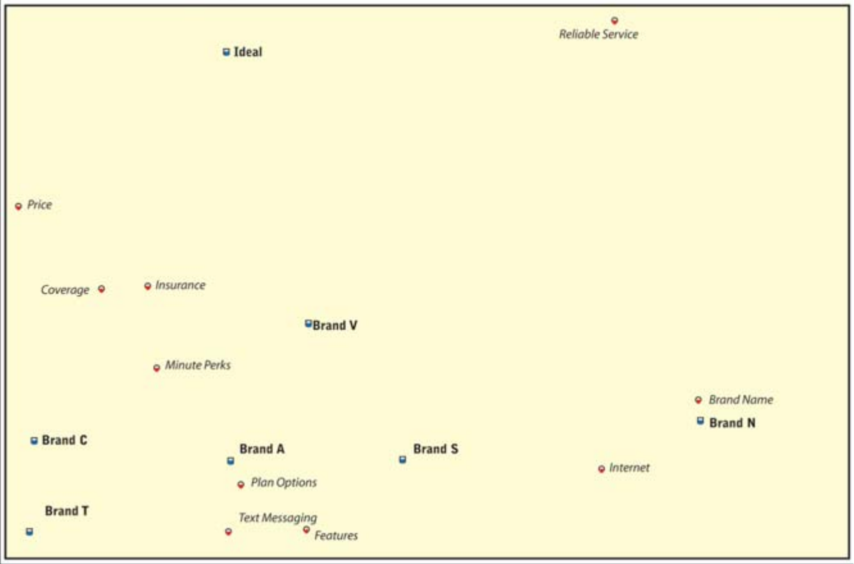
As an early step in deciding on the positioning goal for a brand, or as a means to measure if that goal has actually been reached, perceptual maps can provide an alternative to guessing how consumers perceive competitors in a category.

Perceptual mapping is more than a tool to measure perceptions at a point in time. It can be used to track shifts in perceptions over time.

Perceptual mapping comes in a variety of forms that differ in terms of data collection methods and data analysis procedures used to create the maps. The approach used in our example is that of correspondence analysis.

Correspondence analysis is an approach to the creation of perceptual maps that relies on respondents being asked to provide a binary, yes-or-no rating of each brand on the attributes, consequences or values selected for the study. This user-friendly approach can greatly improve response rates and could be a better reflection of the actual process that results in the images created, stored and used by consumers. Other approaches to perceptual mapping rely on a respondent rating a brand's possession of an at-

Figure 2: Cell Phones Perceptual Map



tribute, consequence or value on an interval scale.

The data input to correspondence analysis is a data matrix relating the attributes (represented as rows) to the brands (represented as columns). The BrandMap software from WRC Research Services Inc. utilized in this study relies on an Excel worksheet as the input matrix, with the brands heading the columns and the attributes, consequences or values heading the rows. The frequency with which the total sample checked each combination is the input to the cells.

Correspondence analysis is based on transformation of a chi-square value, calculated as the actual frequency of occurrence, minus the expected frequency of occurrence. In statistical terms, the expected value is based on the row (attribute) and column (brand) marginal probabilities. High positive values indicate a strong degree of correspondence between the attribute and brand and negative values have the opposite interpretation. High values for brands on an attribute indicate that the brands and attributes should appear closer on a map. Negative values for brands on the same attribute would indicate a position on the map farther from the attribute's location.

The correspondence procedure satisfies all these relationships simultaneously by performing an analysis similar to factor analysis, producing dimensions representing these chi-square distances. Like factor analysis, a cumulative percent of variation appears in the statistical output as does a measure of the contribution of each attribute consequence or value to the factor. As with any technique, it is important to tailor the report and presentation to the decision makers. Unless dealing with mangers comfortable with statistical procedures, the focus should be on the resulting map and the relationships between brands and attributes, with the statistical output appearing in the appendix of the report for those desiring a more technical explanation of results.

Although some degree of caution needs to be exercised with this interpretation, the closer an attribute, consequence or value appears to a brand on the map, the more that brand is perceived as possessing that attribute, consequence or value, with the opposite also true.

In addition to the "pick any" section of the questionnaire that creates the raw material for inclusion into the matrix, the questionnaire also included a measure of the importance of each attribute that was included in the study, a demographic identifier section and a category behavior section.

Managerially relevant

With all measures of consumer behavior that include multiple attributes, generating a list that is exhaustive and managerially relevant is problematic. In this particular project, the laddering results, a secondary data search and manager beliefs all contributed to the final decision as to what would be included and appear on the final map.

For sake of illustration, let's assume the objective of the project was to develop a positioning strategy for Brand T. From the cell phones perceptual map (Figure 2) we can see that this brand has done an effective job of differentiating itself from competitors but it does not have an image associated with any particular attribute. The map also reveals that reliable service, the most important feature to sample members, is not an attribute that any of the brands are perceived as possessing to any great extent.

Thinking about Brand T, it would certainly be true that if this brand could actually deliver more reliable service than competitors, an attractive position for the brand is the upper right-hand corner of the map.

However, it is in the second step of positioning, the development of a strategy to move to a position, where the laddering results can help. If reliable service is selected as the positioning goal, we have learned from the laddering study the consumer connections between reliable service, the consequences of peace of mind, being connected to family and being easy to contact. These were all eventually connected to the core value of belonging. This provides direction for the creation of a communication strategy that will resonate with target audiences while allowing creative license in the actual creative path taken.

In addition, the demographic and category behavior sections of the questionnaire allow creation of maps for subgroups that can aid understanding of perceptions. In this situation, maps based on gender revealed potential for more targeted positioning, if desired.

Whole can be greater

Historically, qualitative and quantitative research have been thought of as procedures that compete for research dollars. But as this example shows, they can often be used in a complementary manner where the whole can be greater than the sum of its parts. | Q

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including sexual health and contraception," says Carolina Petrini, comScore senior vice president. "But today, with the influx of newer-generation birth control methods and non-traditional pill regimens, more and more women are turning to the Internet to sort through the clutter and organize their findings. As is true in many other areas of health care, the consumer has become much more proactive. She wants to be informed of all of her choices, and she is relying on the Internet for answers."

As the number of women using the Internet for health information increases, the importance of user-generated content (UGC) also becomes vital, providing women with the opportunity to engage in health conversations online. The comScore study evaluated the use and appeal of UGC – such as blogs, forums or chatrooms – among women seeking birth control information online. Study findings showed that a third of respondents have consulted birth control-related UGC, with more than 40 percent being open to the idea.

Results indicate that 42 percent of women age 18-44 have not yet consulted a birth control-related UGC to research birth control options but are open to the idea, 35 percent have previously consulted a birth control-related UGC and 23 percent would not consider using a UGC to research birth control. For more information visit www.comsccore.com.

For Hispanics, issues of importance revolve around the family

Education is the No. 1 issue of importance for Hispanics across the nation, regardless of acculturation, according to a study by FH Hispania, the U.S. network of Hispanic practitioners within communications company Fleishman-Hillard, Miami. The study, Confianza: Hispanic Trust Pulse, also found that teachers and schools are the leading source of information (trusted by 54 percent), followed by different sources of media (trusted by a combined 39 percent).

The FH Hispania research, conducted by Austin, Texas, research company NuStats, polled 1,000 respondents. It revealed that issues affecting the family are the most important to Hispanics, but their prominence varies depending on the respondents' time in the United States. For first-generation Hispanics, education, child care and crime/security are the leading issues of importance. However, second-generation Hispanics are most concerned about access to health care along with education and crime/security.

"In general, Hispanic adults are very family-centric, so the focus on education and childcare is not a surprise. But what is particularly noteworthy is that the interests of second-generation Hispanics begin to more closely mirror the interests of non-Hispanics," says Rissig Licha, managing director of FH Hispania.

For non-Hispanics who participated in the study, education and crime and security also ranked among the top three topics of interest. Topics such as access to health care, religion, nutrition/fitness and money/financial planning figured more prominently than for Hispanics.

The study also uncovered that topic experts, media, friends and family, in that order, are the most trusted sources on the top 10 issues of interest among Hispanics.

When it comes to media consumption, the study also found that there is significant crossover in use between English- and Spanish-language media among Hispanic consumers, regardless of their language preference. The research found that only about one-third of participants who predominantly speak Spanish at home consumed all of their broadcast media in Spanish. Consistent with other existing research, the study confirms that television is the leading media source among Hispanics, followed by radio. And while language preference determines whether they watch or listen to Spanish-language media, it is not an influence when it comes to print consumption since 84 percent of those Hispanics that predominantly speak Spanish in the home indicated that they read English publications. For more information visit www.fhhispaniaplaza.com.

Online shopping by minorities up sharply

Online shopping by African-Americans, Asians, Hispanics and other minorities has increased dramatically during the past five years, according to a report from The Media Audit, which is produced by Houston research company International Demographics Inc.

Among African-Americans, 40.6 percent now shop online, compared to 27.1 percent five years ago. More than 20 percent now make five or more purchases in a year and 10.9 percent make more than 12 purchases. The total adult African-American population in the 88 markets surveyed is approximately 17.6 million.

Seventy percent of Asians now shop online, compared to 55.8 percent five years ago. More than 46 percent make five or more purchases in a year and 24.9 percent make 12 or more purchases. The total adult Asian population in the 88 markets surveyed is approximately 8.8 million.

According to the report, 41.8 percent of Hispanics now shop online, compared to 27.7 percent five years ago. In addition, 23.5 percent of Hispanics make five or more purchases in a year and 12.3 percent make 12 or more purchases. The total adult Hispanic population in the 88 markets surveyed is approximately 23.3 million.

All other minorities in the survey are grouped and total approximately 8.5 million. Slightly more than 52 percent shop online, 33.9 percent make five or more purchases in a year and 19.5 percent make 12 or more purchases.

Among all adults surveyed, 55.8 percent now shop online, compared to 44.1 percent in 2002. In addition,

35.7 percent made five or more purchases and 19.8 percent made 12 or more purchases. For more information visit www.themediaaudit.com.

Leftovers again? Consumers make in-home meal adjustments to manage expenses.

With food prices increasing at the fastest pace in 17 years and gas prices soaring, a study from Port Washington, N.Y., research company The NPD Group finds consumers looking for value, making trade-offs and counting on leftovers when planning their meals.

The NPD report, How Do Economically Challenging Times Affect In-Home Meal Strategies?, found one-third of adults feeling their financial situation is worse this year than last, and the most concerned are those with larger families. Among these financially-concerned adults, more than half said they are making a greater effort to prepare meals at home, to use up leftovers, to stock up when items are on sale and to choose private-label brands, compared to what they were doing a year ago.

"American consumers now spend about 10 percent of their disposable income on food and have not, historically, allowed food expenses to rise faster than their disposable income," says Harry Balzer, vice president, The NPD Group. "Consumers will likely shift behaviors to find food solutions that meet a budget before spending more on the same foods."

Another strategy consumers use to manage their spending on food is to change where they get meals and snacks. In past economic downturns, they have turned more to supermarkets and meals at home and pulled back on going to restaurants. Last year 80 percent of meals and snacks were consumed at home versus 20 percent at restaurants, and according to another NPD study on restaurants and the economy, the restaurant industry posted no organic growth in 2007.

"Despite rising grocery prices, in-home meals still provide a better value to consumers," says Arnie Schwartz, who leads The NPD Group's food and beverage unit. "One estimate shows that an in-home meal costs about a third of a meal purchased away from home."

Price doesn't appear to be the only motivation for consumers to eat more meals at home, according to the NPD study. Consumers still say that eating healthy is another reason to prepare their own meals. For more information visit www.npd.com.

The novel maintains its novelty as Americans continue reading

For years, people have been crying about the death of the book. While reading books may be declining, Americans are reading. Just one in 10 (9 percent) say they typically read no books in an average year. About one-quarter (23 percent) read between one and three books, while one in five (19 percent) read between four and six books and 13 percent typically read between seven and 10 books. And, over one-third (37 percent) of Americans say they read more than 10 books in an average year, according to results of a nationwide Harris Poll of 2,513 U.S. adults surveyed online between March 11 and 18, 2008, by Rochester, N.Y., research company Harris Interactive.

There are certain groups who are more likely to read more than 10 books in an average year. Looking at the generations, almost half (47 percent) of matures (those aged 63 and older) say they read more than 10 books compared to just one-third (33 percent) of Baby Boomers (those aged 44-62). Women are also more likely to read more than men – 44 percent of women read more than 10 books a year compared to three in 10 (29 percent) men.

Candidates may not want to try books to reach their partisans, but they may be a good way to reach out to Independents. Just one-third of Republicans (33 percent) and Democrats (35 percent) say they read more than 10 books in a year compared to 44 percent of Independents.

Booksellers may have something to worry about as one in five Americans (20 percent) say they have not purchased any books in the past year. About one-quarter (23 percent) purchased between one and three books, while just under one in five (18 percent) purchased between four and six books and 12 percent purchased between six and 10 books. Just over one-quarter (27 percent) of Americans say they purchased more than 10 books in the past year. Women are more likely than men to have purchased over 10 books (32 percent versus 22 percent). Also, while matures may be the most likely to read more among the generations, they are also the most likely to say they have not purchased any books (24 percent) so they may be going to the library or swapping books more than other generations.

One reason for lack of reading is lack of time. Just under half (45 percent)of those who read at least one book a year say they have less time for reading books today than they did five years ago while one-third (33 percent) say they have about the same amount of time and one in five (22 percent) have more time. Perhaps not surprisingly, almost two in five matures (38 percent) say they have more time for reading compared to over half (53 percent) of echo Boomers (those aged 18-31) who say they have less time. Here we most likely see the difference between leaving the working world and just starting into it.

In looking at the different types of books people read, non-fiction and fiction are almost even (82 percent and 80 percent respectively). The largest single genre is mystery, thriller and crime (48 percent read), followed by history (35 percent), biographies (31 percent), religious and spirituality (28 percent) and literature (27 percent). Men and women have different tastes in the type of books they read. Women are more likely to read mysteries (57 percent versus 38 percent), religious books (32 percent versus 24 percent), and, perhaps not a surprise, romance novels (38 percent versus 3 percent).

Men, on the other hand, are more likely to read history (44 percent versus 27 percent), science fiction (34 percent versus 18 percent) and political (22 percent versus 9 percent). For more information visit www.harrisinteractive.com.

More Americans plan to coupon-clip their way through recession

Tough times and technology advancements portend a coupon usage renaissance among U.S. shoppers, as 67 percent plan more coupon use, based on a survey conducted by Toronto research company ICOM Information & Communications. Of that 67 percent, 45 percent reported they were much more likely to use coupons and 22 percent reported they were somewhat more likely. Over the past 10 years, the average coupon redemption rate has declined to less than 1.0 percent from a level of 1.6 percent across all U.S. coupons distributed.

Broken down by age, 71 percent of consumers in the 18-34 bracket said they are much more likely or somewhat more likely to use coupons in a recession. That compares to 68 percent in the 35-54 bracket and 63 percent among those 55 years and above.

Geographically, 70 percent of Midwesterners said they are much more likely or somewhat more likely to use coupons in a recession, versus 69 percent of Westerners, 64 percent of Northeasterners and 62 percent of Southerners.

Income didn't make a significant difference to respondents, with 68 percent of those earning less than $50,000 a year saying they are much more likely or somewhat more likely to use coupons in a recession, compared to 67 percent for those earning more than $50,000.

Historically, coupons represent a key area in which manufacturers operating in economic hard times have not cut back. In the weakened economy of 2001, ICOM tracking showed a significant increase in the number of coupons consumers redeemed each week.

"The consumer incentive certainly is there," says Peter Meyers, ICOM marketing vice president. "Look at it this way: households of two adults and two children who use coupons wisely can save 25 percent on their grocery bill annually, without cutting purchases. That saves $2,400 a year based on a typical $800 a month grocery spend, which outstrips the $1,800 economic stimulus check this family has coming in May from Washington."

In the area of coupon technology, 58 percent of consumers responding to the ICOM survey see their coupon use increasing if they could download a coupon from the Internet and have it automatically connected to an electronically-swiped frequent-shopper card. Of that 58 percent, 35 percent said they are much more likely to use such a card and 23 percent said are somewhat more likely. Consumers using these paperless coupons receive the discount at the register without having to clip and carry. AOL, Kroger, General Mills and Procter & Gamble are involved in programs testing these high-tech coupons.

No less than 77 percent of consumers in the 18-34 age group said they are much more likely or somewhat more likely to use coupons if given access to this paperless technology. In the 35-54 age group, 63 percent said they are much more likely or somewhat more likely. In the 55 and over bracket, 47 percent said they are much more likely or somewhat more likely. For more information visit www.i-com.com.

Steak, potatoes and apple pie: grocery ads focus on selling traditional American favorites

Based on a study conducted by Oakbrook Terrace, Ill., research company Promodata, major grocery retailers continued to emphasize key perishable categories in 2007 to entice consumers away from each other as well as alternative classes of stores (discounters). The dominant advertised categories in the three major perishable product groups (fresh meat, fresh vegetables and fresh fruit) continue strong advertising increases in number of printed ads versus 2006: beef increased 8 percent, potatoes 14 percent and apples 9 percent.

It appears that the "all-American meal" of steak, potatoes and apple pie is still something the consumer has an appetite for given the retailer ad emphasis noted above for those categories. Those three categories not only had the highest count of ads in 2007 for their respective product group but also solid increases versus the previous year.

In terms of ad impressions, beef (51 percent), potatoes (37 percent) and grapes (65 percent) enjoy the highest portion of their ads being significant ads. In fresh fruit, apples (46 percent) are third behind grapes (65 percent) and melons (53 percent). As a rule, it appears that both fresh meat and fresh fruit are more likely to be supported by a significant ad than fresh vegetables. For more information visit www.promodata.com.

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from the data set and eliminates them from across the network.

Finally, MarketTools works to ensure that surveys are completed by engaged respondents. It uses data validation technology that correlates survey-taking time and response patterns to identify fraudulent behavior, remove offenders from the data set and eliminate them from the panel moving forward. For more information visit www.markettools.com.

Nielsen's Homescan builds another home in China

The Nielsen Company, New York, has launched a Homescan consumer purchase panel in China. With over 40,000 households, this is expected to be the largest consumer purchasing panel available in China. The panel's size and design are intended to help marketers measure and understand the purchasing behavior of Chinese consumers. The Homescan panel will cover a geographic footprint similar to Nielsen's Retail and Media Measurement services beginning later this year. The service will provide reads for key cities and provinces, as well as city-tier reporting.

In addition to Nielsen's existing Homescan panel in Hong Kong and in conjunction with the Homescan panel launch in China, Nielsen will also introduce a Homescan consumer panel in Taiwan to provide full coverage of consumer purchasing behavior for the Greater China region. For more information visit www.nielsen.com.

Arbitron's PPM homepage hopes to bond your meter and you

New York research company Arbitron Inc. has introduced a personal homepage system for Portable People Meter (PPM) survey participants that is designed to track reward points and encourage panelists to carry the meter every waking hour. Entitled My Meter and Me, the personal panelist Web site is one of several initiatives that Arbitron has undertaken to improve PPM sample performance and increase industry confidence in the PPM measurement system.

Available in English and Spanish, the My Meter and Me (or Mi Medidor y Yo) Web site offers panelists a secure and personalized way to check their earned reward points and see how they're doing toward earning bonuses and sweepstakes entries.

PPM respondents can also use My Meter and Me to graphically review their hour-by-hour carry time over the last seven days; compare personal performance to others in the same household; share compliance tips with any PPM respondent in any city through an anonymous, moderated Web forum; inform Arbitron when they are traveling away from home or change their contact information; contact panel relations via e-mail, text messaging or phone; ask questions or submit comments; participate in instant polls; and read or listen to commonly asked questions for additional information. For more information visit www.arbitron.com.

CARMA's NewsAccess relays relevant media to businesses

Washington, D.C., research company CARMA International Inc. has introduced a new, online media measurement tool called CARMA NewsAccess, which is designed to help companies and communications professionals stay abreast of daily media coverage that affects their business, issues and interests.

NewsAccess provides basic, automated access to clients' relevant coverage in traditional, non-traditional and social media and generates related metrics that measure their impact. Designed to offer an immediate service to its existing, human-based media analysis offerings, CARMA NewsAccess is available as a stand-alone product.

CARMA's customized searches include specific company names and key topics designated by each client. With its real-time scans, NewsAccess can then provide a continuing list of articles in a bibliographic format categorized by article date, headline and media source. Basic charts and graphs for further analysis and presentation are also provided.

NewsAccess offers 24/7 access to a desktop dashboard that is designed to allow viewing, navigation and drill-down capability with data breakouts and charts of articles, competitive share of voice and trends by media outlet and journalist. For more information visit www.carma.com.

GMI and TechTarget join forces to build online IT panel

Bellevue, Wash., research company GMI has partnered with Needham, Mass., publisher TechTarget to provide market research professionals with direct access to a community of IT professionals and decision-makers worldwide. GMI built, manages and operates the TechTarget IT research panel, a double-opted-in panel of IT professionals and decision-makers who actively participate in online research.

The TechTarget IT research panel is designed to enable market researchers to gain insights into the buying trends and decision-making process for these purchases from respondents' perspectives.

TechTarget's own database is derived from the company's 50 technology-specific Web sites.

The following are some of the protocols GMI will implement to enhance the integrity of the TechTarget panel: screen before surveying; purge straight-line clickers; eliminate speedsters; scrub e-mail addresses; permanently block suspicious e-mail address, domains and IPs; and implement a formalized incentive program. For more information visit www.gmi-mr.com.

ESRI releases ArcGIS 9.3 beta

Redlands, Calif., geographic mapping software company ESRI now offers the beta version of ArcGIS 9.3, which fully supports the Microsoft Windows Vista operating system. The beta program is designed to enhance performance and improve functionality and integration of data and services. Using the Web, mobile devices and desktop applications, geographic information system (GIS) content and capabilities can be shared with people who may not even be aware they are using GIS.

New in ArcGIS 9.3 are JavaScript

APIs that are intended to create mash-ups using ArcGIS Server technology. These APIs are included with ArcGIS Server and let GIS users integrate, view and use disparate data through standards-based tools. Various Web services, such as those provided via Google Maps or Microsoft Virtual Earth, can be combined with content and capabilities served from ArcGIS Server, allowing end-users to access geospatial analytic capabilities while customizing how they view information.

Other highlights of ArcGIS Server 9.3 include improved performance resulting from on-demand caching and enhanced caching geoprocessing tools; new options in ArcGIS Server Manager, including role-based security; additions to the online help; a new ArcGIS Server Resource Center; and better diagnostics.

Additional enhancements of ArcGIS 9.3 include an out-of-the-box mobile editing application to help field staff participate in a common operating picture, additional platform support and expanded support for Open Geospatial Consortium Inc. and ISO standards to continue to improve the interoperability of ArcGIS with other enterprise systems.

Beta testers will also be able to try several ArcGIS Desktop improvements, including modeling tools with geostatistical error tracking. ArcGIS Desktop 9.3 also offers new cartographic tools that enhance productivity as well as numerous general mapping enhancements.

Additionally, ArcGIS 9.3 includes support for the Collaborative Design Activity (COLLADA) file format. These new capabilities were designed with the goal of allowing users to leverage COLLADA files in ArcGIS Desktop and ArcGIS Server, as well as display more realistic 3-D models. For more information visit www.esri.com.

DetailMed may help measure sales rep performance and efficacy

Horsham, Pa., research company TNS Healthcare has introduced a new service to help pharmaceutical and biotech companies measure the effectiveness of their own and competitive sales calls. DetailMed is designed to help clients pinpoint where their reps are on- or off-message and determine the impact this has on prescribing intent, evaluate brand awareness and usage, understand brand commitment and assess how their reps' performance compares with the competition.

The system also measures share of voice as well as message recall and effectiveness while providing norms that allow companies to benchmark their results. Real-time feedback is delivered through an online dashboard which is custom-built to each customer's specific needs.

Currently the service covers the U.S. and major European markets and the firm is considering expansion into Asia-Pacific and Latin America. Users can choose the geographic level and frequency with which they want to view results, as well as the therapeutic classes and physicians they want covered. In addition, they can add proprietary questions and custom analytics to enrich their insights. For more information visit www.tnsglobal.com/healthcare.

Briefly

New York research company Arbitron Inc. has upgraded its diary processing with a new facility layout and equipment. Arbitron has re-worked the diary to improve the instructions to motivate better compliance and return; enhance the layout for more accurate and complete entries; expand the collection of consumer and lifestyle information to assist local advertisers; and update the appearance and functionality to keep pace with the consumer, media and marketing environment. For more information visit www.arbitron.com.

Jordan, Utah, research company Allegiance Inc. has introduced a full range of educational services for customer and employee engagement principles and enterprise feedback management solutions that combine computer-based e-learning, instructor-led training and on-site courses, including a certification program. Allegiance education services are designed to address the needs of customers for anytime, anywhere training with pay-as-you-go convenience or an all-access passport. The Allegiance education program offers a variety of methods to fit different learning styles, including self-paced, computer-based learning; instructor-led Webcasts; on-site instruction; and printed training manuals. For more information visit www.allegiance.com/training.php.

GSD&M Idea City, an Austin, Texas, research company, and San Antonio developer Metaversatility have partnered to create IdeaBot, a program aimed at researchers in the 2-D and 3-D virtual worlds. The IdeaBot system automatically screens and surveys market research panelists in various virtual worlds, allowing for a large and diverse selection of responses. The IdeaBots allow for the research to happen in-world, instead of being kicked out to the Internet to complete an online survey. For more information visit www.ideacity.com

Chicago research company Synovate has launched a new brand-building solution called Market Barriers. The system, which can be added to clients' existing tracking programs, quantifies the degree to which brand performance is a function of factors beyond brand relationship. For more information visit www.synovate.com.

Reston, Va., research company comScore Inc. has debuted comScore Video Metrix, an online video measurement service, in four new markets: the U.K., France, Germany and Canada. ComScore Video Metrix was introduced in the U.S. two years ago. For more information visit www.comscore.com.

Mediamark Research & Intelligence (MRI), New York, has released Market-by-Market, a study of consumer research specific to the 205 Designated Market Areas (DMAs) in the continental U.S. Data was derived from 52,000 in-home interviews that MRI conducts for its Survey of the American Consumer report. For more information visit www.mediamark.com.

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ployees of Greenfield Online who have claimed the company was losing more panelists than it was obtaining and misrepresenting the actual number of panelists it had back in 2005, which led to problems with sampling, respondent targeting and project timing.

Goliath Solutions LLC, a Deerfield, Ill., marketing intelligence company has completed a $27 million financing led by two private equity firms, Cordjia and The Walnut Group, to further the expansion of Goliath's proprietary solution to maximize retailer returns from in-store advertising and merchandising. Other investors include CapX Partners, Trinity Capital Investments and Comerica Bank. Goliath will use the funding to fulfill its contract with Walgreens.

London research company **WPP**'s digital investment arm, WPP Digital, has acquired a minority stake in China-based media advertising and technology company HDT Holdings Technologies Inc.

Acquisitions/transactions

Edison, N.J., research company **Schlesinger Associates** has acquired **Interactive Video Production** (IVP), the Southampton, Pa., digital advertising firm and owner of mobiLAB usability testing lab services.

Houston consulting firm **Decision Strategies** has acquired market research company **RMI**, which is also based in Houston and focuses on the oil and gas industry. The acquisition is set to be complete by mid-year 2008.

In the U.K., research company **Mintel** has bought **Snapshots International**, a London-based publisher of global market reports. Mintel will run the Snapshots business as a separate company within the Mintel Group from its London offices. Terms were not disclosed.

Ottawa-based **In-Touch Survey Systems** has acquired **MarketLine Research Inc.**, Minneapolis, which is a supplier of the MarketVU CATI analysis system. MarketLine will be acquired for cash from In-Touch's own funds and a promissory note payable over five years.

Westlake Village, Calif., automotive researcher **J.D. Power and Associates** has acquired Boulder, Colo., marketing intelligence company **Umbria Inc.** Terms were not disclosed.

New York researcher **The Nielsen Company** has signed a definitive agreement to acquire New York-based **IAG Research Inc.** for a purchase price of $225 million. The acquisition will be effected through a merger of IAG with a wholly-owned subsidiary of Nielsen in which IAG stockholders will receive cash for their IAG shares. The executive team of IAG has agreed to join Nielsen following the merger.

Nuremberg, Germany, research company **GfK Group** has acquired Turkish market research company **Bilesim International**, along with the remaining 34 percent of shares in Swiss company GfK Research Matters. In the retail and technology sector, GfK has taken over Brazilian market research institute, Shopping Brasil, and the watch panel of French market research company, Société V.

San Francisco research company **MarketTools Inc.**, has acquired Mountain View, Calif., research company **CustomerSat Inc.** CustomerSat chairman and CEO John Chisholm has been named MarketTools' executive vice president and general manager of the CustomerSat business unit.

Rochester, N.Y. research company **Harris Interactive** has bought U.K.-based **Canvasse Opinion** panel, previously operated by Experian, for an undisclosed amount. The online consumer research panel has around 200,000 members, who will be added to the Harris Poll online panel.

London communications group **Chime** has bought a stake in ethnographic research agency **Naked Eye**, also based in the U.K., which will become part of Chime's research and engagement division. The Naked Eye team will leave their Twickenham base to move in with Chime's research agency Opinion Leader and luxury brands specialist Ledbury Research in Holborn.

El Segundo, Calif., research company **iSuppli** has acquired Munich, Germany, research company **Wicht Technologie Consulting** (WTC). WTC also brings to iSuppli expertise in the area of MEMS and sensors.

Alliances/strategic partnerships

Naperville, Ill., research company **Millward Brown** has expanded its presence in Europe and South America. Millward Brown partnered with Helsinki, Finland, research agency **Kuulas**, which will operate as a Millward Brown licensee. Kuulas Millward Brown will offer qualitative and quantitative solutions to clients in Finland and the Baltics.

Additionally, Millward Brown has partnered its Millward Brown Optimor unit and Brazilian research company **Brand Analytics**. Like Millward Brown Optimor, Brand Analytics focuses on linking brand metrics to financials in order to maximize shareholder value creation through brand management. Brand consultancy firm Brand Value Advisors has also joined Millward Brown Optimor.

Chicago research company **Information Resources Inc.** (IRI), and the London-based **Europanel Association** have joined forces to form a single-panel research service. This relationship combines the IRI consumer network household panel in the United States with Europanel to form a global consumer network representing 600 million households in 54 countries.

PhoneBase Research Inc., Fort Collins, Colo., has partnered with a call center in Costa Rica. The partnership increases the company's capacity for Spanish interviewing, allowing PhoneBase to meet the demand for Hispanic research. The Costa Rican facility will operate under the close supervision of PhoneBase staff and in compliance with the ethical standards of the industry, including guidelines set by the MRA, AMA and CASRO.

GfK Roper Public Affairs & Media, a New York-based division of GfK Custom Research North America, has partnered with government advisor and author Simon Anholt to provide an expanded Nation Brands Index. The annual index is based on the perceptions of more than 20,000 people across the globe, ranking nations by measuring the power and quality of each country's brand image by combining the following six dimensions: exports, governance, culture and heritage, people, tourism, and investment and immigration.

London ethnic research firm **Ethnos** has formed a partnership with digital entertainment company **Huge Entertainment**. Dubbed Ethnos@Huge, the partnership is a step toward Huge's strategy to provide on-demand entertainment specifically targeting ethnic communities.

New York researcher **The Nielsen Company** has partnered with India's **Tata Consulting Services** to help meet Nielsen's outsourcing needs.

Awards/rankings

San Francisco research company **Peanut Labs Inc.**'s COO Ali A. Moiz has been selected by the Advertising Research Foundation (ARF) as a winner of the 2008 ARF Great Mind Awards. Moiz was honored with the silver award in the "Innovation" category.

London research group **BrainJuicer Group PLC**'s CEO John Kearon has been awarded the gold prize as research innovator of the year by the Advertising Research Foundation (ARF), revealed at the ARF's annual convention and expo, Re:Think 2008.

Rochester, N.Y., research company **Harris Interactive** has received an Advertising Research Foundation David Ogilvy Research Award.

New accounts/projects

TNS media research, the New York division of TNS media, has signed an agreement with Chicago communications company **Starcom USA** to utilize the DIRECTView service. This agreement furthers Starcom's involvement with TNS media research to better understand the viewing habits of digital consumers, which began in November 2006.

Research facility alliance **Focus Coast to Coast** has a new member: New York research company **Focus Suites**. Focus Coast to Coast has participating facilities in Atlanta, Boston, Fort Lauderdale, Fla., Chicago, Dallas, Houston, Los Angeles, Miami, New York, Philadelphia, San Francisco and Tampa, Fla.

New York research company **Arbitron Inc.** has announced that Ontario, Canada, media company **CTVglobemedia** has signed a multiyear contract for Arbitron's Portable People Meter radio ratings services for CHUM Radio in Detroit. This agreement will take effect as and when Arbitron commercializes the new audience ratings technology in Detroit.

U.K.-based service consultancy **Serco Solutions** has successfully implemented Oslo, Norway, research company **Confirmit**'s enterprise feedback management system.

Dallas research company **e-Rewards** has announced **Pizza Hut** as the latest sponsor of its youth opinion panel, u.talk.back. Pizza Hut will be inviting select customers to join the u.talk.back opinion panel.

New companies/new divisions/relocations/expansions

Livra Panels, a Buenos Aires, Argentina, research company, has opened an office in Sao Paulo, Brazil. In order to support this move, Livra Panels has appointed Joana Lacerda as regional director for Latin America.

Omaha, Neb., research company **infoUSA** has made plans to expand outside the U.S. and will initially target China and India. InfoUSA will compile a telephone-verified database for these countries, which will service the demand for this type of information from businesses in the United States and abroad.

Scarborough Research, New York, has company announced it is evaluating the opportunity to expand its local market services. Presently, the company measures 81 U.S. DMAs through its top-tier service. Scarborough has added another 15 markets through a mid-tier study over the past two years.

London research company **TNS** has merged its North American and Latin American custom business to create one region to be called "The Americas."

Lenexa, Kan., consulting company **Food Business Resource** has moved to a new 6,000-square-foot facility, which will better accommodate focus groups.

Company earnings reports

Nuremberg, Germany, research company the **GfK Group** enjoyed a record year in 2007 with consolidated income growth of 28.3 percent up to EUR 91.4 million, cash flow from operating activity up by more than 50 percent to EUR 168.1 million and a marked increase in dividend of 25.0 percent to EUR 0.45.

In 2007, GfK sales were up by EUR 49.9 million (+4.5 percent) to EUR 1,162.1 million. Adjusted operating income rose by 4.7 percent from EUR 150.5 million to EUR 157.6 million. The margin was up from 13.5 percent in the prior year to 13.6 percent.

Compared with the prior year, operating income rose by EUR 17.9 million (15.1 percent) to EUR 136.4 million. The personnel cost ratio, which expresses the ratio of personnel expenses to sales, remained virtually unchanged compared with the previous year at 40.0 percent. In absolute terms, personnel expenses totaled EUR 465.2 million. Depreciation and amortization amounted to EUR 59.6 million after netting out against additions to fixed assets. The scheduled depreciation this includes, in particular, in relation to software and office equipment, fell slightly from EUR 45.5 million in 2006 to EUR 44.2 million in the year under review.

The GfK Group increased its EBIT by 14.3 percent from EUR 121.9 million in the prior year to EUR 139.4 million in 2007. Income from participations dropped back slightly from EUR 3.4 million the previous year to EUR 3.0 in 2007.

Other financial income amounted to EUR -22.3 million in the year under review. This equates to a significant improvement compared with the previous year's level of EUR 28.4 million. This effect stems primarily from the lower interest expenses attributable to the reduction in financial liabilities coupled with positive income generated by financial instruments.

Overall, this led to a marked rise in income from current business activities, which was up by 25.2 percent from EUR 93.5 million to EUR 117.1 million in 2007.

The income tax ratio dropped again from its level the previous year of 23.8 percent to 21.9 percent. The GfK Group consequently increased its consolidated income by EUR 20.2 million from EUR 71.2 million in 2006 to EUR 91.4 million in 2007, which corresponds to a rise of 28.3 percent. EPS improved from EUR 1.86 in 2006 to EUR 2.33 in 2007.

In spite of the company expansion, the GfK Group's total assets dropped back by EUR 25.4 million compared with 2006 to EUR 1,470.8 million. On the assets side of the balance sheet, the decline in non-current assets totaling EUR 32.5 million was due, in particular, to a currency-related reduction in goodwill, which is posted in U.S. dollars or pounds sterling, and the depreciation on intangible assets.

In 2007, the level of GfK investment totaled EUR 73.7 million. The major share of investments totaling EUR 49.2 million related to the purchase of software, office equipment and other tangibles, with EUR 22.8 million invested in the acquisition of consolidated companies and other business units.

The cash flow from current operating activities amounted to EUR 168.1 million, which fully financed current investments in maintenance and expansion. Although sales increased, working capital fell by EUR 12.8 million in 2007.

Taking into account investment in maintenance and replacements totaling EUR 49.2 million, the free cash flow generated amounted to EUR 118.9 million, which was used to finance acquisitions carried out in the year under review. The balance of cash flow was used to repay bank loans.

In 2007, GfK increased its sales in Germany by 7.7 percent to EUR 290.3 million. This corresponds to a quarter of the total sales recorded by the GfK Group. Sales growth was exclusively organic.

With sales totaling EUR 480.5 million, Western Europe/the Middle

East/Africa is the best performing region of the GfK Group. Out of sales growth amounting to 5.0 percent, 4.5 percentage points were generated organically. Acquisitions added 1.1 percent to sales; however, currency effects reduced growth by 0.7 percentage points.

GfK increased its sales by 13.4 percent to EUR 73.1 million. Organic growth accounted for 12.4 percentage points and currency effects added a further 1.0 percentage points.

The accelerated weakening of the U.S. dollar reduced sales in the region by 8.2 percent, cutting the total sales by 6.5 percent from EUR 257.3 million to EUR 240.7 million. Organic growth accounted for 1.8 percent of sales. GfK is now ranked seventh of the top ten market research institutes in North America.

The distinguishing feature of the Latin American region was its growth. Compared with the previous year, the GfK Group recorded a 12.9 percent increase in sales in the region to EUR 26.7 million. With organic growth of 14.4 percentage points, GfK companies in this emerging region registered the second highest organic growth rates within the Group. Currency effects reduced sales by 1.5 percentage points.

With a rise of 28.4 percent from EUR 39.6 million in 2006 to EUR 50.8 million in financial year 2007, GfK recorded the highest percentage sales growth of all its regions in Asia and the Pacific. The majority of this, 15.9 percentage points, was of non-organic origins. At 17.9 percentage points, Asia and the Pacific also achieved the highest organic growth rate of the GfK Group. Currency effects reduced sales growth by 5.5 percentage points.

Oslo, Norway, research company **Confirmit** increased revenue in the first quarter of 2008 by 76 percent to $11.4 million. EBIT for the first quarter totaled $1.3 million, an increase of 111 percent compared to the corresponding quarter of 2007.

Revenue in the first quarter of 2008 amounted to $11.421 million, up 76 percent from $6.483 million in the first quarter of 2007.

Operating results (EBIT) for the first quarter of 2008 increased by 111 percent to $1.279 million compared to $605,000 in the corresponding quarter of 2007. The first quarter results represent an EBIT margin of 11 percent.

Profit before tax for the first quarter was $1.446 million compared to $682 thousand in the corresponding quarter of 2007.

Total assets were $41.3 million at the end of the first quarter of 2008. Total equity was $30.5 million, representing an equity ratio of 74 percent.

Fixed assets represented $18.9 million, of which intangible assets accounted for $5.8 million, goodwill was $9.2 million and deferred income tax assets were $2.5 million. Total current assets were $22.4 million. Cash and cash equivalents were $8.7 million.

Confirmit achieved positive cash flow from operations of $2.605 million in the first quarter of 2008, compared to $1.176 million in the corresponding quarter of 2007.

London research company **Toluna** has released results from the 2007 fiscal year. Revenue for the year grew 49 percent from £8.4 million to £12.5 million. Though the rate of growth slowed in the second half of the year, this followed a decision to focus on higher margin business.

Profit before tax rose 42 percent to £3.2 million, (£2.2 million in 2006). Earnings per share advanced 64 percent to 6.59 pence. Profit after tax has increased 64 percent to £2.4 million.

Operating cash flow improved to £3.6 million, and cash reserves at the end of the year had grown to £4.2 million.

New York researcher **The Nielsen Company** announced its financial results for the year ended December 31, 2007. Reported revenues for the full year were $4,707 million, an increase of 13 percent over the pro forma revenues of $4,174 million for the year ended December 31, 2006. Excluding the impact of currency fluctuations and deferred revenue adjustments, 2007 full year revenues increased 7 percent.

Reported operating income for the full year 2007 was $416 million compared to pro forma operating income of $227 million for the previous year. The full year 2007 and 2006 results were negatively impacted by $174 million and $218 million respectively for certain items such as restructuring costs, compensation agreements, deal costs and legal settlements. Adjusting for these items, pro forma operating income, on a constant currency basis, increased 27 percent.

Covenant EBITDA and other adjustments permitted under senior secured credit facilities was $1,304 million for the year ended December 31, 2007. Covenant EBITDA is a non–GAAP measure.

As of December 31, 2007, total debt was $8,250 million, and cash balances were $399 million. Capital expenditures were $266 million for the full year compared with $236 million for the 2006 fiscal year.

London researcher **Cello Group PLC** announced its preliminary audited results for the year ended December 31, 2007. Revenue rose 45 percent to £108.3 million. Operating income rose 46.4 percent to £56.8 million. Like-for-like operating income grew 16.1 percent with like-for-like operating profit growth of 7.1 percent.

Headline profit before tax rose 28.8 percent to £7.6 million. Basic headline earnings per share rose 19.8 percent to 15.06 pence. Headline operating cash flow conversion was strong at 97 percent.

The group reported a net debt of £5.8 million. Full year dividend was up 20 percent to 1.2 pence.

Fairfield, Conn., research company **IMS Health** reported 2008 first-quarter profit fell 31 percent on higher expenses. IMS earned $59.2 million, or 32 cents per share, compared with profit of $85.6 million, or 43 cents per share, for the same quarter in 2007. Revenue rose 13 percent to $574.2 million from $510.3 million.

The recent quarter included a $15.7 million provision for income taxes, compared with an income tax benefit of $23.8 million in the same quarter in 2007.

Excluding the tax benefits and foreign exchange hedge gains and losses, the company posted first-quarter profit of 37 cents per share, up from 35 cents per share a year prior.

Operating expenses rose 15 percent to $457.8 million from $399.3 million.

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Trade Talk

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• *Dr. Me*

Those in the Dr. Me camp are evidence of a movement toward independent attitudes relating to health care decisions. More consumers are researching their own symptoms, diagnosing their own illnesses and administering their own cures. Driven in part by dissatisfaction with health care, the growth of direct-to-consumer Rx advertising and increasing access to online health portals, consumers are finding new, non-traditional ways to manage their health, including consumer-directed health care plans, alternative medicine, preventative DNA testing and more.

Accompanying the Dr. Me movement is a growing health care crisis, with increasing rates of obesity, diabetes and heart disease.

• *The culture of sustainability*

NMI tags sustainability as the most significant social movement of our time and claims it will permeate every aspect of consumers' lifestyles, business infrastructures and other societal constituencies. Of course, there will be consumers who become overwhelmed and, in some cases, angered by the many sustainability initiatives. Instances of corporate greenwashing will further alienate consumers and lead to suspicion toward all sustainability efforts.

• *Golden opportunities*

The aging population is experiencing an unprecedented level of autonomy, choice and lifestyle participation. With those living past 80 the fastest-growing demographic group, NMI says the idea of the golden years is undergoing a radical transformation. From the workplace, to community, to caregiving, the implications are far-reaching. As a countertrend, issues of loss of independence, control and even financial resources represent profound social consequences for seniors, caregivers, government and society.

• *The new immunity*

A rise in allergies and weakened immune systems is believed by many to be the result of toxic home and work environments, as well as a food supply manipulated by additives, genetic modification, antibiotics, hormones and herbicides. These concerns are driving a growth industry in non-toxic home and building materials, air purification systems, organic foods and allergy-free alternatives.

Countertrend: The lifestyle habits of many adults and children continue to decline, in sharp contrast to the "new immunity" awareness, as evidenced by the Eat, Drink & Be Merrys, who, as a group, demonstrate the lowest awareness or interest in food ingredients, additives, environmental factors and their health impact.

• *Giving is the new taking*

Volunteerism, activism and participation in the nonprofit sector are growing rapidly as consumers discover the emotional rewards of giving rather than taking, NMI says. To meet the challenge, corporations are working on brand allegiance and aiming to retain their workforce and manage their stakeholders, among other activities.

In strong contrast to a more values-based, philanthropic culture, premiumization, the highest manifestation of the "new luxury" movement, continues to evolve. At times, premium brands are even coopting green values, NMI concludes. | Q

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trade talk

By Joseph Rydholm
Quirk's editor

Studies track health trends and their opposites

This being the health care research issue, I read with interest some press material on societal health trends sent to me by the folks at the Natural Marketing Institute (NMI), a Harleysville, Pa., consulting and research firm.

Drawing from various NMI research sources - including the Health & Wellness Trends Database, the LOHAS (Lifestyles of Health and Sustainability) Consumer Trends Database, the Evolution of Personal Care Database, Healthy Aging/Boomer Database and Immerzions - NMI annually releases a list of movements in the health and wellness sphere.

As taken from the company's press materials, for each of the trends, NMI sees evidence of a countertrend. For example, within NMI's health and wellness segments of the U.S. population, there are two groups, the Well Beings and the Eat, Drink & Be Merrys. Each represent approximately 25 percent of the population yet they exhibit opposite attitudes and behaviors toward health and wellness. The Well Beings are an integrated and healthy group comprised of values-based consumers. Their polar opposite is the Eat, Drink & Be Merrys, who are the least-concerned, least-health active and least-involved consumers.

NMI feels that the concept of a unified America has given way to bifurcation across many aspects of society including income, education, religious values, the environment, politics and even a stratification across health behaviors and attitudes, as the healthiest and the least healthy segments continue to diverge.

Countering that movement is the impact of technology, which, thanks to the rise of online social and business networks, functions as a societal equalizer and unifier. A desire for unification and connectivity appears to be at the core of this movement, manifesting itself in the popularity of sites like Facebook, LinkedIn, the Family Post and Ancestry.com.

Other trends:

• *Generation Z(zzzz)*

Those in Generation Z are an overstimulated and burned-out lot. Aged 25-45, they are getting less than seven hours of sleep per night and, as a result, are surviving on caffeine-packed energy drinks and sleeping pills. The health implications of this behavior are just becoming known and include an increase in domestic violence, traffic accidents, obesity and stress, NMI says. In contrast to Generation Z are those seeking sleep alternatives through alternative medicine, meditation, a reduced schedule and a simplified lifestyle.

• *Stop, I want off!*

The overabundance of technology, busier lifestyles, dual working families and instant gratification is driving many to opt out of the current consumer culture. From scaling back work hours to a renewed focus on quality versus quantity and even a rejection of technology, the consumer backlash reflects a growing recognition of the true price we as a society pay for such lifestyles.

While many are rejecting conspicuous consumption, the other end of the spectrum continues to embrace luxury, premiumization and 24/7 connectivity.

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