



SHOULD THE MRX INDUSTRY REGULATE ITSELF OR BE REGULATED BY THE GOVERNMENT?

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Reasons For and Against Regulation



Reasons **For** Regulation

Protecting the rights of participants:

- Ensure that participants are treated fairly and their rights are protected. This can include informed consent, data privacy, and confidentiality.

Ensuring research quality:

- Regulations can set standards for research methods, data collection, and analysis to ensure that the research is conducted in a rigorous and unbiased manner.

Reasons **For** Regulation

Preventing fraud and deception:

- Regulations can prohibit fraudulent or deceptive practices that may mislead participants, clients, or the public.

Improving industry reputation:

- Regulations can help improve the reputation of the industry by demonstrating a commitment to ethical and professional conduct.

Reasons **Against** Regulation

Impeding innovation and creativity:

- Regulations may stifle innovation and creativity in the marketing research industry by imposing rigid standards that limit the exploration of new ideas and methods.

Restricting market competition:

- Regulations may create barriers to entry for new companies or limit the ability of existing companies to compete, leading to reduced innovation, increased costs, and decreased availability of services.

Reasons **Against** Regulation

Imposing unnecessary costs:

- Regulations may increase the costs of conducting research, which may ultimately be passed on to clients and limit the amount of research that can be conducted.

Difficulty enforcing regulations:

- Enforcing regulations can be challenging, especially in a global industry with diverse cultural and legal frameworks. This can lead to inconsistencies and gaps in enforcement.



Types of Regulation

Government Regulation

Laws/ Policies

- Dodd-Frank Act--> in the news from SVB; CCPA
- Can be passed at Federal, State and Municipal levels

Taxation

- Used as a way to incentivize behavior
 - Install solar panels
 - Tax abatements for opening office in desired zone

Anti-Trust

- AT & T --> Broken into Baby Bells

Burgeoning Regulations

- **Federal Level Consumer Privacy Regulations**
 - 5 at state level (CA, CO, CT, VI, UT)
 - 19 Active bills
- **Regulation of AI– federal level**
- **GDPR – enforced at individual country level**
- **Transatlantic Data Privacy Framework**
- **Section 230 of Communications Decency Act**
- **Fake Review Regulation– FTC**
- **Environmental Marketing Claims – FTC**
- **Non–compete clauses– FTC**

Self- Governance



Organizations that Self-Regulate

- **American Bar Association**
- **National Division of Advertisers**
- **Direct Sales Association**
- **Better Business Bureau**
- **Universities with certain accreditations**
- **National Association of Realtors**
- **Yoga Alliance for yoga teachers**
- **Certified Public Accountants (CPA)**
- **Certified Financial Planner (CFA)**

Benefits to Self-Regulation

Satisfies government regulation

- DSA has strict requirements for membership.
- Members are generally protected from FTC investigation on pyramid schemes
- Strong ethical guidelines or they are booted

Set curriculum for education

Conferences help earn continuing education credits

Continuous improvement as an industry

Differentiates experts from novices

Maintains fair competition

Regulation Levels

Individual level– through licenses (CPA, CFA, RN, Barber)

- **Pass an individual exam(s)**
- **Some exams require x number of higher education**
- **Most require continuing education that expire every 2 years**

Organization level – association or accreditation membership

- **organization agrees to periodic audits**
- **board of peers passes/fails audits**
- **steep membership fees**
- **Requirements vary widely by industry**

Regulation Levels

Individual level

- **IIPMR– Certified Research Expert, Analyst, Professional**
- **MRS– Professional Researcher Certification**
- **MRII– various**
- **Burke**
- **RIVA**

Organization level

- **ISO 20252:2019– Market Research and Opinion**
- **ISO 27001:2022– Information Security Management**
 - **CIRQ audits**



What's next? Teamwork & Planning