

## Lessons of the Crisis from a Research Point of View

### The FINANCIAL

The difficulties that businesses have to deal with today have brought with them new realities. Every decision that is made by management is critical for the survival of the firm. Tinatin Rukhadze, the Director of ACT, leading Marketing Research & Consulting Company in Georgia, believes that the crisis will not reduce demand for research service, but may even facilitate its development in 2009.

"In my opinion the world economic crisis is a new reality which has brought new opportunities to businesses as well as many difficulties. Of course our company has found itself involved in this reality, although its negative influence upon us has been less compared to those in other industries. Strange though it may seem the cause of our survival and flourishing during these difficult times is in fact, the crisis. Today companies can't allow themselves to make mistakes, one incorrect decision can be fatal, therefore, the value of information and the importance of research accordingly are intensifying for businesses." Tinatin Rukhadze told The FINANCIAL during an interview.

ACT became the Golden Brand winner of 2009 in the nomination of Marketing Research and Consulting. The company started operations with just 4 employees in 2002. Levan Lomtadze, The FINANCIAL, interviewed Tinatin Rukhadze to find out how ACT managed to become the lead player on the market in its sphere.

**Q. ACT research was named Golden Brand 2008 at the annual awards ceremony of The FINANCIAL and Global Idea two weeks ago. As you said many of the ceremony's guests, representatives of leading companies in Georgia, are already clients of ACT. Tell us why they choose ACT?**

A. Indeed, the majority of the companies awarded by Golden Brand are ACT's clients. Those are the leading companies on the market and we are proud to be among them as a Golden Brand winner. The success of our company relies on each of our client's successes. I think the fact that we ensure collection of the most reliable, robust and quality data, which brings our clients insights and effective decision making became the primary determinant of ACT being a Golden Brand winner in 2009.

Besides our professionalism and client orientation there's one more factor that in my opinion has gained ACT's clients' trust and recognition - it is the immense responsibility with which we handle our work. In particular it's the accuracy of the data received in the frames of separate projects, objectiveness of the deductions and confidentiality of information. These are the main principles on which our work is based.

Reliable Data, Comprehensive Analysis and Flawless Consulting are the main advantages of ACT

**Q. ACT is the first research company that offers live online broadcast of focus groups in Georgia. Since December 2008, ACT focus group discussions have been available through personal computers in any part of Georgia. As**

**the broadcast is live the clients are also able to send spontaneously emerged additional questions to the group moderator via the internet. Could you explain why you decided to introduce this kind of practice?**

A. This kind of practice is new in Georgia but not abroad. Almost all the leading foreign research companies have this option available to their customers. The advantage of online broadcast of focus groups is that it allows the client to watch the focus group process, not only from the specially designed room at ACT's office, but from any place where internet is available. We can also do a synchronized translation of the group. For that reason online broadcast of focus groups is very appealing to our foreign customers, who can significantly save time and money by using this service.

I would like to emphasize that online broadcast of focus groups is just one of the innovations which we've instilled inside the company. We have a permanent relationship with our western colleagues that enables us to keep developing in accordance with the most recent tendencies in the sphere of marketing research. I'm not going to talk about the specific plans. But I can say that in the future ACT is planning a number of novelties which will bring more profit and comfort to our clients.

**Q. In February 2008, ACT's head office moved to a new location in Saburtalo Street. ACT's new office is twice as large and is equipped with more up-to-date and modern equipment necessary for research projects.**

A. The head office of the company provides 4 rooms for conducting and observing group discussions. 2 modern focus group rooms can seat up to 24 participants and are equipped with high resolution digital cameras, microphones, video and audio recorders. The client can observe the discussion process from 2 special comfortable rooms through a TV-set as well as special one-sided screen glass. ACT also has its own call center, 20 work-station and CATI system for telephone interviewing making it possible to do 400 telephone interviews per day.

**Q. How many new research projects have been implemented since then and what new capabilities do the new technologies provide?**

A. In 2008 our company made a considerable investment (approximately USD 100,000) in terms of technical renovation and expanding facilities. As you have already mentioned, our new office is twice bigger than the previous one. Herewith, technical novelties and strengthening regional representation has been giving the opportunity to execute more work. I'll give the example of several interesting statistical data: in 2008 we implemented 204 projects which included 506 focus groups, 70,950 face to face interviews, 15,482 telephone interviews and 12,415 mystery shopping observations.

I think that the existing resources provide means for doing bigger volumes of work and enlarging perspectives for development.

The world economic crisis is a new reality, which has brought new opportunities to businesses as well as many difficulties



**Q. Besides large companies, do you offer services to Small and Medium sized Enterprises (SMEs)? What is the price range for them?**

A. The prices are the same for all small, medium size and large companies. We don't regulate the prices according to the financial capabilities of our clients. But we do have different types of products for small and medium size companies, like Omnibus surveys.

For instance, the ACT Urban Omnibus is conducted on a monthly basis where it surveys 1,800 respondents in 10 major cities of Georgia. Based on a representative sample, the survey reflects the opinion of the urban population of Georgia and is extremely valuable for companies that target wide GP. The cost of the survey is absolutely affordable for medium and even small size businesses. Using ACT Urban Omnibus companies can measure vital information such as company awareness, market share, customer preferences, customer profile, advertisement effectiveness and even feasibility of new ideas.

**Q. You are well aware of the market. What do you think is the competitive advantage of your company?**

In short, I would state our competitive advantages in this way: Reliable Data, Comprehensive Analysis and Flawless Consulting.