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Moving ahead in changing times



Eric Salama

Chairman and CEO, Kantar Group

Around the world, key needs of our clients have not changed much in recent times - everyone appreciates someone who has bright ideas, is proactive and values relationships. However, what has changed is the speed of demand from clients. You can sense this increased pace in every field. Take the Beijing Olympics and you can sense the urgency with which world records are being reset across

a spectrum of sports. Thus, our clients across the world want us to differentiate on our strength of ideas, deepen the quality of our relationship and increase speed of response to their needs. The fact that 30% of our revenues in Kantar come from top 20 clients attest to the quality of relationship we enjoy with our clients. Not many of our competitors can boast such a high level of account concentration. Part of the reason is also the diversity and richness of offer that Kantar manages to bring to our clients to meet their specific needs. We are also ahead of the pack on internet usage for data collection. This enables us to respond fast to our client needs. Of course, the usual issues remain - grappling with privacy issues, data collection issues like predictability and comparability with traditional data collection options, length of interview etc., However, I am confident this issue will get settled soon as the market matures.

Another factor that has grown in importance is the usability aspect of research. It is no more sufficient to stop at what we want to communicate to our client but also worry about how we want to communicate the message. An excellent example is how one of our companies presented a board game to seniors members of a telecom company grappling with brand integration issues.

The foundational strength of our business is in the quality of people we have. The people agenda in our business is clear - get the best and retain them. I am happy to note that IMRB has made tremendous strides in this area with the Orion project (IMRB's HR restructuring programme) and it will surely benefit the business in the long run. With the Indian market growing at fast clip with signs of even higher growth in the future, we are confident that we will continue to play a vital role in supporting our clients deliver value to their customers. ■■■

Ajit Rao | Nimai Swain

LOYALTY IN INDIA

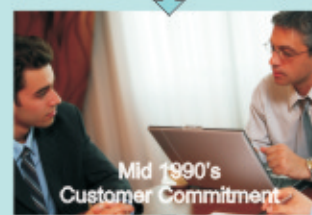
Over the past decade, it has been established that measuring satisfaction is not good enough. Most companies are now moving towards measuring Customer loyalty. Based on the pioneering work of Dick and Basu, Walker Information* defines Loyalty as a combination of two key ideas. The first idea of loyalty relates to the emotional attachment of the customer with the product or service provider. The second relates to the stated future behavioral intentions of the customer. These two ideas can be combined to segment all customers into 4 types as shown in the figure below.

Attitude	Accessible	Truly Loyal
	Can be swayed	Want to use will continue to use
Behavior	High Risk	Trapped
	Don't want to use, probably won't	Don't want to use, but have to use

The Truly Loyal customer is one who is not only emotionally or attitudinally loyal but also is stating that s/he will continue to use the product/service in the near future (behavioral loyalty). On the other hand, the High Risk customer is one who is neither attitudinally or behaviorally loyal. Accessible customers are high on attitudinal loyalty but are not likely to continue using the product/ service while the Trapped customer is low on attitudinal loyalty but will continue to use the product/ service.

* Walker Information is a leading research company that specializes in stakeholder measurement. They are headquartered in the US. CSMM has been a Walker partner in India for the past 15 years

Evolution of Customer Loyalty Measurement.

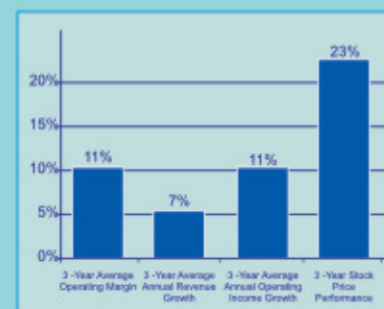
1970's to 1980's
Customer Satisfaction1980's to 1990's
Quality/Value PerceptionMid 1990's
Customer CommitmentPresent
Customer Loyalty

True Loyalty and Business outcomes

Do we know if True Loyalty is important for our clients to measure? The answer is yes. Walker's experience is that True Loyalty is strongly linked to business outcomes. Given below is an example from Walker's experience in the IT sector.



The loyalty of a customer ultimately relates to the length of time that the company will enjoy cash flows from that customer. Loyalty generates customer equity resulting in market value in excess of book value.



Analyses from recent Walker Loyalty Reports in the IT industry clearly show that Loyalty Leaders outperform Loyalty Laggards in terms of stock price performance, as well as profitability and growth.

Note: Loyalty leaders are those organizations whose Truly Loyal customers are much more than the High Risk customers. Loyalty laggards are those organizations whose High Risk customers are higher than the Truly Loyal customers

True Loyalty in India

CSMM (IMRB's specialist division that measures Stakeholder Relationships) conceptualized a syndicated annual Research programme named 'Service Punch' to provide an indicator of how various industries and companies are performing on delivering Customer delight and loyalty - as seen and perceived by the customer herself.

CSMM studied 16 categories and 130 contd. to page 5

DID YOU KNOW?

“It is Important my family thinks I'm doing well”
(% who agree)



*Individuals from urban areas only • Source Global TGL Basic Individuals aged 18+





dimensions and measure

OLAP Modeling Breakthroughs



Online analytical processing (OLAP) helps business decision makers analyze their data to reveal trends that might not be discovered when viewing data in standard reports. An OLAP query—called an OLAP cube—is said to be multidimensional because the query returns data from multiple tables in a database. The report data is then viewed in a pivot table

An OLAP cube can be thought of as an extension to the two dimensional array of a spreadsheet. An example, a marketing manager would like to see the sales of a product by month, city or by a channel. Month, city, product and channel will be dimensions and sales will be measure in the OLAP parlance. The marketing manager might now want to view the data in various ways, such as displaying all the cities down the page and all the products across a page. This could be for a specified period and type of channel. Having seen the data in this particular way the marketing manager might then immediately wish to view it in another way. The cube could effectively be re-oriented so that the data displayed now has periods across the page and type of channel down the page. Because this re-orientation involves re-summarizing very large amounts of data, this new view of the data has to be generated efficiently to avoid wasting the user's time, i.e. within seconds, rather than hours a relational database and conventional report-writer might have taken.

A typical screenshot of OLAP reporting:

Category <input type="text"/>		Report On : <input type="text"/>		MARKET <input type="text"/>		ACCOUNT <input type="text"/>		MONTHS <input type="text"/>	
MONTH	Jun'06	Jul'06	Aug'06	Sep'06	Oct'06	Nov'06	Dec'06	Jan'07	
SKU NAME	OOS[%]	OOS[%]	OOS[%]	OOS[%]	OOS[%]	OOS[%]	OOS[%]	OOS[%]	
Client Brand	5.88	3.44	1.94	7.47	6.09	7.97	12.19	9.91	
BRAND A	5.88	3.44	1.94	7.98	6.54	8.29	13.50	10.77	
SKU 1	54.90	66.32	41.50	23.78	27.20	24.31	31.10	37.75	
SKU 2	14.71	31.27	10.68	21.49	21.40	23.13	31.65	37.20	
SKU 3	15.69	15.12	9.47	22.04	20.14	19.89	31.02	24.02	
SKU 4	75.49	71.82	59.47	30.75	29.19	30.31	36.96	34.55	
SKU 5	0.00	0.00	0.00	100.00	100.00	100.00	100.00	100.00	
SKU 6	0.00	0.00	0.00	100.00	100.00	100.00	100.00	100.00	
BRAND B	100.00	100.00	79.77	47.22	44.69	46.54	51.63	58.07	
SKU 1	0.00	0.00	0.00	100.00	100.00	100.00	100.00	100.00	
SKU 2	100.00	100.00	97.15	98.93	99.76	99.68	99.66	99.49	
SKU 3	100.00	100.00	82.62	47.68	44.88	46.71	51.87	58.43	
Competition Brand	2.94	3.44	5.33	24.91	19.96	20.84	29.74	26.34	
SKU 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
SKU 2	2.94	3.44	5.33	24.91	19.96	20.84	29.74	26.34	
SKU 3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
SKU 4	97.06	99.66	75.06	57.07	56.36	54.25	61.42	64.69	

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ask the expert



HOW MUCH SAMPLE IS TOO MUCH? The Simple answer is-it depends!

Two attributes determine the quality of a good sampling procedure – adequacy and representativeness. For instance, if the investigator is allowed to contact households to suit his whims and fancies, he is less likely to enter households of high networth individuals due to difficulties in accessing these homes. This will skew the representativeness of sample to include homes that are relatively less affluent. One way to control the problem of representativeness is to develop elaborate rules to eliminate respondent selection choice in the hands of the interviewer. A good example is the right hand rule where the interviewer is given a randomly selected starting address (usually from an electoral roll) and asked to conduct a fixed set of interviews around the starting address. By following this rule, the interviewer will "walk to the right of the house last surveyed, skip a predefined number of houses and knock at the next house to conduct the interview." Still, the problem of representativeness remains the single biggest challenge in most researchers for various practical reasons. One of this is lumping of households belonging to similar strata in close neighbourhoods. This leads to a need for large samples spread across many starting addresses to alleviate the lumping issue. A mathematical but an imperfect scientific way to address the issue of non-representativeness and lumpiness in selection is to adjust for final sample by multiplying to a design factor (k). On the other hand, if stratas and their relative sizes are known a Priori, we can reduce the sample required by following more scientific stratified sampling procedures.

The other aspect to be kept in mind is the representativeness of sample. If one wanted to study two cities with similar levels of sampling accuracies, the same sample size needs to be repeated in both the cities.

Given a reliable way to represent the population, the issue of adequacy of sample is a lot easier to solve as probability theories come to our rescue. The most commonly used probability distribution is the Gaussian distribution (also called Normal distribution). This theory stipulates that repeated drawing of a large sample (preferably over 30) will lead to a plot that resembles the bell shaped curve. Many mistake the population to represent a normal distribution. This is not a mandatory condition although a highly skewed population is unlikely to result in a sample distribution that follows Normal distribution. To appreciate this point let's assume that our characteristic of interest is the average age of people of Mumbai. We understand from census studies that India is a young country with over half the population below 25 years and 70% below 35 years of age. Clearly, such a distribution does not follow the expected bell curve. However, if we take a large sample (say, 500) repeatedly (say 50 times) and plot the mean age of each of these 50 x 500 samples, we are likely to end up with a frequency of mean age to resemble very closely the standard Normal distribution curve. If we were to draw an inadequate sample, say 10 samples fifty times, we are likely to still get a similar Normal distribution but one with flatter peak and wider bell. If on the other hand, we were to draw a large sample, say 1000 x 50 times, the resulting curve is likely to exhibit taller peaks and narrowed bell curve. However, since sample size is inversely related to precision (error) in a square root manner, doubling of sample does not lead to doubling in accuracy. Rather, it improves only by square root amount. Another critical conclusion of normal distribution theory is that the peak of the sample distribution curve is expected to match the population characteristic being estimated. This makes our life easy as we can assume that a single draw of sample to roughly match the population peak with an estimated + or – accuracy depending on the distribution of normal curve constructed.

One common, fallacy, people assume a sample of 30 is adequate for good statistical inferences. This is grossly dangerous as a sample of 30 is the bare minimum required to apply Normal distribution theory. A sample of 30 for a well distributed population characteristic (like mean age) will have around + or – 18% error at 95% confidence interval.

Write to our panel of experts with your queries at
imrbint@imrbint.com

ha! ha!



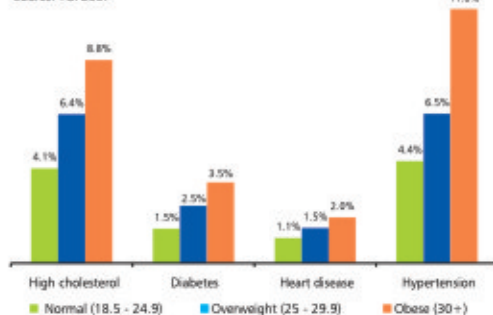
Poor young chap.....he attended a seminar by Management..... "admit mistake and earn respect".... he admitted onethey sacked him !!!



Opportunities in 'Health' Marketing in India

Post the economic boom, there has been a huge change in socio-demographics and lifestyles – increased urbanisation, longer working hours and dual earning households. Increased levels of anxiety and stress, lack of physical activity, and poor

Source: TGI 2007



eating habits have become the order of the day.

Unhealthy diet (excessive energy intake) and physical inactivity have created a growing overweight population with an estimated 12-14% of urban Indians believed to be either overweight or obese. Amongst overweight or obese, prevalence of chronic diseases such as diabetes, high cholesterol, hypertension or heart disease is twice as high as among those with normal BMI (BMI – Body Mass Index – is a measure of body fat based on height and weight of an individual that applies to both adult men and women).

Also, a fairly large number of urban Indians worry whether their family gets adequate nutrition (33%, source: TGI 2007). Urban Indians also believe that because of their busy lifestyles, they are unable to take care of themselves as well as they should (30%, source: TGI 2007). These facts present marketing opportunities in the form of foods/beverages 'with added benefits' and nutritional/dietary supplements.

At the same time, in recent years, consumer health awareness has certainly increased by leaps and bounds in India. There has also been a growing focus on health issues in the urban media, and the government, too, has shown a far greater commitment to investing money and resources on healthcare and health education.

With the increase in awareness for good health practices, has emerged a much more health-conscious and well-informed consumer creating increasing pressure on companies to deliver healthy and nutritional options to consumers. The main challenge for companies working in the food and beverage, and pharmaceuticals and leisure sectors, is to remain aware of the latest trends and shifts in consumer attitude and behaviour, and to act quickly.

The growing consumer interest in fitness and good health presents a variety of opportunities for companies to develop products and/or services revolving around health themes. Some of the health themes which offer great potential are:

1. Preventative Healthcare Theme
2. Energy and/or Nutrition Boost Theme
3. Ayurvedic or Natural Theme
4. Disease Management Theme

Preventative Healthcare

This theme comprises products and services which keep consumers fit and healthy by preventing them from falling ill or contracting chronic diseases.

Products and services under this theme would include:

- Low or no fat foods (reduced fat milk, reduced fat yoghurts, low saturated fat cooking media, roasted savouries/namkeen)
- Low or no cholesterol (non-milk fat spreads, vegetable fat-based products)
- Low or no sugar (diet variants of CSDs, chyawanprash for adults, chewing gums, mints, chocolates, mithai)
- Fitness & diet services (health / fitness centres, diet counselling)

Consumers appear to have responded well to reduced fat milk and low-fat milk products. Low-fat or roasted savoury snacks, and sugar-free beverages and mithai/confectionery are also likely to take off in a big way. So far, sugar-free and roasted savouries have been able to attract only a niche market despite the fact that India is home to the largest number of diabetics in the world and possibly also to the largest number of individuals with heart ailments. Here price and taste have been the major deterrents. The taste barrier needs to be addressed through development of better tasting products while the price barrier needs to be surmounted through a far more aggressive approach communicating the value of the benefits being offered.

The heightened interest in physical fitness and healthy diet has led to mushrooming growth in fitness centres. The fitness industry, in India, which is still in a nascent stage, is estimated to be valued at Rs.2,000-2,500 crores and growing at a whopping 60% per annum. Along with the local, small-time gym (vyayamshala), franchisee operated chains of nationally as well as internationally reputed fitness brands are also picking up.



Energy and/or Nutrition Boost

This theme comprises products which keep the consumers fit and healthy by giving the much needed energy and/or nutrition boost. Vitamin or mineral or protein supplements have been around for a long time but everyday foods and beverages fortified with these nutrients still have growth potential. This theme also includes products with ingredients that give the right nutrition such as high fibre, fruits and vegetables, etc.

Products under this health theme would include:

- Breakfast cereals (fortified with vitamins/minerals, multi-grain, high fibre cereals)
- Drinks/beverages (vegetable-fruit blended juices, energy drinks, fortified packaged water, herb-fortified teas, fortified soups, MFDs/health drinks)
- Staples (fortified atta, salt, soy products)
- Bakery (whole wheat / hi fibre bread, biscuits with added calcium/iron, biscuits fortified with flaxseed/soya bean/bran)
- Dairy (fortified milks, yoghurts, protein/vitamin rich powdered milks)

Ayurvedic or Natural

This theme comprises products and services centred on Ayurveda or Natural or Herbal. Given India's traditional

association with natural ingredients through Ayurveda, natural-based products have been available for several years through products such as chyawanprash, cough/cold remedies, rubs/balms, and personal (skin and hair) care and it is no wonder that products developed around 100% natural, No additives, No artificial colours and/or preservatives, etc., have been fairly successful.

And the proclivity of Indians for natural or herbal continues to offer a huge opportunity in other categories too. FMCG brands have launched breakfast (cereals) and snack (biscuits) foods with natural healthy ingredients such as whole wheat, honey, fruit, flaxseed, wheat bran, oats, etc.

There has been a renewed interest in natural ingredient-based offers in non-food categories such as hair care and grooming (shampoos, conditioners, tonics, oils/creams), skin care (moisturisers, cleansers), analgesics (balms, massage oils), etc.

And there are opportunities for the hospitality industry too. The travel and tourism marketer who aligns his travel and/or stay offer taking into account current health and wellness trends has a definite advantage and can command premiums for its healthy travel and/or stay products/services. Spas and resorts promising quiet and tranquil bundled with Ayurvedic and/or herbal related services are, indeed, commanding a huge premium catering to the affluent urban consumer who doesn't get an opportunity to relax given his/her busy everyday life.

Disease Management

This theme comprises products and services which help the consumers to effectively manage their chronic disease condition such as diabetes, heart ailment, high blood pressure, etc.

Recent introduction of functional foods targeted at patients with diabetes, high cholesterol and heart disease could be considered as an example of this theme. Traditional Ayurvedic remedies for diabetes and/or heart disease management would also fall under this theme (as well as the previous one).

In the services sector, too, there are several categories which could be included under this theme, viz., health insurance, health/ medical devices, telemedicine and tertiary health care.

Health insurance is going to become more and more important with rising costs of healthcare and the inability of the public sector infrastructure to cope with the patient loads. Insurance companies will have to come up with innovative and attractive solutions offering not only hospitalisation benefits but also reimbursement of primary health care including physician consultations and costs of medications.

With increasing awareness of benefits of regular monitoring of blood sugar levels, blood pressure, and heart performance, there is likely to be an increase in demand for medical devices such as self-blood glucose monitors, self-use blood pressure and ECG monitors, etc. Self-monitoring of blood glucose is a very important aspect of diabetes self-care - if not closely monitored, high blood glucose can lead to serious complications, such as heart disease, strokes, kidney damage and sight loss. However, the concept of self-monitoring is not yet established very well in India, with less than half a percent of diabetics using self-monitoring blood glucose devices (this figure is as high as 33% in the US). The blood glucose system market in India is currently estimated to be a little over Rs 100 crores and to be growing at around 20%. To start with, high one-time as well as high running costs might be restricted within affluent classes but over time prices will come down with lower-priced basic monitors and low priced consumables as marketers start to look for a wider customer base.

The unfavourable doctor to consumer ratio in India is likely to stimulate serious interest in telemedicine, channelling centres, e-medicine, etc. Also, the growing need for hospitalisation will drive hospitals to focus beyond medical tourism and develop offers catering to the domestic customer base.

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innovation
work

new opportunities in retail

The last couple of years have seen an unprecedented interest in Retailing as an industry in India. Some of the biggest names in Organised Retailing globally are looking to enter the market as are some of the biggest business groups of the country. A marker for this momentum is the number of retail projects expected to be completed in the next couple of years – around 300 new malls, 1,500 supermarkets and 325 departmental stores being built in various cities across the country.

Large Fast Moving Consumer Group (FMCG) clients are today re-orienting their approach to brand marketing to this changing reality where the consumer will potentially process several 100's of SKU's (Stock Keeping Units) during a shopping trip and trade-off across categories more often. As a consequence, the consumer is likely to try many more brands, switch brands more frequently basis what he/she sees in-store and possibly spend more time out of home (implications on media). As insights partners of our clients, we too are tooling ourselves to cater to client needs through new research products and adaptations of current offerings.

Additionally, large retail players are seeking better insights on how to define and priorities a catchment area, engage consumers as a retail brand, plan merchandise mix and to maximize share of wallet during a shopping trip.

Our retail offering spans every stage of the retail-manufacturer-consumer engagement, including:

- Prioritizing catchment areas basis affluence and spend indicators
- Catchment area assessment for localizing merchandise mix – products and pack-sizes
- Opportunities for private labels
- Shelf planning to optimizes share of wallet

This article details two Kantar products for mapping in-store behavior and therefore shelf planning. These are:

- MultiTrack
- IC SCAN

MultiTrack

MultiTrack uses a combination of exit interviewing and video observation of respondents to assess:

- Main routes through the shop of shopper segments, key points of interruption and time spent in different sections
- Products browsed and those purchased – choice evaluated, if any and reasons for final choice
- Signage/shelf arrangements that catch the key more often by shopper segments

The methodology requires:

- Distributing the floor space of the outlet into a XY Cartesian space
- Installing cameras across the shop to observe shopper behavior
- Following up with exit interviews/depth interviews

The process involves intensive and careful coding of shopper actions in shop. Naturally, the methodology requires prior permission of shoppers to participate in this study including observing/recording their shopping trip as also approval of the retailer. The retailer interest if it isn't the commissioning authority, is in obtaining a better understanding of how shoppers interact with products in their outlet, thus optimize floor space utilization.



MultiTrack allows clients to understand better:

- Key hot spots and cold spots in the outlet
- Movement of hot spots and cold spots as merchandising by section changes
- Duration/distance for which a shopper stays to one side of aisle having picked up a needed product
- Impact of height in driving product browsing and purchase
- Consumer interaction with products on shelf and final purchase and factors driving product browsing and final purchase
- Price sensitivity in driving differential sales through appropriate control and test designs
- Shopper response to alternative packaging in real shop conditions

MultiTrack as a design is relevant for outlets with aisles for shoppers to move around, however our shopping environment continues to be dominated by across the counter selling in small outlets.

In small outlets, it is critical to measure field of vision of the shopper and impact on product purchase. IC Scan is a Kantar Group product which measures the shopper's field of vision.

IC Scan

IC Scan uses spectacles with a small camera attached to them which records the field of vision of the shopper as he/she moves her head. Its insights and benefits are similar to MultiTrack when used in tandem with suitable questioning using Exit interviews/depth interviews

To know more on our retail sector write to puneet.avasthi@imrbint.com

Happenings

ABACUS MARKET ANALYTICS

All offices now ISO 9001:2000 certified by KEMA Quality BV , Netherlands



This is the culmination of the process that started in Bangalore office in mid 2006 and ended with our Delhi office early last month. The Abacus team will now not only continue to conform to ISO standards, but also work towards improving further on the 'Opportunities for improvement'.

The benefits to clients from ISO 9001:2000 Quality Management System implementation are:

- Increases operational efficiency
- Reduced product & service warranty claims
- Catalyst for improved morale & pride
- Enhance internal communication
- Competitive edge
- Customer satisfaction
- Cost savings
- Market recognition

In today's competitive business environment, effective management systems are indispensable. Companies want to be confident that they are doing business with an organization that can deliver goods and services in a timely manner and that meet their needs. But does the organization have the systems and infrastructure in place to conduct business effectively? Can it deliver what it promises?

The Value

A certified quality management system promotes, facilitates and enables consistency and improvements in a process or product. It provides a uniform and predictable output every time a set of procedures is executed. The result: a system that reduces cycle time and improves operational efficiency.

Organizations that have achieved certification communicate to the market that they have successfully undergone a comprehensive, rigorous assessment and their processes meet defined standards of quality. It ensures that their systems have been adequately defined and corrective action systems are fully developed and functional, which reduces the need for costly conformance inspections. This ultimately instills trust and confidence in the organization's customers and prospects, and reinforces a commitment to quality.

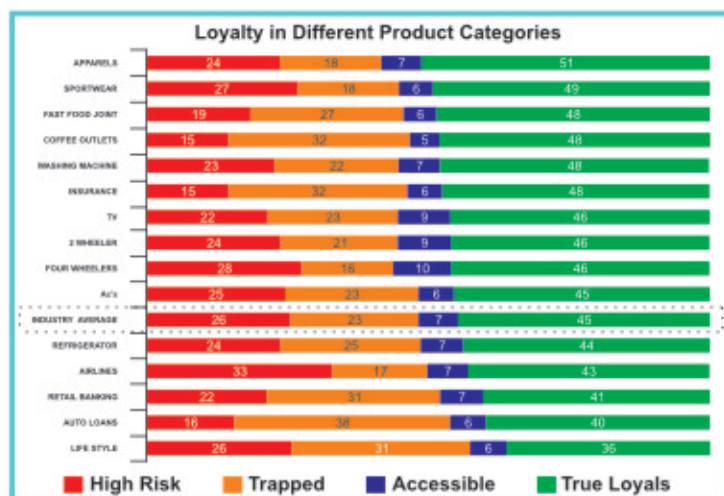
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For information regarding this newsletter, email to imprint@imrbint.com or call on +91 22 24233526

contd. from page 1

brands in India to understand how the Loyalty levels of various sectors stack up. More than 23,000 respondents across 10 cities in India were interviewed and what did we find about True Loyalty? A quick overview can be seen in the chart given below...



The most interesting finding is that in almost every category close to half the customers are not emotionally or attitudinally loyal to the product or service provider.

Here are other interesting highlights.

- The Apparel and sportswear brands have the highest True Loyalty (50%) amongst customers, while lifestyle stores which sell the same portfolio of brands, are lowest in the ladder. Clearly, the exclusive showrooms are able to connect to the target customers better. Similarly, fast food and coffee outlets have a higher %age of loyal customers and very low high risk.
- The airline sector has the highest percentage of High Risk (33%) customers. The same passenger who would not mind giving a 'wow', when he is on cloud nine and getting the best of attention from the airlines staff, is very much down-to-earth, when he recalls his experience on ground.
- The banking customers feel trapped (30+%) as the inertia of banking with a known bank outweighs the efforts of switching.

Key Drivers of Loyalty – People Vs. Process

Knowing what %age of the customers is loyal will be incomplete without identifying what drives loyalty. The four controllable P's that drive loyalty are Price, Product, Process and People. Price is seen as a short term driver and the market immediately finds a new equilibrium every time there is a change in pricing by any player. Price therefore seldom has emerged as a dominant driver of Customer Loyalty. Talking about product, differentiation between brands is fast disappearing in terms of product quality, benefits and features. Therefore, People and Processes are emerging as two strong drivers of customer loyalty. Companies that have more consistent and reliable processes and more responsive people can create differentiation and earn loyalty.

Not many industries are in a win-win situation except the fast food joints and home loan (for how long?). Many life style outlets have standardized the processes very well, but they must improve on people quotient. Durables sector have smarter people who are good at selling, but post sales service is not up to the mark. Similarly banking and insurance, need to invest more in process improvements.

Airlines sector is poor on both people and process front, in sharp contrast to the hype created. No frill carriers and Indian Airlines are the worst performers. Similarly Automobile sector pitch only on product features, falter on both people and process front (Isn't the prospect of buying a car like a trip to the dentist?)

The Loyalty Leaders

In a service starved market place, there are champion brands which have excelled in earning customer loyalty and are already market leaders or are potential threats to the winners. Some of the Loyalty Leaders are:

Airlines	Kingfisher	Housing Loan	SBI
Four wheelers	Honda	Retail Banking	SBI again
Two Wheelers	Hero Honda	Apparels	Allen Solly
A.C.	Hitachi	Lifestyles	Westside
Refrigerator/ TV/ Washing Machine	Samsung	Sportswear	Nike
Auto Loans	GE Money	Fast Food	Pizza Hut
Credit Card	Amex	Coffee Outlets	Cafe Coffee Day
Insurance	LIC (by a huge margin)		

What is there for the marketers?

At an overall level, the study highlights the competitive scenario in the market through industry wise comparison of customer satisfaction level, ranking brands by customer loyalty and therefore can create the right noise for the marketers to take notice. For the interested companies, the same study is detailed enough to provide answer to the following questions.

- How delighted and loyal are my customers vis-à-vis competition?
- What aspects drive loyalty?
- What can I leverage in the market place and what areas I must improve to become more competitive?
- What are the reasons my customers may churn?
- What is the chink-in-the-armor of my competitor that I can take advantage of?



The study is a first detailed attempt of its kind in India, broadly on the lines of ACSI (American Customer Satisfaction Index), more detailed & robust on the drill downs with a futuristic vision to create a new currency in Loyalty, and becoming a leading economic indicator for your business.

"Walker Information is a leading research company that specializes in stakeholder measurement. They are headquartered in the US. CSMM has been a Walker partner in India for the past 15 years"

If you need more information on each sector or on brands within each of these sectors write to nimai.swain@imrbint.com or ajit.rao@imrbint.com

Books Reviewed by: Mohan Krishnan

what to READ

If you are a VP, SVP, EVP, CEO or someone pretty important up the corporate hierarchy, you better hope that ideas in these books do not get popular too soon. Lately, we are seeing a slew of management books whose main intention is to turn conventional management wisdom on its head. These books are clearly inspired by the successes of certain businesses on the web – Wikipedia, eBay, Youtube, MySpace to name a few. To bolster their case, they have tried to look elsewhere in traditional but successful organizations as varied as Toyota, P&G, IBM, GE, Whole Foods, W.L. Gore etc., for similar behaviours. Are these ideas worthy of pursuit or will they remain visions of utopia of management romantics? Only time will tell. However, if you are a romantic at heart and unhappy with the status quo, I recommend these books wholeheartedly.

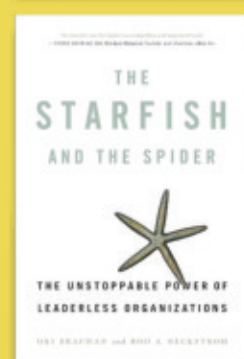
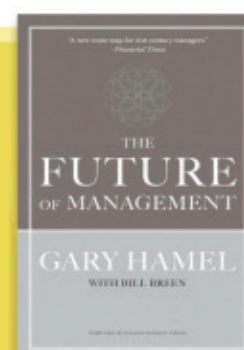
Do you want to suggest books to be reviewed, please write to imprint@imrbint.com

The Future of Management, By Gary Hamel with Bill Breen

Sample this quote from The Future of Management by Gary Hamel "Management is out of date. Like the combustion engine, it's a technology that has largely stopped evolving, and that's not good." His book is an impassioned plea to companies to dream and bring about inspired management innovation, a term he differentiates as more enduring and less replicable than lower forms of innovation like product, operational and business model innovations. In his view, most organizations today are outdated and are largely run on Frederick Winslow Taylor's scientific management principles. Early on, he takes a broadside at the central tenet of orthodox management principles "Most managers believe you can't manage without managers. This is the mother of all management orthodoxies." He draws inspiration from biological processes including evolution to conclude "After all, when compared to large companies, the most resilient things on the planet are significantly under-managed or, mon Dieu, even un-managed."

The Starfish and The Spider – The Unstoppable Power of Leaderless organizations By Ori Brafman & Rod A. Beckstrom

Moving to micro aspects that are enabling these changes, the book The Starfish and the Spider proposes the emergence of new set of consumers (called prosumers who actively collaborate with companies to create product they wish to consume), employee environment (e.g. The Wiki workplace like Google where they are given independence to try out new things) among a few other ideas. The book also proposes the idea of catalysts i.e. people with certain talent to enable collaborative networks to happen (like the Connectors mentioned in the bestselling book The Tipping Point?). These people have "genuine interest in others, have numerous loose connections, are skilled social mappers with desire to help everyone, have ability to help by listening and understanding, possess Emotional Intelligence, inspire others, tolerate ambiguity and can let go of things without wanting to take control."





client talk



In Conversation with

Bhaskar Das Executive President, Bennett, Coleman & Co. Ltd.

The Times of India Group has an association with IMRB International for more than two decades today. It is needless to say that the experience has been satisfying and rewarding. We at Bennett, Coleman & Co. Ltd. usually do brand tracking studies for consumer insights and we have always received innovative insights & inputs from IMRB.

We have also done research work to facilitate content for our brands like The Times of India and The Economic Times, one such example is the 'budget'. What has been very challenging for IMRB is to be able to understand the changing business dynamics due to blurring industry boundaries & the socio-economic and cultural changes that are taking places. And what has been even more challenging is the need for an MR agency such as IMRB to get into best practices of market research to be able to guide us with innovative solutions and to various organisations like ourselves across verticals. Market research not only helps us enunciate our problems but also helps us with solutions with innovative initiatives that help us make a difference into our businesses.

MR industry today needs to get state of art technologies for gathering knowledge from various areas and have research techniques that are empirically rooted in the life of consumers rather than a sample design for the best outcomes.

We have to today do ethnography research, bring elements like staying in people's life, understand the new circumstances of consumption and create new metrics for research as the traditional & the conventional ways are not going to work due to the change in dynamics and the impact of technologies resulting in cultural shifts.

In Conversation with

Sujit Ganguli Senior Vice President & Marketing Head, ICICI Prudential Life Insurance

It is critical for marketers to understand consumer insights and develop effective communication, with the right representation of the brand. Market Research plays a huge role in enabling marketers review the communication with consumers, measuring the ROI along with consideration and awareness.

Today, IMRB has established itself as a powerful market research company through its approach as well as its unique tools and applications. We at ICICI Prudential Life have benefited from IMRB's research inputs at various levels and are confident to strengthen our partnership with them, in the years to come.

In the years to come, market research will become increasing important to understand consumer habits, preferences and attitude in different sectors especially financial services.



information update

WIDENING INTERNET

Users in	2000	2007	Growth %
Top 8 metros	3,839	15,851	313%
Smaller metros	647	8,801	1260%
Non-metro towns	222	4,983	2145%
Small towns	274	12,137	4330%
Total users	4,982	41,772	738%

Claimed users

• Metro: Population 40 lakh or above	• Smaller metro: 10 lakh-40 lakh
• Non-metro: 5 lakh-10 lakh	• Small town: below 5 lakh

RURAL ROOTS-Market Penetration in %

Company	2004	2005	2006	2007
HOUSEHOLD CARE				
Detergent soap	93	92	92	92
Washing power/liquid	95	96	96	97
	17	20	21	21
PERSONAL CARE				
Toilet soap	98	98	93	99
Shampoo	68	77	80	83
Hair oil and dressings	84	85	85	86
Skin cream	64	71	71	72
FOOD AND BEVERAGES				
Tea	92	93	93	93
Coffee	14	15	15	15
Milk food drink	7	8	8	8
Oil/ghee/vanaspati	98	97	98	98
Household Universe	136043	138682	141321	143855

Resource: icube 2007

IMRB IN NEWS

FMCG SECTOR

MINT • April 23rd 08

Price hikes, new products drove 2007 sales

Hindustan Times • March 31st 08

Celebrity 'overexposure' results in bad brand recall

Bollywood actors may be "overexposing" themselves by endorsing many products at a time, leading consumers towards bad brand recalls, an IMRB survey has found

Economic Times

India Recycles & Processes Only 5.7% Of The 3.8 Lakh Tonnes Waste Generated & Imported

Poor e-waste disposal practices generate heat

THE TIMES OF INDIA

Family love matters most for Indians

84% Say Spending Time With Kin Is Favourite Pastime: Survey

Strategist April 22nd 08



IT'S NOT WORKING

celebrity advertising has proliferated. But the impact is not worth the money celebrities charge, and focus on

Considerations while buying



Business Standard

Rural market for FMCG on upswing



Mukesh tops powerful CEO list