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7.3 Making international comparisons

I want to confine my remarks about 'Making International Comparisons' to Western Europe, and I shall also confine myself to comparisons for marketing and advertising purposes based on sample surveys which cover both media and market/product data. I am therefore excluding often very useful data, based on population census data and specific industry/product area sample surveys which have no media involvement.

I also want to address the subject primarily from the point of view of a user of data or marketing man, rather than that of a researcher. If real marketing needs are defined, then research and research techniques can follow.

Thus I want to look at four main question areas (in relation to Western Europe).

(**a**) do we want to make international or cross country comparisons at all?

(**b**) if we do, for what purpose(s) are the comparisons?

(**c**) can we make such comparisons with the available data?

(**d**) if we cannot or can only do so to a limited extent, where and how do we develop?

It may seem strange to those living within the United States to even ask the first question, but in fact the states of Europe are far from united. In the vast majority of cases marketing and advertising decisions are made within national boundaries. In fact in 1979 the sum total of advertising expenditure in national media (press, TV, outdoor and cinema) in the main Western European countries totalled some $19 billion and very little indeed of this was placed from one country into another, and the expenditure in 'international' media was only some $100 million.

The way that the bulk of marketing is organised in Europe – for historic, legal, tax, linguistic, consumer habit and company organisational structure reasons – is on a national basis. It is changing, but not nearly as fast as predicted or hoped in the early 1970s.

Given this, the vast majority of companies, including media owners, find relatively little reason to develop research for cross country comparisons.

Nevertheless, there are good reasons, which must become increasingly important, for treating Europe as a single marketing entity.

(**a**) the EEC Commission and Parliament are grinding along towards the free movement of capital, labour and goods, and the harmonisation of legal systems.

(**b**) the capital and large scale production requirements of many advanced and high technology consumer and industrial products demand continental, if not world, markets for essentially identical products.

(**c**) there are increasingly recognised economies of scale to marketing and advertising (research, advertisement material creation, production, print, and access to multinational or international media).

(**d**) the increased awareness by consumers of matters (including products and services) beyond their own boundaries, through travel and multinational communications. Such knowledge will be much enhanced when satellite TV transmissions start in Europe in three or four years time. The need for a common brand or corporate image positioning will thus become increasingly important.

So, during the last 20 years, the answer to my first question (do we want to make cross country comparisons?) has been overwhelmingly 'NO' for the vast majority of marketers, including media owners. However, there are a small number, probably less than 250 companies of any significance, who do try to treat Europe as an entity involving some degree of central control or coordination of marketing and advertising activity, and of course there are a number of publishers marketing their own products (copies and advertising sales) on an international basis.

So, given the core of multinational activity, and the increasing harmonisation of Europe, which ought to expand such activity, what (turning to my second question) would be the purpose of such comparisons? The over-riding purpose is undoubtedly resource allocation – primarily manpower and money. Within the marketing/media orbit this means: comparative market assessments to determine product potentials; advertising/promotional budget determination (and this involves media costs/values); and media choice (including national/international media decisions).

With these basic marketing requirements in mind, we can now address ourselves (my third question) to the data available and the extent to which it can serve the resource allocation needs.

I want to start by looking at the national media surveys in Western Europe. On the whole they set themselves the fairly limited task of providing the basis for decisions, within one country (in my third allocation area – media choice between national media). In nearly all European countries (Sweden being the main exception), these surveys are controlled by an industry committee of publishers, agencies and advertisers. The data that is produced represents the battleground on which the

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buying and selling of space is fought. Once a 'norm' has been established there is a natural inbuilt resistance to change lest any protagonist gains an advantage. This in particular has applied to classification data, which goes beyond basic demographics; and it is precisely this area which would help to determine market values and potentials. The basic organisational structures of industry media research organisations, often media owner dominated (through financial muscle) tend to consider that it is the advertisers' task to measure markets and theirs to measure media.

Even the title of this session reveals the problem – it is headed 'Describing the Readers'. Media research (in my opinion) is not about readers, it is about the market value or potential market value of individuals and then what these individuals read, view or listen to – media being just one of the products they consume.

Given the straightjacket imposed by the organisational politics within any one country which results in a different compromise between buyers and sellers, it is not surprising that there is a different research 'solution' in each European country. Consequently only very limited cross country comparisons are possible. Even though the technical consultants of the various committee media meet once or twice a year, it is really only to describe (show off?) their own work – and while there has at various times been lip service to harmonisation, there has been no real progress.

To illustrate the problems I am going to show you some classification data from various national readership studies. The data is now quite old, and relates to an exercise done in 1973, before there were any European-wide, large scale universe, research studies for media use (the situation has not changed radically). There was an interest in creating, out of the available national media studies, a single 'Europe' that was relevant to a number of clients who wanted to look at their resource allocations on a Europe-wide basis. They were mainly 'upscale' products or services like car hire, airlines, some quality durables and of course, international media. Working with 14 countries (Austria, Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Spain, Sweden, Switzerland, UK and Northern Ireland) we managed to 'force' (ie standardise) classification by:

(**a**) age.
(**b**) sex.
(**c**) town size.
(**d**) occupation.
(**e**) education.
(**f**) marital status.
(**g**) durable ownership – telephone, TV, colour TV, car, camera, freezer, washing machine.
(**h**) class.

To give you some idea of the 'forcing' necessary, we will look at some examples from age, town size and occupation (**Table 1**).

All the other country age groups complied to our 'international' standard. We did not have much trouble with 'sex', that seemed to be the same in most countries! The degree of urbanisation presented only limited problems (**Table 2**).

Occupation groups probably represented the most difficult area. As we were primarily interested in an 'A' class or white collar market, we attempted only a three way classification. Group 1 – senior executive; Group 2 – executive; Group 3 – clerical. The difficulties here arise not only because of differences in classification but also in terms of what the titles actually mean within that country's business/industrial or government environment (**Table 3**).

These comparative difficulties become even greater, if not impossible with social class comparisons. Further, income data was only available in seven of the 14 countries.

In the case of durable ownership of the seven (telephone, TV, colour TV, car, camera, freezer, automatic washing machine) which were in most countries:

Belgium had: no data.
Denmark had: no colour TV data.
Finland had: no colour TV, camera data.
Germany had: no camera, freezer, automatic

TABLE 1
Age

	International standard					
	15–24	*25–34*	*35–44*	*45–54*	*55–64*	*65+*
Austria	16–29	30–39	40–49	50–59	60–69	—
Denmark	15–24	25–29	30–39	40–49	50–64	65+
France	15–24	25–34	35–49	—	50–64	65+

Sources: Austria – MA 70; Denmark – DMJ Jul–Dec 1971; France – CESP 1971.

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TABLE 2
Town size

		International standard		
	Commercial capital	*Other large 50,000+*	*Medium, 20,000 – 50,000*	*Small, under 20,000*
Norway	Oslo	Other towns except Oslo	Densely populated area	Scattered areas
Sweden	Stockholm	Gothenburg, Malmo	West Sweden except Gothenburg, Malmo, Kanc	Other regions

Sources: Norway – FAKTA 1971/72; Sweden – SAM 1972.

TABLE 3
Occupation

	Group 1	*Group 2*	*Group 3*
Belgium	Business, higher level staff	Average admin staff Small time employer	Employee
Finland	Top class	Middle class	—
Germany	Executive civil servant Executive office worker	Middle grade civil servant office workers, free professions, academic	Lower grade civil servant, office workers, middle salaried worker

Source: Belgium – CIM 1972; Finland – Gallup 70; Germany – LA '71.

washing machine data.
Netherlands had: no telephone, automatic washing machine data.

Using an approach like this of 'forcing' national classifications into standard groupings it was possible to 'extract' 'A' class individuals based on occupation/income from each survey and to keep with them their 'standard' classification data and their media habits (in the form of a probability of exposure to each medium). **Table 4** shows the resultant universe for each country.

There were a number of problems with this 'model' of Europe.

(**a**) one was never completely sure whether the variations in universe size in each market from the European average, were a function of real difference in wealth or occupation, or a function of the differences in classification data. This created problems in assessing relative market sizes/potentials as well as difficulties in assessing relative media values.

(**b**) the limited range of classification data presented difficulties in defining specific target markets and making cross country comparisons, especially in market size/potential.

(**c**) international media, and overlap media situations were not measured in the vast majority of the surveys creating difficulty or uncertainty in comparisons between national and international media.

(**d**) data ownership limitations severely restricted the use of the data to those who were subscribers in each country – a very expensive circumstance, not to mention the data handling costs of 14 surveys each with over 10,000 informants. Nor indeed were many country national committees very happy about 'foreigners' using their data so that some surveys were simply not available.

In the early 1970s cross country comparisons on the

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TABLE 4

	'A' class population '000s*	*% of total population*
Austria	242.9	4.8
Belgium	280.6	3.8
Denmark	180.5	4.8
Finland	167.7	4.4
France	2,136.6	6.0
Germany	2,716.6	5.7
Northern Ireland	32.1	3.0
Italy	1,643.9	4.0
Netherlands	633.0	7.0
Norway	153.4	5.1
Spain	937.7	4.7
Sweden	517.9	8.8
Switzerland	296.6	7.6
UK	2,055.3	5.0
	11,994.8	5.2

* *See Appendix 1 for survey sources and definitions.*

basis of existing industry media surveys were not, therefore, politically easy, economic, or efficient due to the limited comparability and restricted classification data; so this line of approach has not been pursued in Europe. The situation now is not much better, although many media surveys have improved their classification data, but, of course, not consistently with each other.

In order for us to make the cross country comparisons in Western Europe we really need a single guiding hand which treats Europe as a single entity in research terms. Of course many individual manufacturers conduct coordinated studies of their markets. They rarely, however, include media consumption and are usually confined to particular product areas. They also rarely publish them. One of the most interesting, however, was done in the early 1970s by the *Reader's Digest*, entitled 'A Survey of Europe Today'. It was a total population survey reporting on many Western European markets (but very few media), in comparable manner across Europe. Yet its impact and usage was very limited indeed, reflecting my earlier point that it is only a handful of marketers who actually want and need cross country comparisons.

The real need for multinational comparisons in the last decade has been by companies providing products and services which are not only sold in identical or near identical form in many markets but which are consumed more than proportionately by the 'international' – most readily defined as the heavy traveller. Such products as airlines, car hire, hotels, quality/technically advanced durables, automobiles, financial services, including credit cards, and alcoholic beverages (not to mention escort services!) find the international travellers a priority market. For this type of marketer the target population is much narrower than 'all adults', but of course just how much narrower is the question.

Who, however, is going to fund it? The international marketer might if he can get product data and a population universe relevant to him. The international media owner might if he thinks he can establish his case with the media data generated.

The most satisfactory study of this nature was Eurostyle, conducted in 1975, primarily sponsored by *Time*, with subsequent contributions from *Newsweek International, The Economist* and the *International Herald Tribune*. It was also very much sponsored by the 12 participating airlines, who assumed much of the transport and questionnaire distribution costs.

From a media owner's point of view however, it had limitations since it really only applied to one category, namely airline travellers. One still had to establish the importance of the scheduled European airline traveller as a section of other consumer markets and whether the non-travellers' media consumption habits were similar, before the study could be used as a general media planning tool. Further, its mobile universe involving repeat travel in the survey period created analysis problems for the unwary in overweighting the heavy traveller, and in determining the net number of persons covered in the study. Classification data in Eurostyle was however quite extensive and included: nationality; residence; purpose of travel; fare class of travel and who paid; duration of trip; frequency and destination of previous travel; previous travel fare type by destination; media consumption – frequency (national and international media - past issue period); demographics - sex, marital status, age, education, industry, job title; ownership - home, eight durable items; duty free purchases; and holiday travel.

Thus for the airline users it did fulfil quite well all the marketing resource allocation problems (for their schedule activities).

If we cannot amalgamate existing total adult population media studies, and specific industry studies limit general usage, then for economic reasons we must take an arbitrary segment of the population. The Pan European Survey (*1*) does just this. It essentially takes the 'top' 10% of the European population, respondents being eligible on the basis of their education, income and

1 *PES - conducted in 1978 by Research Services Ltd in France, Germany, Italy, UK, Spain, Belgium, Netherlands, Switzerland, Denmark and Sweden and in the 1981 study will also include Northern Ireland and Norway.*

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job responsibility. Within this group (for economy reasons) only the 'top' 6%, those living in high status areas, were sampled. PES was particularly successful in maintaining through its eligibility criteria, a consistent (or explicable) proportion of the population in each survey country, with the exception of Italy (for details see Appendix 2). For some marketers it probably contains nearly the bulk of their potential market - banks, scheduled airline services, credit cards, and many industrial products. For others it represents a high user group but with maybe only 20% of potential consumption of, for example cars, cameras and liquor. For the international media, the universe, too, probably represents a high proportion of their total audience, but like other products the proportion will vary from medium to medium.

PES highlights some of the necessary essentials for multinational comparisons. First, eligibility criteria that produce a consistent or explicable universe across countries. Secondly, in all surveys, cross country or not, in order to save space/time in the questionnaire we use shorthand predictors of behaviour, namely demographics. However, in a multinational survey we must not assume because we make the demographic classifications the same in each country, that their predictive power will be the same. The purchasing power of a girl 16-19 (even of the same social/income background) in the South of Italy, say in relation to cosmetics, will be very different from a Parisian girl of the same age. For cross country comparisons we have a much greater need for internal data on which to validate such shorthand predictors in key markets, ie we need much more *product usage* data, or *ownership* data and also in predicting market potential, *interest* or *knowledge* data. Comparability of question does not guarantee comparability of answer. PES is particularly good in its collection of data such that internal validations can be made.

Classification data in PES 2 includes: use of specific international hotel chains; travel frequency, business and pleasure, by destination; fare class of travel; duty free purchases; use of credit cards, travellers cheques; car hire; car ownership, type and age; durable ownership and cost at which respondent would replace; alcoholic beverages (drink occasionally, have in home); cigarette and cigar usage (including international brands); sports and hobbies followed/participated in; financial transactions; home/holiday home ownership; industry area in which worked; company size; job title/seniority; job function; international contacts (telephone, telex); education; TV viewing; language ability; industrial/business purchasing involvement; residency/citizenship; and demographics - marital status, age, income, family size.

PES, therefore, scores well in answering the three resources allocation questions which we originally laid out as the requirements of the multinational market (market potential assessments, budgeting and budget allocation, and media selection) *but* only for those marketers whose target market falls largely or wholly within the PES universe.

However the 1978 PES included some experimental attitude questions. Respondents, at the end of the main questionnaire, were given 46 attitude statements and asked to indicate their level of agreement or disagreement. Some of the statements showed signs of misinterpretation or inconsistent idiom in translations. By observing countries within which there were two language zones, there were major variations for some statements. It is difficult to judge whether these were a function of respondents' interpretation of the statement or reflected real cultural and political attitudes. Those statements which showed more variation between language group scores than between two countries were:

(a) I do things on the spur of the moment.
(b) I like to do things better than others.
(c) preserving our national and cultural identity is more important than creating a Europe without frontiers.
(d) my contemporaries regard me as a high flier.
(e) it is worth paying extra for comfort and convenience.
(f) once I am satisfied with something I tend to stick with it.

Cross country comparisons in terms of such attitude dimensions are clearly problematical. However, generally speaking in 'normal' marketing and media planning practice this is not particularly significant and we have not really developed a methodology that is in any way convenient or economic for using such generalised attitude data for either predicting market potential or selecting media.

For completeness I will mention the *Time* magazine 'Decision Makers' Study' out of which has grown the European Businessman series of studies sponsored now by the *Financial Times* and others. While there are a number of advertisers (some banks and corporate advertisers), who might consider that the bulk of their target audience falls within the very limited 200,000 universe of the study, the survey contains very little classification data. Further, the relative sizes of the universes are questionable due to the differences in completeness of the Kompass directories and the non-comparability of the 'official' data to which the universes have been adjusted. It is therefore a doubtful base on which to base resource allocation decisions and is only relevant for media selection where the target market is extremely limited.

So to my last question area - where do we go from here in developing comparable European-wide data? The

answer I am afraid, in the short term (the next three to four years) is not very far. We have a workable solution with PES. The politics of research will not change that much. International media are unlikely to see advantages in measuring a much wider universe. Advertisers, even if they want to make international comparisons, rely on PES or conduct their own specific product universe studies with little media data. However, we may see more participation in PES development from other media and advertisers in later studies but changes are not likely to be enormous – more of a technical nature, eg sample size, more countries and maybe even women!

The real changes in my view will come in the last part of the 80s and 90s. We may not then even have newspapers and magazines in their current physical format. Such editorial material will be drawn in by consumers over digital lines, stored in micro-chips and inserted into electronic 'books' for reading, or displayed on a video screen. Such material can be drawn from any source – worldwide. For information of all kinds national boundaries will become largely irrelevant and so will language as there will be instantaneous translation. The same applies to satellite television and radio transmissions and while governments are trying to mark out reception 'footprints' these are largely irrelevant, being dependent upon the size of the reception dish and development of cable systems. For the first time we will have truly European mass media. Multi-national corporations must come to terms with this and so must we as researchers. Marketers must then look at Europe as an entity, and researchers must follow that demand. The new techniques required for data collection, handling and dissemination will be formidable to develop. This is the real challenge for us in the 80s and 90s.

APPENDIX 1
Income and occupation filters

	Survey	*Income*	*Occupations h/h*
Austria	MA 70	10,000+ Sch. per month	Free professions, business owners, directors of large firms. In small firms, self employed business people, tradesmen. Self supporting landlords. Executive office workers, civil servants.
Belgium	CIM 1972	Class A	Cadres Superieur, Cadres Moyen, Artisan, petit commercant.
Denmark	DMI July–Dec 1971	50,000+ DK annual personal income	Lower grade employee. Higher grade employee.
Finland	Gallup 70	20,000+ FM annual personal income	Top class.
France	CESP '71	Cadres Superieur	Town size 2000 + with technical higher and secondary education.
Germany	LA '71	2000 DM monthly net household	Head of household. Executive civil servant. Middle grade civil servant, Executive office worker, large salaried workers, Free profession, academic.
Northern Ireland	NRS 1970	Class A	
Italy	ISPI 1971	250,000+ lire monthly h/h income	Interviewee occupations. Contractor, Professional man, director, employee.

(continued on next page)

APPENDIX 1 (continued)
Income and occupation filters

Netherlands	NOP 1972	(Social class A)	Occupation head of household, industrial managers, ten employees, self employed higher professions, higher employee.
Norway	FAKTA 1971/72	50,000+ annual family income	Interviewee, executives, independent, with and without employees, executive.
Spain	Eco Waves 9–12	(Social class, upper and upper middle)	Interviewee – employees, liberal professions, directors, higher business executives, middle executives.
Sweden	SAM 1972	40,000+ SwK personal annual income	Socio economic group 1A:B1.
Switzerland	LF 1970	2,200+ SwFr income h/h monthly	Own business/professional, commercial small firm, landlord, office workers.
UK	NRS Jan–June 1972	2,000+ per annum net personal annual income	AB's.

APPENDIX 2
The universe of PES 1978

The total universe covered by the survey is 5,870,000 men. The following table shows the total population of eligible men in each country and the proportion of them included in the survey universe in each country.

	Adult men '000	*Population of eligible men '000*	*% of all men*	*Eligibles surveyed %*	*Survey universe '000*	*% of all men*
Belgium	3,720	350	9.4	58	203	5.4
Denmark	1,945	190	9.8	58	110	5.6
France	19,616	1870	9.5	61	1141	5.8
Germany	22,780	2190	9.6	62	1358	6.0
UK	20,859	1990	9.5	60	1194	5.7
Italy	20,552	1450	7.1	46	667	3.2
Netherlands	5211	480	9.2	60	288	5.5
Spain	12,063	880	7.3	60	528	4.4
Sweden	3,236	356	11.0	63	225	7.0
Switzerland	2,388	250	10.4	62	156	6.5
		10,006		59	5870	