

Opening Speech, ESOMAR Congress 2003

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Chairman of the Programme Committee

Good morning, everyone, let me add another welcome to the city of Prague and to the ESOMAR 2003 congress on behalf of this year's Programme Committee. I seriously hope you are all doing fine and that you are looking forward to the exciting events in the next few days.

When Anna Alu from ESOMAR called me about a year ago and voiced her interest to nominate me as the Chair of the 2003 Programme Committee, she did not nearly know what an easy victim I was. She was most probably not aware that she was preaching to a converted already when she spoke about the relevance of the major topics: the quest for objective truth, accountability, credibility etc.

Having pounded these drums for years, I had no chance to resist her siren's singing.

So here I am as the Chairman of a wonderful Programme Committee to tell you why we did it this way and what you can legally expect in the next few days.

Before that, however, I would like to thank the Committee for being such a wonderful and dedicated bunch of people. You have worked really hard to make this a memorable Congress and I sincerely hope that your efforts will be rewarded by the most enthusiastic congress evaluations afterwards. Not to forget the incredible support from the ESOMAR team headed by Anna – particularly for being so patient with me and my chaotic timetable.

Well, enough praise – where is the beef? Why are we talking about these topics today and do they matter to us?

You have to know that my philosophy lessons during high school were kind of boring. The "*Summer of '69*" was by far too occupying for a youngster like me to develop an interest in Kant or Hegel. But one message of the Empiricists stuck out and made a lot of sense to me: "Things only exist if they can be measured". As it turned out it became a sort of motto to my professional life which currently peaks by becoming the Chairman of the Programme Committee of an ESOMAR Congress.

Measuring matters in research. Measuring an attitude, developing a likeability-index, deciding which sample size is high enough to ensure statistical reliability etc. are all honourable aspects of the measuring task. Measuring the impact of Market Research on business decisions, however, is a different kind of challenge which becomes more and more essential for our "reason for being" these days.

Becoming *accountable* is moving to the forefront of our professional concerns in Market Research. In a period of economic stagnation or even decline many manufacturers clearly had to take decisions about tight budgets and on tight budgets. Like all variable budgets, the Market Research budget is a more than a welcome "last minute" buffer to "... make the numbers".

Thus the absolutely fundamental question remains – how can market research demonstrate its accountability, prove its value beyond mere data supply, information management, and basic reporting.

I find it difficult to believe that value can be created by "reducing accounts" - i.e. diminishing the net costs of research investments by cancelling research efforts and /or negotiating rock-bottom prices - thus lowering the intellectual and financial value of the research function as a whole. Nevertheless this is what we begin to see and it is tempting. Aren't savings in the same currency as investments? Aren't financial savings measurable and predictable in the present while it is not measurable and insecure for intellectual investments with returns in the future?

We believe that accountability is not represented by a single number, but by a way or philosophy to "live" Market Research. This philosophy comprises a number of value-added elements - each one is vital for the quality of the total research process. The ability to fully grasp the research question, to design a proper research plan, develop and select valid insight tools to really understand the consumer, professional conduct of field operations, advanced analytical knowledge and techniques, business-oriented interpretation of results, ex-post validation of decisions etc. - all these components finally contribute to wise corporate decisions. Paired with our mission to act as business consultants rather than number crunchers, the intellectual contribution that Market Research renders to the business becomes almost immeasurable.

But accountability is also about feeling responsible. Feeling responsible not only for a sound research plan, for the proper data collection, and for sound statistical data reduction algorithms – no, feeling responsible also means “feeling responsible for the business”. In our discipline, however, it is not only the numbers that count. If one only "makes the numbers" in Market Research, we will not be able to make people aware of the multitude and richness of contributions that this discipline is able to provide. "Going beyond the numbers" is what counts.

The 2003 ESOMAR Congress in Prague goes beyond the numbers – there is a clear focus on how the research discipline can and must become more accountable. In an age where all other disciplines are trying to demonstrate their impact on sales and profitability (e.g. Balanced Scorecards), the Market Research discipline simply cannot not stand aside with an air of innocence. Tracking our performance and what consequences they represent in a corporation’s decisional framework will have top priority in our discussions about the perspectives of research. What is the added value that we finally deliver? What is the quality of our approaches, methodologies, fieldwork, evaluations, and recommendations? Are we taking an own standpoint or are we paying lip service to our clients? How do we do good things and talk about it? How do we move “from the backroom to the boardroom” to bring forth our views and our recommendations? How can we – the consumers’ advocates - make sure that their voice is heard and respected by the CEO?

The Programme Committee has chosen to look at all facets of “accountability” and we have received a huge number of professional contributions. Not only versus the corporation -

accountability also matters versus the consumer herself and particularly versus society. Maintaining the appropriate balance here seems to be a critical challenge in general. Without doubt research is well advised to introduce itself as an indispensable consultant to the management and much less as a qualified, yet logistically-focused data provider. Consultancy may take numerous forms and may address numerous topics – strategic and tactical. We have included sessions on major issues that currently dominate discussions in board rooms.

One of these topics e.g. is revolving round the question whether Marketing approaches should be more global, regional, or local. We will see how contributions from Market Research help to considerably shape corporate strategy. The issue is by no means solved – “proven recipes” from academic bookshelves obviously do not help. More empirical research is needed to map the similarities and the differences of the inhabitants of the “global village” and to address the fundamental question how the consumer needs and wants to be addressed.

Another issue centres on the intangible assets as a part of the company’s valuation. E.g. we believe that there is still a lot of opportunities here for Market Research to contribute to the valuation of a corporation’s most precious assets – its brands. What is the real nature of these psychological carrier systems, how do they really relate to the products they have to carry, what are the most obvious differences between the corporate and the consumers’ perception of these virtual entities? How is the same brand perceived in different regional contexts? What again does this mean for corporate strategy? How can we track the various aspects of brand performance and how can we relate them meaningfully to the company’s top line results.

All in all – The Prague Congress promises to be another milestone in the future –oriented shaping of our business. Not only will we become much better aware of our own position – in a panel discussion we will also learn from Chief Marketing Officers (CMOs) from major corporations about their expectancies and demands on the market research function of the future. A joint view of the “demand side” and the “supply side” of Market Research services will hopefully enable us to better act and react to the changing perspectives of our business.

Thus joining us in Prague in September was a must. Sharing your views with your professional colleagues and helping to shape the future directions of our discipline will be of

prime importance for a successful congress and particularly for a challenging future of the Market Research discipline.

Let's become accountable. I am counting on you.