



# action line

occasional news and notes from **action marketing research**

August 2002

## Who Do You Trust?

There seems to be no end to stories of business professionals who have betrayed the trust placed in them by the public and their own investors. The mantle of "professionalism" implies not only a high degree of specialized knowledge, but also a high level of ethics that is supposed to transcend immediate self-interest.

How wrong we have been about certain accountants, stock analysts, attorneys and others. While Arthur Andersen partners are paying the ultimate price for the hubris of some, they are the exceptions. Millions of ordinary investors and countless employees have been hurt by the deceit of others with little recourse or fault of their own.

Are we, as marketing researchers, somehow more pure in our professionalism? We would like to think so. In theory, we ought to be indifferent to the outcome of our work. That is, we and our clients really should want to know "the truth" and only "the truth." We should not care if a new product idea stinks or is wonderful; our job is to help managers avoid making the mistake of introducing a product that will bomb, or overlooking a potential winner. Copy testing, segmentation, product design work, and other kinds of core research are, by their nature, less vulnerable to manipulation to get the "right results."

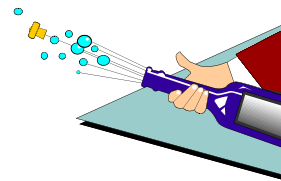
But there are slippery slopes within the domain of what marketing researchers in fact do. Any time that managers stand to be rewarded or punished as a consequence of research findings, there is potential for hanky panky.

A good example is the use of customer satisfaction ratings in the evaluation and compensation of executives or other managers. We cannot say how common it is for such numbers to be manipulated. But the very structure of situation means that it is in someone's self-interest to observe higher scores rather than lower ones.

An agency client has a similar self-interest in having an ad tracking study show a favorable upturn in awareness, purchase intent, etc.

We've done both (satisfaction and ad tracking). Have we too been corrupted? We think not. However, all of us—client and supplier alike—must be vigilant at all times in asking *qui bono* about the research we report (that's "who benefits?").

There are other words for people who will do anything someone else wants for pay. We have no desire to be one of them. We want you, our clients and colleagues, to have absolute trust that you are getting honest, disinterested answers from us every time.



## Personal Notes

☞ Jan Kihm completed Grandma's Half Marathon this June.

☞ We marked our ninth business anniversary this month—quietly. Next year will be another story.

## Certifying Researchers

Some leaders in the American Marketing Association have argued for a long time that the AMA should run a certification program for professional marketing researchers. They already produce "Certified Marketers." We agree that good researchers could benefit while incompetent ones might be inconvenienced.

Devils in the details are easy to find, if only because the field is so broad that no one can be good at everything. Qualitative? Behavioral data analysis? Survey research execution? Statistical modeling? Client-side research management? We speak from experience in saying that undergraduate textbooks in marketing research tend to focus on the design and statistical analysis only of surveys. It's what we mostly do, but there's much more to our field.

Even if certification within specialties were part of the program, we have our doubts about its effectiveness. Public accountants and lawyers (see above) enjoy some legal recognition of their credentials. That is not going to happen for us. We can anticipate some suppliers seeking to get all of their account staff credentialed, and some major clients being impressed. We anticipate more client-supplier relations forming and enduring for the same good (and bad) reasons they always have, irrespective of AMA credentials.

Do you have thoughts on the subject? We would gladly continue this topic in future issues. Drop us an e-mail or something.



## Consumer Wants and Needs

One of several fine papers at this year's Advanced Research Techniques (ART) Forum was given by Greg Allenby of Ohio State.

He advocates the application of discrete choice analysis to the measurement of consumer wants and needs. You begin by developing a battery of potential interests, concerns, or needs. You then create a series of profiles of hypothetical consumers who are described by these needs (e.g. "My teeth stain easily" ; "I am concerned about the conditions of my gums").

Research participants are presented with several sets of these hypothetical persons and asked to indicate, within each set, the one whose interests and concerns are closest to their own.

Thus the procedure works like choice-based conjoint, except that instead of revealing what people want in products, it reveals the strength of their underlying needs and interests. The parameters are not exactly "utilities", but they do indicate the relative strength of discrete needs. In some cases you may be able to link specific product features to specific needs (e.g. an ingredient to counteract stains on teeth).

The benefit of tangible product features is not always apparent to consumers, but they can presumably make accurate distinctions among various needs or benefits pertinent to a category.

Even if we hesitate to use such a method to design products, it has the potential to be an excellent method for needs-based segmentation. We almost always prefer data from forced choices over rating scales anyway. Forced choices, by their nature, require survey respondents to consider their true priorities and answer accordingly.