Two Social Aspects of Business Survey Activity in Hungary: Respondent Behaviour and End-User Needs

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In the present paper two important factors of the business survey activity are examined: the behaviour of responding companies and the need of end-users. In order to learn more about these two topics, two special surveys were conducted. The first one was carried out among non-responding firms, while the other ad-hoc survey gave a picture on the opinion and the needs of the consumers of survey figures. The authors focus on the following questions: Who exactly respond to the questionnaires and what is the reason for non-responding? Are the end-users really interested in business tendency survey data? Do they really need them? Do they percept the different nature of official statistical and business tendency survey information? Do they use them in business or private decisions? The latter part of the article analyses the demand for and popularity of the results of the business tendency surveys conducted by the GKI Economic Research Company from the point of view of Hungarian users.

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Information.
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Business surveys have been conducted in the economically developed part of the world for decades. In the East-Central European region, this method of information collection was adopted in the early 1990s. In Hungary, business surveys are popular among economists using primary research methods. The GKI Economic Research Company (hereinafter GKI) has been carrying out monthly surveys in the manufacturing industry, retail trade and the construction sector since 1996 and in the service sector since 1998. As well as GKI, several other institutes conduct this type of survey, such as Ecostat Government Institute for Strategic Research of Economy and Society, Kopint-Tárki Institute for Economic Research Ltd. and Hungarian Chamber of Commerce and Industry.

The essence of this method is that company managers are regularly approached to complete short questionnaires that can be filled out easily, without the mediation of an interviewer (whether in person or via telephone). The questions usually do not pertain to quantified information, but an evaluation of current and expected situations. The assessments and expectations are measured on a scale with three grades (managers may evaluate the level of inventories as high, average or low compared to the normal season). The non-quantified answers given to the questions can be transformed into quantified results. The responses received can be summarised easily and quickly, and any unrealistic answers from individual companies do not cause much harm, in contrast to the official collection of statistical figures. Following the arrival of responses, survey results can be published within a short period of time.[1] From the averages of the responses given to the questions, business confidence indices can be produced. They are suitable for compressing the sentiment of producers or service providers into single numbers.

In the field of business surveys, two distinct schools have emerged. The first school regards purchasing practices and their changes among industrial companies as the factor characterising the business cycle most adequately. Consequently, the representatives of this approach visit the purchasing managers of companies with their questionnaires, and the purchasing manager indices are compiled from their responses. This method is mainly popular in the US but it has become accepted in Europe as well (for example it is used by the Hungarian Association of Logistics, Purchase and Inventory). The second school focuses on the responses of executive managers of companies. Its surveys contain questions to evaluate the general state of the business and the perspectives of production (service), sales, inventories, employment, etc. This research method is generally used in Western Europe, and also in the transition countries of Central and

[1] It is important to note that GKI publishes its industrial confidence index two months before the official figures of the Hungarian Central Statistical Office are released.

Eastern Europe. In the EU member states, industrial surveys have the most significant traditions, although surveys have been conducted in the construction, retail trade and service sectors as well for several decades. These EU-commissioned surveys are coordinated by the Directorate General for Economic and Monetary Affairs of the European Commission. GKI is the Hungarian participant of this project.

Business survey activity has two important social aspects: it needs responses from the companies to compute the survey results and these figures must be logical and understandable to their readership, to the end-users. In this paper – on the basis of ad-hoc surveys – the most relevant features of the "input" and "output" sides are examined.

Since responding to business surveys is not compulsory in Hungary, their conduct is impossible without the participation of a representative sample of companies. When this occurs, researchers are unable to evaluate the responses properly. Therefore it is very important to review respondent behaviour from time to time, and for this reason, GKI also conducted a special survey to explore the respondents' intentions, motivations and behaviour patterns as was mentioned before.

In recent years, the number of economic information sources and the quantity of published information has increased throughout the world, including in Hungary. "Consumers" of economic information can now choose from a great variety. It is also possible to obtain a great range of empirical results using different methods. In that situation, what can we say about the end-users? Are business survey results really important to them? If one day we ceased publishing the results, would anyone take notice?[2] In order to get information about end-user habits and practices, GKI undertook a second ad-hoc survey with the aim of reviewing the opportunities for achieving better synchronicity between survey makers and the "consumers" of survey results. This included an online survey among participant companies of business surveys, organised interviews with representatives of governmental bodies and professional public, and also a media observation. On the basis of these surveys and interviews, the present study describes the opinions and attitudes of various end-user groups concerning Hungarian and international survey results.

1. Respondents and non-respondents

GKI approaches 5 200 companies (1 300 firms per sector) with legal status.[3] The basic forms of surveys are questionnaires, which are sent to the firms by post. In

[2] These worrying questions have occurred to other people, too. The European Commission has ordered an external evaluation of the Joint Harmonised EU Programme of Business and Consumer Surveys. In addition to other issues, the resulting evaluation focused on the social effects of surveying and the needs of end-users. In 2007, the OECD conducted a special survey on the dissemination practices of member states.

[3] The detailed description of survey activities in Europe can be found on the next homepage: http://ec.europa.eu/economy_finance/db_indicators/surveys9179_en.htm

2006, the possibility of online responding was offered as well. Since then a special area on the homepage of GKI can be reached to respond to business survey questionnaires.[4] On the basis of the average of 2001–2007, the response rate is the highest in the industrial sector (23–27 percent) and the lowest in the service and construction sectors (16–22 percent). These rates are significantly lower than the average of the EU (about 70 percent) and that of most European countries.[5] The Hungarian figures are similar to the response rates experienced in Greece. The low propensity to respond is in line with the Hungarian "habits". Other institutes conducting business surveys in Hungary have to face the same low response rate as well.

The responses received from business surveys are sufficiently representative in sectoral and regional terms, that is to say, the sectoral and the regional structure of the Hungarian economy does not differ significantly from the proportions of the sample. Nevertheless, this is not true for the size structure: small companies are less willing to provide information about themselves (so, they are generally underrepresented) than medium-sized and larger ones. As regards validity of research results, it is not necessarily negative since medium-sized and large companies are key in most segments of the Hungarian economy. The homogeneity of response samples is satisfactory also in terms of both company size and sectoral structure. This means that the internal structure of the samples shows a high degree of stability and therefore, when interpreting the results, it is not necessary to pay attention to effects related to changes in the sample structure. (The subdivisions of the corporate sector are more heterogeneous. In this field the requirements of the European Union are not too stringent; more emphasis is laid on stability than on representativeness. This approach is justified by the diversity of member states in terms of their economic structure, economic development level and size.)

An ad-hoc survey was conducted in order to explore the main features of respondents. The aims of this special survey were to learn more about responding behaviour and to obtain information on the background of non-response. From about 1 000 non-respondents of the industry and service surveys, 150-150 firms were approached by phone interviews. The random selection of the interviewees was ensured. The response rate of the survey was about 70 percent, as a result of the implemented method. Naturally, there are "hard core" non-respondents who refuse all invitations to data collection. It is very difficult to get any information about this group, and thus, the ad-hoc survey was not capable of learning more about them either. Nevertheless, on the basis of the results of phone interviews, it may be concluded that they consist of a relatively small number of managers. (See the figures of the "never" row in Table 2.)

[4] However, integrating modern IT tools into the process has not increased the propensity to respond.

[5] In most European countries, responding to government-sponsored business surveys is compulsory. This is not the case in Hungary.

Table 1

Position of respondents
(percent)

Position of the respondent	Number of employees				Industrial	Service	Total *N*=258
	–20	21–50	51–250	251–	companies		
Executive	83	70	55	61	76	65	70
Production, sales manager	–	3	8	4	5	1	3
Other middle manager	17	19	26	35	16	28	22
Employee	–	5	11	–	2	5	4
Whoever has enough time	–	3	–	–	1	1	1
Total	*100*	*100*	*100*	*100*	*100*	*100*	*100*

As Table 1 shows, it is mostly an executive who takes part in the business tendency surveys within the company. This refers to a high reliability level of the answers, even if we take into account that the respondents sometimes reflect the company's "official" position in their answers rather than giving their personal opinions.

Table 2

Breakdown of respondents by the frequency to answer the questionnaire
(percent)

Frequency to answer the questionnaire	Number of employees				Industrial	Service	Total
	–20	21–50	51–250	251–	companies		
Usually	62	57	53	65	44	68	56
Sometimes	36	35	32	35	43	27	35
Never	2	8	15	–	13	5	9
Total	*100*	*100*	*100*	*100*	*100*	*100*	*100*

According to our ad-hoc survey, the presumed response ratio is much higher in services than in industry and slightly higher in small and large companies than in medium ones. Furthermore, the response ratio increases from West to East within the country. In light of the actual response rate, small service companies state that they answer the questionnaire more frequently than they actually do.

There are many explanations why companies did not answer postal or online questionnaires. Losing the questionnaire, forgetting to answer and considering questions as relating to confidential information are reasons that randomly appear in the sample and they usually do not have a substantial impact on the final statements of the survey. Other reasons for non-response can bias the results (sometimes extremely). For example, such situations occur when dominant companies in a sector hide their intentions, or when companies in an unfavourable business situation are afraid of losing their reputation by answering our questions, even though potential respondents are assured of the confidentiality of their answers.

In the telephone interview we also asked about the possible causes of occasional non-responses. The results are depicted in Figure 1.

Figure 1. Share of respondents by the possible causes of occasional non-response
(percent)

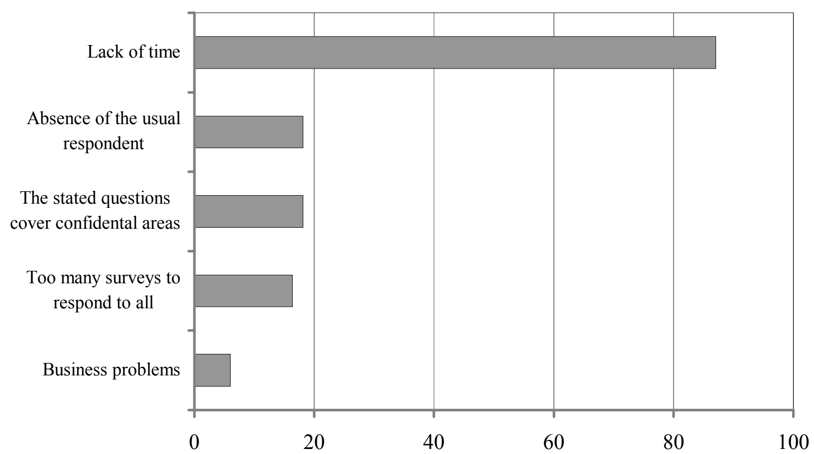


Table 3

*Share of respondents by the possible causes of occasional non-response**
(percent)

Cause of non-response	Number of employees				Industrial	Service	Total**
	–20	21–50	51–250	251–	companies		
Lack of time	92	92	95	81	90	84	87
Absence of the usual respondent	15	8	14	12	25	11	18
The stated questions cover confidential areas	4	17	14	–	15	22	18
Too many surveys to respond to all	12	17	14	25	16	16	16
Business problems	4	8	9	–	7	6	6

* It was possible to give more answers, so the sum of the frequencies can exceed 100.
** Total numbers contain answers of firms with unknown employment figures.

The most common cause of non-response is the lack of time, which is thought to modify the results only to a small extent (companies with business problems are few in number). However, nearly one-fifth of the companies refuse to responding because of the problem of confidentiality. Fortunately larger companies do trust GKI, but this only reduces and not eliminates the risks. As the data in Table 3 shows, there are no large companies that refuse to answer referring to confidentiality.

2. Dissemination process of business survey results

Before presenting the most important results of ad-hoc surveys conducted among end-users, it is useful to show the most relevant features of GKI's dissemination activity. The following four primary dissemination channels are employed.

1. Monthly reports on sectoral expectations. These are 8–10-page reports containing a detailed description of the prospects of the various economic sectors (industry, construction industry, retail trade and the service sector). They include a short summary, the description of survey characteristics, detailed survey data, descriptive interpretation of the results and (if appropriate) statistical information on the particular sector. The reports include forecasts produced by the GKI on some key economic indicators (for example GDP-generation, the output of various sectors, inflation, exchange rates, etc.). The reports are also sent to survey participants (respondents) and to subscribers.

2. Press releases. Two separate press releases are disseminated, one on the results of the consumer survey and one regarding the GKI economic sentiment index and its components (consumer and business confidence indices). These are 3–4-page documents containing charts and data. The sentiment index also includes our prognosis for the various industries. These releases are available on the GKI website and sent directly to subscribers of our newsletter (subscription is free of charge). GKI press releases are regularly published by the Hungarian News Agency Corporation (MTI) too. The agency usually adds it own comments to the findings. These reports tend to be shorter than the original GKI press release, focusing on certain parts of the document. The MTI reports become the basis of many other pieces of online news appearing primarily on news sites.

3. Based on the survey results, GKI analysts make regular statements to the media, especially on radio and in the printed and online business press. In these interviews, they try to help the public to understand the survey results and to give an international overview.

4. The GKI website contains a "Business cycle research" section where we publish the detailed database of business and consumer surveys, including both seasonally adjusted and unadjusted data. It also includes an analysis of the methodological aspects of the research that is primarily destined for analysts. This type of publication is updated on a periodic basis.

3. Evaluations and overviews of end-users

In order to obtain information on the real needs and attitudes of end-users in Hungary, we conducted a further ad-hoc research. Table 4 summarises the main target groups of our business tendency surveys and the methods employed.

Table 4

Ad-hoc research in the circle of end users

Target group	Method
Participant companies of business surveys	Postal questionnaires, online survey
Governmental bodies	Personal interviews
Media	Media observation
Professional public	Online survey and personal interviews

The most important topics of the survey are as follows.

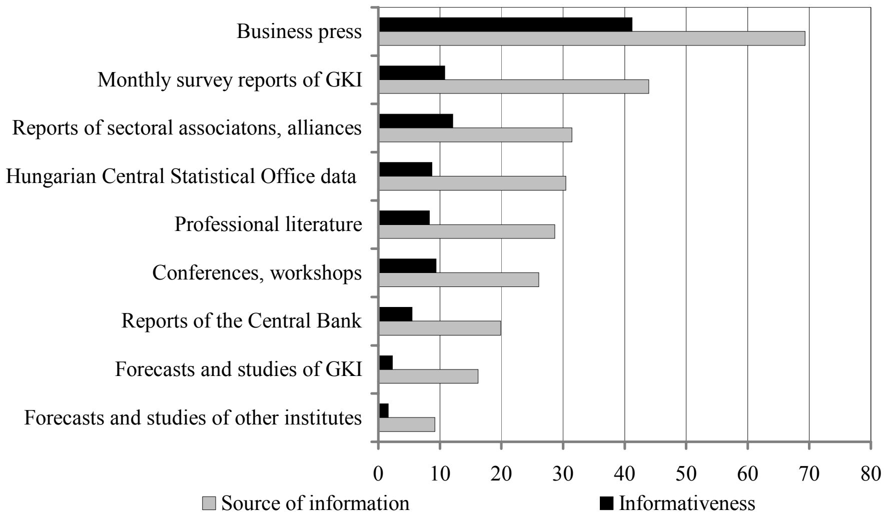
Do end-users get our messages?
Are they interested in the survey results?
Are the dissemination channels effective?
What is the opinion of end-users concerning survey result reports?
What are their suggestions and recommendations?

In the next four subsections, we present the most interesting experiences of this investigation.

3.1. Responding businesses

In order to examine the attitudes and opinions of businesses (concerning the dissemination of survey results), some additional questions were added to the questionnaire sent to regular respondents of our monthly business tendency surveys. The company's partners will automatically receive the report once they have returned our monthly questionnaire, so it is assumed they are familiar with these reports. Their opinion is obviously important, as the quality of our reports can affect their willingness to respond. 785 completed responses were received under this survey. The sample consists of industrial companies (31%) retail trade companies (25%), construction companies (23%) and businesses operating in the service sector (21%).

Figure 2. Information sources used by companies and their informativeness
(Percent of respondents)



Let us first examine the importance, for respondent businesses, of business survey results amid "a sea of information". Of the respondents, 44 percent reported that the GKI's monthly business tendency surveys (BTS) provided them with regular industry-based information. On the one hand, it means that their majority do not treat our results as a source of information. On the other hand, however, it certainly shows that almost half of the firms do. Comparing this rate to that of the other sources quoted, they are only preceded by one other source in terms of relevance for individual businesses: 69 percent of respondents reported that they use the business press as a regular source of information. The press can obviously provide more detailed, broader and more diversified information on a great many subjects. Under such circumstances, the 44-percent rating appears to be a relatively good result, especially as 85 percent of the respondents reported that at least one of their employees regularly viewed these reports. The third and fourth most important information sources are the reports of trade associations and alliances and the Hungarian Central Statistical Office.

Table 5

Information sources used by companies on a regular basis
(Percent of respondents)

Information source	Less than 20	21–50	51–250	251–1000	More than 1000
	employees				
Business press	58	72	74	90	88
GKI monthly reports about sectoral expectations	46	46	40	36	12
Reports of sectoral associations, alliances	33	32	28	41	50
HCSO data	25	29	30	51	88
Professional literature	27	25	31	49	25
Professional conferences, workshops	22	28	26	44	10
Reports and analysis from the Central Bank	13	19	29	23	37
Average number of sources used	2,2	2,5	2,6	3,3	3,1

Based on the facts discussed formerly, it is concluded that the business survey results of GKI are considered useful by our regular respondents. Behind the total rates, there are significant differences among sectors and size groups (based on employee number). As Table 5 shows, small and medium-sized enterprises find GKI business survey reports more useful than big companies do. Members of the latter group view the business press, statistical data, industry and central bank reports, as well as trade literature to be more relevant for their purposes than business survey reports. This should not come as a surprise though, as large companies tend to operate in broader markets than smaller ones. Businesses with a staff of over 1 000 generally have specialised departments for information collection and analysis. At the same time, small and medium enterprises have fewer human resources, so they tend to use fewer and "easier" information sources. Fifteen percent of businesses with less than 20 employees consider our reports as the single most informative source of information, as opposed to businesses of over 1 000 employees, none of which indicated the same. One fifth of businesses specializing in construction treat GKI reports as their most informative source of information. The equivalent rate is 7 percent for both the industrial and retail sectors, while 12 percent of all service-geared businesses rated the GKI as their top choice for information.

The picture differs again as far as the informative nature of the various data sources is concerned. While the GKI's sector-based monthly survey reports lag behind the business press and the reports of sectoral associations and alliances in terms of informativeness, businesses use GKI-information more often than studies published by other organisations and institutes. Next, we examined the utilisation of survey reports by the responding companies. In order to analyse this, they were first asked about the number of their employees following the survey reports on a regular basis. It was found that while in most cases (72%) at least two employees read our studies with some regularity, more than four persons were reported by 7 percent of respondents. A higher number of readers are reported in particular by companies of over 250 employees (the average value of the sample is close to 5). The monthly reports issued by GKI tend to be read mostly by senior (84%) and mid-level managers (38%).

Respondents were also asked to rate the GKI business surveys on a scale of 1 (poorest) to 5 (best) for clarity, relevance and novelty. There were significant differences in the judgement of these factors. We received the best average rating (4.4) for clarity. According to our respondents, the surveys are highly understandable: 92 percent of businesses consider that they are good or excellent from that respect. Our reports on industry tend to be slightly less intelligible, however. That is probably because most industrial sectors are considered in these reports so industry reports are lengthier compared to those on other economic sectors.

Finally, we asked our respondents about the extent to which their personal expectations are similar to the expectation summaries published in monthly survey reports. Of them, 91 percent responded that the published results are, on the whole, similar to their own expectations. The ratings of construction-industry businesses exceeded the average: 95 percent of them reported that the results are, in most cases at least, similar to their own expectations. It was found that the larger the company, the less it would find BTS results a true indicator of their own perceptions.

3.2. Government bodies

In Hungary, two main government organisations responsible for the various aspects of economic policy are the Central Bank and the Hungarian Ministry of Finance. Both are regular users of the results of GKI's business surveys. In order to examine their opinion and attitudes vis-à-vis the dissemination of survey results, we interviewed the representatives of these institutions. Our main experiences are set out in the following.

At the Central Bank, the business and consumer survey results from GKI are read on a regular basis. This institution provides financial support to our research. At the Central Bank, our dataset is not adopted for regular (modelling) calculations but is taken into account for various purposes. Survey results are used as a tool to obtain information on business cycles, and they are normally downloaded from the website and/or directly ordered from GKI.

The survey indicators from GKI are regularly featured in two central bank publications available at the Central Bank website:

> Each month, the Central Bank publishes a "Chart-pack" on recent economic and financial market trends, which is a sort of economic review. These publications regularly show the re-weighted version of the consumer confidence index.[6]
>
> The quarterly "Report on Inflation" series contain consumer and sectoral business confidence indices. In addition, the Central Bank also publishes data concerning capacity-utilisation in the industrial sector.

The Central Bank regularly takes into account and issues the business climate indices of IFO (Institute of Economic Research, Germany) and the European Union (European Commission – Euro Area Business Climate Indicator (EABCI)).

Experts of the Central Bank are generally satisfied with the dissemination process (accessibility, actuality and the method of dissemination) as well as with the content of GKI analyses, which are mostly reported to live up to their requirements.

Analysts at the Ministry of Finance regularly follow the GKI results with attention. GKI survey results appear each quarter in the Quarterly Monitoring Report of the Ministry. The reports include a description and even a graph on the evaluation of the Hungarian and European Union indices. Experts in the Ministry of Finance use GKI's business and consumer results because they find them one of the most reliable ones available in Hungary, they excel in assessing the prospects and attitudes of businesses and Hungarian consumers. However, the organization cannot rely on GKI reports alone. While they consider our construction-industry analyses to be the most useful one, they point out that the indices pertaining to other sectors are only appropriate for the assessment of the current situation rather than for future forecasts. Apart from the confidence indices, they use and publish the limits-to-production factors in the construction industry.

Strengths of the survey include up-to-dateness and its relatively long historic data series, two aspects clearly quite important for analysts. Among the drawbacks, they mention the relatively low rate of response compared to the IFO surveys. While the analysts receive the results mostly through the web, rather than directly from the GKI site, they download international data series from the European Commission website. In addition to the Hungarian IFO survey results, EU aggregate data series are normally also analysed at the Hungarian Ministry of Finance. The main information sources used for economic forecasting include the Hungarian Central Statistical Of-

[6] The re-weighted consumer confidence index takes into account GKI survey sub-indices of the highest correlation with the time series of household consumption expenditure. For more details see *Vadas* [2001].

fice, the Central Bank, the Hungarian and international literature, and finally the Eurostat and the OECD. The latter two are considered to be the most reliable sources according to the answers.

In Hungary only a small group of analysts are deeply interested in the data series concerning economic expectations. These experts, however, are familiar with the survey results and methodology, regardless of the dissemination process. Anyone wishing to increase the popularity of the surveys in Hungary therefore faces a challenge. Further improvements in terms of online dissemination were suggested, and up-to-date and international data would be welcome on the GKI's homepage.

3.3. Media

Although the GKI has its "own" distribution channels (e-mail newsletters and reports sent to respondents), it is obvious that without the help of the media, the dissemination process of survey results cannot be really effective. While the media represents a great potential, it can certainly cause problems, too.

Its first and most important requirement is accuracy. Besides, we have taken into consideration other aspects in the publication of the BTS results in order to reach a wider audience. The interest factor and the clarity of information are also key elements in this process. However, accuracy and interest sometimes get into conflict. This will typically occur in the following situations.

Changes in trends are often too small or are within the margin of error. Unchanging trends are less interesting to the media and are less likely to attract readers' attention.

Monthly fluctuation sometimes contradicts long-term average trends. When communicating the results, one has to decide whether a change in trends is a real turning point or just temporary.

There is a strong demand for publishing regional data for the regional press. Results, however, are inaccurate at that level of Hungary due to the small sample. Despite the existence of considerable demand, we gave up publishing regional data concerning the consumption confidence index after a few years.

Some of the studies emphasise advantageous or disadvantageous trends based on their authors' political views rather than on the basis of objective economic processes.

In the GKI publications of business and consumer survey results, new trends are often highlighted in the headline (for example the index has reached a record peak for the year; however, it is still below the value of two years ago) in order to attract more media interest. Within the main body of the text, however, every effort is made to provide balanced information and put the data into context.

Table 6

Hungarian business and consumer survey results in the Hungarian media by source organisation
(Percent of respondents)

Source	Written Media	Radio and TV
GKI (Business and Consumer Tendency Survey)*	56	46
GfK (Hungary Consumer Tendency Surveys)*	21	15
KOPINT–TÁRKI (Business Tendency Survey)**	5	18
Ecostat (Business Tendency Survey)***	18	21
Total	*100*	*100*

* Monthly data.
** Quarterly data for industry, construction industry and retail trade.
*** Limited survey.
Source: Observer–GKI analyses.

As it was mentioned formerly, GKI press releases are also regularly carried by MTI.

Two major economic dailies are published currently in Hungary. Both regularly bring out Hungarian business and consumer results. The articles include descriptions focusing on the novelty of the trends. Most of them lack any graphs yet they sometimes show the long-term trends of the GKI confidence index. Major Hungarian weekly economic magazines do not publish the survey results due to their short-lived interest. The reports are sometimes also picked up by the general daily press. In the latter case, the content and length of the articles tend to depend primarily on their relative interest compared to concurrent political or economic events.

In general, it can be concluded that the media in Hungary is interested in the evaluation of companies' and consumers' expectations. While they often publish the results, their interest span tends to be rather short-lived. Journalists do not care about the methodology, deeper analyses or the understanding of the whole procedure. In the nineties, when the GKI started the research, we published several studies about the methodology. Today, experts are familiar with the survey activity of the European Commission and the methodological background, which is not true of journalists.

Some international survey results are also published by the Hungarian press. That is not surprising, Hungary is a relatively small country with an open economy and thus, international trends need to be closely observed.

The composite indices most frequently cited by the Hungarian media focus on the US economy. The reason is quite obvious, the US is the world's largest single economy. Since the outbreak of the sub-prime mortgage crisis, the media has paid more attention to American data than before. The IFO and ZEW (Centre for European Economic Research) indices are also popular in the Hungarian press, forasmuch as Germany is the country's most important trade partner. Remarkably, however, the business climate index of the European Union rarely makes it to the news.

Table 7

Publication of foreign composite indices in the Hungarian media, 2007
(Percent of respondents)

Denomination	Printed Media	Radio, TV
Germany – IFO	20	13
Germany – ZEW	19	1
USA	30	29
European Union (EABCI)	2	14
Other	29	43
Total	*100*	*100*

Source: Observer–GKI analyses.

3.4. Professional public

It has been mentioned formerly that we also tested the trade public through a special questionnaire (sent by e-mail attached to our regular newsletter) as well as interviews with expert analysts. This sub-section is a summary of the most important findings revealed by the combination of the two methods.

Nearly all respondents (91%) are interested in receiving the monthly reports from GKI about business and consumer expectations: 33 and 58 percent, respectively, of our professional customers pay regular or occasional attention to these reports. While this may seem rather self-evident, being subscribers to our e-mail newsletter, the latter is not true of the majority of the interviewed experts who still tend to pay attention to this type of information.

Our messages get across to the professional public through different channels. The most important one is our e-mail newsletter (92 percent of respondents receive information in this way), the Internet is the second most important channel. A majority of respondents view the GKI website (or other sites carrying business news), either on a regular or occasional basis (24 and 40 percent respectively). Printed business dailies and radio/television were reported by 25 and 23 percent, in the order given. Those who pay attention to business and consumer survey results on an occasional basis only reported sourcing information from the electronic media (radio and television) and the printed press with significantly higher frequency than those who regularly follow our reports with attention.

Our ad-hoc surveys results reveal that members of the professional public are, in general, better informed than the participants of our monthly surveys. Respondents in our business surveys obtain information regularly from 2.5 sources, that is to say the "average respondent" has reported paying attention to two or three types of information sources. The equivalent average value among representatives of the professional public is almost four.

Almost all members of the latter group regularly read the business press (Internet or printed). The relevant rate among the responding businesses is 69 percent. However, there is a bigger difference between these two groups as far as the use of statistical data is concerned: 30 percent of the survey participants use that source of information, while the equivalent rate among the representatives of the professional public is 62 percent. A noteworthy correlation exists between the use of statistical and that of survey data: users of survey data also tend to follow statistical information with closer attention than those who do not use survey data.

For the professional public, the forecasts and other studies of GKI are slightly more popular than reports only containing survey results. The dissemination of survey results is one of the most important activities of GKI, obviously not the only one. According to the responses to our ad-hoc survey, this is acknowledged by the professional public. So, let us summarize the results: for our regular business respondents, GKI's monthly survey reports are the second on the list of the most important information sources, whereas they are only fourth on the lists of professional respondents.

As far as the information value of our survey reports is concerned, there is no reason to be dissatisfied. The professional public seems to have passed a fairly favourable judgement. Representatives of this group view our survey result reports as their third most informative source of information. This opinion is not far from that of our regular business respondents.

Similarly to the responding businesses, subscribers to our newsletter were also asked to rate our surveys on a scale of 1 (poorest) to 5 (best) with regard to clarity, information value and novelty in general. The results are very similar to the summarised ratings of regular business respondents. The clarity of monthly reports received the best rating: the average mark is 4.3, with some marked differences among the factors. We received lower ratings for the novelty and relevance of information factors. Here, the average marks were 3.9 and 4.0 respectively. These latter evaluations were better than the ratings given by regular business respondents.

Figure 3. Information sources used by the professional public on a regular basis and their informativeness
(Percent of respondents)

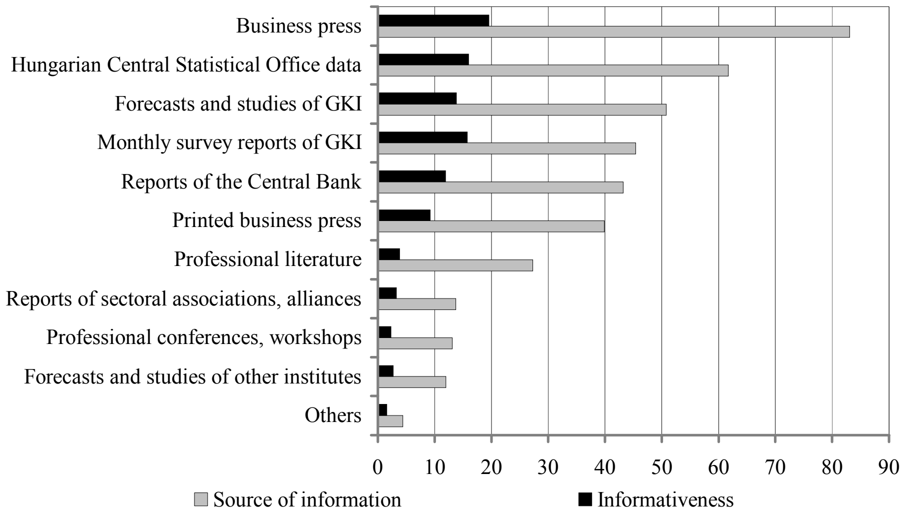
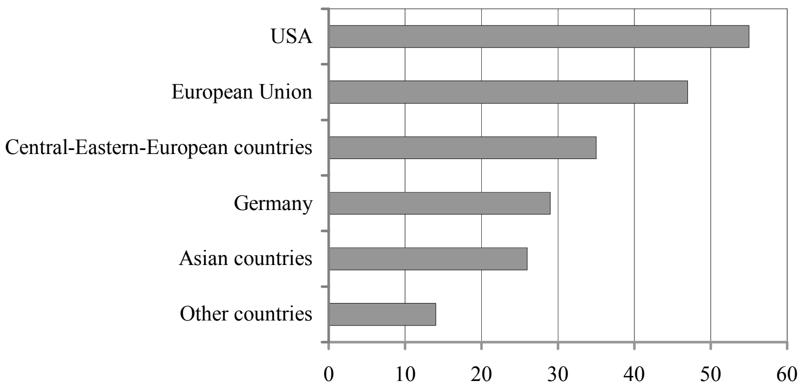


Figure 4. The composite indices of geographical units paid attention to by professional public
(Percent of respondents)



Comparing the data in Table 7 and Figure 4 you can evaluate the “supply” and “demand” of foreign composite indices. The US ranks first in both lists. There is, however, a significant difference as far as the European Union is concerned. In spite of the sporadic appearance of the EABCI in the news carried by the Hungarian media, it is found highly relevant by representatives of the trade public. The indices pertaining to Germany and the surrounding countries are also regarded as interesting to Hungarian experts and analysts.

4. Conclusions

In our paper two important factors of business survey activity were examined: the behaviour of responding companies and the need of end-users. In order to learn more about these two topics two special surveys were conducted. The first one was carried out among non-responding firms. Its most important consequence is that majority of Hungarian companies do not have any fundamental rejection of business surveys, the rate of "hard core" non-respond can be estimated nine percent. Sixteen percent of companies have concerns about the confidentiality of the survey. The other ad-hoc survey has given a picture about the opinion and the needs of consumers of survey figures. In Hungary, there are strong competitors to GKI on the survey market, all fighting for the attention of end-users. This situation is typical not only of Hungary, as "Business Climate Indicators are less frequently used at the national level, because they face strong competition from alternative products (*EC* [2006] pp. 36–37.)". The various end-user groups have significantly different requirements. The media are after "big news" and reports in the press are often superficial. The trade public needs more detailed data and international comparisons. Survey reports are more relevant for small and medium-sized firms than for big companies.

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