The bold items in the margin describe the subject matter and are keywords for text retrieval. The final reference number under each abstract is also used for this purpose.

IT, power consumption, energy efficiency, virtualization, cloud computing

Offshoring, IT

Abstracts

Journal of Direct, Data and Digital Marketing Practice (2010) **12**, 194–208.
doi:10.1057/dddmp.2010.34

Each abstracted article is awarded 0–5 stars for each of four qualities:

- (1) depth of research
- (2) value in practice
- (3) originality of thinking
- (4) readability for non-specialists.

No abstract is included for any article awarded less than seven stars overall.

The true cost of your IT

JOURNALISTIC. A Guardian supplement published by Lyonsdown media group on 4 June 2010, sponsored by Samsung; 24pp (see www.lyonsdown.co.uk)

A series of short articles comprises this ‘guide to environmentally friendly computing’. Discusses the problems of power consumption, both by IT equipment directly, and by the infrastructure that supports it — which frequently uses twice as much energy as the computers it serves. Claims that servers often operate at 15 per cent of capacity, while still sucking up power and cooling facilities. Notes UK government’s Carbon Reduction Commitment under which power-hungry companies will have to purchase allowances equal to their carbon emissions each year. Describes some answers to the power problem: virtualization shifts multiple workloads to larger and fewer machines, reducing the number of servers in use; employees’ PCs can be replaced by ‘thin clients’ — more energy-efficient terminals — with a powerful data centre server handling all the processing work; cloud computing — the hosting of hardware and software via the internet by a service provider — avoids the over-provisioning common in in-house computing. Discusses problems of disposing of redundant computing equipment, much of which contains hazardous waste, and refers in this context to the EU’s WEEE Directive. Gives two short case studies illustrating savings possible.

Most of the examples are taken from very large IT users, whose energy bills are enormous. But as energy costs rise, many much smaller users stand to benefit from paying attention to the issues outlined here.

Research: ** Practice: *** Originality: * Readability: ***
Ref: 12201

How innovators are changing IT offshoring

M. Bloch, D. Boskovic and A. Weinberg

SURVEY. *McKinsey Quarterly* (US), 2010, No. 1, p. 21 (3pp)

Notes the steady flow of offshoring of IT projects — from software writing to data centre management. Notes that the original motivation

for this move was cost reduction, and that competition among offshore suppliers was based on offering the lowest costs. But finds that there is a move among some established suppliers — joined by a number of rising new suppliers — to move away from this stance and to concentrate on offering guaranteed service levels. Notes that the most widely adopted model is staff augmentation, under which clients pay for each staff member a supplier adds to complete an IT contract. This model is being, in many cases, replaced by a managed services model under which suppliers agree to deliver a specific capability or functionality for a given price. Indicates, on the basis of companies surveyed, that this model together with the offshoring of a higher percentage of challenging and interesting jobs results in much lowered attrition rates among suppliers' staffs, and that clients using this model obtain the best quality, most efficient delivery and highest satisfaction levels.

Indicates a growing change from offshoring as a way to hire cheap labour and reduce headcount at home to a way of hiring skills and expertise which may be in short supply at home.

Research: * Practice: ** Originality: * Readability: ***
Ref: 12202

Competing through organizational agility

D. Sull

ADVISORY. *McKinsey Quarterly* (US), 2010, No. 1, p. 48 (9pp)

Defines organizational agility as the ability to identify and capture opportunities more quickly than rivals do. Discriminates three categories of agility: strategic agility (spotting and seizing game-changing opportunities); portfolio agility (capacity to shift resources among business areas); and operational agility (ability to exploit revenue-earning and cost-cutting opportunities within a core business better than rivals). Gives and discusses some examples of each: instances Carnival Cruises, Banco Santander, Mittal Steel and Apple under strategic agility, emphasizing the importance of low-cost probing (Santander), mitigating risk (Mittal) and staying in the game through hard times (Apple); for portfolio agility refers to GE (under Jack Welch, in contrast to his predecessor), HSBC, and Mars, emphasizing the need in a downturn not to spread resources evenly, but to disinvest from unpromising operations to free resources for better bets; in relation to operational agility instances the world's largest clothing retailer, Zara, Banco Garantia in Brazil, and Samsung Electronics.

A characteristic consultant's article — long on abstract concepts and rather short on specific advice that can be applied in real-life situations by practitioners. However, the instances drawn from particular (albeit giant) companies are interesting, and their lessons are not without application for those who can scale them down to manageable size.

**Agility, opportunity,
exploitation, resources**

Research: ** Practice: ** Originality: * Practice: ***
Ref: 12203

The effect of customer age and recovery strategies in a service failure setting

C. Vareia-Neira, R. Vázquez-Casielles and V. Iglesias

ACADEMIC. *Journal of Financial Services Marketing* (UK), Vol. 15, No. 1, p. 32 (17pp)

Banking, service failure, outcome, process, age, Spain

Sets out to explore the relationships between service failure in financial institutions, customers' negative emotions and age, as well as the relationship between these negative emotions, recovery strategies executed and service recovery satisfaction. Creates a series of hypotheses regarding these relationships and constructs a hypothesized model. Discriminates between service failures of outcome, and failures of process. Describes research conducted with 197 Spanish customers of retail banks who had experienced service failures, have complained, and have had some kind of service recovery from their service provider. Concludes from the responses of these persons that: negative emotions after a service failure are less intense as customer age increases, although this is less true of process failures (30 per cent) than of outcome failures (70 per cent); negative emotions reduced satisfaction with recovery processes — which were, however, assisted by compensation, by apology and by speed of compensation (but not by speed of apology). Discusses possible reasons for these findings, and their managerial implications, including the need for training of customer-facing staff.

Bankers who believe they can retain customer loyalty without speedy apologies, or compensation, for their mistakes of outcome or process should read this heavily statistical analysis of the obvious; others should simply trust their instincts. (N.B. I have never, personally, received an apology from a bank for a mistake. Fear of admitting liability?)

Research: *** Practice: * Originality: * Readability: **
Ref: 12204

The close relationship strategy — Corporate brand development in banking

L. Silver and B. Berggren

STRATEGY. *The Journal of Brand Marketing* (UK), Vol. 17, No. 4, p. 289 (12pp)

Banking, SMEs, Close Relationship Strategy, corporate branding, Sweden

Emphasizes the need for differentiation in service provision, and the difficulty this involves in the financial industry where products and processes are virtually identical, making any attempt at product branding pointless. Hence, the importance of creating a corporate brand as a means to gain customer loyalty. Considers the possibility of creating a brand in banking based on a Close Relationship Strategy with SME customers. Notes that SMEs cover 70 per cent of the

European workforce, and are dependent on outside finance, predominantly from the banks. Notes that most banks have used new distribution channels for financial disintermediation, creating technology-based relationships with both consumer and SME customers: SMEs are obliged to adapt to banks, not banks to SMEs. Bank centralization and frequent rotation of personnel have reduced their employees' mandate for individual decision making. SME loyalty to banks is still high, despite their second-class treatment, because of lack of alternatives, while for banks one-time transaction lending has become more important than recurring relationship lending because of supposed economies of scale (for which there is little evidence). Describes a questionnaire administered to the CEOs of 289 SMEs in Sweden to determine how far their loyalty to their bank was affected by four factors: financial and moral support; opening of a wider financial network; a continuous flow of information between firm and bank; bank competence in the firm's problems. Finds that the last two (particularly the third) were significant factors in firm loyalty. Concludes that there is an opening for some banks to develop a corporate brand based on a Close Relationship Strategy with SMEs, by increasing front office expertise and decreasing their technology dependence. Instances the Swedish savings banks.

This is a particularly apposite article at a time when banks' behaviour in relation to SMEs is under scrutiny as never before. If you are 'in' banking — either as a banker or a bank customer — read this. The follies shown here, much more than any of the malfeasances laid bare in the 2008 financial crash, account for the poor public perception of banks and bankers over the last generation.

Research: *** Practice: ** Originality: *** Readability: ****
Ref: 12205

The information search process of socially responsible investors

J. Nilsson, A.-C. Nordvall and S. Isberg

ACADEMIC. *Journal of Financial Services Marketing* (UK), Vol. 15, No. 1, p. 5 (14pp)

**Mutual funds, SRI,
SEE, ethics, social
responsibility, Sweden**

Notes the rise in the number of US mutual funds from some 50 in 1950, to thousands now, when 45 per cent of US households invest in mutual funds. Notes the parallel rise in socially responsible investment (SRI) funds using social, ethical or environmental (SEE) criteria for investment alongside traditional financial criteria. Finds that \$1 in every \$11 is invested according to SRI principles; in Europe, the SRI market exceeds 2.5 trillion euros. Sets out to examine: what information (amount, source and type — financial or SEE) SRI investors collect before making a decision to invest in an SRI fund; what is the impact on the search process of previous involvement and perceived knowledge. Describes a research process conducted with 369 SRI investors selected from the database of a large Swedish mutual fund provider. Finds that SRI investors as a whole search more for

SEE than financial information (criteria for exclusion of stocks, guidelines for investment, strategies for influencing corporate behaviour being predominant, and in financial information risk levels, industries invested in, and fees). However, this is modified by previous knowledge and involvement regarding financial or SEE matters. The most popular source of information was financial advisors. Discusses managerial implications: SRI providers should give prominence to SEE information, and ensure the proper understanding of financial advisors.

The findings are not exactly surprising or counter-intuitive, but they do focus attention on an area of consumer search behaviour that has not been previously researched.

Research: *** Practice: ** Originality: *** Readability: ***
Ref: 12206

No, management is *not* a profession

R. Barker

THINK PIECE. *Harvard Business Review* (US), July/August 2010, p. 52 (9pp)

**Management,
professions, MBA,
ethics**

Sets out the traditional view that management is (or should be) a profession analogous to medicine or the law: managers, like lawyers and doctors, can be formally trained and qualified (eg by earning an MBA). Notes that this view has led to criticism of business schools for not turning out socially responsible business leaders. Takes the contrary view that management is not, and never can be, a profession. Asserts that true professions require their members to acquire a defined body of knowledge, whereas management is about learning skills of integration where students put together various elements in the education programme: it can be learned, but not taught, and is collaborative, not competitive. Not only does management have no required body of knowledge (as distinct from a view of what should be taught on an MBA course), but it also has no code of ethics; while such a code might be possible, enforcement is not, nor is there any means of controlling entry into management, or of disciplining managers. True professional persons are specialists in a narrow area of expertise; managers are generalists. While business education can improve individuals' performance, it cannot certify their expertise. Managerial skills are 'soft' skills of thoughtfulness, awareness, sensitivity, flexibility, adaptability, not those of functional or technical knowledge.

Whether management is (or should be considered to be) a profession seems to matter less than the debate about what and how managers should learn, or be taught — a debate to which this article makes a notable contribution.

Research: * Practice: *** Originality: *** Readability: ****
Ref: 12207

An exploratory study of divided pricing effects on financial service quality expectations

H. Estelami and P. De Maeyer

RESEARCH. *Journal of Financial Services Marketing* (UK), Vol. 15, No. 1, p. 19 (13pp)

Pricing, service quality

Sets out to discover whether the practice of dividing the price of a financial services product into two or more part-payments leads to a higher expectation by consumers of service quality; whether such expectation varies as a function of the reputation of the company, and/or by the risk characteristics of the financial service. Describes research conducted in the US by intercept surveys of 252 persons in three public areas and involving, for each person, reactions to either a financial newsletter or a product warranty. Finds that company reputation has a significant effect on both price perceptions (ie is this a fair price etc) and on service quality expectations. In addition, dividing prices into separate payments extended over the length of the service engagement can influence customers' expectations of service quality — especially when the financial service is of a risky nature. This price division gives the service provider an incentive to perform well, and gives the customer some assurance of security, as well as avoiding the need to find a, possibly large, lump sum at one time.

Contains a ridiculous quantity of bland verbiage — but the finding of customer expectation of service quality linked to divided prices is interesting and (to me at least) counter-intuitive.

Research: *** Practice: *** Originality: *** Readability: ***
Ref: 12208

Migration of customers owing to a service substitution

I. Murynets, J.E. Ramirez-Marquez and Wei Jiang

ACADEMIC. *Journal of Targeting, Measurement and Analysis for Marketing* (UK), Vol. 17, No. 4, p. 297 (10pp)

Product substitution, customer migration

Gives instances of product or service substitution: downloading as a substitute for physical distribution (CDs, DVDs, books); Voice over Internet Protocol instead of fixed-line telephony; generic drugs for branded drugs. Notes the speed at which examples of each of these types of substitution is taking place. Quotes studies suggesting that the rate of substitution of a legacy product with a new product may be a function of national cultural values. Lists previous studies of this phenomenon at a macro level, but contends that analysis at a micro or individual customer level is also required. Lists various such studies, based on customer surveys, suggesting that complexity, risk, and ease of use of a new product, along with customer demographics have the highest impact on the success of a substitution. Claims that this lacks an analysis of customer activity profiles, and sets out to analyse product migration at a micro level, based on the new substitute's usage share data, including forecasting future migration behaviour of each customer. Describes the construction of a series of mathematical

processes for customer profiling, forecasting and segmentation. Describes a case study involving 1,000 customers over 13 months, where data from the first 10 months were used for analysis, and the last 3 months for testing. Recognizes seven categories of customer (new, balanced, early adopters, late adopters, returning, conservative and other). Shows a separate migration curve for each category.

The subject, as initially described, has considerable interest at a time when new technologies are causing such migrations at an ever-faster rate. Unfortunately, the analytical process is not explained in terms remotely accessible to non-statisticians, and the case study is almost equally opaque.

Research: *** Practice: * Originality: *** Readability: *
Ref: 12209

The forgotten side of marketing

A. Kaira and D. Soberman

ADVISORY. *The Journal of Brand Management* (UK), Vol. 17, No. 4, p. 301 (14pp)

**Marketing planning,
time pressure, training**

Notes that, while analysis of erroneous company decision making mostly focuses on top management, important marketing decisions that affect the success of a company are not always made at a senior level, but frequently by mid-level managers. Suggests that most marketing executives consciously follow four steps in devising a campaign: set objectives; develop strategy and tactics; execute; feedback results. Claims this ignores four essential precedent steps: identify key questions (what are consumer perceptions of product, analyse competitive products); identify required information (translate into market research); collect required information (ensuring use of appropriate methodology); integrate required information. Discusses these four steps. Considers the decision environment of mid-level managers: time pressure; training (often counter-productive, including demonization of competitors); taking advice from colleagues (frequently leading to worse results). Considers the problems of commissioning and interpreting market research. Looks at possible ways of improving the planning process, giving real-life examples.

A carefully constructed, and mostly compelling, argument on the pitfalls of traditional marketing planning. Well-written, with good use of illustrative examples throughout.

Research: ** Practice: **** Originality: *** Readability: ****
Ref: 12210

Mapping the social internet

M.J. Piskorski and T. McCall

DESCRIPTIVE. *Harvard Business Review* (US), July/Aug 2010, p. 32 (2pp)

Social web, Trend stream

Looks at the ways in which different nationalities use the social web, considering five broadcast behaviours: blogging, managing a social-network profile, sharing photos, sharing videos, microblogging (eg Tweeting). Demonstrates in visual charts the experiences of 15 different countries in these respects, using data from the Trendstream Global Index, which surveys 50,000 users of social platforms in 18 countries. Notes that behaviour in the UK, US and Australia is very similar: nearly 50 per cent of internet users manage a social-network profile; over 40 per cent share photos and a little under 20 per cent share videos; over 10 per cent blog, and under 10 per cent microblog. A contrast is drawn with the BRIC countries (Brazil, Russia, India and China) where much smaller percentages of the population are internet users so far, but much higher proportions (45 per cent in Asia as a whole) blog, while in India and Russia over 40 per cent of internet users have made an online phone call. A major difference is that Asian bloggers have an average audience of 10–11 family and friends, while Westerners blog as a form of publishing.

I found these visual charts, accompanied by brief commentaries, absolutely fascinating; more to the point, they should be of very great use as background for international marketers.

Research: *** Practice: *** Originality: ***** Readability: *****
Ref: 12211

Editorial

P. Mouncey

EDITORIAL. *International Journal of Market Research* (UK), Vol. 52, No. 3, p. 285 (2pp)

Web 2.0, market research

Refers to the opportunity presented by Web 2.0 as a source of information to understand consumers and support marketing needs — but specifically not as a source for ‘market research’. Recalls two earlier new methodologies that were hailed as game-changers, but which in practice changed little in the market research sector: geodemographics and database marketing — the latter being predicted in some quarters to toll the death-knell of market research; suggests that Web 2.0 is regarded similarly by some commentators to-day. Suggests that the essence of market research lies in its practitioners’ ability to understand consumer behaviour, to analyse, interpret and present data — and to ensure data are collected, processed and interpreted ethically and to appropriate standards; in this context, Web 2.0 is merely another challenging source of data to provide a more complete consumer picture.

A small elegant contribution to the never-ending debate about the nature and purpose of market research, and how these may (or may not) be affected by the continuing evolution of new technologies.

Research: ----- Practice: *** Originality: ** Readability: *****
Ref: 12212

**Empowerment,
blogging, Twitter,
HEROes**

Empowered

J. Bernoff and T. Schadler

HORTATORY. *Harvard Business Review* (US), July/August 2010, p. 95 (7pp)

Looks at some examples of the damage that can be done to a company by just a single disgruntled blogger. Notes that employees can also use technology: this causes concern in a large number of companies, sometimes with justification (Nestlé and Facebook). Suggests that rather than trying to prevent this, companies should empower their employees to use technology responsibly. Gives the example of Best Buy, where a staff member figured out how to tap Google's cloud computing service to build a Twitter system serving multiple employees, who were then able to pick up and respond fast to tweets about the company. Suggests the use of HEROes (highly empowered and resourceful operatives) who will use technologies like Twitter, online communities, cloud computing and online video — easy to master, cheap to set up — to see and solve customers' problems. Notes that this can cause difficulties with IT departments: the challenge is to encourage HERO-driven innovation without causing chaos. Sets out some rules, and gives a further example, from Black and Decker's use of staff-produced videos, using company-provided cameras and YouTube, and effectively replacing formal departmental courses. Indicates that HERO employees are much more frequent in technology products and service companies, and scarcest in retail, government, health care and education.

It has become accepted wisdom that companies have to have the means to monitor social networks and to respond to attacks; this article advocates the bold approach of setting employees free to discover for themselves appropriate ways of doing this. I suspect that what seems bold (even rash) to-day will be tomorrow's commonplace.

Research: ** Practice: *** Originality: *** Readability: *****
Ref: 12213

**Facebook, Twitter,
social networks, word
of mouth**

Unlocking the elusive potential of social networks

M. Zeisser

ADVISORY. *McKinsey Quarterly* (US), 2010, No. 3, p. 28 (3pp)

Notes that many companies are establishing presences on Facebook, Twitter, etc; but claims that to realize the marketing potential of virtual activities, you have to make them truly useful for consumers. Recommends considering two ways of achieving this. First, the power of importance: companies can grant recognition to individuals — for example, by issuing them with 'badges' that they can post on their Facebook profiles, or by enabling them to publicize their achievements, such as reaching their target weight in a body-building workout, which will give them status in their own social network communities. Secondly, emphasizes the allure of virtual items: consumers will pay actual money for non-existent objects as a means of self-expression,

and brands should look for ways to use virtual objects as catalysts for word-of-mouth media. Suggests regarding word of mouth on social networks as itself a form of media. Notes the spread of virtual gifting, and that Facebook is introducing a virtual currency system that will allow sellers to get actual dollars for their virtual gifts. Warns against the use of gimmicks.

It is by no means clear to me that this kind of near-total trivialization of the marketing process will actually get marketers anywhere much in the long run. But this article is an indication of where the current obsession with social media is at — whether or not it is heading flat out for a brick wall. So, if you think you can gain by going with the current flow, why not?

Research: ----- Practice: ** Originality: ** Readability: ***
Ref: 12214

Implementing relationship marketing: Supermarkets' perspective

G. Whyatt and R. Koschek

SURVEY. *Marketing Intelligence & Planning* (UK), Vol. 28, No. 5, p. 582 (18pp)

**Relationship
marketing,
supermarkets,
Germany**

Notes a stream of literature that holds organizations with low customer–staff interaction, high price competition and high economies of scale (clearly including supermarkets) are not suitable candidates for investment in relationship marketing (RM) since return does not justify expense. Notes the universal desire to retain customers and to encourage both behavioural and attitudinal loyalty. Distinguishes between sales promotions and activities designed to develop customer relationships. Describes a series of seven in-depth interviews conducted with senior anonymous supermarket managers, four from Germany and three from the UK, covering both hard discounting stores and broader-based supermarket stores. Notes that RM activity is more mature in the UK than in Germany — principally because of German restrictions on promotional activity, and stricter privacy regulation. Reveals that only one of these companies (*surely Tesco?*) ran a loyalty card scheme, and claimed to conduct virtually a one-to-one relationship with its customers; some others had done so and closed such schemes down, while others had never thought it worthwhile. Notes that none of the interviewees wanted to invest in moving customers up the 'loyalty ladder' to become company advocates, holding that the investment cost in carrying RM to this level would be too great.

An interesting study, whose subject would seem to justify a much more robust investigation, including an enquiry into why one retailer's RM strategy appears to have brought such success which others (the discounters apart) do not seem able to emulate.

Research: ** Practice: ** Originality: ** Readability: ***
Ref: 12215

SMEs, Integrated Marketing Communications, IMC, Italy

SME practice towards integrated marketing communications

V. Gabrielli and B. Balboni

RESEARCH. *Marketing Intelligence & Planning* (UK), Vol. 28, No. 3, p. 275 (16pp)

Notes that most studies of integrated marketing communications (IMC) concentrate on large companies, and tend to assume that the principles involved are universally applicable. Sets out to describe IMC practice in SMEs in respect of messages, activities, organizational process and goals, and to discover whether SMEs are able to implement IMC in aligning these factors. Describes IMC as being about: consistency of messages; holistic design and evaluation of varied activities; a process of formal policies, decision procedures, line of command and organizational coordination. Describes a research project involving an auto-filled questionnaire submitted by 210 small and medium industrial firms from a variety of industries in a single region of Italy. Minimum turnover was €2m, with 46 per cent falling between 2 and 5m; 90 per cent had over ten staff; 69 per cent were in B2B. Places respondents in one of four categories: interactive communicators (26 per cent); firms active in four media types (PoS, PR, trade shows and interactivity) (19 per cent); inactive firms (17 per cent); firms focused on trade shows (37 per cent). Concludes that 'active' firms show an articulated communications mix (though PR activity is not strong); most firms are locked into one type of activity, show scant communication awareness and a short-sighted outlook in relation to goals and content, together with a lack of strategic approach to increasing relationship value for the customer, being essentially product-focused.

The sample is wholly inadequate both in size and representativeness for any very general conclusions. However, SMEs might reasonably use the structure of the study as a yardstick against which to measure their own performance in the marcoms field.

Research: *** Practice: *** Originality: ** Readability: ***
Ref: 12216

Crossing the channel divide

F. Shuman

ADVISORY. *Figaro Digital* (UK), No. 4, p. 58 (2pp)

Integrated marketing, channel integration

Notes a need for businesses to move from simply selling online, to integrating their websites with the rest of their retail businesses: second- and third-generation websites are being built with social, personalization, and multi-channel in mind. Notes customer enthusiasm for a buy online/pick up in store option. Claims that the individual units of companies (online, catalogue, instore) are still fighting for the same customers, and cannibalizing each others' sales. Claims John Lewis and M&S are starting to think multi-channel. Emphasizes the need for a single customer view with a holistic account across all channels. Points out that different customers (or the same customers at different times) use available channels for different purposes.

Notes that in Apple stores one can buy online without having to queue at a till point.

A short article that does not just advocate integrated marketing, but actually has one or two (quite simple) ideas on what this might mean in practice.

Research: * Practice: *** Originality: ** Readability: ***
Ref: 12217

Agenda development for marketing research: The user's voice

D. Roberts and R. Adams

EXPLORATORY. *International Journal of Market Research* (UK), Vol. 52, No. 3, p. 339 (24pp)

**Market research,
academia, problem-
orientated research**

Notes recent attention to the vexed relationship between the worlds of academe and practice, to the need for these two worlds to collaborate, and to the importance of research being relevant for practice. Notes a managerial view of much academic output as 'unreadable, banal and inconsequential'. Notes a variety of approaches by scholars to the problems of relevance, particularly the suggestion of a process-orientated, or a problem-orientated focus for research. Finds it ironic that academics urge practitioners to involve their customers in innovation, but do not themselves encourage the involvement of practitioners in research. Notes the creation (through the UK Academy of Marketing) of nine research themes arising from a brainstorming process by 50 academics. Describes a parallel, and, in some respects, contrasting experiment, namely a Business Engagement Project (BEP) within the Economic and Social Research Council, wherein a series of marketing practitioners were interviewed about their perceptions of practical challenges that could usefully be addressed by research. The reported findings were circulated to 32 sector representatives who met to discuss, validate, challenge and develop these themes in a workshop setting. Lists the emergent subjects, and discusses each: understanding IT-enabled customers; co-creation of value; utilizing interactive marketing channels; developing customer-centric metrics; shaping a CSR agenda; internal influence and market orientation; training and development; business model innovation; the relationship between business and academia.

A lengthy paper to which it is difficult to do justice in a short space — therefore a highly recommended read. The trouble with much academic research is that it produces over-complex, and unintelligible answers to the wrong questions. The BEP described here is a worthy attempt to begin at the beginning by identifying the right — that is relevant to marketers — questions.

Research: *** Practice: *** Originality: *** Readability: ****
Ref: 12218

**Demography,
longevity, France,
Europe**

Older, smarter, more value conscious: The French consumer transformation

G. Desvaux and B. Regout

FORECASTING. *McKinsey Quarterly (US)*, 2010, No. 3, p. 18 (4pp)

Looks at demographic trends in France as they will affect consumer lifestyles and purchasing patterns. Claims that these trends apply generally across Europe. Expects longevity to increase, and fertility rates to fall; by 2030, more than half of French households will be headed by a person over 55. Two European workers will support each retiree, instead of four today. Average children per French household will fall from 3.3 to 2.5. GDP growth in France will decline from the 2.1 per cent of the 30 years to 2008, to 1.5 per cent to 2030. Predicts that for businesses there will be winners and losers from these trends: electronics, medical expenses, communications and housing will do well; media, entertainment, energy and personal care will be stable. Recommends innovation.

The predictions about increasing longevity, and the direct implications of that would seem incontrovertible. However, much of the argument depends on an implicit assumption that, ageing apart, both socially and technologically France (and Europe) will look much the same in 2030 as it does now — an assumption that the history of the last 20 years must render suspect.

Research: ** Practice: ** Originality: * Readability: ***
Ref: 12219

**Wallet phones,
technology, smart
cards, TAM, security,
privacy**

Technology rejection: The case of the wallet phone

E. Swilley

RESEARCH. *Journal of Consumer Marketing (UK)*, Vol. 27, No. 4

Notes that wallet phones (ie mobile phones which can carry on a chip all the information normally contained in a wallet, facilitating purchases without recourse to credit cards, paper tickets etc) are under development (based on smart card technology), and, in some cases, trials in the USA. Considers that there is a lack of research into consumer attitudes towards the use of such devices, and sets out to fill this gap. Quotes the standard Technology Acceptance Model (TAM), which predicates consumer acceptance of a new technology upon usefulness, ease of use and perceived social factors. Describes an experiment with two separate groups of volunteers, the first being 226 students and the second 480 mobile phone users selected and responding via the internet. The object of each study was to determine attitudes towards the use of a wallet phone, and intentions to use such, based on the TAM criteria; and study participants were asked to answer questions about usefulness, ease of use, social norms, perceived risk, security and privacy. Notes the advantages of the wallet phone for the consumer, but also the fact that responsibility for safeguarding the data stored on the phone's chip will rest with the user, rather than, as with a credit card, with the service provider. Hence, there is an issue

with risk to privacy and fraud in case of loss or theft of the device. Reveals that both studies found negative reactions to attitudes to the wallet phone and to intentions to use, based on concerns over security/privacy.

Smart card technology has been around for some 20 years now, yet its use has gathered pace slowly. Whether consumer resistance to the perils of wallet phones can be overcome, either by slick marketing, or by some real form of consumer protection must still be in some doubt.

Research: **** Practice: *** Originality: *** Readability: ***
Ref: 12220

Designing competitive loyalty programmes: How types of programme affect customer equity

A. Furinto, T. Pawitra and T.E. Balqiah

ACADEMIC. *Journal of Targeting, Measurement & Analysis for Marketing* (UK), Vol. 17, No. 4, p. 307 (13pp)

Loyalty programmes, customer equity

Divides all loyalty programmes into two types: those providing monetary-based rewards, and those providing special treatment-based rewards. Suggests that customer perceptions of the utility of a loyalty programme differ between these two types, and are contingent on the relationship (contractual or non-contractual) between customer and firm. Claims there is little research to date on the theory of *ex ante* design of loyalty programmes, as distinct from *ex post* measurement, and aims to fill this gap. Describes an experiment using airline passengers (non-contractual) and bank customers (contractual) to assess simulated loyalty programmes of either type in terms of the perceived utility of each programme, and their expected attitudinal loyalty to the firm in question after implementation of the programme. Finds that monetary rewards provide higher perceptions of utility in customers in contractual as opposed to non-contractual relationships, but the two groups do not differ in relation to special treatment rewards. Finds by further analysis that higher utility perception leads to greater attitudinal loyalty and in turn to increased customer equity.

The discussion and the concepts are interesting; the actual experimental research is unconvincing, using inadequate samples and hypothetical questionnaires as a rickety basis for some heavy statistical manipulation. Which does not make the conclusions wrong — only questionable.

Research: ** Practice: ** Originality: ** Readability: **
Ref: 12221

Broadening the scope of brand management

M. Uncles

EDITORIAL. *The Journal of Brand Management* (UK), Vol. 17, No. 6, p. 395 (4pp)

**Branding, marcoms,
iPad, Jobs, Apple, silos**

Looks quizzically at the razzmatazz of the launch by Steve Jobs of the iPad — ‘a well-choreographed example of the popular view of brand management ... built around marcoms to increase brand awareness and ... brand preference’. Holds that this view dominates both business practice and teaching: marcoms are both channels of communication and the subject matter. Calls this the ‘advertising-centric’ view of brand management. Recognizes the importance of marcoms, but emphasizes the need to extend the branding vision further — into consumer psychology, human resource management, financial accounting, trademarks, semiotics, design and many other areas. Expresses a need for a shift from discipline-specific to multi-disciplinary (not multiple discipline) perspectives: a silo-spanning activity. Agrees that this is neither easy (particularly for educators in academic disciplinary silos) nor free of dangers, but holds it is liberating by equipping students and practitioners with cross-boundary skills and competencies. Accepts that the razzmatazz, and the myth it spawns, is central to the success of Apple and iPad, but insists brands must also live across a much broader platform.

A short, and beautifully written, echo of countless pleas for marketers of all stripes to climb out of their silos (and other employees too). Would that all contributors to academic journals could learn to copy something of the concision, intelligibility and style shown here.

Research: ----- Practice: ***** Originality: *** Readability: *****
Ref: 12222