

How can society remain static when so many pressures abound?

The usual excuse for poring over sales data instead of focussing on consumer insights is the mythical belief that society doesn't change much. Any advertising agency that proclaims it understands Indonesia by dint of a survey it runs once every two years, any marketer who believes such a claim, is knowingly or unwittingly committing crimes against his or her profession. Simply because society is continuously evolving, responding to pressures and influences. Understanding these changes is beyond the capacity of the country's biggest agency group or even the country's biggest marketer, all by themselves.

Without a robust and reliable national study, no worthwhile segmentation is possible. Without one, no accountability is meaningful as returns on investments cannot be measured intelligently or monitored at actionable intervals. Difficult to imagine perhaps, but the larger marketing services community in the United States has struggled for years to create and finance a reliable 360-degree survey that actually works. Difficult to believe perhaps, but one such survey actually exists right here in Indonesia. It is used by more marketers and agencies than any other survey in the country. With 27,000 respondents each year and projected to reflect almost 90 per cent of Indonesians 14 years and older, it is updated every 90 days. A key component of the survey is a societal map called Roy Morgan Values Segments, incorporating both hard and soft data, demographic as well as psychographic.



When it was first introduced in Indonesia, the attempt was made to distribute the more financially comfortable top 10 per cent of the societal map to two segments, Visible Achievement and Socially Aware. Equally affluent, these two groups are different in their values. The first is conservative, the second is liberal. With employers responding to inflation and small business hiking prices to keep up with the rising prices of food and fuel, earnings have gone up steadily. Consequently, Visible Achievement has grown from 8 per cent to 12 per cent, in just three years. Socially Aware in Indonesia continues to shrink in contrast with neighbouring Australia, to almost invisible. The reality is that while rupiah incomes have been increasing, the actual spending power has been diminishing.

The heartland of any society represented by young parents in Conventional Family Life and older parents in Traditional Family Life are also on the decline as values segments, going down from 34 to 29 per cent and from 15 per cent to 12 per cent respectively, over the last three years. In contrast, the teenage dominated and self-focussed “Look at Me” segment continues to grow from 22 per cent to 25 per cent during the same period. Similar growth is seen in the older Real Conservatism, from 9 to 14 per cent, influenced by religious sentiments and increasingly conservative beliefs.

Based on attitudes and opinions, Roy Morgan Values Segments can mask the economic difficulties faced by the low income earners in major groups like Better Deal, Basic Needs, Conventional family Life and Traditional Family Life. There is enough data about main earner income and household expenditure to conclude that roughly sixty per cent of the Indonesian population lives in varying degrees of poverty today. For over two years now, almost without interruption, the main income earner alone has not been able to pay for the monthly expenses of the average Indonesian household. Economic hardships influence the mind, a reality that warrants re-examination of benchmarks used to delineate each segment.

Regardless of societal anguish, the shareholder’s motive deserves due respect. Profit is clearly the primary reason why private enterprise exists. The concept of return on investment is easy to understand, one that even communists around the world have learnt to embrace. Somehow though, the need to make profits has become the excuse or even the reason to behave badly, cross common-sense boundaries of ethics and morals.

The ruthless pursuit of better margins has evolved into a corporate culture that rewards bad behaviour, one where it is ‘cool’ to be callous. They are the same people who have difficulty in understanding other simple concepts like fairness, dignity, sympathy or compassion. They cannot comprehend how profit can be made without the exploitation of fellow man, without damage to social fabric or the natural environment. Yet, there are any number of examples where local enterprise and multinational corporations alike have made money by engaging positively with the local population in developing countries.

Corporate social responsibility can be very good for the bottomline. All it requires is some imagination. No charity expected, no philanthropy required. Marketers and agencies can make major contributions together, by putting their hearts and heads together.

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