

## 3.5

### RESEARCHING SPECIAL MARKETS: BUSINESSMEN IN THE UK

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There is one overriding difficulty about researching many special markets. In general we have no easily available sampling frame from which to work, although of course this is not always true.

The 'Businessman' market adds an even more difficult problem – there is no exact definition of who is a Businessman.

Businessman research therefore, immediately lays itself open to two major areas of criticism.

(1) Has the businessman been accurately sampled?

(2) Is the businessman definition correct?

It is not surprising therefore that over the 15+ years of researching businessmen in the UK there has been much controversy and debate. And the latest Businessman Readership Survey published earlier this year was no exception.

So why do we continue to research this market if it is so difficult, and prone to controversy?

The answer is of course that the businessman is a very valuable market for many advertisers. He is important from a marketing standpoint because of his involvement in major purchasing decisions.

It is useful to look at this purchasing in more detail, to understand the approach we have taken in the UK in researching the businessman. His involvement falls into three categories.

First, and importantly, the businessman is of course a human being (though there are some

we all know where this comment may be debatable). He therefore makes personal purchasing decisions, and because in general our businessman is well paid he is a very important up-market consumer. However, he is not the same as all other up-market consumers. His tastes are different – a point I will return to later.

Secondly, our businessman has purchasing responsibility in his job. This may be direct line responsibility such as a DP manager deciding which make of floppy disks to buy, or it may be the managing director exercising the power to veto any make of computer other than IBM.

Thirdly, the businessman makes purchasing decisions which are a combination of business and personal, for instance his company car, air travel, hotel accommodation and credit cards.

To illustrate, with one specific example, how this categorisation reflects the advertising in a magazine read extensively by businessmen, I have taken a copy of *The Economist* and broken out all the advertisements of one page or larger.

In this issue, there were approximately 60 ads of which 48% were (according to my categorisation) 'business' advertisements, a further 22% being dual business and personal and 13% purely personal. (The remaining 17% were recruitment and company results).

There is a vast amount of advertising aimed at the generic businessman, and therefore a need to research their readership, however difficult the task.

Given this background then, how have we tackled the problem in the UK? There are four

key points to our solution which are worth highlighting.

- (1) The research has, since the early 1970's, been under the control of the Business Market Research Committee (BMRC).
- (2) The businessman has been located and interviewed at home, not at work.
- (3) The businessman definition has been based on a complex interrelationship between industry, job function, size of company and level of responsibility.
- (4) The interview has included both personal and business aspects.

Let us now look at each of these in turn.

### THE BMRC

As I have said earlier there is enormous scope for controversy over businessman surveys because of the lack of precise sampling frame or definition. This was abundantly clear in the very early 70's when there was chaos caused by different surveys based on different definitions and sampling approaches. The BMRC was formed, by the major interested publishers, in order to provide objectively-agreed definitions and, importantly, pooled resources and expertise which would allow a higher standard of research.

To a large extent this has been achieved and this year saw the 9th BMRC survey published. Of course there has still been debate over the results, and this has led to changes in the technique, but the BMRC has been able to provide a continuous series of largely compatible surveys, thus providing trend data as well as current readerships.

### Sampling

By far the most debated item with all the BMRC surveys has been the sampling. It should be noted that there has been no criticism of the principle of the locating the businessman at home, since this is almost predetermined if one wants to obtain a non industry specific cross section of businessmen; instead the area for debate has been the *method* of sampling them at home.

The sampling problem stems from the fact that there are only some 800,000 businessmen in the UK, out of a total of some 45 million adults. Even if one assumes only one businessman per household one would need to sample some 100,000 households on a purely random sample basis, in order to achieve a sample of 2000 businessmen, with generally obtainable response rates. This is obviously uneconomic, at least for a personal interview.

The approach taken has been to sample disproportionately those areas with a higher density of businessmen. How, you may ask, can we identify these areas when we do not have a sampling frame for businessmen? The answer has been to use other data to provide an estimate of the propensity of businessmen in an area.

In the initial BMRC studies this external data source was the NRS. However, because the NRS has relatively small cluster sizes (currently 22) this entailed classifying areas on somewhat restricted data. In fact the early surveys were classifying areas containing on average 700 people on the basis of an average of 16 interviews.

The last two surveys have used two census based databases, ACORN and MOSAIC, which provide a much better classification of

smaller areas thus, in theory, allowing a more efficient use of disproportionate sampling.

Without going into detail, all the theoretical arguments suggest that these sampling changes in 1986 and 1988 provide a 'better' sample. However you can imagine the furore when the following results were obtained for one particular title, whose circulation had been rising!

	1984	1986	1988
AIR	12.0	9.7	7.8

I show these figures to illustrate the problems which can occur in special markets. Yes, the particular title's circulation had been rising, but I would contend that this gain was achieved outside the businessmen universe. The title's editorial policy was to aim at other groups and this, combined with competitive launches in the 86-88 period, could have led to these results.

Of course we will never know whether this decline in readership was real or not. However it reinforces the need for jointly sponsored research since if these results had come from a survey solely carried out by a competitive title, they would surely have been dismissed. As it is they have been accepted, by the majority of the industry.

## The definition

The businessman definition has remained largely unchanged since the first BMRC. In descriptive terms it is:

"A man or woman whose occupation implies the exercise of significant managerial, executive, technical or advisory functions and who works in an organisation eligible on grounds of size".

In practice eligibility depends on satisfying a number of detailed criteria:-

(1) That the informant has managerial responsibilities or has qualifications of degree standard which are relevant to his occupation.

(2) That with the exception of a small number of technically qualified CI's meeting criterion one, the informant would be classified as A or B social grade.

(3) That the size of the establishment in which the informant works satisfies the following minimum size conditions:

Retail, wholesale, construction -	25 employees
Industrial and financial services -	10 employees
Professional and consultancy services -	no minimum

(4) That the informant's occupation is eligible.

I do not intend to go into detail with regard to the eligible occupations but to give you some idea of the definition:

Judges, barristers, professionals in education, welfare and health, agricultural, literary, artistic and sporting occupations are all excluded along with the armed forces. Most other occupations are eligible provided the other criteria are met. This unchanged definition has enabled some very interesting changes in the structure of businessmen to be identified.

For instance there has been a significant growth in the proportion of businessmen involved in finance and the average size of establishment has dropped - both findings in line with the general economic change in the 80's.

However the stability of the definition is also one of the major problems currently faced by the BMRC. A very relevant question being raised is whether the change in the business environment now means the definition is no longer appropriate. The debate on this issue continues.

## The interview

As I have said the businessman is important from a marketing standpoint as both an up-market consumer and a business man. The questionnaire reflects this, asking about both his business decision making involvement and his personal ownership and use of luxury goods and services.

The readership questions have, since 1986, used the EML technique as developed by the NRS, though the BMRC piloted this before adopting it in order to ensure it would work for specialist titles. The survey now includes some 150 + publications.

The major problem faced with the interview is the increasing difficulty in maintaining a high response rate. Businessmen tend to have a very active life, and are therefore elusive at home. Response rates were dropping year on year and in order to try and alleviate this a significant number of Sunday interviews were introduced in 1988 (9.5%) and the number of call backs interviewers were asked to make was increased to six. The desired effect was achieved but not without some interviewer dissatisfaction.

Where do we go from here? To summarise, the problems currently facing the BMRC are:

- is a businessman survey still necessary?
- is the businessman definition still appropriate?

- how do we maintain response rate?

- how do we cope with real changes in the market places?

- is the current sampling approach satisfactory?

Of course I cannot answer these on behalf of the industry, but I can give a personal view.

First, I think it is essential that businessman readership research continues, and continues under a joint banner, for all the reasons I have stated earlier, plus the most important fact that many millions of pounds are spent on advertising to businessmen in the UK.

Secondly, I believe the definition does need a major review both by the interested publishers and also by the advertisers and their agencies to make sure it continues to be relevant for the advertising markets it serves.

Thirdly, I believe the survey should be continuous in order to smooth out real world changes, so that they do not appear dramatically at two year intervals.

Fourthly, every effort should be made to increase response rate, but not at the expense of the interviewer. Sunday interviewing should be more flexibly handled. Perhaps a continuous survey would enable call-backs to be spread over a longer period thus reducing the interviewer problem.

Lastly, and perhaps the most personal view, I believe that all of the sampling changes over the past surveys have led to a 'better' survey. This general approach should definitely be maintained, and its development should be encouraged.