

Exercise 7:

Read this text, then decide whether the questions on page 88 are True (T), False (F) or Not Given (NG).

The development of market research

There have been considerable improvements to the way products and services are marketed over the years. Much of this can be attributed to the creation of market research as an industry, which saw its beginnings in the latter part of the 1920s in the United States with the work of a man named Daniel Starch. The common practice at that time was for copywriters to think up an appropriate and perhaps catchy text to attract the attention of the buying public, publish the ad, and then hope that readers would act upon the information provided and buy the product or service.

During the early 1930s, Daniel Starch developed the theory that in order to be effective, advertising must be seen, read, believed, remembered and then acted upon. He went on to develop a research company that would stop people going about their business in the streets, asking them if they read certain publications. If they did, his researchers would show them the magazines and ask if they recognized or remembered any of the ads found in them. Having collected the data, he then compared the number of people he interviewed with the circulation of the magazine to calculate how effective those ads were in reaching their readers. Thus surveying or 'market research' was born.

As time went on, many more market-research companies began to emerge and followed Starch's example. It was not long before they were working to improve on his techniques. George Gallup, whose name is now associated with opinion polls, developed a rival system that was known as 'aided recall', which prompted those interviewed to recall the ads seen in a publication, without actually showing them the ads. This rival system was later adopted by companies to measure the effectiveness of radio and television advertising.

In the late 1980s, Ronald Lindorf founded what would be one of the largest market-research companies in the United States, Western Wats. The focus of Western Wats was to leverage the current technology of WATS telephone lines to conduct survey research. There was no longer a need to interview people on the streets or to

organize and conduct focus groups. A representative in a call center could collect all of the data desired. This greatly increased the number of surveys collected each year and improved the market-research model ten-fold.

Over the last five to ten years, market research has taken another great leap forward in terms of methods of data collection. While surveys are still employed, this is largely done via internet connection. Western Wats (recently renamed as Opinionology) is still the largest market-research company in the US and collects the majority of their research via their online panel called Opinion Outpost. Rather than cold-calling an individual in the search for data, the company has online studies that anyone interested in participating in can sign up to receive and freely share their opinion. It is much less intrusive, and the quality of data is often much higher, since people can participate on their own schedule, instead of being rushed when they receive a phone call from a call center.

This use of internet technology shows how far the quest to gather public opinion has come since the 1820s, when it is said that the first recorded straw polls - the term comes from farmers throwing a handful of straw into the air to check which direction the wind was coming from - were recorded. Nowadays, it seems that everyone from political parties to companies marketing toothbrushes wants to see which way the wind of public opinion is blowing before making a decision.

Source: IELTS Reading Advantage

Question 1 – 5:

- 1 Market research was developed when Daniel Starch was employed to see how effective and memorable advertising was.
- 2 Methods considered appropriate for researching the effectiveness of radio and television advertising differed from those used by Starch.
- 3 Western Wats introduced methods generally considered less efficient than those of Starch and Gallup.
- 4 The rebranding of Western Wats as Opinionology resulted in the creation of the biggest market-research company in the world.
- 5 There had been no interest in finding public opinion before the market-research industries began their work in the last century.