



ACCURACY'S IMPACT ON RESEARCH  
A Knowledge Networks Newsletter



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### A Perfect Hurricane in Market Research?

By Simon Kooyman, CEO

Words like perfect and unique suggest that there could be nothing better. But when we established 2007 as the year of a “perfect storm” for the market research industry, we were not figuring on the 2008 recession; however short and flat we hope that recession will be, it still gets us into something more than a perfect storm – ergo, hurricane territory.

This recession we add to the problems that have occurred with flawed opt-in panels, the diminishing organizational footing of the marketing departments, the decreasing recognition of market research and statistics 101, the lack of appeal of the MR profession to top college graduates, and the general public’s growing disinterest in (if not aversion to) investing time in survey taking. Now we may also be confronted with the mother of all corporate initial reactions to economic recession: turning off the tap!

It is important to remember that, when belts are tighter, there is less room for making mistakes – and mistakes are indeed the risk one takes when settling for inferior data. Opt-in panels introduce errors that simply cannot be anticipated or

replicated; they are acceptable for certain types of research – but not the types where the success of a product, product line, division or company may be at stake.

These risks are magnified in a contracted economy. While short-term thinking will lead us to buy the research that is cheapest – save today’s dollars at all costs – we should in fact be placing more emphasis on high-quality studies. Those are the ones that minimize the risk of an error you cannot afford to make.

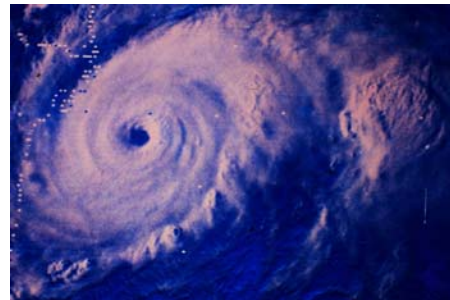


Photo: National Oceanic and Atmospheric Administration/Department of Commerce

At Knowledge Networks, we firmly believe that our capabilities are even more in demand during recessions. We focus and invest in long-term and in-depth relations with our clients. Our knowledge base of our clients’ businesses and products is

extensive – the environment in which they are marketed, the driving forces within the multiple consumer strata. We have the data and the insight, and we keep recruiting the best talent – no compromises.

Even with increased pressure to cut marketing and research expenses, during recession periods, windows open up to increase brand equity advantages. Consumers tend to stick to spending on leading brands and quality products, the cost of media exposure is generally decreasing, and the need to back sensitive marketing investment decisions with high-quality research and consulting only increases.

And even though there seems to be a lull in the online quality discussions at this moment, it is only a matter of time before we see more flotsam and jetsam – in the form of wrong decisions based on faulty market research – appear. Knowledge Networks is there now, and it will be there then, with the only probability-based online sample source, the best advanced analytics team, the tightest quality procedures, and the most devoted client service organization. In short, we will be delivering the kinds of insights and service that help companies weather the storms – even the hurricanes – of the marketplace, and find opportunity even in a downpour.

*Simon Kooyman is CEO of Knowledge Networks.*

*From 2001 to 2005, he served as Chairman and Chief Executive Officer of Ipsos North America and Chairman of Ipsos-ASI worldwide. While at Ipsos, he led the company's worldwide efforts to move market research to the Internet, including the development of a leading North-American Internet panel.*

