

President's Report 2004-2005
June 24, 2005

Dear Members,

It gives me great pleasure to present the review of financial performance and the activities of the Society for the year 2004-05.

Overview

The year 2004-2005 has been another successful year for MRSI .

During the year we continued to focus rigorously on our 3C Strategy of Convince, Convert & Collaborate.

I am happy to report that the dedicated teams we set up for undertaking various initiatives under each of the 3 Cs have made significant progress. These teams have helped us to rope in a wider number of members from the MR fraternity to take active part in MRSI projects. These are stepping stones to expanding & enhancing the involvement of a larger body of MR Professional including infusion of younger generation of MR Professionals, in the activities of MRSI.

In 2004-2005, the key initiatives undertaken within the ambit of the 3C Strategy were: -

Thrust	Initiative	Project Leaders
CONVINCE	"MR WORKS" Seminar - 2005 scheduled for Sept 30-Oct 1, 2005	Amit Adarkar (Synovate) Dinesh Kapoor (Bases) Prashant Kollerli (TNS) Praveen Nijhara (IMRB)

The "MR Works" Seminar continues to be the Flagship event on the MRSI Calendar. The next one is planned for Sept 30 – Oct 1, in Mumbai, at the Grand Hyatt Hotel, Santa Cruz. A four member team led by Amit Adarkar is working on it. The Call for Synopses has been sent out and the program network is on schedule.

CONVERT : MR SYMPOSIUM 2005

Under this thrust the 2nd MR Symposium (Trade Fair) was organised on 4th Feb, 2005, by a team led by Deepa Soman of Lumiere, alongwith Shobha Subramanian & Sonia Mahajani of TNS, Balasubramanian & Vibha of Market Probe, VG Pillai of Indica, Pranay Dandekar of Synovate, Julius Augustine of Hansa. This was organised with a focus on the "Finance Sector – Banking, Insurance & Mutual Funds". Deepa & team undertook a very systematic & indepth planning for this Symposium, starting with in-depth interviews of 25 Key stakeholders across the three industries to identify the burning issues of the Finance Sector and the barriers to usage of MR. This helped us tightly brief the MR Agencies, so that they could submit relevant papers for the Symposium. The event was able to draw about 60+ Managers from the Finance Sector and a total of 6 papers were presented in a half day Seminar. While the event was successful, its potential impact, the team felt, could have been much bigger had it not been dampened by :-

(a) A clash with MRUC 10th year anniversary event

(b) Lack of the "wow" factor in our Seminar presentations at these events need to be delivered with a "punch & awe" effect. It was felt, a review rehearsal of these presentations with a critic group could help to enhance presentation impact for future symposiums.

However, the team felt that it would be good to also ideate on additional ways of converting non-users, apart from exploring new ways of strengthening the MR Symposium format.

COLLABORATE

This thrust area has generated a lot of enthusiastic response amongst the members and 8 Key projects were launched during the year.

Thrust	Initiative	Project Leaders
COLLABORATE	1. MR Field Certification. Classification – Pan-Industry Initiative	Kiran Jaitly (HLL)

	2. Revitalising Local Chapters	Alok Shankar (Synovate)
	3. MR Training Committee	Mohan Krishna(BIRD) Sunil Karve (RI)
	4. ESOMAR AP Seminar 2006 – in association with MRSI	To be agreed
	5. New Consumer Classification – Pan-Industry Initiative	BV Pradeep (HLL)
	6. Fringe Benefit Tax Committee	Partha Rakshit with Alok & Jenny
	7. Building the MRSI Brand	Kedar Sohoni (Crosstab) Satyamurthy (MRUC)
	8. MRSI Products Committee	Rinita Singh (Quantum) Dinesh Kapur (Indica)

Now I would like to take the opportunity to provide an overview of the 8 Key projects underway currently.

1 MR FIELD CERTIFICATION

For a long time, the MR Industry has suffered from allegations of providing poor quality data, but so far no specific initiative had focussed on this pressing need to raise the bar in the area of MR field quality. More importantly, the need is to assign recognition to the fact that “collection of consumer data through skillful interviewing” is a professional skill. Hence, there was a strong need felt for training & certification of professional MR interviewers, to help improve the quality of interviewer resource pool, and provide the job the professional status it deserves.

Hence, a team of 10 plus Heads of Field dept from MR agencies was formed to take on this challenge.

Kiran Jaitly of HLL, who heads the Consumer Connections & MR Field dept, is leading the initiative.

I am proud to say that this team has done an outstanding job in a very committed way. The system is ready for launch on 1st Sept, 2005. This system will help create a pool of certified freelance professional interviewers who can be hired by all agencies. The feedback system from agencies will help ensure that we always use a pool of “trustworthy or qualified” interviewers to raise the bar on quality of field data.

I would like all of you to join me in applauding the significant contribution by this MRSI field committee, which I feel will make a significant difference to this Industry. Whilst on this topic of field data quality, which is close to my heart, I would like to put across a point of view to all agency heads, here today. Field Services cannot improve, if that dept is not put on a pedestal and given the respect & support it deserves within each agency organisation. For E.g. You can never expect a good quality product from a factory, if the factory manager & team are not shown the importance they deserve within the Company. I have been missing this in all my interactions with the agencies. I feel it will change only if the Agency heads send a strong message on this to everyone within their Research Organisation. I hope we will encourage & support our field teams, even as they toil hard for getting us good quality data.

2. REVITALISING MRSI CHAPTERS:

Alok is leading this project. Due to the focused, thrust in this area, the first step of a “Soft launch” has been undertaken in Delhi, where a Core group led by Bhupender Mathur (IMRB) & Sangeetha Gupta (ACN) has been set up. The formal Chapter opening needs to be initiated with aggressive selling-in to clients, as well.

The Bangalore chapter has got off to a great start with their first meeting in March 2005, which I attended and was particularly impressed by the extent of enthusiasm & commitment being shown by the team of about 12-14 Senior MR Industry colleagues. Ranjan Samanta of TVS-Motors has been appointed Vice President MRSI Bangalore Chapter. Rajaratnam of RI, Bala of IMRB are actively involved in the Chapter launch, which is scheduled for 10th July, 2005. We wish them all the best.

Mr Kamat is in the process of formulating some working guidelines for the chapter operations. There are a number of ideas on how to turn each Chapter into a “Profit Centre” to generate adequate funds for its activities & also add to our MRSI corpus. We need to convert these into concrete action plans now.

3. MR TRAINING

The Third initiative which is in the planning stage is the launch of a series of “Management Development Programs” focussed on specific Marketing / MR related topics E.g. Segmentation, Pricing etc. The idea here is to provide a 2/3 day program targeted to Client Marketing / Brand / MR Managers in various Client Companies, to equip them with all aspects of research related to the chosen topic with practical guidelines on application. The Course will cover theory & techniques available in the published MR literature, followed by presentation by agencies, with their proprietary

specialised models. This initiative, we believe will help educate Client Managers on MR and help the growth of the MR Industry in the long run, whilst generating revenues for MRSI. This initiative is being led by Mohan Krishna (BIRD), alongwith Sunil Karve (RI). This is the first foray of MRSI into the area of MR training, and I take this opportunity to wish Mohan & Sunil all the success.

4. ESOMAR

ESOMAR is conducting its Asia Pacific Conference next year in Mumbai, in March 2006. They have approached MRSI through Debi Basu, who is the Indian representative for ESOMAR, to be associated as a partner in this event. A formal note outlining the role of MRSI in this event and the benefits for MRSI has been received. I would like to discuss this, after my address today and take your views on it.

5. NEW CONSUMER CLASSIFICATION SYSTEM (NCCS)

A Pan Industry initiative led by MRSI-MRUC has been set up with over 20 representatives from MR Agencies, Ad Agencies, Media Agencies, Academic Institutions & Corporates. The analysis of IRS & other data sources is currently on, to work out the best system to replace our aging SEC system. This system will measure "Affluence level & Propensity to spend" of Consumers, and will be one system covering both Urban and Rural Consumers. The MRSI Committee members will be taken on board with a specific presentation, once the draft of the new system is ready in the next couple of months.

6. FRINGE BENEFIT TAX COMMITTEE

In the last MC meeting, a Committee led by Partha Rakshit, Alok Shankar & Jenny Abraham has been set up to put up the MR Industry case for lowering / waiver of this to, to the Central Government. Partha is in the process of drafting a note to kick-start this initiative.

7. Two more Project Committees on

(a) Building the MRSI Brand

(b) MRSI Products Committee

have been set up. Progress on this will be reported at the earliest next opportunity.

Code of Conduct revisions

Due to certain arbitration cases which had been referred to MRSI, owing to disputes on violation of Code of Conduct as perceived by the certain clients against agencies, the MRSI Committee set up an Ethics Committee of 3 members, all belonging to MR professionals on the client side. After detailed investigations and discussions, a strong need was felt to modify the Code of Conduct. MRSI Executive Committee discussed these and the final rewording has been agreed to cover the gaps. The modified Code of Conduct will be notified in the next couple of weeks.

Another salient achievement during the year was the recruitment of a new General Manager of MRSI, Mr Rajesh Sharma. Rajesh has already taken charge of co-ordinating & orchestrating the MRSI program.

The key challenges ahead of him are:

- Ensuring the Impact of all MRSI events
- Enrolling fresh members, especially Corporate members
- Rigorous collection of subscription outstandings
- Focussing on initiatives to "Build the MRSI Brand" including revitalising our website.

I would like all of you to join me in extending our best wishes to him, for a successful career with MRSI.

Financial Review

In the financial year there will be a net surplus of Rs. 2.15 Lakhs. The fund earmarked for the library now stands at Rs. 39.96 Lakhs (after spending Rs.46.13 lakhs for the library cum office premises).

I am very happy to inform you that the net additions to our bottomline in the last six years, is around Rs.50 lakhs, which has been added to the corpus fund, as compared to about a similar accrual during the 10 year period from 1989 to 1999. While we have stepped up the revenue build up, we still need to raise it significantly, if MRSI needs to scale up

its activities to a much higher level.

Infact, given the falling interest revenues, from this year onwards, our GM, MRSI has been mandated by us to set up a system of Annual planning process with preparation of Annual Revenues & Expenditure budget and to work towards ensuring & delivering the required bottomline to strengthen the MRSI Corpus to help to enhance the scope & scale of MRSI activities.

As I near the end of this talk, I would like all of us to introspect on why, with all these brilliant initiatives, MRSI is not flying as high as our ambitions are.

I feel, the key answer lies in the commitment & leadership behind these projects. Today the need is a commitment from each one of us to take on a small patch of the MRSI land & turn it green, with all the passion we can put behind it. The rewards you get will not be in terms of money that you earned for yourself, but it is when you turn back & see, after many years, you can then proudly say, I made the difference to my profession by nurturing the initiative in its infancy. So, I am requesting each one of you to get actively involved with atleast one project which you feel you can add value to MRSI & lead it from the front. Please motivate your colleagues to join us, with thoughts & passion to make MRSI stronger & bigger.

We really need passionate leaders for our MRSI initiatives and I am sure, you will respond, as this is your professional organisation. So, the question I want each of you to ask yourselves is : "Which patch of the MRSI land will I commit to nurturing, today?"

Before I close, I would like to thank all my MC members who have provided unstinted support to all these initiatives & many a time, even putting aside their personal priorities. I request all agencies to continue to extend the wholehearted support they have always given us so far, in the coming years, as well.

On behalf of the Managing Committee

BY PRADEEP
President

Mumbai
June 24, 2005