

THE MAINTENANCE OF ETHICAL PRINCIPLES IN MARKETING RESEARCH

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Key Words: Ethics, Marketing Research

"Ethics" according to the Concise Columbia Encyclopedia "deals with the principles or standards of human conduct or sometimes called morals".

Marketing Research, a discipline whose success is based upon trust, interacts with human beings in several dimensions. The first are those persons who provide basic information. These are the respondents. Second, are those who sponsor the research, clients. Third, although not in direct personal contact, is the general public and segments of the public who may be affected and in some cases deceived by survey findings.

Many organizations and professional associations, including the American Statistical Association, the American Marketing Association, and the Council of American Survey Organizations have published codes of conduct addressed to the issue of ethical behavior. These codes are written in the form of commandments listing what should or should not be done. We would like to discuss this issue by citing some of the ethical situations that we, as a marketing research company, encounter and how they are being handled.

Data Collection

The interaction of the data collector with the respondent is of continuing importance among market researchers and public opinion pollsters. This June, the newly formed Council for Marketing and Opinion Research (CMOR) held a symposium in which an important aspect of "The Need for Information versus the Rights of Respondents" was examined in detail. Some of the issues in this area are:

1. Invasion of Privacy.

Most market research surveys conducted today is by telephone interviewing. In order to obtain a representative sample of households RDD sampling is used whereby persons with unlisted phones have the

same chance of being included as those with listed phones. Is this an invasion of privacy among the unlisted householders or do these persons consider the call in itself, a petty annoyance? We have investigated this problem and it turns out that as long as we do not try to obtain their names and addresses in a surreptitious manner, it is considered an annoyance. Most survey organizations have taken this latter position.

On the other hand, a telephone call for an interview is an invasion when it is made early in the morning or late at night. It is a temptation to make these calls when the survey datum sought is time specific and representation of all hours is desirable. For example, this occurs when the "coincidental measurement" of television viewing for audience size and characteristic measurement is used to verify other techniques of measurement such as a method involving a "24 hour recall". In our work for clients in the Broadcast Industry and for others where the respondent is asked to recall, say beverage drinking behavior during the past 24 hours it has not proven necessary to make these verification calls at odd hours.

2. Informing Respondents of Survey Purpose

This is generally no problem in market research studies. The respondent is told in general terms the purpose of the study and the type of product produced by the anonymous client. For example, the respondent is told at the beginning of the interview that we are doing a survey on deodorants. The brand name of the client's product is not revealed. In fact, the purpose of some studies is to determine what brand names come to mind when the product category is mentioned. If the survey deals with subjective factors such as the recall (unaided) of advertising, the preferences for certain brands, we know that responses will be conditioned by the knowledge of the sponsoring brand. Respondents are usually satisfied with just knowing the product class. Even interviewers are not told of the sponsor because the interviewer might subconsciously slant the phrasing of the questions to evoke favorable responses toward the sponsor.

3. Deceiving Respondents.

Usually in market research surveys there is no point in deceiving the respondent as to how long an interview will take or what the specific purpose is. These surveys are generally straightforward. The days of one hour to two hours "motivation research" has passed. In those studies attempts were made to unearth "hidden" motives for product selection and in order to ferret out the so called subconscious reasons respondents were give all types of reasons as to why the survey was being conducted.

We know of a government agency in an RFP suggesting a procedure to trick respondents in an RDD sample into revealing their names and addresses. Their purpose in getting the names and addresses was for a follow-up mail survey. No responsible market research company would resort to such a procedure. Not only does it take a callous attitude toward people but it is also bad research practice. Investigation on mail questionnaire procedures has indicated that the response rate will be increased if potential respondents are notified in advance that a mail questionnaire is coming.

4. Confidentiality and Anonymity

These two items are stressed in all codes of conduct where information for statistical purposes are obtained. These are major issues in market research surveys. In order to quality control the interviewing in a survey it is necessary to have the names of respondents. For longitudinal surveys they are also necessary. Respondents are informed that the names obtained will remain in the organization and if used, will be only for these two purposes.

Market research companies have taken pride in their efforts to protect this promise. In litigation, survey results are often submitted as evidence. Opposing lawyers in challenging the findings demand the right to cross-examine respondents and have subpoenaed research companies to submit to the court the names of respondents. Market researchers generally refuse. We have been in such a position where we were threatened with a contempt of court citation. In this case, we explained the ethical reasons to the judge for not having our survey respondents subjected to a cross-examination by a partisan trial lawyer. The judge understood our position and stopped the lawyers from making such a demand.

Another ploy that has been used by lawyers was an

attempt to have survey evidence thrown out on the grounds of hearsay. These attempts have been short circuited. First, through the efforts of one or two professional organizations and CASRO, the hearsay challenge for this type of evidence has been met and eliminated.

Opposing lawyers however, have the right to cross-examine interviewers. It seems that separating the name of the respondents from the body of the questionnaire would provide safety to both the respondents and the research company. On further reflection it turned out that was not the case. Respondents were subpoenaed thus causing discomfort to the respondent in violation of the ethical principle just mentioned. And, a smart lawyer in the cross-examination could create doubts that an interview ever took place.

The principle of the maintenance of confidentiality applies also to retail store auditing which is an important type of market research. Store auditors working for market research companies transcribe data from cooperating retailers' records or obtain previous tapes. Individual store data are summarized and used to provide information in order to make estimates of product and brand movement on an industry basis for clients. The retailer, having faith in the integrity and reputation of the research company not to reveal his records to competitors, gives it permission, generally for a fee, to examine his purchase invoices and sales transaction tapes.

Relations with Clients

In our company as well as in many others, procedures have been established in dealing with clients on these principles. For example, it is recognized that a market research company has several types of clients. The company may collect and assemble marketing data which will be sold on a syndicated basis to many clients. This type of study is what W. Edwards Deming has termed an "Enumerative Study". The purpose may be to describe the relevant parameters of the current market situation, the incidence of VCR's in U.S. households, the percent of households with home computers, the proportion of the population consuming a brand of soft drinks yesterday.

In other cases, the research company will be involved in an "Analytic Study" where information is collected as a basis for testing alternative marketing actions. The client company makes all of its pertinent records available. Working together, marketing and

advertising plans are formulated and plans for future action are discussed. It would be extremely harmful if any of this information were made available to competitors. It is for this reason that in an analytic study an ethical research company will work for only one client at a time.

Clients have the right to have access to the methods used by the research company. They can access individual data as long as the identity of the respondent is not known.

Relations with the Public

Nowadays, results from all kinds of surveys have been accepted by the public (perhaps, all too readily) as a reliable source of information. They have also been endowed with a feeling that is, in most cases, infallible. As a consequence, market surveys are often being used as promotional and advertising devices. Some promotions have gone overboard in claims that are based upon a so-called "scientific" survey. The survey may or may not be good and valid. There are very simple, well defined, standards for conducting surveys. In the promotion the findings may also be distorted, (1) A chance difference may be claimed to be significant, (2) Some of the findings may be omitted and only favorable ones presented, (3) Some of the favorable responses may be the result of loaded questions, (4) The respondent may have been told the sponsor of the survey and would in his or her responses unconsciously tend to favor the sponsor.

The market research company should not be a party to such actions, but more importantly take steps that such abuses are prevented. Most legitimate research companies have insisted that none of the data or conclusions obtained from a survey be released without permission and that the research company have the right to censor any advertising or promotion which makes use of survey results.

This may impose a burden upon the research company. We had an experience a number of years ago when an advertising agency asked us to pretest a questionnaire that it had developed for a proposed large scale quantitative study. It was specified that the pretest take place in the parking lot of a supermarket which they had designated. This store sold a certain brand of a commonly purchased product but not the advertiser's brand. On leaving the supermarket purchasers of the product were given a check list to indicate the brand purchased. Names of respondents were not obtained. The advertising agency client's brand was on the list even though it was not sold in that store. This brand

received a fair number of votes. Less than 100 interviews were conducted in the pre-test. The completed questionnaires were turned over to the agency. From these they somehow drew certain conclusions and inferred claims favorable to their client. Advertising copy with all of the art work was prepared also stating that the study was prepared by Audits & Surveys. In accordance with our agreement regarding the publication of our name and work they showed us the proposed advertisement which was to appear in national magazines. We rejected it. The agency responded by citing the costs incurred in its preparation and also that we would incur the displeasure of their client who expressed enthusiasm over the proposed ad. When it became apparent that our objections would be ignored, we notified our lawyers who managed to have the proposed national ad withdrawn.

Ethical Breaches Attributed to Market Research

In the past few years the public has been annoyed by telephone calls stating that the caller is conducting a survey that will only require a few minutes. A few innocuous questions concerning travel is asked. If the respondent shows an interest then the caller comes up with a sales pitch designed to have the respondent sign up for a cruise, a travel agent a spa or some other activity associated with travel. This procedure has been termed by market researchers "SUGING" that is, selling under the guise of marketing research. A similar term is "Fruging" which applies to fund raising.

The industry through CASRO and ARF has taken steps through the Federal Trade Commission to curb this practice. Recently a Public Relations council has been established to monitor this practice and to maintain contact with Congress for this area.

Conclusion

Market research is a profession based on trust. Trust that a survey will be conducted using professional standards. Trust that a respondent's identity will be kept confidential. And, trust that a client will not publicly misrepresent survey findings. To maintain this trust we, the market researchers, behave in an ethical and respectful manner to respondents to our surveys, our clients and to the public in general. Codes of conduct and ethical behavior are useful. However, continuing aggressive action on the part of the market research profession is required to maintain these standards.