Editorial

Journal of Direct, Data and Digital Marketing Practice (2009) **10**, 301–302.
doi:10.1057/dddmp.2009.11

Our last number was a Special Issue, guest-edited from America by Bruce Biegel, and concentrating on the single theme of marketing automation. This quarter we revert to our usual style with a mix of Papers, Opinion Piece and Case Study covering a wide range of subject matter.

We open with a highly topical Opinion Piece by Nick Backhouse, leading us away from the macroeconomics of the credit crunch, bank bailouts, quantitative easing and all the other new-minted jargon to look at some of the possible — likely — consequences of the crisis for consumer attitudes. And if consumer attitudes are changing, marketing practice will have to change as well. Much of our laboriously acquired knowledge of our customers, many of our carefully constructed models are likely to become redundant in the new climate: the challenge will be to rebuild our understanding of the marketplace, with much less emphasis on the day before yesterday's data and more on what is happening today. (For a paper dealing with the macroeconomic effects of the credit crunch, see our Abstract No. 10420 in this issue.)

The papers that follow this Opinion Piece are no way invalidated by its considerations — they are all concerned in one way or another with marketing methodologies — but readers might do well to look at their recommendations through Backhouse's lens.

We follow with a paper by a trio of US-based authors — Samuel Rabino, Stephen Onufrey and Howard Moskowitz — whose theme is experiential marketing. Essentially this means discovering and providing the type of experience that customers want, with a view to creating greater customer satisfaction, and loyalty, followed by a willingness to recommend to others the firm supplying the experience. This paper is written in the context of the banking industry. It is however no mere theoretical disquisition, being illustrated with a real-life example of how to establish customer wants. These, as Backhouse would tell us, are likely to be very different today from what they were yesterday, in banking above all, but the underlying thesis and the methodology to satisfy it are not directly affected.

Our next paper is also greatly concerned with customer experience, in the context of multi-channel marketing. Hugh Wilson was one of the authors of a previous paper (in Vol. 6 No. 4) on the multi-channel experience, concentrating on the degree of consistency across channels experienced by Lexus customers. This time he joins with Lindsay Bruce, Krista Bondy and Rod Street to consider how marketers, having initially used new channels to reduce costs, can now move towards the exploitation of multi-channel communication to create competitive advantage, by focusing on customer experience, channel integration and revised metrics. Few firms, the authors believe, have yet made the vital transition from first-stage cost-cutting to this second stage: early movers have an advantage to win. (Those with a specific interest in multi-channel marketing may note that two of our abstracts this quarter — 10405 and 10406 — are of papers dealing with this subject.)

Behram Hansotia will be another name familiar to our readers. He last wrote for us in Vol. 7 No. 4 on the issues and challenges in estimating customer equity (the Net Present Value of customer-generated cash flows). Here he takes up an extension of this theme by discussing a marketing approach towards enhancing customer equity — an activity that he claims should be the primary concern of a marketing department. He describes in detail a method for segmenting a database by reference to purchase timing (in the particular context of the retail industry) and proceeds to discuss the setting of performance goals and objectives for each segment, with a view to maximising the upward transition of customers from a lower (ie less profitable) to a higher

segment. Starting with a baseline transition matrix, this movement should be measured monthly. A number of models and other marketing tools are recommended.

Kate Boothby has written up for us a Case Study based on the Highly Recommended Award won by the RSPCA entry in the IDM Business Performance Awards for 2008. This tells of a successful attempt by the RSPCA and its agencies (Mike Colling & Co and Whitewater) to promote the leaving of legacies in favour of the charity. This, for obvious reasons, is one of the most difficult forms of promotion that a charity (or anyone else) has to undertake — but an important one, since a high and unpredictable proportion of every charity's income derives from this source. The lead into this particularly sensitive subject that the RSPCA found will not be available to many others — but as an example of creative thinking and what it can achieve it should be an inspiration.

Our Legal and Regulatory slot contains an outline of a recent important case in the European Court of Justice dealing with trademark infringement. This is followed by discussion of a case involving termination of contract between contractor and client; a short piece on internet defamation; a description of draft payment services regulations to be issued by the government and implemented by the FSA.

We conclude with our usual Abstracts and Reviews.

Derek Holder
Robin Fairlie