



"Audi Lab for Market Research" founded at the University of St.Gallen

Developing Innovative Market Research Methods

- **Cooperation agreement signed in Ingolstadt, Germany, today**
- **Central Focus: customer needs in development and marketing**
- **Professor Andreas Herrmann heads the organization**

Ingolstadt/St.Gallen, 23 August 2006. In collaboration with the University of St.Gallen (HSG), the auto maker AUDI AG will establish a leading research institute dedicated to further integrating customer needs into the development and marketing of automobiles. To this end the cooperation agreement for the "Audi Lab for Market Research" was signed today in Ingolstadt, Germany, by Ralph Weyler, Member of the Board and Director of Sales and Marketing, and Professor Ernst Mohr, President of the University of St.Gallen.

Ralph Weyler: "The University of St.Gallen and Audi come together as two partners who represent absolute premium brands in their respective fields. This cooperation will yield not only important new insights in market research, but it will also provide positive image gains for both parties." Ernst Mohr remarked: "We are thrilled about this collaboration because it also means a substantial boost for the knowledge transfer between academics and applied business in the marketing of automobiles."

The market research lab has its headquarters at the University of St.Gallen and headed by Professor Andreas Herrmann. Herrmann will lead a core team of six research associates that will work on the development of innovative market research methods and identify new research areas in this field. The agreement was signed for a term extending until the end of 2008. Audi is sponsoring two research associate positions and provides support for the necessary infrastructure.

The Audi Lab for Market Research boasts a well-established network of pre-eminent academics. Dr. Eric J. Johnson, Professor at Columbia University in New York, will actively participate in the market research project. Johnson is Professor of Economics at the Columbia School of Business and one of the leading scientists in the study of individual decision behavior. His colleague, Dr. Levav, a fellow Professor at Columbia University, was a student of Professor Daniel Kahnemann, the 2002 recipient of the Nobel Prize for Economics.

Their German counterpart is Professor Frank Huber from Mainz University. Dr. Huber has already implemented numerous projects in customer integration and is one of the most distinguished brand experts. Professor John Hauser from the Sloan Management School at the Massachusetts Institute of Technology (MIT) in Cambridge, Massachusetts, complements the network with his academic focus. The MIT scientists will be consulted in connection with vehicle design in particular. The head of the Audi Lab, Professor Herrmann, explains: "With this top-notch team we can open up entirely new fields of market research. We want to inspire innovation in areas such as pricing, vehicle configurations and automobile design—and all this while always maintaining the point of view of the customer."