



President Donald Trump

Senate Majority Leader Mitch McConnell

House Speaker Nancy Pelosi

March 24, 2020

The U.S. Marketing Research and Data Analytics Industry and COVID-19

Dear President Trump, Leader McConnell, and Speaker Pelosi,

As the CEO of the marketing research and data analytics industry's leading nonprofit trade association, I am writing to advise you of the immediate and potentially catastrophic impact that the current crisis is having on one of America's most important, but unheralded sectors.

- Our \$35 billion industry in the United States includes qualitative research, quantitative research, and data analytics.
- Both the private and public sectors rely upon the insights generated by our work. We are the world's leading producers of intelligence, analytics and insights defining the needs, attitudes and behaviors of consumers, organizations, employees, students and citizens. With that essential understanding, leaders can make intelligent decisions and deploy strategies and tactics to build trust, inspire innovation, realize the full potential of individuals and teams, and successfully create and promote products, services and ideas.
- Our industry employs a significant number of contract and self-employed professionals who must be highly qualified to deliver important insights.
- Our industry is overwhelmingly composed of small businesses.

- Much of our work is ad-hoc and project-based and was already suffering from uncertainty as a result of Coronavirus.

Recently we advised all accredited companies and individuals to stop research requiring face to face interactions. This advice is based on an assessment of the health and safety of the research work force and the public acceptability of continuing face to face research programs.

Parts of the marketing research and data analytics industry mirror the entertainment/hospitality sector in their reliance on face-to-face work and the speed with which business has been completely shut off for some companies almost overnight.

As we talk to our members, many report that clients (representing both large and small businesses who are feeling the impact of the economic shutdown) have already stopped commissioning new projects or have cancelled programs already purchased (for some of which our member firms have already outlaid substantial money for startup costs). The worst effect is on the predominantly small businesses in the qualitative research sector (covering such disciplines as focus groups, ethnographic and neuro-insight projects) and all field interviewers conducting surveys which require face-to-face contact. The high-profile public example is the suspension of field activities for the 2020 Census, but it is being replicated all across the country in our industry.

In-person focus group and interviewing facilities, for instance, have been forced to either severely limit their activities to allow for distancing between participants and interviewers, or to close entirely. The same has happened to other in-person insights businesses, like call centers for telephone polling, who've had to shutter their facilities at government order. While some businesses and personnel can transition to insights work via other modes and methods, some cannot. Shuttered businesses and their employees have been forced to wonder when they will return, or if the business can survive long enough to ever return.

We welcome the initiatives already passed and proposed, but our industry needs:

- 1) Extension of any potential measures aimed at supporting hospitality and leisure industries to cover our in-person businesses.

- 2) Relief from immediate repayment of loans to support insights businesses, especially small businesses. The enacted and proposed influx of loans are less helpful to recipients if they must commit resources to repayment over the short term even while they are not bringing in any revenue to be able to make such payments. Repayment of SBA and other government loans should be deferred at least six months and we urge you to look for ways to incentivize private lenders and creditors to arrange deferred payments.
- 3) A consideration of continuing support for small businesses in our industry after the crisis. Unlike the hospitality and entertainment sectors, like bars, hotels or Hollywood production studios, where demand should return rapidly, our sector will be predominantly dependent on the slower return of business confidence and projects that can take up to 6-9 months to restart.
- 4) Modernize or streamline regulations that impede insights work. For example, the Federal Communications Commission (FCC) is long overdue to issue new rules for the Telephone Consumer Protection Act (TCPA), after their 2015 rules, that made almost any call to a cell phone potentially illegal and subject to class action lawsuits (unless you use an old rotary dial phone), were rejected by a circuit court in 2017. Litigation (and potential litigation) against legitimate entities placing calls for research purposes has cost our industry millions and driven many companies and organizations to abandon the telephone as a medium.

Our American industry is the most successful insights market in the world, representing almost half of all global marketing research and data analytics. We generate more per capita revenue than any other country.

Data must still be collected. Insights must still be generated. In times of business turmoil, we encourage everyone to measure. When the world is shifting due to disruption of innovation, we over-invest in methods to understand. In times of crisis, it's more important than ever to listen, learn, and understand. If we are to advise executives and decision makers across the business, public policy, education, and not for profit landscape, we must have the pulse of the population.

Marketing research and data analytics are the heart of innovation. The largest companies in the world rely on the insights we produce for product and service development, concept testing, and advertisement. As the U.S. economy rebounds from this pandemic, understanding how consumer values and sentiment have changed will be crucial to defining and serving the “new normal” that will emerge.

The marketing research and data analytics industry listens to citizens, consumers, businesses and organizations and learns from and relays their attitudes, opinions, needs and behaviors to those who need to know (whether individuals, private companies, nonprofits, or governments). Never has this been more important as we continue to monitor the sentiment of the population and the likely impact on the policymakers, businesses and advertisers who rely on our insights to guide their planning. In order to continue to deliver necessary insights, we need help – both from the Administration and Congress – to protect our industry and allow us to continue to be the ear and voice of the United States.

Sincerely,

Melanie Courtright

Chief Executive Officer

Insights Association