



Ehrenberg-Bass
Institute for Marketing Science

EHRENBURG-BASS

INSTITUTE FOR MARKETING SCIENCE



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DIRECTOR'S REPORT

Professor Byron Sharp

Director, Ehrenberg-Bass Institute



The Empirical Generalisations in Advertising Conference was a fitting end to a year filled with achievements for the Ehrenberg-Bass Institute. The US conference, co-hosted by the Institute and the Wharton School demonstrated our strong ties with academic bodies. Our industry links were also clear with attendees from Google, Turner Broadcasting, Estée Lauder, Bayer Consumer Care, TNS and Mars as well as key sponsor the Advertising Research Foundation.

Despite the challenges facing marketing departments globally, the Institute's research continues to be supported and valued by corporations across the world.

External research income increased significantly in the last year including growth in commonwealth government funding. It is exciting and promising to see more market research projects commissioned by our corporate sponsors both in Australia and overseas.

New, ongoing partnerships have developed through research grants, such as the Seafood CRC, and with new corporate sponsors; Fonterra, ITV, Kellogg's and SC Johnson.

Another important development was the inception of a new research group dedicated to sustainable marketing. This specialist research area has already proved to be a viable stream for the Institute with demand for commissioned research from several new clients including state and federal government departments.

The Institute's considerable achievements this year are a reflection of the hard work of a dedicated group of enthusiastic researchers. Despite introducing several bright new researchers to our team in 2008 our increased workload from new sponsors, grants and contract research projects leaves us with less and less spare capacity. A challenge in early 2009 will be recruitment of new researchers to combat this strain on resources.

In 2009 as we build on our team of bright thinkers, we will work with new partners, founding members, academic associates and our advisory boards to strengthen strategic relationships and produce and disseminate exciting, meaningful research.

Key achievements for 2008

Overall revenue – increased by 18%

International revenue – increased by 40%

Research degrees – 5 Masters & PhD completions

Report dissemination – 36% increase in the number of executives receiving reports

*Figures are approximates as of December 31, 2008

CHAIRMAN'S REPORT

Professor Gerald Goodhardt

Advisory Board Chair, Ehrenberg-Bass Institute

Since its inception in 2005 the Ehrenberg-Bass Institute has been in a state of perpetual expansion.

The Institute's research output advances every year and the achievements noted throughout this report show that 2008 was no exception and that this growth is unlikely to slow in the near future.

The Institute's research agenda continues to develop and reshape according to industry needs and knowledge gaps. This year a new research stream, the Sustainable Marketing Research Group, demonstrates the Institute's dedication to addressing the long-term needs of society. The formalisation of this research group was approved by the Australian Advisory Board in March 2008.

The growth and development of the Institute is guided by members of the Institute's three advisory boards in Australia, North America and now Europe. The European Advisory Board met for the first time in 2008 at London South Bank University to review the Institute's performance, advise on research priorities and provide managerial guidance.

The discussion at this meeting, and at the Australian and North American meetings stimulated advice and recommendations that are both useful and practicable. The Institute was also able to report back to the Australian and North American boards about the successful implementation of recommendations from the 2007 meetings.

The boards are of immense value to the Institute providing a truly international perspective that is unique to a research body of this size. They also forge closer ties with the board members who demonstrate a dedication to the Institute and its work not only through their commitment to the board but also through their ongoing support of the Corporate Sponsorship Program.

The continued growth and success of the Institute is entirely due to the energy and enthusiasm of the Director and his talented staff. The reputation of the Institute and its ability to recruit from a virtuous circle augurs well for the future.

In a period of economic uncertainty, 2009 will be challenging. But new opportunities will arise and the Institute will take advantage of these as it continues to produce new and exciting research. I look forward to another exciting year as the Institute continues to spread its research and knowledge into the marketing departments of corporations across the globe.





THE INSTITUTE'S PROGRESS

2008 Advisory Board Reports
The Corporate Sponsorship Program

AUSTRALIAN ADVISORY BOARD

The third annual Australian Advisory Board meeting was held at the University of South Australia on Friday the 7th of March 2008. As UK based Chairman Professor Gerald Goodhardt was unable to attend the meeting, Professor Gerry Griffin, Pro Vice Chancellor: Division of Business, UniSA chaired the meeting.

New members for 2008 were Mathew Barbagallo, Marketing Director of Mars Snackfood Australia and Professor Malcolm Wright, Head, School of Marketing at the University of South Australia. Mark Gabbott, as the new president of the Australian and New Zealand Marketing Academy, assumed the board position reserved for this role.

Professor Wright gave a presentation to introduce himself to the board and to discuss his goals for growth, expansion and greater diversity for the Institute. He also presented his objectives for the Buyer Behaviour and Marketing Metrics Research Group which he now leads.

Other presentations were from Associate Professor Jenni Romaniuk, head of the Brand Equity Research Group and Dr Anne Sharp, head of the Sustainable Marketing Research Group. Anne's presentation sought approval to formalise her ongoing research into sustainable marketing by creating a dedicated research group. The board approved, commenting that the Institute had the opportunity to make a positive contribution to this topical research area.

A key focus for the meeting was growth and research directions for the Institute. This discussion prompted ideas and strategies to combat resource constraints, particularly in relation to postgraduate research students.

2008 Australian Advisory Board Members:

Gerald Goodhardt – Chairman
Gerry Griffin – University of South Australia (acting Chairman for 2008)

Mathew Barbagallo – Mars Australia
Peter Danaher – Melbourne Business School
Mark Gabbott – Australian and New Zealand Marketing Academy
Kate Inglis-Clark – OzTam
Ian Macfarlane – International Marketing Strategy Pty Limited
David Mallinson – Elders Ltd
Caroline McMillen – University of South Australia
Phil Parker – The Nielsen Company
Doug Peiffer – Network Ten Pty Ltd
Neil Retallick – National Pharmacies
Byron Sharp – Ehrenberg-Bass Institute
Phyllis Tharenou – University of South Australia
Mark Uncles – University of NSW
Malcolm Wright – University of South Australia



The 2008 Australian Advisory Board meeting was held in the Hawke Building at the University of South Australia

NORTH AMERICAN ADVISORY BOARD

The second annual North American Advisory Board meeting was held at the Australian Consulate-General, New York on December 3rd.

New members were Nick Sorvillo (Kraft Foods), Rick Abens (ConAgra Foods) and Joe Stagaman (The Nielsen Company). Also attending the 2008 meeting were Eric Taylor and Tiffany Harrison who stood in for Jeff Hunter (General Mills) and Jim Figura (Colgate-Palmolive) respectively.

In the afternoon, discussions were led by Jack Wakshlag (Turner Broadcasting) and Eric Taylor (General Mills) who each gave a presentation on the impact of Institute research in their organisations. Associate Professors Jenni Romaniuk and Rachel Kennedy from the Institute also presented to the board, updating them on our latest research stream, the Sustainable Marketing Research Group, and our latest research findings.

The key outcome from board discussions was the importance of maintaining and building links between the Institute and external parties. Suggestions included joint publications with sponsors e.g. “brand loyalty at General Mills” and continued development of links with overseas academic bodies, specifically with the Wharton Business School. It was felt by the board that it was important for the Institute to develop a strategy for working with key professional bodies such as the Advertising Research Foundation (ARF) and the Association of Integrated Marketing (PMA).

A new item for the Institute’s R&D agenda was also put forward; board members suggested that it would be of value to industry to have output regarding the key metrics that firms should be using to benchmark and measure their activities.



2008 North American Advisory Board Members:

Gerald Goodhardt – Chairman

Rick Abens – ConAgra Foods

Artie Bulgrin – ESPN

Peter Fader – The Wharton School

Jim Figura – Colgate-Palmolive

Jeff Hunter – General Mills

Jim Nyce – formerly Kraft Foods

David Poltrack – Viacom (CBS)

Greg Rogers – Procter & Gamble

Byron Sharp – Ehrenberg-Bass Institute

Marissa Sison – GfK Automotive

Nick Sorvillo – Kraft Foods

Joe Stagaman – The Nielsen Company

Stan Sthanunathan – The Coca-Cola Company

Jack Wakshlag – Turner Broadcasting

The 2008 North American Advisory Board meeting was held in New York

EUROPEAN ADVISORY BOARD

The inaugural European Advisory Board meeting was held on the 18th of June at London South Bank University.

Chaired by Professor Gerald Goodhardt, former Dean of City Business School London, the European Advisory Board comprises marketing academics and senior representatives from our key European corporate sponsor companies.

Presentations on the Brand Equity, Advertising, Media and Pricing Research Groups provided insight into key research programs, highlighted discoveries and explored research agendas for the future.

Board members were impressed by the discoveries to date and commented that the Institute's work was of enormous significance to the field of marketing on both a practical and academic level.

The focus for the afternoon discussion was the impact of the Institute's discoveries on marketing practice. The board stressed the need to disseminate the discoveries and knowledge beyond the research departments. This discussion stimulated the development of useful strategies to broaden the Institute's reach.

One suggestion was the exploitation of topical issues to gain publicity. This idea prompted the development of the "Marketing in a Recession" paper and seminar which was released mid 2008 (see page 9).

2008 European Advisory Board Members:

Gerald Goodhardt – Chairman

Andrew Barnett – The Edrington Group

Patrick Barwise – London Business School

Thomas Bayne – Mountainview Learning

Noel Coburn – Caxton Publishers & Printers

Ian Hewitt – Unilever

Jane Houzer – London South Bank University (LSBU)

Stuart Maw – Coca-Cola Great Britain

Bruce McColl – Mars

Paul Murphy – TNS

John Scriven – Ehrenberg Centre, LSBU

Byron Sharp – Ehrenberg-Bass Institute

Rob Turtle – dunnhumby



*Members of the
Ehrenberg-Bass Institute
European Advisory Board*

THE CORPORATE SPONSORSHIP PROGRAM

To successfully grow their brands, marketers need access to new knowledge and to apply the findings to their everyday activities.

The Ehrenberg-Bass Institute's Corporate Sponsorship Program is a unique R&D initiative that builds fundamental knowledge about buyer behaviour and brand performance, the sort of useful principles that are missing from marketing textbooks.

Corporate sponsors receive reports on recent research findings and have the opportunity to learn more about topics through in-house seminars conducted by Institute staff.



The Ehrenberg-Bass Institute's Corporate Sponsorship Program is supported by corporations across the globe

Corporate Sponsors:

AUSTRALIAN

Australian Central
Coca-Cola Australia
Department for
Environment
and Heritage
Elders Ltd
Fonterra
Goodman Fielder
Hills Industries Ltd
Kraft Foods Ltd
Mars Australia
Meat & Livestock
Australia
National Pharmacies
Network Ten Pty Ltd
The Nielsen Company
QEH Research
Foundation
Roy Morgan Research
Selleys
Simplot
SARDI
Tourism Australia
Unilever Australasia
UniSA

EUROPEAN

BP
British Airways Plc
Coca-Cola GmbH
Coca-Cola Great Britain
dunnhumby
The Edrington Group
ITV
Kellogg's
Kraft Foods Europe
Leo Burnett
Mars Europe
Mountainview
The Nielsen Company
Procter & Gamble
Reckitt Benckiser
TNS
Unilever HPC
Unilever Bestfoods
Deutschland GmbH

NORTH AMERICAN

Advertising Research
Foundation
CBS
The Coca-Cola Company
Colgate-Palmolive
ConAgra Foods
ESPN, Inc.
General Mills
General Motors
Corporation
Kraft Foods Inc
The Nielsen Company
PepsiCo (USA)
Pepsi-QTG (Canada)
Procter & Gamble
SC Johnson
Turner Broadcasting
Unilever Americas
Unilever Canada

SOUTH AFRICAN

Caxton Publishers &
Printers
Distell
FirstRand Ltd

R&D OUTCOMES FOR 2008

Four new corporations signed up to the Institute's Corporate Sponsorship Program in 2008. New members Fonterra (Australia), ITV (UK), Kellogg's (UK) and SC Johnson (USA) joined over 50 companies subscribing to this unique program of R&D. Relationships with existing sponsors also strengthened during the year with the formalisation of Unilever as a global member and, in Australia, Mars Petcare and Mars Food joining as co-sponsors with Mars Snackfood.

With the addition of over 400 people in 2008 we are now disseminating our regular research findings and updates to a database of over 1500 contacts from our corporate sponsor companies. This is a key performance metric for the Institute.

Four corporate sponsor reports were released during 2008:

- Report 44: Where Knowledge of Your Brand Resides: The Pareto Share of Brand Knowledge
- Report 45: Are Younger Customers Easier to Win?
- Report 46: Penetration vs Loyalty: a Clarification
- Report 47: Cross-brand Cannibalization Kills the Profitability of Price Promotions.

In addition to their ongoing support for the Corporate Sponsorship Program several of our member companies commissioned contract research with the Institute during 2008. The Department for Environment and Heritage, Hills Industries, Mars Snackfood Australia, National Pharmacies, Network Ten, Selleys, Turner Broadcasting, SARDI and the University of South Australia all conducted projects during the year.

A New Seminar: Marketing in a Recession

In 2008, the sudden and severe economic decline left many marketers uncertain about how to react: should I change my marketing plans? Is there pressure to cut budgets (again)? How should I react to the recession?

In response to this uncertainty, the Institute collated and applied knowledge from our existing research and findings from our program of R&D into firstly a report, and later a seminar that addressed the problem of marketing in a recession.

This new seminar, now available to corporate sponsors, highlights the silver lining to economic downturn, for example, opportunities that arise from changes in consumer behaviour or reduced marketing activities by rivals.

Highlighting the pitfalls to avoid as well as possible opportunities the presentation answers some important questions such as:

- Can I get away with reducing my advertising spend?
- Is there benefit in maintaining spend?
- Should I lower price? Discount more?
- Are premium new product launches doomed in a recession?





RESEARCH HIGHLIGHTS

Research Group Reports for 2008

Key Research Projects for 2008

Research Staff

ADVERTISING RESEARCH GROUP

Head, Associate Professor Rachel Kennedy

In December 2008 the Institute co-hosted the Empirical Generalisations in Advertising Conference with the Wharton Business School. 100 invited advertising thought leaders participated in the conference, which was an important platform for members of the Advertising Research Group to present their research findings. In 2009 Professors Jerry Wind & Byron Sharp will co-edit a special issue of the Journal of Advertising Research based on the conference.

Two other important speaking opportunities for the group were the Audience Measurement Symposium, New York and the Worldwide Multimedia Measurement Conference, Budapest. Group head, Associate Professor Rachel Kennedy co-wrote papers for both of these conferences with Dr Carl Driesener and three of the Institute's overseas Research Associates.

A new addition to the group in 2008 was Research Associate Haydn Northover. Haydn's research will mainly focus on the validation of new approaches to ad pre-testing including psychological measures.

Other achievements within the group for 2008 were the publication of two papers co-written by members of the group in the International Journal of Market Research as well as the completion of Dr Nick Danenberg's PhD. Nick's research tested the use of the Advertising Intensity Law in setting ad spend budgets.

The group also collaborated with the Brand Equity and Media Research Groups on a large commercial research project looking at the impact of commercial creative quality on ratings.



Members of the Advertising Research Group, Kate Newstead, Haydn Northover and Dr Carl Driesener

BRAND EQUITY RESEARCH GROUP

Head, Associate Professor Jenni Romaniuk

Two Research Associates joined the Brand Equity Research Group in 2008. Nicole Hartnett and Sam Wight are undertaking post-graduate studies in the areas of brand distinctiveness and brand awareness metrics.

This increased capacity enabled the group to undertake more ad hoc market research projects both in Australia and overseas. Research revenue for the group exceeded \$300,000 for 2008.

As well as several industry articles, commentaries and media interviews, three research articles were published in international business journals. This included "Positive and Negative Brand Beliefs and Brand Defection/Uptake", co-written by Jenni Romaniuk, Svetlana Bogomolova and Max Winchester, which was accepted in A level journal the European Journal of Marketing.

Researchers presented nine refereed conference papers across 2008 and spoke at several international conferences including the Advertising Effectiveness Symposium in Barcelona, FMCG Summit in Sydney, the Thought Leaders in Brand Management Conference in Birmingham and the Advertising Research Foundation Re:Think Annual Convention in New York.

There was also success for the group at the Australia and New Zealand Marketing Academy Doctoral Colloquium with Svetlana Bogomolova winning the award for best doctoral thesis.

Members of the Brand Equity Research Group, Associate Professor Jenni Romaniuk (group head), Lara Stocchi, Sam Wight, Magda Nenyecz-Thiel, Svetlana Bogomolova and Sandy Millburn



MARKETING METRICS & BUYER BEHAVIOUR RESEARCH GROUP

Head, Professor Malcolm Wright

Work on metrics and buyer behaviour underlies most of the work of the Institute, and can be found in almost every research stream. With the appointment of Professor Malcolm Wright as head of the group in 2008, the core outputs of this group have expanded.

One of the key outcomes for 2008 was the publication of “Consumer Behaviour: Applications in Marketing” co-written by Professor Wright and published by Sage, London. The book has a heavy emphasis on buyer behaviour, metrics and the use of data. A second book emerging from the group’s research “Laws of Growth” written by Professor Byron Sharp was also completed in 2008, with publication expected in 2009.

Two R&D reports on research from the Buyer Behaviour and Marketing Metrics Group were published in 2008. Report 45 “Are Younger Customers Easier to Win?” and report 46 “Penetration vs Loyalty: a Clarification” were distributed to over 1,500 individuals through the Institute’s Corporate Sponsorship Program.

Key research outcomes for the group for 2008 were:

- Completion and validation of software to provide conditional trend analysis for light and heavy buyers
- The development of a new method to optimise the advertising budget, based on the ratio of advertising elasticity to gross profit
- Finding a new empirical generalisation of the prediction of year-end trial for new products, based on analogous series.



*Professor Byron Sharp,
Professor Malcolm Wright
(group head) and
Vipul Pare*

MEDIA RESEARCH GROUP

Head, Dr Erica Riebe

The Media Research Group presented research at several industry and academic conferences during 2008. Carl Driesener and Erica Riebe represented several researchers from the group who had co-written articles for the Worldwide Multimedia Measurement (WM3) Conference in Budapest. Carl and Erica presented three papers on single source data as part of a panel session.

Other speaking opportunities for the group in 2008 were at the European Advertising Effectiveness Symposium in Barcelona, and the Empirical Generalisations in Advertising Conference held at the Wharton School, Pennsylvania.

Another achievement for the group was the development of a new course, Media Planning which was piloted in 2008. The course, developed by members of the Media Research Group in consultation with group head Dr Erica Riebe, will continue to be taught in 2009 to both postgraduate and undergraduate students.

Also of significance was the completion of Dr Karen Nelson-Field's PhD on demographic and product usage profiles of media audiences. Her research was supervised by group head, Dr Erica Riebe and Professor Byron Sharp. Output from Karen's thesis will contribute to corporate sponsor reports and seminars.

Researchers from the Media Group, Dr Erica Riebe (group head), Fang Li, Virginia Beal, Bryony Jardine and Scott Reynolds



Several market research projects were conducted by the Media Research Group over the year including a comprehensive commercial research project looking at the impact of commercial creative quality on ratings. The project, a collaboration between the Advertising, Brand Equity and Media Research Groups aimed to determine norms for commercials in terms of expected levels for holding an inherited audience.

An R&D report "Advertising Clutter" written by researchers from the Advertising and Media Research Groups was completed in 2008 and will be distributed to corporate sponsors in early 2009.

PRICING RESEARCH GROUP

Head, Associate Professor John Dawes

The Institute's Pricing Research Group conducts research on buyer response to price and price changes. Researchers specialise in the analysis of aggregated sales and pricing data to determine short-term and longer-term responsiveness to price.

Research findings from the Pricing Research Group for 2008 culminated in the final corporate sponsor report published by the Institute for the year. Report 47: Cross-brand Cannibalization Kills the Profitability of Price Promotions written by group head, Associate Professor John Dawes, looks into the disadvantages of discounting when companies have more than one brand in a single category.

Two Research Associates who have been involved in pricing research completed research degrees in 2008. Susan Huang and Vipul Pare received excellent feedback from examiners on their masters theses. Both students were supervised by group head, Associate Professor John Dawes.

In 2009 the Pricing Research Group is looking to recruit some new Research Associates and to continue working on the key questions of investigation that makes up the group's research agenda.

The group will also continue collaborating with overseas Research Associate John Scriven in 2009. John is Director of the Ehrenberg Centre at London South Bank University, the Institute's strategic partner in the Corporate Sponsorship Program.



Associate Professor John Dawes (group head) with Giang Trinh

SUSTAINABLE MARKETING RESEARCH GROUP

Head, Dr Anne Sharp

2008 was the official launch of the Institute's 7th research group – the Sustainable Marketing Research Group led by Dr Anne Sharp.

At the beginning of 2008 Dr Anne Sharp approached the Australian Advisory Board seeking approval to formalise her ongoing research into sustainable marketing by creating a dedicated research group. The board approved, commenting that the Institute had the opportunity to make a positive contribution to this topical research area.

Why is sustainable marketing important?

We are faced with a host of sustainability challenges – pollution, loss of biodiversity, and climate change. Our consumption is the cause of much of this.

To tackle these challenges effectively, society needs to make consumption changes. But in order to change, consumers must first understand what they need to do and why.

The Research Agenda

Key research questions that the Sustainable Marketing Research Group are addressing include:

- To what extent should marketers satisfy customer demand if that means either consumers health will suffer or resources will not last?
- How can we shape consumer demand for improved sustainability?
- How can we influence the evolution of a sustainable consumer?

Also strong on the research agenda for the group is benchmarking consumers' knowledge and behaviours in relation to climate change and biodiversity. Research shows there is a huge knowledge gap and a lot of educating to be done if we are to bring about community change regarding the environment.

Research Outcomes for 2008

Demand for contract research in the area of sustainable marketing grew exponentially throughout 2008. Key research projects included:

- Assessment of public awareness, usage of and satisfaction with key department products and services, for the Department for Environment and Heritage (SA)



- Benchmarking and tracking the impact of the proposed plastic bag ban in South Australia on retailers and the South Australian public, for ZeroWaste (SA)
- Research into behaviour and attitudes towards water and energy saving changes in the home, for the Department of the Environment, Water, Heritage & the Arts' Green Loans Program (Federal).

South Australian newspaper, The Independent Weekly, published an article about one of the group's current flagship projects – Research into the issues associated with seafood purchase and consumption for the Australian Seafood Cooperative Research Centre.

Stine Høj joined the group as a Research Associate and masters student and, with group head, Dr Anne Sharp, presented two research papers relating to attitudes and knowledge about Global Warming at the Australian and New Zealand Marketing Academy Conference in Sydney.



*Katherine Anderson,
Scott Reynolds, Dr Anne
Sharp (group head) and
Michael Vogelpoel*

WINE MARKETING RESEARCH GROUP

Head, Professor Larry Lockshin

2008 proved another successful year for the Wine Marketing Research Group.

Researchers presented 9 conference papers in 2008 with group head, Professor Larry Lockshin and Senior Research Associate, Simone Mueller's joint paper receiving Runner-up Best Paper at the Conference of the Academy of Wine Business Research in Sienna.

Professor Lockshin was also a keynote speaker at the World Sauvignon Blanc Conference in Austria.

Publications and press for the group in 2008 included two book chapters, thirteen trade publications (including Professor Lockshin's monthly articles in WBM; Australia's Wine Business Magazine) and two journal articles.

Key research projects included:

- Completion of a two year study on cross cultural choice behaviour for wine on and off premise, funded by the Grape and Wine Research and Development Corporation (GWRDC)
- An Australian study on sensory and non-sensory wine choice attributes, funded by the GWRDC
- Online wine label testing, for Beelgrara Winery.

Members of the Wine Marketing Research Group, Dr Simone Mueller, Professor Larry Lockshin (group head) and Dr Herve Remaud



COMMUNITY PANEL

In 2008 researchers from the Ehrenberg-Bass Institute piloted an exciting new community consultation project in partnership with City of Tea Tree Gully, City of Burnside and the Local Government Association (LGA).

The project began in response to the need for a reliable and cost effective means of engaging local communities in the council decision making process. The innovative solution that they came up with was Community Panel.

Community Panel allows councils to interact with their residents through online surveys and engage local communities in council decision making. Councils recruit members from their local council area to form a panel that is representative of their residents and then invite these members to participate in online surveys. The surveys, written by the council in consultation with the Ehrenberg-Bass Institute, offer a flexible design that allows participants to view images, read detailed information and write their opinions.

The online environment gives councils access to timely, accurate research results in a much more cost effective manner than offered by traditional methodologies. This allows for more frequent interaction with more members of the community. Councils are able to quickly 'check the pulse' of a community on an issue and receive the results in days rather than weeks.

During the pilot phase in 2008, 10 surveys were run across the three pilot member councils (City of Burnside, City of Tea Tree Gully and City of Unley). A diverse range of topics were covered including council services

and performance, strategic planning and environmental initiatives. The combined councils have a community of over 1,700 members (which is rapidly increasing) and the response-rates for surveys are significantly higher than typical community research and engagement efforts. Most importantly, the online panel has been proven to be demographically representative of a local community.

The exciting project received significant press during the pilot stage and now that a successful model has been established Community Panel can be made available to all councils. This has the potential to create a very large state-wide panel that can be used to measure community feedback on both a local and state level. This level of consultation and engagement would be unique in Australia and would provide a very innovative, cost effective and powerful means to engage our communities.

*Scott Reynolds,
Michael Vogelpoel,
Katherine Anderson
and Dr Anne Sharp*



SEAFOOD RESEARCH

Seafood research became a significant area of interest for the Institute over 2008. Senior researchers Dr Hervé Remaud and Dr Nick Danenberg worked with several partners on a variety of projects relating to seafood consumption and seafood marketing. Key partnerships were formed as the Institute worked on projects with the Australian Seafood Cooperative Research Centre (Seafood CRC), the South Australian Research and Development Institute (SARDI), Marine Innovation SA (MISA), Simplot Australia and the Tasmanian Salmon Growers Association (TSGA).

The Ehrenberg-Bass Institute is one of the core participants in the Seafood CRC which aims to find sustainable, healthy and profitable solutions to one of Australia's most valuable food-based primary industries. A key project conducted by the Institute for the CRC was the assessment of new market opportunities for seafood.

At the Australasian Aquaculture Conference held in Brisbane, Dr Hervé Remaud and Dr Nick Danenberg presented research on behalf of the Seafood CRC at the Oyster Consortium. Their presentation "What is Oyster Marketing?" applied the Institute's fundamental work on buyer behavior to the oyster market.

The Seafood CRC is now funding two research projects related to seafood marketing to be conducted by Institute staff. Vipul Pare was successful in his application for a PhD scholarship on the topic of "Understanding and forecasting seafood suppliers and buyer behaviour trading at the Sydney Fish Market" and Dr Nick Danenberg was appointed as a Senior Research Fellow to undertake post-doctoral research on "Benchmarking consumers'

physical and mental availability for seafood products and brands in different buying situations".

The group was also successful this year in winning a grant to work with the Seafood CRC and the FDRC on a project that will track consumers' seafood purchases and use various discrete choice experiments to forecast the uptake of seafood product innovations. This ongoing project will be a key priority for seafood research in 2009.



*Dr Nick Danenberg,
Vipul Pare and
Kimberley Peters*

RESEARCH STAFF

Director

Professor Byron Sharp

Senior Research Associates

Virginia Beal

Svetlana Bogomolova

Professor David Corkindale

Dr Nick Danenberg

Associate Professor John Dawes

Dr Carl Driesener

Associate Professor Rachel Kennedy

Professor Larry Lockshin

Dr Simone Mueller

Magda Nenycz-Thiel

Dr Narelle Page

Dr Herve Remaud

Dr Erica Riebe

Associate Professor Jenni Romaniuk

Dr Cam Rungie

Dr Anne Sharp

Associate Professor Tony Spawton

Professor Malcolm Wright

Research Associates

Katherine Anderson

Dr Melissa Banelis

Melanie Ceber

Justin Cohen

Dr Margaret Faulkner

Nicole Hartnett

Dr Liz Hemphill

Stine Høj

Bryony Jardine

Dr Richard Lee

Fang Li

Sandy Millburn

Kerry Mundt

Dr Karen Nelson-Field

Kate Newstead

Cathy Nguyen

Haydn Northover

Monica Orlovic

Vipul Pare

Kimberley Peters

Nathan Pfitzner

Scott Reynolds

Lara Stocchi

Jennifer Taylor

Giang Trinh

Sam Wight

Dr John Wilkinson

Kirsty Willis

Michael Vogelpoel

Marketing, Field & Admin

Elke Seretis

Jenny Barnes

Liz Gunner

Maureen McEvedy

Alissa Nightingale

Lindsey Peshanoff

Kirsty Willis

The Institute also has a strong collaboration with the Ehrenberg Centre at London South Bank University.

Research Assistants

Kellie Loveless

Jackson Jaensch

Steven Dunn

Katherine Mullan

Meagan Wheeler

Daniel Trinh



Researchers Stine Høj, Bryony Jardine, Michael Vogelpoel, Virginia Beal, Scott Reynolds and Dr Erica Riebe (front)



ACADEMIC HIGHLIGHTS

General Academic Outcomes

Publications

Industry Conference Presentations

ACADEMIC OUTCOMES

Research degree completions:

Masters

Susan Huang – *Segmentation for Private Label and Manufacturer Brands in Consumer Packaged Goods Markets.*

Vipul Pare – *An Investigation into Deviations from Double Jeopardy.*

PhD

Dr Melissa Banelis – *Understanding Consumers' Repertoire Size.*

Dr Nick Danenberg – *Testing the Advertising Intensiveness Law in Budgeting: Can and should managers use the Advertising Intensiveness Law in setting advertising budgets?*

Dr Karen Nelson-Field – *Different? Or Much of the Same? A descriptive study of the demographic and product usage profiles of media audiences, with implications for targeting strategy.*

Over 50 papers were accepted at academic conferences in 2008 including:

Academy of Marketing Annual Conference

Annual Finsia – Melbourne Centre for Financial Studies Banking and Finance Conference

Annual International Symposium on Forecasting

Australasian Finance & Banking Conference

Australian and New Zealand Marketing Academy (ANZMAC) Conference

Empirical Generalisations in Advertising Conference

ESOMAR World Research Conference

Global Marketing Conference

Health Sciences Conference

International Centre for Anti-consumption Research (ICAR) Conference

International Conference of the Academy of Wine Business Research

International Nonprofit and Social Marketing Conference

Thought Leaders International Conference on Brand Management

Visitors to the Institute in 2008:

John Bound – London South Bank University, UK

Polymeros Chrysochou – Aarhus University, Denmark

Dr Eli Cohen – Ben Gurion University, Israel

Associate Professor Len Coote – University of Queensland, Australia

Professor George Day – Wharton Business School, USA

Professor Robert East – Kingston University, UK

Emeritus Professor Gerald Goodhardt – Advisory Board Chair, Ehrenberg-Bass Institute, UK

Professor Jobst Görne – Aalen University, Germany

Professor Kathy Hammond – Kingston University, UK

Dr Sara Jaeger – HortResearch, NZ

Professor Michael Kleinaltenkamp – Free University of Berlin, Germany

Professor Jordan Louviere – University of Technology Sydney, Australia

Dr Lars Meyer-Waarden – University Toulouse Paul Sabatier, France

Brian Rock – Network Ten, Australia

Professor Thorsten Teichert – University of Hamburg, Germany

Professor Liz Thatch – Sonoma State, USA

Australian Research Council Grants won in 2008:

Latent variable modelling of discrete choice experiments
– University of Technology Sydney

How to learn about new TV programs: the influence of TV promotions and word-of-mouth – Network 10

Determining the relative importance to wine consumers of sensory and non-sensory attributes on liking and choice: A cross-cultural study
– Grape And Wine Research Development Corporation

PUBLICATIONS

Refereed Journal Articles

- Bogomolova, S & Romaniuk, J (2008) "Brand defection in a business-to-business financial service", *Journal of Business Research*, 62, 3, 291-296
- Dawes, J (2008) "Do data characteristics change according to the number of scale points used? An experiment using 5-point, 7-point and 10-point scales", *International Journal of Market Research*, 50, 1, 61-77
- Dawes, J (2008) "Regularities in Buyer Behaviour and Brand Performance: The Case of Australian Beer", *Journal of Brand Management*, 15, 3, 198-208
- East, R & Uncles, MD (2008) "In praise of retrospective surveys", *Journal of Marketing Management*, 24, 9, 929-944
- East, R, Hammond, K & Lomax, W (2008) "Measuring the impact of positive and negative word of mouth on brand purchase probability", *International Journal of Research in Marketing*, 25, 3, 215-224
- Wu, Z, McKay, J & Hemphill, E (2008) "Attitudes to the Natural Resources Management Levy in Adelaide", *Journal of the Australian Water Association*, 32, 2, 154-156
- Hurlimann, J, Hemphill, E, McKay, A & Geursen, G, (2008) "Establishing components of community satisfaction with recycled water use through a structural equation model", *Journal of Environmental Management*, 88, 4, 1221-1232
- Faulkner, M & Kennedy, R (2008) "A new tool for pre-testing direct mail", *International Journal of Market Research*, 50, 4, 469-490
- Lee, R & Murphy, J (2008) "The Moderating Influence of enjoyment on Customer Loyalty", *Australasian Marketing Journal*, 16, 2, 11-21

Goodman, S, Lockshin, L, & Cohen, E (2008) "Examining market segments and influencers of choice for wine using the Best-Worst choice method", *Revue Internationale des Sciences Commerciales: Marketing and Communications*, 8, 1, 94-112

Romaniuk, J (2008) "Comparing Methods of Measuring Brand Personality Traits", *Journal of Marketing Theory and Practice*, 16, 2, 153-161

Winchester, M, Romaniuk, J & Bogomolova, S (2008) "Positive and Negative Brand Beliefs and Brand Defection/Uptake", *European Journal of Marketing*, 42, 5/6, 553-570

Winchester, M & Romaniuk, J (2008) "Negative Brand Beliefs and Brand Usage", *International Journal of Market Research*, 50, 3, 355-374

Wright, M & Armstrong, JS (2008) "The Ombudsman: Verification of Citations: Faulty Towers of Knowledge", *Interfaces*, 38, 2, 125-139

Books and Book Chapters

Lockshin, L & Spawton, T (2008) "Global Marketing and Exporting" in Wine: A Global Business, Thatch, L & Matz, T (eds.), Miranda Press, Elmsford: New Jersey

Lockshin, L, O'Mahony, B, Hall, J, Jago, J & Brown, G (2008) Wine Tourism and Subsequent Wine Purchase Behaviour, Sustainable Tourism CRC: Queensland

Spawton, T (2008) "Le secteur vitivinicole en Australie" in L'Aude Et La Vigne: Cent Ans De Passion

Wright, M, East, R & Vanhuele, M (2008) Consumer Behaviour Applications in Marketing, Sage: London

CONSUMER BEHAVIOUR: APPLICATIONS IN MARKETING

Robert East, Malcolm Wright & Marc Vanhuele, Sage, London 2008

A very important publication for the Institute for 2008 was *Consumer Behaviour: Applications in Marketing*. The book, published by Sage, London, was co-written by the Institute's head of Marketing Metrics and Buyer Behaviour, Professor Malcolm Wright with Professors Robert East (Kingston University) and Marc Vanhuele (HEC School of Management).

Unlike many available marketing texts *Consumer Behaviour: Applications in Marketing* focuses on the need for readers to develop analytical and evidence-based thinking in marketing. There is a strong focus on research, and the text explores both quantitative and qualitative approaches to market research.

This publication fills in the gaps left by many other marketing texts with chapters covering brand loyalty, brand equity, biases in decision-making, word of mouth, the response to price and the effect of advertising.

The book is a fantastic resource for students, academics and marketers working in industry.

'A wonderful (and very unusual) balance between areas of marketing that are often at odds with each other (or, worse yet, unaware of each other)...

I recommend it to any student, researcher, or manager in marketing'

Professor Peter Fader, Wharton School, University of Pennsylvania

'Exceptional for the amount of relevant research that is presented and explained. Students who have read and understood this text are likely to be much more of use to industry'

Fergus Hampton, Managing Director, Millward Brown Precis



INDUSTRY CONFERENCE PRESENTATIONS

Australia

Abalone Council of Australia Marketing Seminar, Adelaide

Dr Nick Danenberg and Dr Hervé Remaud

An advertising roadmap for Australian abalone in China

Australasia Aquaculture 2008 International Conference and Trade Show

Dr Nick Danenberg, Dr Hervé Remaud and Vipul Pare

The duplication of meat and seafood consumption

The Australian Broadcasting Summit 2008, Sydney

Dr Carl Driesener and Associate Professor Rachel Kennedy

How marketers waste money

Australian Legal Practice Management Association Lunchtime seminar, Adelaide

Professor Malcolm Wright

The laws of marketing – and how they apply to professional services firms

The Australian Market and Social Research Society NSW Clients Network Group, Sydney

Professor Byron Sharp

Role of the research buyer - how to get real value and meaning out of data

Australian Seafood CRC Seminars, Adelaide & Perth

Dr Nick Danenberg

Packaging of seafood

Australian Seafood CRC & SA Food Centre, Adelaide

Associate Professor Rachel Kennedy and Dr Herve Remaud
Seafood marketing

Customer Analytics 2008 Marketing Conference, Sydney

Dr Carl Driesener and Associate Professor Rachel Kennedy

Using meaningful marketing metrics to deliver insights

Fifth annual FMCG iMPACT Summit, Sydney

Associate Professor Jenni Romaniuk

The real 80:20 law - and the implications for brand growth

Marketing Week 2008, Adelaide

Professor Malcolm Wright

A revolution in action: the Ehrenberg-Bass paradigm of marketing and

Professor David Corkindale

Why marketing has not changed – and why it is still hard to do well and

Dr John Wilkinson

Dispersion of business-to-business sales activities and implications for sales management

New South Wales Wine Press Club 2008, Sydney

Professor Larry Lockshin and David Knott

Boozing or branding: what is the effect of free wine tastings in retail stores

Pharmacy 2008 Conference, Cairns

Associate Professor Jenni Romaniuk

Why branding matters!

Seafood Oyster Consortium, Brisbane

Dr Nick Danenberg and Dr Herve Remaud

What is oyster marketing?

UniSA Working Links Public Lecture, Adelaide

Professor Malcolm Wright

The birth of ideas and the death of technology

Overseas

The ARF's Audience Measurement Conference, USA

Virginia Beal

Project Apollo: testing the effect of recency on purchasing across categories and media and

Associate Professor Rachel Kennedy

Using established frameworks to investigate how advertising works

Brand Australia Wine Marketing, France

Professor Tony Spawton

Wine brand strategies - the example of the new world

FMCG Brand Development in the EU, Spain

Professor Tony Spawton

Strategies for brand building by intermarrying denomination of origin and salience attributes to create tailored brands

International Retail Advertising Conference 2008, South Africa (Johannesburg & Cape Town)

Professor Byron Sharp

Six myths of retailing

Re:Think 2008 - ARF Annual Convention, New York

Associate Professor Jenni Romaniuk

To place or to advertise brands – a comparison of strategy and execution

Wine Branding Conference, New Zealand

Professor Tony Spawton

Building wine brands and the importance of intrinsic and extrinsic attributes and consumer choice

Wine Marketing and Wine Tourism Conference, Portugal

Professor Tony Spawton

Wine brand development and the growing importance of supply chain management in International Marketing

World Sauvignon Congress 2008, Austria

Professor Larry Lockshin

Should a wine region promote itself as a single variety region?

Worldwide Multimedia Measurement (WM³) Conference, Budapest

Dr Carl Driesener & Dr Erica Riebe

Dirichlet and media use (paper by Associate Professor Rachel Kennedy & Dr Carl Driesener)

Cross media engagement (paper by Newstead and Dr Erica Riebe)

Recency of exposure (paper by Virginia Beal & Erica Riebe)

WHARTON EMPIRICAL GENERALISATIONS IN ADVERTISING CONFERENCE

In December 2008, the Ehrenberg-Bass Institute collaborated with the Wharton School of the University of Pennsylvania to co-host the invitation only Empirical Generalisations in Advertising Conference.

With the advertising landscape being radically changed by the digital revolution, choosing media and deciding how best to advertise is more complicated than ever. The aim of the conference was to take stock of what we do, and don't know about advertising and use this as a base to try to understand how advertising might work in the future.

The conference, held at the University of Pennsylvania, Philadelphia, brought together an outstanding group of researchers and practitioners from diverse backgrounds that presented on over 40 papers on research-based knowledge in the field.

Attendees at the two-day, invitation-only event included academic and industry leaders from companies including Google, Turner Broadcasting, Estée Lauder, Bayer Consumer Care, TNS, Mars and the Advertising Research Foundation (ARF). Professor Byron Sharp, Director of the Ehrenberg-Bass Institute and Professor Jerry Wind of the Wharton School co-hosted the event.

The output from the conference, including a special edition of the Journal of Advertising Research, will enable the industry to better predict the future through a deeper understanding of what has been proven about advertising.

The conference is the first big step towards the development of a definitive guide to the new landscape of advertising, identifying the best strategies for specific challenges, as well as critical insights on the transformation of the field.

Professor Sharp is a board member of the Wharton SEI Center "Future of Advertising" project.



THE FUTURE

The global financial crisis will ensure that 2009 is a challenging year for marketing departments. The effect of the crisis on many of our overseas clients and partners will include reduced marketing budgets, staff cut-backs and increasing pressure from management.

Through our new seminar 'Marketing in a Recession' we will work with our R&D sponsors to communicate to their managers the importance of sustaining marketing activities during these times.

Despite these economic pressures, we aim to sustain our growth in the coming year, particularly in the area of contract research. Several large projects are already planned to commence in early 2009 on top of a large list of companies who commission our research on an ongoing basis as well as an increasing number of one-off projects with new partners. There will

also be a focus on winning research grants from the Australian Research Council (ARC).

Recruitment drives for research degree students will continue, with a big push in the first quarter of the year. We also aim to develop a new position for a Senior Research Associate that focuses solely on contract research. Responsibilities for this important role will include managing projects, liaising with clients and also training and developing research degree students' abilities to manage their own projects.

2009 will not be without its challenges, but the Institute's respected competencies and strong international ties will ensure that we can meet our goals.





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