RESEARCH INSIGHT:



Hertz Was Not Amused

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In the spring of 1991, a magazine called Corporate Travel published the results of a consumer survey of the travel industry. In the category of rental cars, the magazine declared Avis the winner of what was to be its first annual Alfred Award, named for Alfred Kahn, former chalrman of the Civil Aviation Board. Avis, not surprisingly, quickly launched an advertising campalgn touting its standing in the poll.

Joseph. Russo, vice president for government and public affairs at Avis's archrival, Hertz, was not amused. He called the magazine's editor and asked if he could see a press release and any other material that might explain the survey's results and methodology. We've won virtually every other poll that's ever been done, said Russo. (Indeed, surveys like these are popularity contests that tend to favor bigger, competitors over smaller ones; and they are almost impossible to duplicate or verify.) "So we wanted to see if we were missing the beat."

But Russo said he could not get much information about the survey. "I said, How many people voted in this, was it bigger than a bread basket?"

It turned out that the survey responses had disappeared under mysterious circumstances. The magazine's marketing manager, who had overseen the poll, had left the magazine. "A search of their files has also failed to turn up any statistical tabulation or record of the responses for any category," wrote the president of *Corporate Travel*'s parent to Hertz. Meanwhile, said Russo, "we had corporate accounts saying, I see you guys came in after Avis."

Eventually Hertz filed suit against the publisher of the magazine and Avis, charging false advertising. "We said if we allow this to go on, anyone will be able to do anything on the basis of a survey," Russo said. The parties settled, with Avis agreeing to stop calling itself the car rental company of choice among business travelers.