

ESOMAR WORLD RESEARCH CODES & GUIDELINES

# HOW TO COMMISSION RESEARCH



All ESOMAR world research codes and guidelines, including latest updates, are available online at [www.esomar.org](http://www.esomar.org)

## INTRODUCTION

This set of three Guidelines deals with issues which need to be considered when commissioning a marketing research project. Such projects may be carried out by a variety of organisations ranging from individual researchers or consultants to large multi-national companies offering a wide range of services. Throughout these Guidelines the term “agency” is used to cover all such possibilities.

The main objective of these Guidelines on commissioning research is to assist both client and researcher by reminding them of the various issues involved in specifying and agreeing a research project. In this way they seek to reduce the risks of error, omission or misunderstanding and to help to improve the general quality of research projects. They cover a wide range of items and are designed as a guide or “aide-memoire” to help the parties involved without imposing specific obligations upon them.

The need for this publication is probably most acute among inexperienced users of research, but even the most experienced clients and suppliers can benefit from a checklist approach. This is especially the case with international projects, where mistakes and misunderstandings can easily occur in setting up a project at long range.

ESOMAR WORLD RESEARCH CODES & GUIDELINES

# HOW TO COMMISSION RESEARCH

## CONTENTS

<b>Selecting a marketing research agency</b>	<b>3</b>
<b>Reaching agreement on a marketing research project</b>	<b>10</b>
<b>International research</b>	<b>24</b>
<b>Selecting a marketing research agency</b>	<b>3</b>
Key issues	3
Basic information about the agency	4
Information about the agency's staff	5
Information about the agency's facilities, operating procedures and quality management system	5
Checklist	7
Basic information about the agency	7
Information about the agency's staff	7
Information about the agency's facilities and operating procedures	8
<b>Reaching agreement on a marketing research project</b>	<b>10</b>
Introduction	10
Key issues	11
Clarifying the nature of the project	11
Agreeing the research proposals	13
Observance of the International Code of Marketing and Social Research Practice	17
Checklist in planning and commissioning a research project	17
Sample design	18
Data collection	19
Analysis and reporting	20
Timing	21
Other specification points	21
Costing	21
Other contractual issues	22
Code of practice	22
Quality standards	23

<b>International research</b>	<b>24</b>
Introduction	24
Checklist	25
Contractual provisions and jurisdiction	25
Financial and legal provisions	26
Technical and organisational aspects	26
Key issues	27
Contractual provisions	27
The parties involved	27
Jurisdiction	28
Responsibility of the main contractor	28
Choice of sub-contractors	29
Breakdowns or failures	30
Relationships between parties	31
Financial and legal provisions	32
Technical and organisational aspects	35
Conclusions	38

ESOMAR WORLD RESEARCH CODES & GUIDELINES

# SELECTING A MARKETING RESEARCH AGENCY

## KEY ISSUES

Different agencies offer different skills, experience and facilities. For this reason no single research agency will be the most suitable for every type of research problem or survey. For example:

- some agencies specialise in a particular form of research such as panel studies, research among children, or business/industrial projects
- some concentrate on particular markets such as agricultural, medical and pharmaceutical, or automotive products
- some specialise in 'qualitative' research (group discussions, intensive interviews), others in large-scale quantitative surveys
- some belong to tightly-organised international chains, some have more informal international links, others are purely local or even regional
- very importantly, they may offer differing levels of executive involvement and/or cost: for example, they may specialise in fieldwork-only projects, or concentrate on general consultancy/planning, while others are full-service agencies.

Clearly it is very important to select the right kind of agency for the particular project under consideration. It is also important that the client decides as early as possible whether he wants simply to commission a specific

research survey or is looking for more general research consultancy help with his marketing problems - this will affect both his choice of agency and the briefing which he gives it.

Lists of agencies, together with general indications of their individual specialisations and experience (both of specific markets and of particular research techniques), the facilities they offer, their size and staffing, are contained in a number of Directories. The most useful in drawing up a short-list of possible candidates for a given project are likely to be:

(1) the ESOMAR Directory, published annually. This contains details of over 1000 research organisations - mainly in European countries but also elsewhere in the world. The managements of these companies, which all have staff members who are members of ESOMAR, have formally undertaken to conform to the ICC/ESOMAR International Code of Marketing and Social Research Practice. In addition, the Directory lists the major professional and trade associations concerned with marketing research in each country. The Directory is available on ESOMAR's website at [www.esomar.org](http://www.esomar.org) and also in a print version from the ESOMAR Secretariat.

(2) local Directories published by the individual National Associations. These include additional information for the countries concerned, especially for smaller (mainly local) research organisations which do not have any member of staff belonging to ESOMAR.

Most bona fide research organisations will be listed in one or more of the reputable Directories of these kinds - including more specialised Directories published by 'industrial' marketing research associations in different countries. Extra care should be taken in checking the credentials of 'unlisted' agencies.

Because no one agency is likely to be equally skilled in all types of research, large research users often deal with more than one agency. However, constant switching between agencies is not a good way of getting an effective service from research agencies. A continuing relationship between client and agency will lead to better mutual understanding and confidence. The client will come to appreciate the particular strengths and skills of the agency and of the individual researchers within it, and be able to assess the levels of contribution he can expect them to make to his own thinking and operations. The agency

will come to understand in much greater depth the client's products and markets, the problems which face him in his marketing planning and activities, and his general ways of working.

This makes it all the more important to select an agency carefully and sensibly in the first place. What steps can the client take to decide which is the most appropriate agency to choose from any short-list?

There are a number of checks which a client can use to assess an agency's general level of competence and its likely suitability for a specific project:

### **1. BASIC INFORMATION ABOUT THE AGENCY**

Informed questioning, and more intensive probing on certain critical issues, can obtain a lot of useful relevant information on the agency's general background:

- its status and experience as a research agency
- its international links (research and other)
- the kinds of work it undertakes and the types of client for whom it works
- its knowledge of specific markets or research methods

- any possible conflicts of interest
- its conformity to professional Codes of Practice, and its guarantees of confidentiality and security.
- whether the agency is accredited to ISO 9001 and/or any Market Research Quality Standard, and if so whether this is operated as an official national standard or by the national market research trade association.

It will often be productive to visit the agency's website, and download and/or print off relevant information and request any brochures/materials separately available.

## 2. INFORMATION ABOUT THE AGENCY'S STAFF

The quality of a agency's services very largely depends on the quality of its staff. Wherever possible this should be assessed face-to-face qualifications 'on paper' usually give only a partial picture. Key issues are likely to be:

- the skills and experience both of top management and also of the researcher who would look after the client's own projects
- where relevant, the agency's understanding of marketing as well as of research methods
- the availability of more specialist skills when needed.

It will often be possible to consult CVs/photographs/and pen portraits of key staff, which may be available on the agency's website, so that after a website visit meetings can be arranged with the most appropriate individual or team.

## 3. INFORMATION ABOUT THE AGENCY'S FACILITIES, OPERATING PROCEDURES AND QUALITY MANAGEMENT SYSTEM.

The most relevant questions to some extent vary with the nature of the research which the client wants to carry out, but most of the following points should normally be checked:

- the way in which the agency sets up a project
- the nature of its field organisation, and the quality controls it applies to data collection
- its sampling methods
- the way in which it handles data processing
- the kind of report it normally provides, and the levels of interpretation and recommendations which are available if required
- the arrangements for presentations of the findings if these are needed
- any special research facilities and/or techniques offered by the agency

- normal contractual (including billing) arrangements
- the agency's quality assurance undertakings and quality management systems
- the agency's systems for client satisfaction management, including any regular checks and its procedures for dealing with complaints.

The issues summarised above are spelt out in more detail in the Checklist which follows. In making use of this Checklist there are three more general points to keep in mind.

First, the more knowledgeable the client himself is about research, the more useful is the information he is likely to obtain and the more valid his assessment will be. However, even a relatively inexperienced client will still gain much more insight into an agency's skills and operating methods by using the Checklist than simply by relying on the information in a Directory or by having a brief generalised chat with the agency's management.

Second, it may also be possible to get more information about an agency's strengths and weaknesses by talking to other clients of that agency, or to a research consultant (although in such

cases issues of confidentiality must of course be respected).

Third, the effort involved in obtaining adequate answers on the points listed is nearly always worthwhile even for a one-off survey. The effort of course pays off even more when there is a chance that the client may want to use the same agency for other projects in the future (one of the important benefits of a continuing client- agency relationship).

There is one final comment which must be made about selecting a research agency. Research can sometimes cost a lot of money and there is no point in paying more than you need to. If a cheap car is all that is required for local shopping expeditions, why buy a Rolls-Royce? However, research should never be bought on price alone. Poor-quality (inappropriate or badly carried out) research can lose the client many times the cost of the actual research itself: in an extreme case, his business. The cheap car is not the sensible buy if it lands you in hospital or even the cemetery.

Long-term market-specific and product-specific expertise is often present within agencies in the shape of people who may have many more years of experience

in the relevant market than the client's marketing personnel. Often the time of these experienced individuals can be more expensive than the average but it can be worth paying the extra to have such individuals involved in the project.

## CHECKLIST

### 1. BASIC INFORMATION ABOUT THE AGENCY

- (a) How long has it been in business? Does the agency belong to a group or organisation which is also involved in non-research activities, and if so how are the research activities in practice separated, and differentiated, from non-research activities?
- (b) If it belongs to another company or a group of companies, how independently does it operate?
- (c) Is it part of any international research chain or association? If so, how close are the links?
- (d) Does the individual agency and/or chain offer national/international quality assurance standards?
- (e) What clients has it worked for during the last 2 years or so, and on what types of project? Which ones does it work for regularly? (Although an agency is obviously restricted by confidentiality requirements in the

information it can give, it will often be able to provide some general picture of its clientele and the type of work it carries out for them).

- (f) Are there any potential conflicts of interest which might need to be resolved?
- (g) How much practical experience does the agency have of tackling specific types of research problems or markets, or of using particular research methods?
- (h) How firmly is it committed to following the accepted Codes of Professional Practice in marketing research - both ESOMAR and national Codes? What are its links with professional bodies in the field?
- (i) Are its security/confidentiality procedures acceptable and fully in accordance with any relevant data protection/data privacy legislation? Does it make use of fire walls to protect email and other digital communications with the client?

### 2. INFORMATION ABOUT THE AGENCY'S STAFF

- (a) What are the professional training, qualifications and experience of the agency's staff - both senior management and further down the organisation?
- (b) How experienced are they in dealing with marketing and other relevant

non-research issues as distinct from research techniques as such?

(c) Does the agency have executive staff who are specialists in the relevant business area (for example, fmcg, retailing, customer satisfaction, B2B, etc.)

(d) What specialist skills (psychologists, statisticians, DP and IT specialists, etc) can the agency call on - either on the agency's own staff or on a regular basis from outside?

(e) Who would be responsible for looking after the client's own project(s)? Is it possible to meet them?

(f) Are there any potential problems of communication? In particular, do the key people (in client and agency) adequately understand a common language? If there are possible difficulties, how could they be dealt with effectively?

### 3. INFORMATION ABOUT THE AGENCY'S FACILITIES AND OPERATING PROCEDURES

(a) What procedures does the agency follow in setting up a research project? What form does a research proposal normally take?

(b) What kind of data collection facility does the agency use - its own or a separate agency? Either way,

- how large and widespread is the interviewing force?
- are specialist interviewers available if required (e.g. for interviewing executives or professional people)?
- how are interviewers selected and trained?
- what briefing are they given on specific projects?
- how and to what extent are they supervised? What are the qualifications of the supervisors?
- what quality and accuracy checks are applied to the fieldwork?
- can the client see interviewers in action (in conformity with the ICC/ESOMAR Code requirements)?
- does the agency offer CAPI/interactive CAPI in the field?
- is there a telephone research centre, is it CATI based, and to what extent is it fully automated with respect to sampling/random calling/control procedures?
- does the agency offer non-interviewer data collection methodologies - e.g. postal; email; Web enabled self-completion?
- does it have an organised system and infrastructure for mystery shopping and other monitoring/observation methodologies?
- (if relevant) is the agency prepared to accept independent checks on the quality of the fieldwork?

(c) What types of sampling method does the agency customarily use?

(d) How does the agency handle its data processing (internally or sub-contracted)? Either way,

- what editing, coding, data entry and processing procedures are used?
- what quality of staff are used and how are they supervised?
- what quality and accuracy checks are applied?
- can flexible and/or more sophisticated forms of analysis be provided when required?
- are checks of statistical significance routinely applied to the findings wherever relevant?

(e) What form of reporting does the agency normally use? Can it provide tabulations only/written summary of results/interpretation of the findings/recommendations for action, as required? Is it possible to see examples (allowing for possible confidentiality problems)?

(f) Can the client be supplied with a digital database to interrogate?

(g) Can the agency make the results available on the client's intranet?

(h) Does the agency give presentations of the findings, if required? If so, what form do these take? Are they charged for separately?

(i) Does the agency offer video conferencing facilities?

(j) Does the agency offer any special research facilities (e.g. a call centre, test room or laboratory, test shop, special testing equipment)?

(k) Does the agency offer any special/proprietary research systems (e.g. for testing advertisements/packaging, market modelling or prediction) and if so to what extent is the technology transparent (i.e. disclosed to the client) versus "black box"?

(l) What are the agency's normal accounting and charging procedures? What billing system does it normally follow?

(m) What contractual and other legal arrangements are customary with the agency? Does it have a comprehensive written statement of its terms of business?

Note: not all of these questions will be relevant to every enquiry about an agency. Also, it will often be sensible in connection with a specific survey to go in greater depth into certain issues (e.g. the agency's sampling and interviewing approach on surveys among businesses).

ESOMAR WORLD RESEARCH CODES & GUIDELINES

# REACHING AGREEMENT ON A MARKETING RESEARCH PROJECT

## INTRODUCTION

The main objective of this Guideline is to assist both client and researcher by reminding them of the various issues involved in specifying and agreeing a research project. In this way it seeks to reduce the risks of error, omission or misunderstanding and to help to improve the general quality of research projects. It covers a wider range of issues than just those set out in the contract for a project, and is designed as a guide or "aide-memoire" to help the parties involved without imposing specific obligations upon them. The Guideline does not specify detailed recommendations for the form or content of the actual contract between the researcher and the client: this is a matter for the parties involved, provided that it conforms to the requirements of the International Code of Marketing Research Practice and also to the relevant legal requirements and national regulations covering marketing research activities.

The need for this publication is probably most acute among inexperienced users of research, but even the most experienced clients and agencies can benefit from a checklist approach. This is especially the case with international projects, where mistakes and misunderstandings can easily occur in setting up a project at long range.

The Guideline does however assume some minimal understanding on the part of the client about the nature of marketing research, since it is not the role of this particular publication to answer the question "What is marketing research?"

The Guideline has as far as possible taken into account the varying situations involved in:

- ad hoc "quantitative" surveys,
- "qualitative" research,
- "omnibus" surveys (i.e. syndicated surveys in which clients can buy space for individual questions they wish to ask),
- continuous research, including panels,
- business-to-business and industrial research,
- "desk" research
- Web enabled research

It also takes account of the issues customarily involved in contractual arrangements in various countries (including those recommended by professional associations, for instance, the ESOMAR International Research Guideline) without in any way seeking to supplant them. The Guideline clearly cannot hope to be exhaustive, dealing with all the issues and problems involved in such a wide variety of activities, but

most major points are covered. The main text is divided into two parts:

The first discusses in general terms the key issues which arise when planning and commissioning a marketing research study.

The second sets out a more detailed checklist of points which should be discussed and agreed between client and researcher before starting the research.

## KEY ISSUES

### CLARIFYING THE NATURE OF THE PROJECT

#### Background information

The ways in which research projects are initiated and designed vary greatly. At one extreme the client may use a research agency simply as a sub-contractor, to carry out a specified number of interviews using a questionnaire drawn up by the client and/or to produce an agreed list of tables without any commentary or interpretation. At the other extreme the client is looking for the maximum help and advice from the researcher in solving a complex (and possibly ill-defined) problem. The amount of information and discussion

needed in agreeing the precise form of the project will vary accordingly: relatively little in the case of a “sub-contracting” project, the maximum in the case of a “problem-solving” project. However, the basic principle must be that: the more relevant background information the client can give the researcher, the greater are the chances that the project will be carried out effectively and efficiently.

Before putting forward any detailed research proposals the researcher himself is responsible for ensuring that he has the necessary background information, from the client and from other sources, to establish that research is indeed needed and could answer the client’s problem in a cost-effective way. It is then the joint responsibility of client and researcher to make sure that the study, as finally planned, will produce the types of data required and that this information will in fact be actionable. Very often this will involve joint discussions to clarify and refine the research brief itself (and especially the research objectives) before designing the research study. Particularly in the case of clients with limited experience of using research, the researcher is likely to play a major part in ensuring that this brief is correctly defined. For all these reasons client and researcher

must work closely together in a climate of mutual confidence where all relevant information and ideas can be freely exchanged and discussed.

### Research brief

Except perhaps in the case of the simpler “sub-contracting” types of project, the client should normally brief the researcher on the following points:

- (a) The nature of the problem for which research is needed, and the type of decisions and actions which are to be based on the research findings.
- (b) The objectives of the research, with the client’s views on the information he requires and his priorities in this connection. This may also involve agreeing the level of precision required in the findings, and a statement of how the information to be provided by the research will be used in reaching specific decisions (“Action Standards”). The extent to which the researcher is expected to prepare recommendations for actions or policy based on the research findings should also be made clear.
- (c) All available background information which is relevant to the design of an effective, cost-efficient research study. This should include the definition of any target groups, their likely size,

etc., and information on any other issues likely to affect costs.

(d) Any constraints or requirements which are likely to affect the research design - for example - timing, availability of product samples, etc. The client may for various reasons not wish to specify at the outset exactly how much money he is prepared to spend on the project. It is however usually sensible for him to give the researcher at least a broad idea of the scale of project he has in mind (even though this may be altered after discussion) to avoid possible waste of time on inappropriate research proposals.

(e) If relevant, that the project is being submitted to more than one researcher in order to obtain alternative research proposals and/or cost quotations. It is good practice to let the researcher know how many others he is competing with; and in any case it is usually undesirable to ask for proposals from no more than 2 or 3 different researchers except possibly in the case of major contracts or standard services such as syndicated surveys. It is essential that all researchers involved should be on an equal footing with respect to the information they are given, etc. (The ICC/ESOMAR International Code for Marketing and Social Research Practice also requires that clients should not communicate the proposals or quota-

tions of one researcher to another researcher without the former's permission or use them to influence the proposals of other researchers. In addition to being unethical, such actions are likely to be counter-productive in the longer-run).

All or most of these points will usually be included in the written research brief given by the client to the researcher. The latter should throughout be encouraged to contribute his ideas and reactions to the nature of the problem, the research objectives, target group definition, action standards, etc., in order to make best use of his skill and experience in designing the study.

#### **Studies initiated by the researcher**

Not all research studies are initiated by the client. In particular, syndicated projects such as panels, "industry" studies, etc., are frequently set up in the first place by researchers who then sell the service to prospective clients. In such cases it is the responsibility of the researcher to make clear to the client the objectives, uses, specifications and limitations of the service on offer, and the extent to which it is (or is intended to be) shared with other clients.

## **AGREEING THE RESEARCH PROPOSALS**

### **Research proposal**

Following the research brief, and any subsequent discussions between client and researcher, the latter will normally prepare a research proposal on the basis of which the project is agreed. In reaching agreement on the research specifications, and a decision to proceed with the study, there are a large number of detailed points to be considered which fall under the following main headings:

- (a) Objectives of the research.
- (b) Technical specifications of the study.
- (c) Cost estimates.
- (d) Other contractual issues.

In practice not all of these points will necessarily be covered in the research proposal itself. This makes it all the more important that all the relevant points have nevertheless been considered and agreed upon, at least in discussion, before starting the study. Failure to do so is the most common cause of misunderstandings and inefficient research. For this reason it is safer to agree as many points of detail as possible in writing before the research begins.

### Objectives of the research

The issues arising under this heading have already been discussed above. Briefly, they involve agreement on the questions:

- (a) What is the problem to be investigated?
- (b) What are the objectives of the research study itself?
- (c) What information will this provide?
- (d) How will this be used?

- (b) The type of information to be collected (e.g. an outline questionnaire)
- (c) The method of data collection
- (d) Statistical assumptions
- (e) Any experimental/predictive/modelling procedures to be used
- (f) Analysis and reporting requirements
- (g) Timing
- (h) Other aspects such as the use of sub-contractors, provision of product samples and other survey materials, etc.
- (i) Compliance with data protection legislation.

### Technical specifications of the study

Not all clients will wish - or necessarily be technically qualified - to consider all the detailed aspects of a research plan. Even so, it is normally desirable for client and researcher to check that the major principles of the research approach are understood and agreed in advance. Ultimately it is the responsibility of the researcher - and in his own best interests - to make sure that the client is aware of the main implications of the technical specifications, and especially of any limitations of the research design and methods. The major points for consideration are, briefly:

- (a) The design of the sample, (including the expected or the assumed incidence and/or strike rate).

Where some details are not included in the research proposal as such, the client should, if he wishes, be supplied with a fuller description of the approach to be followed, covering the relevant points forming the checklist, before he finally agrees to the project. A partial exception to this is where the full details can only be determined after some initial work (e.g. an exploratory study) has been carried out. In practice the client should not normally expect every technical point to be specified in detail in the initial research proposal - this would be unnecessarily time-consuming and costly; but before the work actually starts it is advisable to run through the checklist to make sure that the important aspects have all been covered and agreed, preferably in writing.

### Cost estimates

It is vital to check exactly what is included in the cost estimates quoted in a research proposal, and what is excluded and may figure as additional charges. In some cases this involves agreeing who (client or researcher) is responsible for paying for certain elements in the study such as the cost of providing test products, and their transportation. Where estimates are provisional rather than firm, this must be made clear; in such cases it may be more appropriate to quote a cost range or ceiling.

Payment terms and arrangements must also be clearly stated and agreed. In addition, the length of time for which the quotation shall stand should be clarified.

### Other contractual issues

These include a variety of points not directly related to technical specifications or costing: problems of copyright and exclusivity, any arrangements for the publication of survey findings, responsibility for product safety and insurance, possible penalty clauses, etc. Despite their “miscellaneous” character, many of these are extremely important; and the fact that they are so varied increases the risk that some may be overlooked.

More specifically:

Quality issues should be covered in the proposal, including:

- the agency's quality management system procedures,
- agency client satisfaction and complaints procedures,
- field quality and back checking,
- and systems for the control of subcontractors.

Agencies should have the right to charge for proposals if more than 4 bidders are invited to quote.

Invitations to quote on major research projects should be advertised by the client in the official EC journals according to the regulations governing the placement of contracts within Europe in force at the time.

Clients should be made aware, where short and inflexible reporting times are required, of the possible effects of bad weather, strikes, and of the difficulty of getting quickly to hard-to-reach populations in busy times (e.g. IT managers).

### Contact and communication

In addition to such contractual points, it is often desirable at an early stage

to agree the arrangements for contact and communication between client and researcher, especially for international work (see the International Research Guideline): which individuals are to be involved, using which channels of communication, on which issues?

### **Contract and agreement**

Wherever possible it is preferable to arrange for a fully specified and written survey contract and agreement. However, the planning and execution of marketing research studies is inevitably a very varied and flexible procedure. Occasions will arise when no formal contract is exchanged, especially for smaller projects. Agreement to proceed may for example be based simply upon a brief outline specification accepted by letter. On this point there should be a joint acceptance that the contract is struck in the context of a set of terms and conditions of which the client is aware, normally these being the business terms and conditions of the agency. A perfunctory contract will not be advisable when the research buyer and the research agency are new to each other. In many cases the full specification is covered in a series of documents and letters, only one of which (not necessarily the final one) may be an actual research proposal.

Whether or not any detailed formal contract is drawn up, the risks of misunderstanding, failure to consider important issues and inefficient or ineffective research will be reduced by systematically checking the points outlined above and listed in detail in the checklist (see page 17).

In the absence of an explicit claim made by the client and agreed by the agency, copyright and intellectual property rights regarding the methodology contained in the proposal rests with the agency. In order to establish copyright, however, it is necessary that the material can be shown to be an original creation and that an explicit (written) claim to the copyright has been made by the originator.

Proposals and quotations are provided by the agency to the client on a confidential basis and should not be disclosed to any other party unless it be to a consultant working for the client on that specific project under Rule 21a of the Code of Practice.

It is the agency's responsibility to preserve the client's confidentiality both externally and internally, including the provision of firewalls where appropriate to guard information against electronic access.

Unless otherwise agreed in the proposal, the client should not publish any of the results of the survey without the approval of the agency.

#### **OBSERVANCE OF THE INTERNATIONAL CODE OF MARKETING AND SOCIAL RESEARCH PRACTICE**

In addition to the more specific points referred to above, the contract should include a clause committing both parties to observing the rules laid down in the International Code of Marketing and Social Research Practice, as well as in national codes and guidelines. This puts additional weight behind the need to follow sound technical and commercial practice; but also emphasises the wider responsibilities incurred by client and researcher in carrying out research. These broader professional considerations are equally important elements in good research. Both client and researcher should therefore make sure that any project with which they are involved specifically refers to the fact that it will conform to the Code's requirements. This is especially important in the case of international research projects.

Reference to both the checklist and the International Code should reduce the dangers of misunderstandings and

possible disagreement. If, despite this, problems arise, ESOMAR and the ICC are prepared to offer their services as arbitrators to help resolve any dispute. Every effort should however first be made to achieve a solution at national level, as mentioned in the Code.

#### **CHECKLIST IN PLANNING AND COMMISSIONING A RESEARCH PROJECT**

When a research proposal is being designed there will normally be several stages of thought and discussion. In the first place, what type of study is likely to be the most appropriate to provide the information needed - consumer survey, trade survey or desk research, for example? Second, which research approach is likely to be the most appropriate - small-scale "qualitative" work or a larger "quantitative" study; ad hoc, repetitive or continuous, etc.? Third, which particular techniques will be the most useful for actually obtaining and analysing the data? In practice these considerations interlock with one another, and do not necessarily form a neat and tidy sequence. In using the checklist, there are therefore three major points to keep in mind:

1. The layout of the checklist need not reflect the precise order in which the issues arise and are agreed. It is designed to help in systematically “checking back” that all important points have been covered before finally agreeing the research.
2. The effective use of the checklist must depend upon a clear and agreed definition of the project’s objectives and a full appraisal of the relevant background data.
3. Not all the issues listed are relevant to all types of research project. The phrase “where relevant” should be understood as applying throughout the list.

### Sample design

- (a) Definition of the “universe” to be covered - i.e. which sections of the total population (of households, shops, companies, etc.) are to be represented in the survey? Appropriate, more detailed definitions may be needed, e.g. of “users”, “food stores”, “engineers”.
- (b) Sampling method to be used:
  - quota, probability, “random walk”, etc.
  - stratification/quota controls, etc.
  - any disproportionate sampling approach to be used (e.g. oversampling or “boosting” groups of special interest).

- sampling methodologies in which the sample responds to a published or broadcast invitation to participate, as for example in Internet research - representativeness being the issue here.
- (c) Size of the sample to be achieved. In many cases this will need to refer to the “effective” sample (together with the number of initial contacts and also the response rate anticipated). “Effective” may itself need to be carefully defined - e.g. “number of respondents completing all stages of the test”, “number of stores stocking brand X”.
  - (d) Proportion of the universe and/or market covered by the effective sample and listing of the organisations to be called on. (This is particularly relevant in the cases of industrial, trade and panel research, except that in the latter case the identity of individual stores in the panel is normally confidential.) Any such listings must not however contravene the International Code of Marketing and Social Research Practice.
  - (e) Geographical distribution and any other key specifications of the sample design (e.g. the proportion of housewives with paid employment outside the home, respondents owning a relevant item of household equipment)
  - (f) (In the case of panels or other continuous/repetitive research) the level of continuing cooperation/wastage expected.

(g) The degree of statistical precision to be attached to the key findings.

### Data collection

(a) Method to be used (individual personal interview/postal/telephone/observation/group discussion/email/Internet etc.). In the case of group interviews/discussions, the size and nature of the groups involved.

(b) Whether the identity of the client may be revealed to respondents either before or after the interview (in conformity with the requirements of the International Code of Marketing and Social Research Practice).

(c) Where “secondary” data (i.e. data which already exist and which have not been specially collected for the purposes of the survey) are to be used, indications of the likely sources of such data.

(d) Place of interview or location in which the questionnaire is completed (in home/street/place of work/central location/“caravan”/in-store, etc.).

(e) Any special screening or selection procedures to be used.

(f) The number and nature of any recalls or reminders.

(g) Form of data recording (paper and pencil questionnaire/tape/film/CATI/CAPI/Internet based electronic capture etc.).

(h) The nature of any incentive or reward to be offered to respondents (and who will provide this).

(i) The nature of any contact records to be maintained (e.g. information on non-effective calls) together with consideration of compliance with data protection legislation.

(j) The type of staff to be used for data collection:

- full or part-time,
- nature and level of qualifications, training and experience,
- other characteristics relevant to the survey (e.g. ethnic group, age).

And in the case of automated/self-completion/self-selection data collection methods:

- the type of staff responsible for data transmission.

(k) The nature and level (number or percentage) of supervision and quality control checks to be used in the field and in the office (% of calls accompanied/called back on/postally or telephonically checked, etc.).

(l) Nature of briefing to be given to the interviewers or discussion group leaders (oral, written, etc.) and by whom.

(m) What form of exploratory research and/or pilot study/pre test is to be carried out in advance of the main survey.

(n) The actual questionnaire/interview guide to be used, or indications of its content/length/technical approach

(including the use of open-ended questions, attitude scaling, projective methods, etc.).

(o) Other interview material to be used (lists, visual aids, products, advertising, etc.) and who will provide/pay for this.

(p) Arrangements for approval of the questionnaire etc., and of other interview material.

(q) Whether the work will be combined with that for any other clients. In the case of omnibus surveys, the approximate number and general nature of preceding questions.

(r) Extent to which the client will be present at, and participate in, any stage of the data collection process.

(s) Extent to which the client will have access to field and supervision records (e.g. (i) and (k) above).

(t) The nature of any Quality Standards adhered to by the agency or required by the client, not covered elsewhere in the checklist.

### **Analysis and reporting**

(a) General form of the report or other deliverables (e.g. data set/tabulations only/with brief summary/with conclusions and recommendations /presentation and hard copy of slides).

(b) In the case of continuous studies, frequency of reporting.

(c) Any requirements for validation of the achieved sample (against original plan, other information, etc.).

(d) Coding/classification requirements (for open-ended questions, product types, etc.).

(e) Specifications of analyses and breakdowns to be supplied.

(f) Specifications of any mathematical or other models, and statistical techniques to be used.

(g) Requirements for statistical tests of significance, etc.

(h) Supplementary analyses to be available if required.

(i) Listing of organisations visited (mainly for industrial and trade research projects).

(j) Specification of sources of statistics used.

(k) Language in which report will be written.

(l) Number of copies of the analyses/report to be provided.

(m) Whether (one or more) presentations of the findings are to be made, and where.

(n) Whether client is to receive (duplicate) records, e.g. data tapes or disks, interview transcripts or tapes, etc., and the arrangements for checking/cleaning such material before supplying it to the client.

(o) Any electronic provision of the database to the client, (and whether this shall be interactive in use).

- (p) Requirements for storage of questionnaires, or other physical or electronic data records by the researcher.
- (q) Storage and backup of electronic data.

### Timing

- (a) Of approval of the research proposal by client (and subsequently, if appropriate, of individual stages/elements of the survey - e.g. questionnaire).
- (b) Of the supply of product, address lists, materials, etc.
- (c) Dates of starting and completing interviewing/data collection, including procedures and cost implications if approval or product delivery is delayed from the client and data collection is postponed as a result.
- (d) Dates of completion of/reporting on intermediate stages of the project.
- (e) Date by which advance data are required.
- (f) Date by which final report is required.

### Other specification points

- (a) The extent to which sub-contractors or freelancers will be used for data collection, processing, etc., and the responsibilities of the main researcher in this connection (e.g. for quality control, timing).

- (b) What meetings between client and researcher, if any, will be needed during the course of the study to discuss progress and results to date, etc.
- (c) Arrangements for any required translation of questionnaires, survey materials, records, etc., into or from the survey language(s).

### Costing

- (a) Total cost of the project, with details of any possible additional charges (e.g. taxes) or costs not included (e.g. supply of product, other survey materials, freighting costs, travel, translation).
- (b) Where the final charge to client may be affected, details of assumptions on which the cost estimates are based (e.g. the length of interview, daily contact rate, proportion of contacts qualifying for full interview) and procedures for costs to be re-estimated following piloting.
- (c) Costs of intermediate stages or individual sections (in cases where the project may be divided into separate research operations).
- (d) Costs of any additional work (e.g. additional analyses, special meetings and presentations, provision of data tapes and duplicate records).
- (e) Whether the quotation is firm or provisional, and for what period the estimate holds good.

(f) Details of any discounts/surcharges which may be applied.

(g) Details of any arrangements for price-indexing/inflation-proofing the costs over time.

(h) Method of payment (timing, currency, etc.) the timings of part payment invoices, and the time within which invoices should be paid, additional interest charged if not paid on time, currencies and exchange rates where appropriate.

#### **Other contractual issues**

(a) Any provisions relating to exclusivity (of techniques, services, etc.). This includes the extent to which other clients may participate in the survey currently or in the future.

(b) Arrangements for copyright of any parts of the study.

(c) Arrangements for possible publication of some or all of the findings (see the International Code of Marketing and Social Research Practice).

(d) Responsibility for the safety of any products and for providing adequate instructions for their use (these will both normally be the responsibility of the client), and insurance against any liabilities/claims arising from the study on the part of respondents or employees (such insurance should normally be the responsibility of the client, with agency

liability limited to claims arising from its own negligence).

(e) Arrangements for amending/terminating the contract or study specifications after its initial agreement, and the duties and liabilities of client and researcher in such a situation.

(f) In the case of continuous or repetitive research: the length of contract, required period of notice for alteration or cancellation, etc.

(g) Any penalty clauses for failure to conform to the agreed specifications (e.g. on timing, number of effective interviews completed).

(h) Agreed methods/machinery for resolving any disputes which may arise between the parties.

#### **Code of Practice**

The written agreement of all parties to conform to the International Code of Marketing and Social Research Practice and to national codes of practice. Certain Articles in the Code refer at greater length to various of the checkpoints referred to above. These Articles must be consulted as providing further guidance on such issues - as well as acting as a reminder of other issues which are essential to good research practice.

### **Quality standards**

Where appropriate, details of formal (i.e. inspected/certified) adherence to International Quality Standards such as ISO 9001, or local equivalents in the relevant countries (e.g. MRQSA in the UK) should be included either as volunteered by the agency or as required by the client.

ESOMAR WORLD RESEARCH CODES & GUIDELINES

# INTERNATIONAL RESEARCH

## INTRODUCTION

This guideline has been designed to help clients, main contractors and sub-contractors to reach an agreement and to work together harmoniously on international research projects.

It applies particularly to multi-country studies commissioned by a client to be done by a group of research agencies in different countries, but also to any work which crosses national boundaries. They are confined to those issues specific to international research. The provisions of the ICC/ESOMAR International Code of Practice are, of course, applicable, as well as the ESOMAR Guideline on Selecting a Market Research Agency, and on Reaching Agreement on a Marketing Research Project.

As international research has been growing, so have the environmental factors governing its conduct been changing. Particularly important changes are coming into effect in the areas of legislation and regulation (especially data privacy and anti-intrusiveness measures); and of quality assurance and quality management systems. Constant checking will be necessary to ensure that international research projects are conducted with full compliance in respect of this changing environment.

This introduction is followed by a checklist of the key issues to be considered when commissioning an international research project. Each point in the checklist has a reference to the relevant paragraph in the main text which then follows and which describes the issues involved in greater detail.

In looking through this document, the reader might be surprised by the frequent references to problems, potential failures, disagreements and conflicts. In practice, international research is now commonplace around the world and is nearly always carried out well and to the satisfaction of all parties concerned. This is because researchers in this field have been aware for some considerable time of the problems that they have to overcome, and this document has been composed by drawing upon the experience of established successful practitioners in this field. All of the problems listed have been faced and solved in the past and it is the intention that this guide will facilitate the avoidance of such problems in the future.

It is important to stress that this is a guideline only. Using it will mean that potential problems arising under different headings will not be ignored nor bypassed. On any particular point

it might be considered better to do nothing whatsoever or to adopt one of a number of explicit solutions. This is for the reader to decide. In the end, perhaps as a consequence of all these considerations, there is also a decision to be made whether or not to have a contract between the parties consisting of an exchange of letters or faxes etc. in the very simplest form, or to progress via various stages of complexity to a detailed form of contract covering every possible eventuality drawn up by lawyers from both sides. In this connection readers are recommended to refer to the ESOMAR Guideline on Reaching Agreement on a Marketing Research Project.

## CHECKLIST

(Items in brackets refer to the relevant paragraphs in the main text)

### Contractual provisions and jurisdiction

1. Establish and agree at the outset the legal status of the various parties involved: contractual arrangements must reflect this situation (I-1).
2. Agree which country's laws apply to the interpretation of the contract (I-2a/b).

3. Agree the official language of the contract (I-2b).
4. Consider providing in advance for possible arbitration arrangements (I-2c).
5. Agree which country's market research industry quality standards should apply (e.g. one based on ISO 9001) and/or whether any quality management standards or systems particular to the research agency or client should apply (I-4-d).
6. Agree the relative responsibilities and liabilities:
  - (a) of the main contractor and client for
    - various aspects of the work, and its quality, with specific reference to that to be carried out by local sub-contractors (I-3).
    - the selection of local sub-contractors (I-4).
  - (b) of the main and sub-contractors in the case of any breakdown or failures (I-5)
  - (c) for insurance against liabilities to the public and other third parties (I-5).
7. Agree in advance the nature of the contacts to be made between the client organisation (central and local), main contractor and sub-contractors (I-6).

### Financial and legal provisions

8. Agree:

- (a) what currencies the contract is to be expressed in (II-1)
- (b) arrangements for dealing with changing currency values (II-2)
- (c) timing and staging of payments internationally (II-3).

9. Specify and provide for:

- (a) international travelling costs (II-3)
- (b) costs of translation and/or interpretation (II-3).

10. Agree in advance arrangements for shipping, customs clearing etc. any samples and other survey materials (II-4).

11. Allow for different cost structures, tax liabilities etc. in comparing research costs in different countries (II-5).

12. Check for possible legal complications with international data transmission (II-6).

13. The main contractor must ensure that the financial obligations to subcontractors will be met (II-7).

14. Check for possible legal restrictions (e.g. existing or in coming data privacy

laws) which may restrict the intended local work, compare with what is legal in the client's base country or countries. (II-8).

### Technical and organisational aspects

15. The main contractor must allow for differences between countries when setting up the work, and must acquaint the client with the possible effects of these. Such national differences include:

- (a) normal population coverage (III-3)
- (b) optimal sampling methods (III-4)
- (c) languages used in fieldwork and in survey administration and reporting (III-5)
- (d) types of interviewers available (III-6)
- (e) methods of classification of respondents (III-7)
- (f) computing systems and conventions (III-8)
- (g) acceptability of Internet methodologies (III-9)
- (h) methodologies considered to be intrusive (III-10)
- (i) normally-accepted research methodology (III-11)
- (i) customary reporting methods (III-12)

16. The client should provide the contractor with all relevant market data in his possession (III-2).

17. Agree in advance where and how research findings are to be reported to the client (III-12).

## KEY ISSUES

### I. CONTRACTUAL PROVISIONS

#### 1. The Parties Involved

As in every research contract there is a client who buys and a researcher who supplies. The distinguishing feature of an international contract is, however, that whereas there is almost always an identified client located in a given country, the research required often involves the participation of research companies in a number of countries. Typically we are therefore dealing with a single client and a group of research agencies. This group can take a number of different forms:

- (a) An international chain of companies all of which are branches of the same company and financially and contractually connected with one another, with a large element of common ownership.
- (b) A group of international companies who are not directly linked financially or contractually but belong to an international chain of which they are members, backed up by various

understandings between members of the chain.

- (c) A group of quite independent research companies that for the purposes of a specific project have been brought together as an ad hoc group (perhaps with a prior history of collaboration) to carry out the research.
- (d) Or a combination of these.

During the course of negotiation it may be agreed that the client enters into a contract with each individual research company in each country on a separate basis. If this occurs then the situation becomes much clearer, since each research company is dealing with a single client who will take on the burden of ensuring that the research required in each country is comparable and of value to himself. However, this situation does not often arise and instead the client negotiates with a main contractor in a particular country on the understanding that the work in other countries will be sub-contracted to other research agencies. In such circumstances it is important for the client to know which of the groupings of the research agencies above apply in his case. Further, it is important that wherever possible there should be transparency with respect to the specific identities and responsibilities

of, and the contributions to deliverables made by, the sub contracted agencies.

(e) It can happen that the client also consists of a group of companies coming together for some mutual purpose. In such a case it is important to establish the true legal entity with which the negotiations are to take place, from the point of view of legal, professional and financial responsibilities.

## 2. Jurisdiction

(a) If the client and the main contractor are located in the same country then unless specific arrangements are made to the contrary, there is a presumption that this country's laws apply to the contract. (Note, that if for example a London research company negotiates with the London office of a company based in New York, they may be dealing with the London office in its own right or merely with them as an agent of the New York company, which needs to be clarified.) Parties in negotiation should establish their status whether as principals or as agents for other parties.

(b) If the client and the main contractor are located in different countries it is not certain which country's laws apply, nor necessarily the language in which the contract should be expressed. These points should be considered at the beginning. It is important to realise

that not only in the case of a possible dispute between client and main contractor, but also in the case of a dispute between the main contractor and research sub-contractors, an aggrieved party may have to seek redress in the country of the other party in order for this to be effective.

The question of seeking legal advice may arise at this point. Often there will be survey operations in the country of the main contractor as well as those of the sub-contractors. It is therefore normally appropriate that the laws of the country of the main contractor should be applied to the contract. As for language, while English is most commonly used for international purposes, this or any other language should not be accepted unless the parties concerned have a sufficient mastery of it.

(c) In the event of misunderstandings or disagreements the parties involved may consider a provision in their contract for arbitration, possibly with an appropriate arbitrator nominated in advance or with a professional society nominated to provide one.

## 3. Responsibility of the main contractor

(a) Unless otherwise agreed, the responsibilities of the main contractor towards a client for the complete

contract are exactly the same as they would have been if the sub-contractors were departments of a main contractor's company. It is the responsibility of the main contractor to give effect to his obligations to the client by negotiating appropriate contracts with sub-contractors. Note that the client is not a party to these contracts with sub-contractors unless provision is made for some participation, such as in deliveries of materials, observation of research operations, or payments to be made locally. In fairness the client should notify the main contractor before the work is priced, if payments are to be made locally.

(b) There is an alternative form of relationship with the client which may be useful in some circumstances. This is that the main contractor and the sub-contractors each contract directly with the client for their part of the project. This re-defines the responsibilities of each of the parties to one another.

#### 4. Choice of sub-contractors

Typically the main contractor is free to choose sub-contractors in the required countries. In doing so he takes full responsibility to the client for the professional and ethical standards of the work done by sub-contractors. However, restrictions on the choice of

sub-contractor may occur. These include:

(a) The sub-contractor may refuse to work on the project. This may come about, for instance, through existing exclusivity arrangements in the product field, the awareness of which should arise when quotations are being prepared. Providing the main contractor can turn to other agencies in that country, there should be no difficulties.

(b) The client may, from past experience or existing commercial arrangements, require that a particular agency not be used. Again, providing the main contractor can turn to others, this should not leave difficulties.

(c) A client may insist upon a particular agency in a particular country. Providing this is acceptable to the main contractor there need be no difficulty, but the balance of responsibility now changes. Whereas in cases a) and b) the main contractor takes total responsibility for the quality of the work of the sub-contractors, in case c) his responsibilities could be limited to proper briefings, instructions, communications, and supervision and the client may have to take responsibility for the professional expertise of the company he has chosen.

(d) A client or a main contractor may, having regard to their terms of business, insist upon subcontractors having quality management systems and/or to be inspected against e.g. ISO 9001, MRQSA in the UK, etc. as appropriate in the relevant country; this may modify the potential choice of subcontractors.

(e) The client and the main contractor should be aware of their relative responsibilities. In particular, if the client nominates some sub-contractors the limitations of the main contractor's responsibilities should be agreed. In all cases, the bona fides, adherence to known professional codes of conduct, quality standards and commercial viability of contractors should be either known beforehand, or if not, established to the satisfaction of the main contractor. Arrangements between the main contractor and subcontractors should as far as possible be transparent to the client.

(f) In cases where a main contractor is supplying a standardised branded research product across a number of countries as part of a project, they may insist because of technological confidentiality on using either their own chain's agencies, or agencies specially trained in the technique. It will however be the responsibility of the main contractor to ensure accurate and comprehensive delivery of the

technique and the data to detailed specifications such that comparability is achieved across the countries involved.

(g) The client has the right to know the identity of sub-contractors in different countries and relevant information about them. Furthermore, many research companies use agents for specialist work. This can occur in the case of specialist computer services, printing, and so on. In cases where it is relevant to the nature of the research, the client is entitled to such further information on these points as is needed.

##### 5. Breakdowns or failures

Cases can occur where a stage of the work is not completed due to various circumstances. Bearing in mind that a number of countries are involved, the risks of Acts of God or force majeure increase. This covers war, civil disturbance, natural disasters, strikes, fires, etc. Over and above this, main or sub-contractors may fail due to events which are their own responsibility.

(a) Account should be taken in the contract of failures to complete, for the two broad types of reason mentioned, together with a consideration of remedies. In general, liabilities of the sub-contractors should be limited to the loss of an appropriate part of the

negotiated fee up to a maximum of 100 percent or the requirement to repeat the work satisfactorily, all or in part as required. In no case can the sub-contractor be liable for more than the value of the work conducted, unless specifically and freely negotiated and agreed to at the outset. (This general recommendation may be modified in the light of specific quality management system undertakings by the main contractor as part of their terms of business).

(b) Cases may occur where the time element is crucial (for instance, the launching of a new product, a survey before the start of an advertising campaign, or before a particular political event). It can also occur that failure in one country affects the use of data as far as the client is concerned in all countries, for instance in the case of a balanced experiment. In such cases, failure to deliver on time in one country may jeopardise the usefulness of the whole project to the client. Should this be a possibility, it must be made explicit by the client to the contractor at the time of negotiation.

(c) Contracts should in general, unless special conditions are imposed by the client at the bidding stage and specifically agreed before the contract is struck, be based upon the terms and conditions under which the agency trades.

(d) The research project may call for the trial use of products, possibly new products. If so, the question of the liability to the public for any disadvantageous consequences of using the product must be taken into account. The possibility of liabilities to other third parties should also be considered. All parties concerned should consider this possibility and ensure that there is adequate and effective international insurance cover against liabilities to the public who co-operate and to other third parties. The client bears the main responsibility for any such liability, since it is their product, service, or requirements that produce the risk. However, the agency clearly carries responsibility for its own negligence, for example in mishandling product storage or delivery to respondents. If the project involves moving goods across frontiers the client should be responsible for arranging clearance and for export/import compliance (see section II- 4-a, below).

#### 6. Relationships between parties

(a) Notwithstanding the nature of the contract between client and main contractor or other contractors, the client may wish to have access to the subcontractors and access to/inspection of fieldwork as it is continuing.

The client may also wish to implement post-checks on fieldwork quality. In normal cases where there is a contract only between the client and the main contractor, such access, contacts with sub-contractors, or independent scrutiny during the contract must be negotiated beforehand. In the absence of a prior agreement between the client and the main contractor, no contact should take place. The sub-contractor has no responsibility to the client as such and must be protected from unilateral interference with the work he is carrying out. (The most important point in practice here is not a question of restricting a client's ability to supervise the work, but instead to protect the client against a situation where local branches of a client's company may seek or wish to act at variance with the parent company's wishes.)

(b) The client may have branches or other related companies in the countries where the research is to be carried out. It is important to establish beforehand what involvement of these local branches there is to be in the research project. This may vary from a requirement to keep them in complete ignorance of the project, via various degrees of co-operation, to a very close involvement. It is essential to establish with the client at the outset the precise degree of involvement or help that is to

be expected from local branches and all contact with them must be regulated by a prior agreement with the client.

(c) When keeping the client's local branches/agents in ignorance is required, the client must realise that conducting research in total secrecy is not always possible, take full responsibility for this and in the case of a leak, not blame the contractor.

## II FINANCIAL AND LEGAL PROVISIONS

1. It should be agreed by all parties what currencies every part of the contract has to be expressed in.
2. In coming to this agreement, the changing value of currencies has to be borne in mind and, in some cases, the problem of restrictions on the transfer of currencies from one country to another.

(a) Providing the client pays the currencies agreed in time, a movement of these currencies against the currency of any contractor is the responsibility of the contractor who has agreed that currency. In view of the uncertainty in the changing of money values, it is strongly recommended that stage payments be negotiated, and also that the contract should allow for the client to be invoiced in terms of the

appropriate forward currency selling and buying rates applying on the day that the contract is struck - that way all three parties (client main contractor and subcontractors) are protected.

(b) In cases where research contractors are being paid fees whose value is fixed in a currency other than their own, insurance against currency movements can be obtained by forward selling of the appropriate amount of the client's currency and this should be written into the contract. Forward buying of the appropriate currencies that will be needed to pay the subcontractors will also be necessary at this point, and the contract should require that the client agree to be bound by the forward exchange rates obtained on the day the contract is struck. This involves a cost, and it is appropriate that such costs be included in the quoted prices for the work. Also, the main contractor may seek to delay payments to sub-contractors until payment from the client is received. This can create tensions between the parties involved and, again, stage payments are to be recommended as offering some protection against this situation. The possibility of including compensation for late payment, with an agreed amount of rate of interest applied, can also be considered.

3. The cost of travel and accommodation can be very high, both in direct terms and in terms of executive time consumed. All activities such as meetings, briefings and presentations, should be clearly specified and the costs allowed for in the contract.

Another dimension of international research is the variety of languages usually involved. Language translation costs, both at the research stage and the reporting stage, can be high and should be taken into account. In addition, if the situation arises that interpreters are needed for meetings, then this should be taken into account and the costs allowed for. Examine the operation involved in terms of translation requirements and simultaneous interpretation. Assess and include the appropriate costs. Sufficient time should be built into the schedule for back translation and for agreement of the final translations between client and contractor.

4. If samples, machines or any material have to be transported across frontiers, attention must be paid by the parties involved to customs regulations and charges, for transportation and insurance costs. It also should be clearly defined who is responsible for the delivery in due time and therefore

who will be responsible for any extra costs arising from delays or non-delivery of essential material. Sometimes this can be a serious problem, creating possible substantial delays in starting operations. It is normally the case that the client is far more informed about such difficulties and procedures relating to his own products and should therefore take on the distribution task completely. Since it is his product or service which gives rise to the risks in this area, the client should be fully responsible for compliance with importation and customs regulations and for transportation and insurance costs as well as delivery timings.

(a) Normally the client or his agent is responsible for delivery to the main contractor of all forms of material. He is also responsible for direct delivery to any sub-contractor for such materials. While normally the main contractor is responsible for deliveries from himself to sub-contractors, the recommendation is that this issue should be discussed very early, preferably at the negotiation stage, to avoid the possibility of delays due to local laws and customs.

(b) The possibility of delays for the foregoing reasons should be built into the timing of the contract.

5. Disclosing the division of cost between the main contractor and the sub-contractors is a matter of discretion or negotiation. To remain competitive, main contractors normally offset overruns in some countries with underruns in others. Full transparency removes the flexibility to do this, and if it is required must be agreed prior to contract with all companies submitting bids and not imposed subsequently.

6. Restrictions or constraints on the transmission of data or material from one country to another (such as the European Data Protection Directive and the ensuing international arrangements on trans-border data transmission) should be borne in mind, both from the point of view of the ICC/ESOMAR International Code and the laws of the countries involved. This is the responsibility of the main contractor. This also applies to data which are collected directly in one country from another country, whether by post, telephone, fax, email, or via Internet websites.

7. Unless otherwise provided for, the main contractor in turn becomes the client for the project specified by him to sub-contractors. If their work is properly carried out and delivered, the agreed fee is payable. In such circumstances, failure to pay by the original

client, including financial difficulties or even bankruptcy, in no way modifies the contractual responsibilities of the main contractor to his agencies. The main contractor should, in his own interest, consider the financial viability and the good faith of the client and, if in any doubt, take steps to obtain reassurance on this point.

8. Increasingly commonly nowadays, a research agency may be commissioned to conduct research directly in another country or group of countries by post, telephone, fax, email, or via Internet websites; or may suggest one of these methodologies. This may clarify the contractual situation but raise questions about sampling, legality (e.g. data privacy), and conformance with local/international guidelines and codes of practice. These points should be checked before proceeding.

### III TECHNICAL AND ORGANISATIONAL ASPECTS

1. The countries involved in the research will vary from the client's country and from one another in legal, ethnic, religious, social and cultural standards or norms. Such differences may have important bearings on the planning and execution of research in different countries. For instance, the

position of women in Islamic countries creates considerable constraints on interviewing, while what is meant by bread and the way it is consumed differs widely between different European countries. It is the responsibility of the main contractor, who should make use of the sub-contractor's local knowledge, to take into account such differences as may affect the conduct of the work.

2. The client should, wherever factual information is available to them, reveal fully to the contractor all relevant data on brands, consumer habits, distribution, advertising expenditure, and prices in the markets to be researched.

3. The universe of the groups to be studied should be specified in the light of local conditions. Remote regions in some countries may normally be excluded, or certain ethnic groups, professional groups (e.g. the army) or people living in certain kinds of institutions. The relevance of such exclusion should be considered in the light of the research.

4. The sampling method should be specified country by country. Due to the differences between sample frames it is rarely possible for such methods to be completely identical. Any problems

about population statistics for grossing-up purposes must be considered, particularly in countries where such statistics are ambiguous or incomplete.

#### 5. Language

(a) It is the responsibility of the main contractor to ensure that all translations in local languages are correct and satisfactory in terms of the country involved. It is wise in the planning of the project to provide for the time and procedures needed to ensure that such translations are approved by both client and contractor.

(b) The languages in which briefings and interviews take place must also be stated particularly if the client is to participate in any way.

(c) The language(s) of working documents, transcripts and of presentations and reports have to be agreed.

(d) Video tape or video conferencing should where possible be used to help standardise international interviewer briefings.

6. Attention must be paid to the quality and type of interviewers required and available. For instance, in some countries university students are used frequently, in others they are avoided. In some countries the question of language ability is extremely important,

in others not. Interviewers may have greater standing and wider responsibilities in some developing countries than in more developed economies. In all cases the professional training and experience of the interviewers must be appropriate to the complexity of the research. The contract should specify the levels and methods of back checking; and compliance with any local or international market research quality standards that should apply to the project.

7. Classification data, such as age groups, social indicators, definitions of household and families, etc. may well be largely standardised within countries but differ between them. Such differences must be dealt with in questionnaire construction and in all stages through to reporting if comparable results are to be obtained.

8. When transmitting data for computer analysis in another country (for example for centralised processing) it is essential to consider the possible problems which might arise in the actual transmission of the data, including importation or customs difficulties; and also possible differences between the computer configurations involved. These problems could involve additional costs which must be allowed

for. Different conventions exist between different computer systems about the way in which data are arranged, and this can create problems if the companies involved are not used to working with one another in this context.

9. When Internet research is undertaken it will be essential to check the latest recommendations and regulations concerning these methodologies on the ESOMAR website. If a global Internet survey is done and respondents volunteer for self completion of a questionnaire from many different countries without being contacted directly (as they would be in an email survey) it may be impractical to treat respondents differently according to their country, and it may only be possible to apply the more general principles of the relevant ESOMAR guidelines — e.g., respondents should not be misled, their identity and data should not be disclosed, and responses should be kept confidential.

10. In the case of research that is conducted directly from country A to country B electronically or by telephone without going through a sub-contractor, contact methods that may be seen to be intrusive should be used only with caution and after due consideration of

the legal environment in each country where such methods may be used.

11. The conventions about the normal content of some research operations may vary from country to country, and usually for very good reasons. Thus in some countries the more normal vehicle for qualitative studies is the group discussion but in others a series of individual depth interviews are more frequently used to achieve a similar research objective. It would be wise to consider following the customs of the country since the usual research tools may be more relevant and more cost effective. This is just one example of the need to take into account local practices and knowledge which for the most part have stood the test of time in different countries for sound research reasons.

12. Conventions about the normal content of reports and other research output may vary and attention must be paid by all research agencies to harmonise local practices with the client's requirements. In addition, the degree to which reporting research findings to the client is performed centrally or on a country by country basis, must be clarified and agreed at the outset. The use of video conferencing and web-based information sharing systems both to enhance briefings of contractors and to enrich

the briefings/presentations of results should be considered, together with the costs of these.

#### **IV CONCLUSIONS**

International projects, when broken down into their various national components, can usually be regarded as typical research operations within each country, and in that context are reasonably straightforward. However, when all these components are combined, many further complexities become evident, and these must be taken into account.

The Guideline above indicates that little can be taken for granted, and that the research agency and client should be aware of all the pitfalls they might encounter. Nevertheless, international research projects are now very common, and past records show that provided the difficulties outlined are recognised and dealt with, effective research of this type can be carried out in most countries around the world.

ESOMAR  
Vondelstraat 172  
1054 GV Amsterdam  
The Netherlands  
Tel +31 20 664 2141  
Fax +31 20 664 2922

ESOMAR is the world organisation for enabling better research into markets, consumers and societies.

With 4000 members in 100 countries, ESOMAR's aim is to promote the value of market and opinion research in illuminating real issues and bringing about effective decision-making.

To facilitate this ongoing dialogue, ESOMAR creates and manages a comprehensive programme of industry-specific and thematic conferences, publications and communications as well as actively advocating self-regulation and the worldwide code of practice.



[www.esomar.org](http://www.esomar.org)