

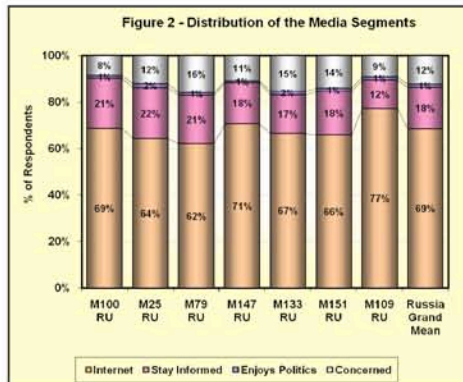
The Russians are Coming!

By Steven H. Gittelman, Ph.D. and Elaine Trimarchi, PRC

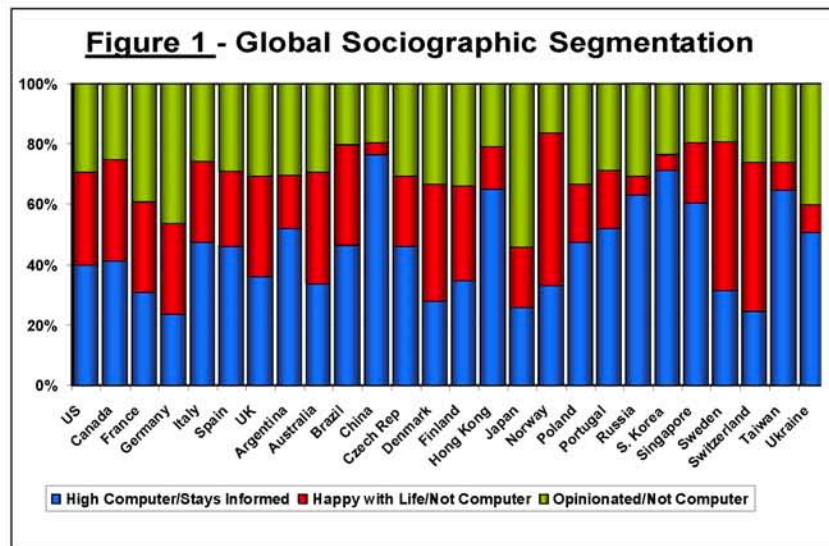
Call it the Russian Revolution, if you will. The Russians are not only coming, they have arrived! For those of you who are too young to remember the fear that such a sentiment might have summoned, it's a long cold story. It's winter time here in the states, so cuddle close to the fire and we'll tell you a tale of a cold place known to be rather 'unhappy.'

Unhappy you say? Well, that's what the Russians say. Russians are some of the most unhappy people in the world. Sociographic segmentations of Russians collected as part of the Grand Mean Project™ ranks them at the same levels as Koreans and Chinese when it comes to being happy with standard of living (See Figure 1). The story, as we are told, is the population is ageing and those that are on pensions are having a difficult time.

The U.S. past with Russia has been largely political. We viewed their politics as a big problem for our politics. Old folks, like us, remember the Cuban missile crisis and Premier Khrushchev banging his shoes on the U.N. podium. We stored food in our basements and built residential fallout shelters in fear of a nuclear winter. It appears as if our Russian friends have some bitter memories



of a political past that left them struggling to regain their economic presence. Those who enjoy politics (See Figure 2) are few and far between. One Russian colleague on the panel side informed us, "The less you know the better you sleep."



As Russia struggles with its sputtering economic engine (perhaps we have more in common with our comrades than ever), we want to know more about their market potential. We do what we have always done - we survey. But who can claim to know the online scene in Russia? What are the Russian panels really like?

The Grand Mean Project gathers data in 35 countries worldwide; the Russian segmentation profiles are fairly typical of those we see around the world. Like a fingerprint, they are distinctively Russian; differences within countries, between panels, are considerably less dramatic than those crossing borders. Cultural differences are powerful drivers of just about everything.

The most critical segmentation is "Buying Behavior" (BB); after all, most End Users of market research data are most interested in purchasing behaviors to guide their business decisions. The Russian buying behavior fingerprint is quite different from almost any other. When contrasted against the Big Five, U.S. and Canada, it stands alone (See Figure 3 on page 26).

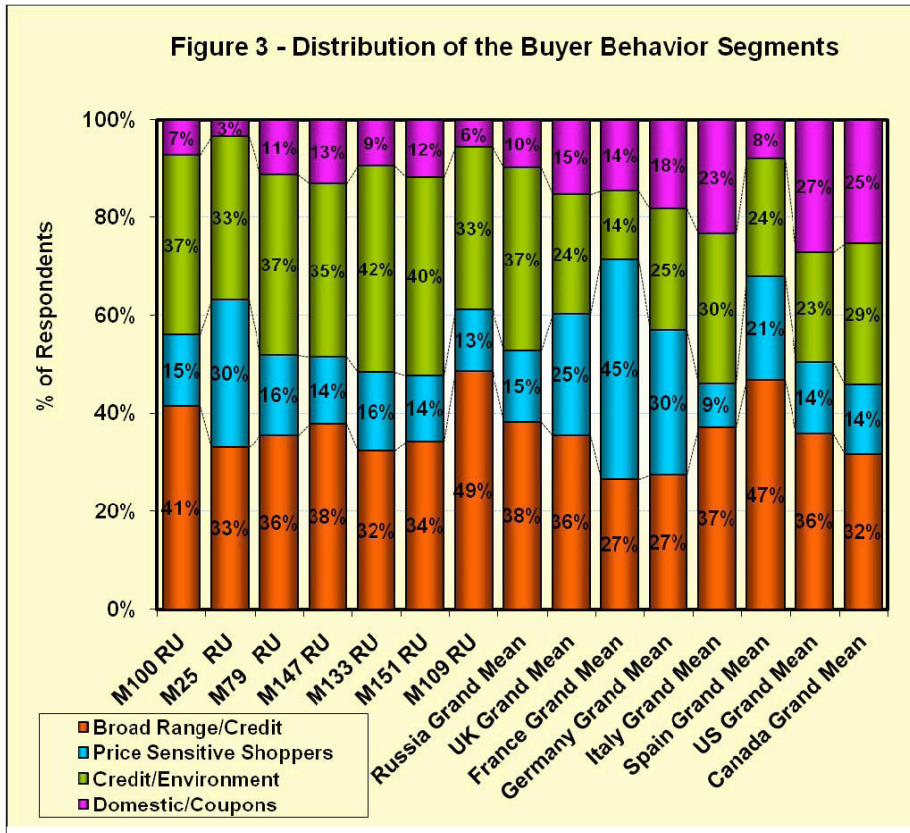
Respondent BB in Russian panels is a varied scene. BB segmentations of most

panels are significantly different from the Grand Mean and each other. We see this pattern repeatedly. Few panels represent the average of the community of panels within a country. The best bet is to optimize all three segmentations against the Grand Mean as a strategy that achieves some measure of "representativeness."

Now hold on to your babushka! Representativeness is a serious term. Our suggestion is if you want to find a true online probability sample in Russia, you had best do like the Cossacks did, ride on. No country has managed to create successful representative panels online, so why expect a new market like Russia to be different? These folks are just beginning to raise their heads and open doors for research dollars to come rolling in.

Take a look at the respondent aging stack charts (See Figure 4 on page 26). Russian panels hover at between 40-50% new members, those who indicate that

(Continued on page 26)



relative youth; they are still recruiting new respondents, have few professionals, little inter-panel overlap, and well defined segmentation fingerprints.

We leave Russia with a hesitation that strikes us in almost every arising market, and is even more profound in mature markets. The panels are young; their youth is an asset as they provide fresh respondents and management eager to please. A cautionary note seems appropriate: as their respondents mature it is likely that their BB will shift; the trend is already evident. Those Russian respondents who do more surveys per month tell the tale clearly (See Figure 5 on page 27): buying behavior changes with increased engagement in the process. This phenomenon, which we call acculturation, will be increasingly evident as this story is told around the world. But there is little choice, panels get born, and the process matures. With that maturity comes change. As long as we measure that change and understand it, perhaps we can grow to deal with it. We look forward to when our Russian colleagues subject themselves to consistency analysis. It would be nice to know that they have the shifts in their underlying sample frame under control. Time will tell.

The Russian Revolution is here. As a young market they have been quite transparent; anxious to have us tell their story. Each company provided 500 interviews and allowed us to analyze their progress. Their openness is quite refreshing; a trend was seen around the world.

they have been part of a panel for less than six months. None of the panels approach having even 10 % veterans, that is, panel members for two years or more. This is a new market. It will evolve. As respondents get more experience, they will join more panels, do more surveys and grow their tenure. For the time being, we must accept the Russian market for what it is - fresh, new and different.

Since there are no old bears that have learned old tricks, the quality is uniform. Respondents don't know how to game the system yet, and we see little in the way of speeding, straight lining and other indicators of satifying behavior. In fact, our Q-Metric™ measure of the "worst" respondents is at an astounding low of 1.7%. Compare that to the U.S., which rocks along at 5.1%. To be counted among this ignominious grouping takes failure of three or more tasks out of six (speeding, straight lining, greater than 30 surveys past month, trap question and two inconsistencies). A couple of percentage points are close enough to background noise to ignore.

Although the Russian satellite nations have splintered, the Russian panels appear to be a reasonably similar group. That homogeneity is a product of their

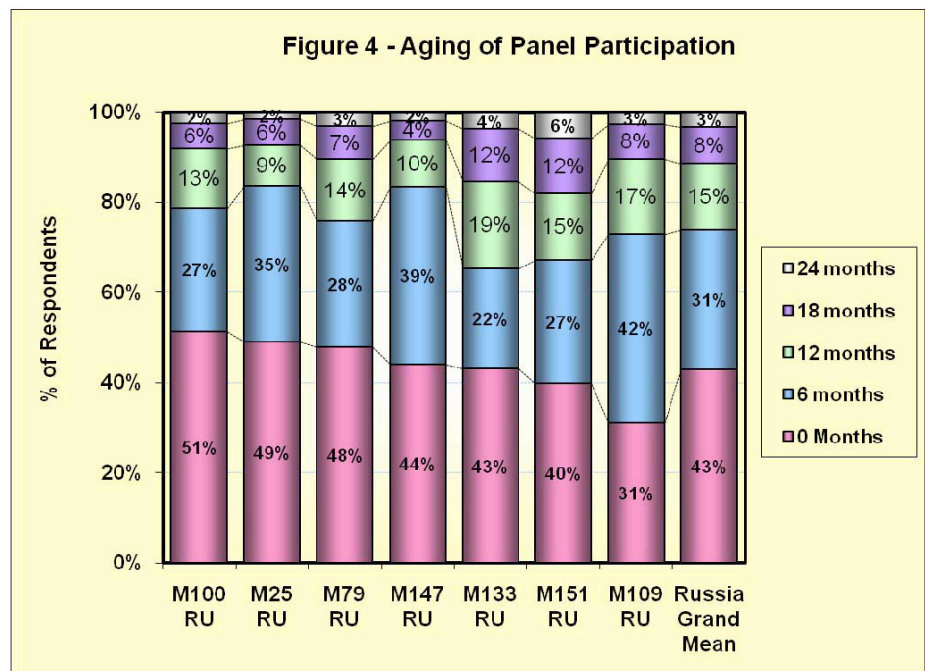
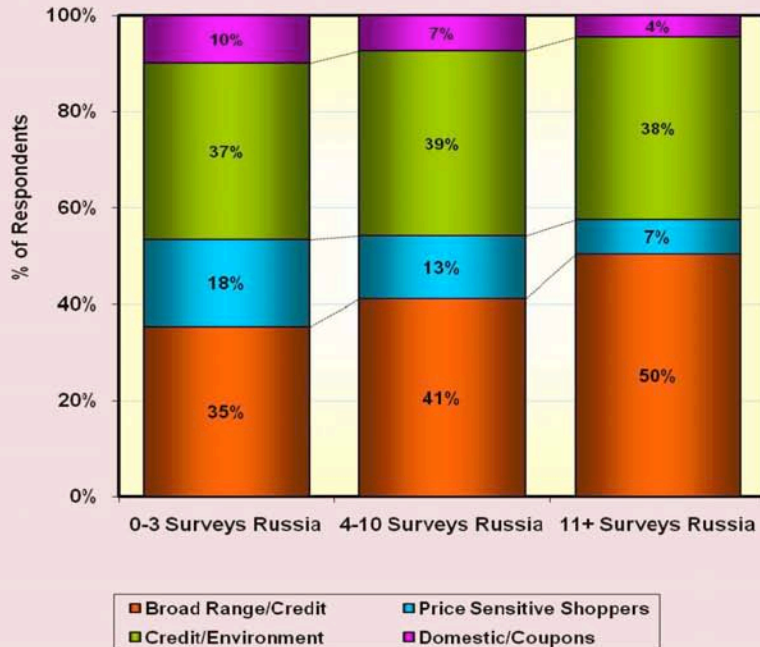


Figure 5. Distribution of the Buyer Behavior Segments



Participating companies: Amry Research, Borderless Access, CINT, Greenfield Online, Online Market Intelligence (OMI) and Quick Rewards.

The Grand Mean Project™ data was compiled January 2009 to September 2009. The survey was translated into local language. We completed 500 interviews per company, and there were quotas by gender, income and age. Average interview length was 17 minutes.

Disclaimer: This article does not reflect the opinions or positions of the Marketing Research Association.



Steven H. Gittelman, Ph.D. is the president of Mktg, Inc. and **Elaine Trimarchi, PRC** is the executive vice president of Mktg, Inc.

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Elaine@MktgInc.com, Steve@MktgInc.com
www.MktgInc.com | 631.277.7000
200 Carleton Avenue, East Islip, NY 11730