



## Steering Committee Meeting

Webinar Meeting, March 17, 2011

**Present:** George Avlonitis, Gerrit Van Bruggen, Gabriele Troilo, Veronica Wong, Udo Wagner, Hubert Gatignon, Gary Lilien, Nina Payen

### **AGENDA**

#### **1. Minutes of previous meeting - October 2010, Brussels**

#### **2. Progress report**

- 2.1 EMAC 2<sup>nd</sup> Journal - Progress Report – Hubert Gatignon
- 2.2 EMAC Electronic Resource – Hubert Gatignon
- 2.3 Elections
- 2.4 Financials – Gerrit Van Bruggen
- 2.5 Membership – Udo Wagner
- 2.6 Conferences & Doctoral Colloquium – Gabriele Troilo  
KAMS Proposal for 2012
- 2.7 External Relations – Gary Lilien  
EMAC-McKinsey Marketing Trends Survey
- 2.8 In memory of Susan Douglas

#### **3. Misc**

#### **4. Date and time of next meeting**

- Ljubljana, May 24, 2011 – 10.00 – 12.00
- Brussels, October 27, 2011 – 16.00 – 18.00

## ACTION POINTS

<b>Actions</b>	<b>Who</b>	<b>When</b>
Nina to inform winners of the Marketing Scholar Award of the conference fee	Nina Payen	When sending to the winner the details of the conference – April
<b>EMAC Electronic Resource</b> To keep as a point on agenda for next Executive Committee Meeting in Ljubljana	Nina Payen	Immediate
<b>EMAC Electronic Resource</b> Decision Go/Stop at Next Executive Committee meeting	Hubert Gatignon	Executive Committee Meeting in Ljubljana
<b>New officers at EMAC</b> As a policy to invite new officers on board the Steering committee and Executive Committee t	Nina Payen	For next Steering and Executive Committee meetings in Ljubljana
<b>Financials</b> Gerrit will make a proposal/projection for increased membership fee and impact on EMAC finances	Gerrit Van Bruggen	For next Steering Committee in Ljubljana
<b>Membership Fee</b> The membership fee to be included for the 2013 conference will be 125 Euros. (This fee would apply for the membership fee for 2014).		To be approved by the Executive Committee
<b>EMAC Future Conferences</b> - For 2013 Conference: Gabriele to negotiate the increase of contribution from 10.000 Euros to 15.000 Euros - For 2014 Conference: Contribution to 40.000 Euros	Gabriele Troilo	
Membership fee to be included for the 2013 conference will be 125 Euros. (This fee would apply for the membership fee for 2014).		To be approved by the Executive Committee.
<b>EMAC-ANZMAC</b> Veronica to set up a ‘lunch meeting’ at the EMAC Conference	Veronica Wong	Immediate
<b>External Relations</b> To make the section on ‘Practice Prize’ more visible on the EMAC website. Nina to send to Gary the current text	Nina Payen	Immediate
<b>EMAC-McKinsey</b> Set up of 3-4 focus groups at the	Gary Lilien/Nina Payen/Peter	Immediate –set up focus groups at Conference in

Conference in Ljubljana To involve Executive Committee members/Steering Committee, EMAC fellows and EMAC Young Scholars	Leeflang	Ljubljana
<b>Awards</b> Naming the 'Distinguished marketing Scholar award after Susan Douglas To leave the decision to the Award Committee At Conference Award Ceremony - to announce next year's 'Susan Douglas Award'	Veronica Wong/Gilles Laurent	
<b>Meetings at EMAC</b> - Steering Committee meeting – Meeting on the 28 October in Brussels - Executive Committee Meeting – No executive Committee meeting in October in Brussels – to announce at Executive Committee in Ljubljana	Nina Payen  Veronica Wong	

## MINUTES OF MEETING

The EMAC President Veronica Wong welcomed all members and opened the webinar meeting.

### 1. Minutes of Meeting – Copenhagen, June 2010

The minutes were made

One point was raised and approved: the winner of the EMAC Distinguished Marketing Scholar Award would pay their conference registration fee. Nina will inform them.

*Annex 1: Minutes of Steering Committee – October 2, 2010, Brussels*

### 2. Progress Report

#### 2.1 EMAC 2<sup>nd</sup> Journal

Hubert Gatignon, VP Publications, reported on the progress of the 2<sup>nd</sup> Journal. There was no good news to share as the search of the editor was not very successful up to now. There were a few new names; all potential candidates were contacted, but unfortunately it did not work out. This is quite disappointing. There were not many responses to the 1st call for nomination. However Hubert is confident that the committee will identify a person for this position, but he cannot estimate the time and hoped he will be able to announce someone at the May meeting in Ljubljana. The search for editor has been a tougher task than anticipated. However he reassured the members that the process is not behind schedule. Though there is no firm name yet, he is confident that the committee will come up most probably with some other names. The reason for the difficulty in finding an editor might be that the task of 'founding editor' is perceived as a difficult task. He also reminded that the search of the editor of the 2<sup>nd</sup> Journal has followed a bit of a different procedure. Usually the 'founding editor' is a member of the committee. As such he is a 'stakeholder' in the journal and consequently becomes the 'founding editor'. This is not the case in this

present situation. To a question about sending out another call for nominations, Hubert is against it as it might send a 'wrong' signal. Hubert will report on the progress at the next steering committee meeting in Ljubljana.

## **2.2 EMAC Electronic Resource**

The news regarding the EMAC Electronic Resource is not good either. Torsten Hennig-Thurau was supposed to report on the progress on the electronic resource at the last meeting, but was unfortunately not present; he is still expected to report at the next meeting in Ljubljana. Hubert did not hide his disappointment and indicated he is somewhat pessimistic about this project.

If there is no progress done and reported at the May meeting, then the steering committee would need to take the decision to stop the project. It was suggested to know in advance so as not to go into further discussions about the electronic resource. Udo Wagner indicated that this project has not been a good runner since its inception. Hubert indicated that Torsten knows that if no progress is made, the project will be dropped. He added that Torsten has been given a mandate and EMAC steering committee owes him that. For the moment there is no financial implication, only the financial support to Manfred Krafft for the maintenance of the resource.

The decision was made to stop the project if there is no progress made.

Veronica Wong concluded on this point mentioning that unless EMAC has an energetic champion to drive this project, it is not going to work. She also raised the question of the content of the electronic resource and how to handle it, in the eventuality of the project being stopped.

Hubert added that EMAC can learn a lesson from this - it is one thing to have a strategy/ a project that is appealing to the members, but it needs also to have a champion, otherwise the project will not be successful.

## **2.3 Elections**

The 1<sup>st</sup> round of the elections has gone smoothly and on schedule. There are a few positions where there will be no ballot as only one candidate accepted his nomination. Consequently he/she is automatically elected. Veronica suggested as a matter of policy to invite the new elected officers to the next meetings in Ljubljana – the vice-presidents to the Steering committee meeting and the new national representatives to the executive committee. A short discussion was engaged on the nomination process. The person who nominates someone for a position should seek his approval. Gabriele mentioned that every EMAC member can nominate. The text for election should be improved for the next elections. It should also include a nomination form whereby the nominees have to accept to stand for elections.

Veronica congratulated Udo Wagner for his election as next President-Elect. All members joined in congratulating Udo.

Sönke Albers has also been elected as the next V.P. Publications.

Veronica thanked Marion Hebbelynck for taking care of the EMAC election process.

## **2.4 Financial Situation**

Gerrit Van Bruggen, EMAC treasurer, has visited the Brussels office for an audit of the EMAC accounts in view of a better understanding of the situation. He reported that the visit was very useful. He indicated that EMAC is experiencing a significant loss due to the following reasons:

- Higher expenditures for IJRM
- Higher sponsoring expenditures PhD student membership fees

- Higher expenditures secretariat (EIASM)

He has made a projection for 2011-2015 (table in attachment).

EMAC is in an unhealthy financial situation and expectation for coming years shows a further growth of the deficit due to

- Lower income due to VAT
- Further growth of sponsoring expenditures PhD student membership fees
- Further growth of expenditures secretariat (EIASM)
- Support 2<sup>nd</sup> journal
- Regional conferences
- Limited possibilities to recover VAT (at expenses side)

Some corrective actions, as George mentioned, have already been taken, such as the decrease in bursaries. He also indicated that the EMAC Fellows had formed a task force to think and propose a new business model to improve the EMAC financial situation.

Gerrit pointed out that there are 3 ways of dealing with this issue:

- increase the membership fee
- decrease the subsidies to PhD students
- in 2013 to increase the fee to cover for the EMAC 2<sup>nd</sup> journal or members to pay a fee for the 2<sup>nd</sup> journal.

Gabriele mentioned that there is also an increase in the contribution from the conference host. It is currently 10.000 Euros for the 2013 conference. However Gabriele will try to negotiate a contribution of 15.000 Euros. The contribution for 2014 conference was agreed to 40.000 Euros.

Question was raised on whether Valencia (for 2014 conference) has agreed on this 40.000 Euros contribution. Gabriele confirmed that there is no agreement so far with Valencia, but he will start the discussion with them very shortly.

Gerrit also mentioned that EMAC has approx 300 'loyal' members, that is people who become members without attending the conference. But it is evident that EMAC is highly dependant on conference attendance. Hence another suggestion to increase membership would be to increase conference attendance.

Gerrit also stated that for the moment EMAC is dipping in its reserves to subsidise for example the 50% discount on membership fee for PhD students at the conference. Gabriele pointed out that one of EMAC missions is to promote the doctoral education and PhD research. In cutting on the subsidies for PhDs, EMAC is not in line with its mission. Gerrit recognized that this might be the case but EMAC has to be realistic and needs to have the revenues to be able to support all these initiatives.

Veronica added that EMAC still has this mission, but needs to question whether this mission is sustainable in the current financial circumstances. Unless EMAC increases its revenues, it will not be able to sustain the model.

EMAC is facing an unhealthy difficult situation and should think about the changes to make.

Given the extraordinary situation, Veronica proposed to increase the membership fee to 110 Euros in 2013. Gerrit indicated that in spite of this, EMAC will still face a deficit. He would suggest to increasing it to 125 Euros. He proposed to come up with a projection with different scenario.

It might be more appropriate to increase the fee in 2013 as it would then correspond to the launch of the 2<sup>nd</sup> Journal.

In the short term, decision needs to be taken on the subsidies for PhD students. At this point Hubert indicated that the EMAC investment for the PhD students is not huge as it costs only 5 Euros per student

and this investment is worth it if these students become loyal members. It would be interesting to know the 'conversion rate. For example what is the 'loyalty' of the Doctoral Colloquium students?

Gabriele pointed out that the fee for the 2013 conference should be fixed as the contract is to be signed in May in Ljubljana. The question was raised on whether this 'signature' could be postponed until decision on the fee is taken. It was suggested to sign the contract with the conference fee, but leave the membership fee open between a range of 90 € to 120/135 Euros. Gabriele insisted that the decision should be taken now in order to make things clear for the 2013 conference host. Hubert indicated that a 30% increase is quite substantial. After a short discussion, it was then decided that the membership fee to be included for the 2013 conference will be 125 Euros. (This fee would apply for the membership fee for 2014). This needs to be approved by the Executive Committee.

Gerrit will make a projection for EMAC financials with the increase membership fee and will share it with the Steering Committee before the May meeting.

It was also decided that the new V.P. Membership needs to look into the conversion rate for the subsidies given in terms of membership loyalty.

Udo Wagner shared his concern that an increase in membership fee might have a negative impact of the number of members.

To summarise, the following decisions were taken in an effort to improve EMAC financial situation:

- Gabriele will try to negotiate an increase in the conference contribution from 10.000 to 15.000 Euros for the 2013 conference.
- Contribution for 2014 conference was agreed to 40.000 Euros
- Decision for an increase in the membership fee to be included in the 2013 conference at 125 Euros was approved. (This fee would apply for the membership fee for 2014). This needs to be approved by the Executive Committee. Gerrit will make a projection for EMAC financials with the increase membership fee

*Annex 5: Report from Treasurer*

*Annex 6: Budget estimation 2011-2015*

## **2.5 Membership**

Udo Wagner, V.P. Membership reported on the membership situation. He was pleased to report that the situation is positive. In 2010 EMAC had 1018 members. The projection for 2011 looks promising as the membership (figures at 15 March 2011) is already 1009 members.

*Annex 6: EMAC membership situation*

## **2.6 EMAC Conferences**

Gabriele Troilo reported on EMAC conferences. No major issue was reported.

- The 2012 conference in Lisbon: Paolo Rita is working on the budget estimation.
- The 2013 Conference in Istanbul: based on the earlier discussion, Gabriele will inform the conference host about the contract to be signed in May in Ljubljana and will try to negotiate the increase in contribution, and will inform them about the increase in membership fee.
- 2011 Regional conference in Romania: Call for a paper has gone out. Hopefully the conference will bring in more members.
- Thematic Conferences: Gabriele is trying to push some thematic conferences – some spin offs of the SIGs. It is noted that the SIGs are now well established. He has been in contact with the authors of 3 SIGs and is trying to turn the SIGs into thematic conferences, hopefully for 2012.

- 2014 Conference in Valencia: Valencia has shown interest in hosting the 2014 conference. Gabriele will now move forward the discussion with the Valencia people.
- Doctoral Colloquium is going on smoothly. The Doctoral colloquium is now well established and had acquired a good reputation in the academic arena. The fee for the Doctoral Colloquium has remained stable and should remain so.
- The EMAC-ANZMAC initiative is going well. The proposal was made to support a 'best student' for the ANZMAC Conference in the future.
- BIGMAC: The BIGMAC is underway, but there has been some delay, mainly due to relationship issues with John Rossiter. Things have not been as smooth as they should have been. However this is not a major concern. The relation is much dependant on the Chair and efforts and approach toward the conference host.

And lastly a meeting needs to be set with Ken Deans from ANZMAC. Veronica will set up the meeting.

*KAMS proposal for 2012:* A proposal was made for an EMAC-KAMS joint symposium at the COES, Seoul, Korea on July 19-22, 2012. The hosts will be jointly EMAC and KAMS as well as the chairs. The EMAC Co-chair will be responsible for the review process of submissions from EMAC members and the KAMS co-chair will be for submissions from KAMS members. There will be no financial liability for EMAC regarding this joint symposium.

## 2.7 External Relations

Gary Lilien reported on the EMAC External Relations activities

- *EMAC-McKinsey Dissertation Award:* The EMAC McKinsey award is running successfully in its 3<sup>rd</sup> year. Last year, in addition to the special session and competition, there was a sponsored cocktail That arrangement will continue this year. Hubert Gatignon, EMAC VP Publications, is again chairing the selection jury. There were 58 submissions this year.

Gary pointed out that there is a switch of people in the McKinsey team, but this does not affect the relationship. The McKinsey team is very good, very professional and well organized.

- *Link with MSI-Informs Society for Marketing Science (ISMS) Practice Prize and Videos*  
EMAC is a formal sponsor of what is now the Gary L. Lilien ISMS-MSI Practice Prize EMAC has supported the award and associated video production for an amount of US\$5000 or 3600 euro every second year. Gary will negotiate the sponsorship to 2000 Euros. Gary also suggested to keep the sponsorship in the budget every 2 years. This is already in place. The Practice Prize should get fair visibility on the EMAC website. Nina will make the link more prominent on the EMAC website and he will send an updated text.

- *Link with the Australian and New Zealand Marketing Academy (ANZMAC).*  
EMAC and ANZMAC run a joint symposium (BIGMAC) concurrent with every third EMAC conference and every third ANZMAC conference.

- *Further Links with McKinsey*

EMAC is in the process of developing a deeper connection with McKinsey that will begin with a survey on research needs and priorities. The idea is for McKinsey to understand the 'theoretical' aspect of marketing and for EMAC to have a better understanding of practice. The findings of the survey will be presented in a forum. This could take the form of a follow-up study.

In the short term, McKinsey would like to see the EMAC –McKinsey ventures in

- Publications in leading business journals (e.g., McKinsey Quarterly)
- Publishing in reputable publications (Financial Times ...)
- Joint workshop/mini conference with EMAC
- Follow-up on research collaboration
- Scholarships

The next step is the survey. This needs a champion. The distinguished marketing scholars were approached. Berend Wierenga was very interested; Peter Leeftang is really enthusiastic about it and would definitely like to be involved.

Gary also reminded that there is no financial implication to this initiative. There is only a time involvement and a commitment. It's a real win for EMAC. Gary also indicated that even though he will step down as V.P. External Relations, he will still participate in that initiative .

The next steps are

- Set up focus groups at the EMAC conference in Ljubljana
- Add it as a item on the EMAC Fellows meeting
- Add it also as an item in the Executive Committee meeting – may be some executive committee members could volunteer for the focus groups. It would be better to send an email to explain this initiative to the Executive Committee in the coming weeks.
- To coordinate with Maja for the focus group rooms.

Gary will report on the status of those discussions to the McKinsey people.

Gary also asked the steering committee members to give some thoughts about potential persons who would be interested.

#### *International Fair Exhibition – potential collaboration*

Gabriele mentioned that he was approached by IFE for potential collaboration. They have an educational office and would like to see in which way they can collaborate with EMAC. This could be a potential sponsor for PhD students or sponsor a best paper award. Gabriele would ask them to contact Veronica and Gary.

*Annex 7: V.P. External Relations Report*

*Annexe 8: EMAC-McKinsey marketing trend survey*

## **2.8 Susan Douglas**

A last point was added on the agenda concerning Susan Douglas. It was decided to commemorate Susan Douglas at the conference in Ljubljana.

It was decided that to mark Susan Douglas' long standing involvement in EMAC and high contribution in the marketing field, an award could be named after her.

It was proposed to rename the EMAC Distinguished Marketing Scholar after her. However this might be a problem if the award would be 'sponsored' in the future. Furthermore Susan, even though she is deceased, is eligible for the award. Hence she could not be awarded an 'award' named after her; people might question it.

The other proposal would be to have a separate award in her own discipline 'Best paper in International Marketing'

After a short discussion it was decided

- To leave the committee (the EMAC distinguished marketing scholar award committee) to decide on this.
- At the award ceremony at the EMAC conference, EMAC will announce for next year the 'Susan Douglas Award'.
- Veronica will check and coordinate with Gilles Laurent – Dean of EMAC Fellows

## **4. Miscellaneous**

- *EMAC meetings*

Following last steering and executive committee meetings, Udo Wagner has shared his concerns regarding

- The low attendance of the executive committee meetings
- Most decisions are taken at the Steering Committee. Important issues are also discussed in the Steering Committee.

His concern is that attendance of the Executive Committee might decrease even further - as there might be the impression that it is not worth the effort to attend the meeting, keeping in mind that the national representatives have to pay their travel expenses themselves.

He proposed to skip the Executive Committee meeting in October and extend the May meeting at the Conference. However the Steering Committee should meet in October for a day meeting. This meeting could be extended, when relevant to some 'invited members from the Executive Committee.

After a short discussion the following was decided and approved:

- There will be no Executive Committee meeting in Brussels in October
- The Steering Committee will meet for the day (10.00 – 16.00) on October 28 in Brussels

#### **5. Date and time of Next Meeting:**

The date of the next EMAC Steering Committee meetings

- Ljubljana, May 24, 2011 – 10.00 – 12.00
- Brussels, October 28: 10.00- 16.00

No further points were raised and the President thanked the members for attending the web meeting and the meeting was adjourned.

\*\*\*\*\*

#### **Annexes:**

*Annex 1: Minutes of Steering Committee meeting – October 2010*

*Annex 2: EMAC Elections – 1<sup>st</sup> Round Results*

*Annex 3: Report from Treasurer*

*Annex 4: Budget estimation 2011-2015*

*Annex 5: EMAC membership situation*

*Annex 6: KAMS Proposal*

*Annex 7: Report – V.P. External Relations*

*Annex 8: EMAC-McKinsey Marketing Trend Survey*