Editorial

Among the articles we have abstracted towards the end of this issue there are two on relationship marketing. Not *customer* relationship marketing, or CRM — terms that have come to be associated only with B2C activities — but simply relationship marketing. One thing both these articles make crystal clear is that the concept of relationship marketing, and its terminology, derive from the B2B sphere. This is an interesting and rare instance of B2B direct marketing pioneering a new technique subsequently adopted (not altogether successfully) by B2C marketers.

Consideration of this migratory process may serve to illuminate some of the reasons for the sloppy thinking and patchy results that have been characteristic of CRM in recent years. The implementation of relationship marketing is both harder and easier in B2B than it is in B2C. Harder, because discriminatory data about companies — or indeed about individual managers within companies — are sparser, more difficult to collect and very much quicker to decay than data about consumers. Easier, because in a B2B context the very word ‘relationship’ is likely to have a meaning akin to that which we ascribe to it in daily speech, as it does not in most B2C scenarios.

This is simply because the dealings between a company and its suppliers, or a company and its other-company clients, are most likely at some point or points to involve direct dealings, on a more or less regular basis, between real live persons — and this is almost a definition of what the man in the street means by a relationship. In these circumstances, the business of fostering, personalising and enhancing these pre-existing relationships makes excellent sense to both parties, and from this *mutual* recognition springs the opportunity for what we now call relationship marketing.

Of course there is nothing at all new about this: real relationships between B2B buyers and sellers are as old as buying and selling — as, we are constantly told, is the relationship in B2C between the small shopkeeper and his customers. What is new is that at the heart of much (most?) B2B activity interaction over time between individuals is now enhanced by the power of computer records to fuel and maintain — but never to substitute for — interpersonal relationships; whereas in B2C the growth of computer-supported mass marketing has brought an end to such interactions over a wide and still growing area.

This does not mean that the currently fashionable drive to discover and meet consumers’ needs and wants (as proclaimed by CRM advocates) is necessarily wrong — merely that we are using the wrong language to describe much of what we are about, and confusing ourselves in the process. Tesco’s ‘loyalty’ card is not buying loyalty: it is buying information. (Tesco is, of course, well aware of this; its imitators frequently are not.) And the connection between a loyalty card holder and a store is not a ‘relationship’, it is a quite impersonal (on both sides) driver of business.

CRM is a perfectly good acronym for what modern marketing companies are doing — provided that the R is understood to stand for ‘retention’, not ‘relationship’. Customers who stay with their banks despite appalling service do so not because of a fictitious relationship, but because the costs of switching are, or are seen to be, high. (They have got much less in recent years, hence in part the success of such new entrants as First Direct.) Putting up barriers to exit is a more frequently practised retention strategy in British business than providing good customer service; if it also makes sound economic sense, why pretend?

We might also do well to dispense with talk of ‘putting the customer first’, consulting a whole raft of ‘stakeholders’ and such. Managers are legally, and if they want to keep their jobs, obliged to put their shareholders first; they pay attention to their customers, their staff and the public weal in so far as it is in their shareholders’ interests to do so — which, thankfully for those of us with a social conscience, it frequently (but not invariably) is.

For those who are determined to forge real rather than fictitious relationships with their customers, there is interest in a paper this quarter by Bruce Weinberg and Christine Williams, who introduce a technique used in the last US presidential elections — ‘a new type of hybrid online-offline

community-building phenomenon, Meetup.com'. The authors 'hope that this example provides guidance and encourages marketers to leverage technology that can be effective in integrating socialised (electronic) coordination with socialised physical action and develop e2f (electronic-to-face) applications that can add value to their organisation'.

Meanwhile, the consumer perspective is dealt with again by Don Schultz, elaborating on a theme he raised at the IDM Symposium in 2005: as we marketers learn to use multiple media channels to conduct integrated marketing campaigns, how do we know, measure and allow for the ways in which consumers — and especially multi-tasking consumers — receive our messages? A key element in today's marketing communication planning and measurement, argues Schultz, is media or functional synergy, and insufficient attention has yet been paid to this.

Bill Burey, too, examines a gap in understanding between marketers and consumers — a gap that he finds surprising inasmuch as all marketers are also consumers. Yet the survey conducted by his company clearly indicates a marketing failure to estimate correctly the state of consumer knowledge of such devices as opt-out boxes or the Telephone Preference Service.

The TPS plays a central part in our Opinion Piece by Tim Beadle, and a Rejoinder by Mike Hayward. While the former sees outbound telemarketing as in terminal meltdown, the latter is only a little less severe on past, and current, malpractice.

Karen Webster warns us on the subject of mailing deceased persons — an activity not merely wasteful, but destructive of consumer goodwill.

Andrew Starkey of Postcomm adds a piece on the full opening of the postal market to competition, bringing to an end 350 years of Royal Mail monopoly, and we are happy to present two case studies written up for us by Kate Boothby and Paul Livingstone. The usual Abstracts and Reviews complete this issue.

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