



On Brands

One of many lessons from the ongoing shake-out of dot com businesses is that communications alone cannot build and sustain a brand. A brand is the totality of what consumers know, think and feel about it. Familiarity and recognition ("eyeballs") are a platform for everything else, but only that.

A sustainable advantage requires that the brand engender strong feelings of trust and loyalty. These can only grow from experience with the product or service. You cannot build a brand by simply telling consumers about it.

A corollary is that your positioning is not necessarily what you say it is. Positioning is entirely in the mind of the consumer. You may have a strategy for what you want it to be, but that strategy is worth nothing if it is not backed up by consistent performance. Changing positioning strategies annually is a surefire sign of a company in trouble.

A Disappointing Book

We purchased and tried to read what sounded like a serious (non vanity-press) book called Market Research Matters by two industry veterans, Robert Duboff and Jim Spaeth. It is aimed more at high-level managers who use research than at actual practitioners. We agree with their broad arguments. Unfortunately, the authors never miss an opportunity to pimp for the big-name management consulting firm one used to work for. They would have you believe that your entire business is at risk if you do not immediately hire said firm and buy its sundry Capitalized and Trademarked® services. But they may be on to a new business model: get people to pay money for your promotional materials!

Affinity for Advertising

The July/August issue of the Journal of Advertising Research suggests an interesting concept—the degree to which consumers like or (mostly) dislike advertising in general. The authors provide survey questions that may be used to form an index of this affinity. Different media (newspaper, TV) call for different items.

While affinity for advertising would be an odd basis for segmentation (though suggested by the authors), we feel it is a worthwhile measure to include among the descriptive variables in a segmentation study. This would be especially true in categories that rely heavily on media advertising. An otherwise attractive segment that hated such advertising more than others would be a poor choice as a target.

What's In a Name?

Not that there is anything wrong with the new designations, but we find it curious that what we think of as marketing research departments bear a variety of other titles these days. One popular name for such groups seems to be "Consumer Insights."

This trend suggests to us that we, as a profession, have too often failed our clients in providing useful insight—thus the preference for any designation other than "marketing research." Our profession's failing has been to remain within the confined role of delivering data (with or without high falutin' multivariate analysis). No one believes more firmly than we in the importance of scientifically sound methods in quantitative research. But that is not enough.

Our promise, from Day One, has been to deliver Research You Can Use.

Groove

Keep your eyes on a still-under-development web technology to be called "Groove" (see www.groove.net). It will allow multiple people to collaborate on documents and projects via the Internet. If this sounds similar to Lotus Notes, you won't be surprised that the same mind (Ray Ozzie) is also behind Groove. It uses peer-to-peer networking, much like Napster. Since it is not confined to a LAN or domain, we imagine that the new technology will facilitate cooperative work among more far-flung parties. Will this include your favorite research suppliers? We hope so.



Sample Balancing

An old but still relevant procedure for weighting a sample to match the characteristics of a population is called sample balancing. When you have more than a couple factors (e.g. demographics) on which you need to weight, applying a weight to each cell (e.g. combination of demographic levels) becomes unwieldy. The alternative is an iterative procedure created by the great W. Edwards Deming. It quickly assigns a weight to each case so that the marginal distributions of all the weighting variables in your sample closely match the target distributions.

For instance, we have an ongoing project where respondents are weighted by three demographic variables with 5, 4, and 3 levels. That implies 60 cells—far too many for standard cell balancing. But the Deming procedure calculates individual weights in less than a second (ask about our Pentium abacus).

If your project with us requires this kind of weighting, consider it done. But we would be happy to advise you on the application of sample balancing elsewhere.

Internet-Based Conjoint Research

Gee, our two favorite topics all at once! It isn't easy, but choice-based conjoint (aka discrete choice) research can be adapted to web-based surveys. Much depends on the versatility of the interviewing software, but we have found that the major e-panel companies have excellent programs. So too does Sawtooth Software for the do-it-yourselfer.

The program needs to be able to organize each choice set into a table or grid. It needs to be able to assign a random subset of choice tasks to each respondent. Sawtooth's product goes a step further with its ACA module which lets the program customize the conjoint profiles seen by a respondent based on answers to previous questions.

It is next to impossible to do proper conjoint research over the phone, as respondents must usually look at stimulus materials. The web allows just that. Furthermore, good e-panels provide access to a much broader spectrum of consumers than other modes of data collection (take mall intercepts—please!).

We are very upbeat about the potential for doing good choice research using the expanding modality of web interviewing combined with very powerful estimation software.

Pocket Significance Guides

Are you disappointed that we don't give out cardboard slide rules showing statistical significance as a function of sample size? Don't look for one soon. Purveyors of such mean well, but these devices are often misleading.

The most common question practitioners have is whether a difference is statistically significant. These cards can't tell you. A 5% margin of error does not mean a difference of 5% is significant. It takes more than that since two statistics—each subject to random error—are involved. Significance is thus a joint function of the two observed statistics, their distributions, and sample sizes.