Papers

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Interactive marketing: The new marketing — Or more of the same?

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Abstract

The paper presents the main findings from an exploratory qualitative research project commissioned by the Institute of Direct Marketing (IDM). The objective of the research, based on in-depth interviews with senior marketing managers, was to identify the impact of interactive marketing and CRM on the mix of core skills and competencies required within marketing departments. In particular, the research provides insights into how the growing application of IT to support and facilitate marketing activities is radically changing the roles within these departments, sometimes bringing the 'back-office' team into close contact with the end-user customer for the first time. The paper includes a skills gap analysis, presented as a customer experience model, reflecting the changing focus of organisations identified in the research. The paper concludes by discussing the implications of the research for training and educating in the field of marketing.

Introduction

Marketing is evolving in new directions due to the opportunities facilitated by the application of technology. Organisations are investing in technology to manage the customer experience. The IDM wished to investigate the impact of this new world of interactive marketing on the skills and competencies needed by marketing teams within organisations, and to identify the implications for those involved in the training and education of marketers. The term 'interactive marketing' is already being coined by some, including the IDM and the US Direct Marketing Educational Foundation, to describe this technology-based approach to marketing and customer service. Others use the term in a narrow sense to refer merely to Web-based activities. This research explored the meaning of this term to practitioners in relationship to traditional marketing.

The IDM Research Steering Group

The project was commissioned by the IDM Research Steering Group (RSG). The RSG was set up in 2000 as part of the IDM's objective to undertake original research on the key issues facing direct marketing and encourage debate within the industry about the implications. This new

group, chaired by the director of research at the IDM, comprises a small number of senior practitioners, plus an academic adviser. The group is mainly responsible for devising and commissioning a programme of original research projects primarily funded through sponsorship, syndicates or partnerships from within the industry or academic institutions.

The research objectives

The objectives of this first stage of the research were to identify, from the viewpoint of senior marketing practitioners in major organisations:

- the skills, or competencies, that are considered necessary in marketing today to meet the needs within their organisations, and whether and how these needs are seen to be changing
- the implications for those providing education and training services to the marketing industry.

Method

Research method

To meet the above research objectives, the RSG commissioned Citigate DVL Smith, a market research consultancy, to undertake a qualitative pilot study comprising individual in-depth interviews with senior marketers in the UK, and produce a detailed report on the findings. The job titles of the individuals interviewed range from head of marketing development to director of strategic marketing and communications. The research was structured to provide a spread across industry sectors, as shown below. Given their seniority, respondents were often able to draw on their experience of a number of different sectors. In total, ten in-depth interviews were conducted across organisations in the following sectors:

- finance (three)
- pharmaceuticals (two)
- travel and transport (two)
- telecommunications (one)
- retail (one)
- manufacturing (one).

The interviews, using a semi-structured questionnaire built around a number of key topics, were conducted face to face in the second quarter of 2001.

Findings

This section looks at the different attitudes marketing professionals displayed in their views of how marketing, as a discipline, has developed and will continue to evolve over the next few years.

Classic pillars of marketing: 4Ps still to the fore

Traditional marketing is usually presented as being a structured process beginning with a situational analysis or audit and resulting in a market segment and objectives, which are satisfied by manipulating the

Classic marketing theory remains valid

marketing mix, or 4Ps. This approach has in recent years been criticised by academics and practitioners who have argued that marketing is at a crossroads, with a clear need for a reconsideration of both marketing theory and practice.^{1,2}

However, there was a general consensus from the study that the founding traditional principles of the 'classic' marketing discipline still hold true. That is to say, there is still a strong requirement among senior marketing professionals for their staff to understand traditional marketing theory, which still pivots around the simple yet powerful notion of the 4Ps.

No respondent was 'aware of, or arguing for, a brand new marketing paradigm that better reflected the 21st century', for example the 4Cs model now proposed by Kotler as a customer-centric platform upon which to build the traditional 4Ps,³ or Peppers and Rogers' identify, differentiate, interact and customise' approach.⁴

One of the most important issues identified was the increasing emphasis on the development of a 'holistic' approach to managing customers — that is, fully integrated customer relationship management (CRM).

Importance of brand consistency

However, implicit in the views of the respondents is another dimension which stretches beyond these principles — namely the dimension of brand. Brand was viewed by respondents as any interaction between the customer and the organisation, and was seen to lie at the heart of each and every communication that an organisation may have with its customer. The relationship-focused approach of CRM means that organisations may now have greater contact with their customers, albeit through remote channels. While this gives organisations new opportunities to reinforce the brand, it also means that organisations need to think much more carefully about ensuring that the messages used are appropriate for the individual channels — one size may not fit all.

'Dis-jointed' marketing

Fragmentation versus integration

Marketing, and in particular the managing of buyer-seller interactions, is now composed of highly specialist tasks, often crossing business functions. These tasks include not only the marketing department but also many other specialists from other areas. These 'part-time' marketers may well outnumber the full-time marketers, and all must learn to perform their tasks in such a way to deliver effective CRM.^{5,6} Within these companies it is probably very difficult to take a 'bird's-eye view' of the full marketing operation. Hence the increasing emphasis on the need to develop a 'holistic' approach to managing customers. Integrated CRM was one way of achieving this, but implementation problems were recognised. (The rise of internal marketing training to help integrate the necessary customer focus and orientation is one response to this problem.)

The majority of respondents expressed the importance of shifting the emphasis of the organisation — and hence of marketing efforts — from a short-term, one-off, sale-focused approach to a longer-term approach focusing on relationship management, retention and lifetime value.

Marketers need a grounding in IT

The role of technology in CRM: Is marketing too important to be left to the IT department?

There was universal acknowledgment of the fact that technological developments, and specifically interactive marketing, bring new opportunities to the marketing discipline — but they make marketers highly dependent on the internal IT department and the rapidly expanding market of external vendors clamouring for attention. This can create a level of vulnerability to the claims of the technologists unless marketers have an understanding of the IT issues and the IT sophistication of customers.

Dis-intermediation: The rise of customer data virgins

The research included organisations that are harnessing the new technologies in order to bypass traditional intermediary channels and trade direct with end customers. Examples were in the financial services and automotive sectors. Dealing direct with customers is a new experience for these organisations, and they need a revised repertoire of competencies that enable them to use knowledge of the customer to build and sustain long-term relationships.

These organisations are facing new challenges in first applying detailed customer data to influence marketing strategy directly, and secondly implementing the necessary technology to facilitate this change — two very steep and parallel learning curves, requiring new mixes of skills and competencies.

Challenges of new media

The research findings suggest that some organisations may see new media as simply a way to reduce costs. An inherent danger in such a strategy is a failure to appreciate the scale of investment, the degree of cultural change and the restructuring required within the marketing and customer service departments and elsewhere within the organisation if business goals are to be achieved.

Knowledge is power

Some respondents reported a sense of growing empowerment, gained through customer data, which had increased their knowledge of their customers. This increasing availability of quality customer data provides a vital stepping stone on the path towards better CRM and interactive marketing.

Customer care is vital to competitive success

However, marketers need to appreciate that being closer to the customer through interactive marketing can have its down side if there is no focus on customer care management, as the availability of competitive offers through new media technology allows customers familiar with this channel to voice their displeasure and ‘vote with their feet’ to a previously unknown degree.

Knowledgeable consumers

Many respondents did report finding a more sophisticated, knowledgeable and discerning customer on the receiving end of their communications. Consumers have evolved considerably in recent years. Respondents held that growing numbers of customers are better equipped to evaluate products and services in terms of the overall value-for-money ‘package’ rather than the single dimension of price.

Technology and the consumer

Given the increased focus on ‘customer-led’ (rather than company-led) initiatives, there was recognition among most respondents that technological developments should be viewed from a customer point of view. In many cases, the senior marketing personnel taking part in this study felt that technology was evolving at a greater speed than the audience for such technology — consumers. Hence, all respondents acknowledged the danger of adopting technology for technology’s sake, rather than taking a considered approach to the rationale behind — and implications of — adoption of new technologies. The following quote from an interview readily illustrates this point:

‘It sometimes sets up unrealistic expectations. And there has also been a certain amount of hype attached to the users of the Web and the Internet. And people don’t just look at it as another medium. They view it as solving all problems with technology. Maybe I think that would be one of the negative impacts it has had.’

All respondents accepted that interactive marketing had a genuine role to play in the marketing manager’s portfolio. However, although none rejected the principle of interactive marketing, there was some variation in attitudes towards the opportunities created through technological development. There were no rejectors of the principle of interactive marketing in the sample, nor any ‘technophiles’ who uncritically embraced the opportunities.

Two broad segments were identified: ‘traditionalists’ and ‘enthusiasts’. It can be hypothesised that over time traditionalists will gravitate towards the ‘enthusiasts’ position as the discipline of interactive marketing becomes more engrained in everyday marketing practice.

Interactive marketing as a smart way to manage customers

But irrespective of where respondents stand on the debate about the status of e-CRM and the interactive marketing concept, the research indicates that both groups accept interactive marketing as the smart way to manage customers in the future. The key difference between the groups is when and how, rather than if, marketing becomes fully interactive.

Traditionalists

As their name suggests, the ‘traditionalists’ were cautious in their evaluation of the opportunities presented by interactive marketing.

Traditionalists acknowledged the fact that interactive marketing and information technology empowered the marketer. However, beyond this traditionalists expressed certain reservations toward the full adoption, and indeed exploitation, of such channels. Indeed, traditionalists tend to class this as a certain ‘faddishness’ on the part of other marketers:

‘So it’s a really good thing to talk about. From a marketer’s point of view people are saying it’s the perfect marketing model. Everybody strives for getting a group of customers which is sizeable with the same needs and requirements to sell to. Nobody wants to deal with anybody one to one, there’s no money in it. So I think again it’s all a level of common sense really and I think the way that some of the systems and some of the businesses are talking about CRM, it’s just

Systematic- versus creative-based marketing

not a practical way of doing business. But again it's quite interesting seeing what companies have wasted lots of money doing it. And which companies haven't made at least initial steps to having a sensible customer relationship. So to me it's about balance.'

Some marketers expressed a concern that the ever-growing role of information technology in the marketing discipline is also encroaching on the 'creative streams' required of a classic marketer, such that the 'instinctive' aspects of marketing were being replaced by a more rational, or systematic, approach:

'I think creativity has taken a knock, and it's taken a knock purely because things have become much more systematic. And it's in those areas where you can be systematic through measurement where you can harness the computer in order to give you data back and say this is right or this is wrong, whereas without the computer areas like you mentioned, the 4Ps and the good old strategic platforms and what have you, that used to shape what you ought to be doing strategically.'

Hence, traditionalists were of the opinion that the basic marketing premise of 'engaging the customer with a compelling proposition' was still relevant today, and acknowledged the value of a more intense communication with customers through interactive marketing. But many were wary of the dangers of adopting such strategies without having a true understanding of the rationale, or strategic implications, for such an approach:

'I don't think it's a different opportunity. I think the concept's still the same. You know when I started out it was how do you engage the customer with a compelling proposition. That hasn't changed, just the methods of talking to the customer and getting to the customer have changed, and they have become more intense, more fragmented, but at the same time all the tools of achievement have been put in place in order to be able to achieve that.'

Thus, interactive marketing practice seems to be in a more embryonic state for 'traditionalists', who were more likely to perceive the need for interactive marketing training as diminishing the role of 'traditional' competencies. The greater emphasis on modern, technology-facilitated marketing applications may thus lead to a loss of core competence for this group:

Impact of IT on traditional competencies

'I think a large part of what we do is still very traditional marketing as such. And the main tools we use are the likes of TV advertising and direct marketing. We currently use a lot of direct marketing. But we are branching out. We are doing a fair bit of Internet work and trying to embrace the new technology side of things. That is taking a while but we are slowly kind of gathering pace and taking that on board more and more in each campaign. We are always thinking about the new technologies out there and how we can use them to our advantage.'

Enthusiasts

Enthusiasts — who were in the majority in this study — were more likely to extol the virtues of the additional layer of information provided by interactive technology. However, the approach was not the approval of the technology *per se*. Rather, the ‘enthusiasts’ took a pragmatic approach: technology was seen as providing them with a new tool to add to the marketing mix. Many cited the dangers of an over-enthusiastic approach to new channels of communication, specifically in light of the high-profile dot.com ‘boom-bust’ curve. This had resulted in many putative ‘technophiles’ now re-evaluating their approach to new media channels and adopting a more evolutionary — rather than revolutionary — outlook. Further to this, there seems an inherent scepticism among those who control budgets towards investing in technology with (perceived) short lifespans. Thus, while the opportunities created were seen as enormous, the ‘enthusiasts’ felt it important to be clear headed and practical about how these opportunities were exploited:

Using IT effectively

‘I think interactive marketing does give . . . people in marketing the first chance to actually talk to customers direct in whatever form it is. If you take our home shopping business, part of it is Internet based, part of it is catalogue based, but basically marketing could be e-mail, you talk to or ring up and talk to a small number of customers directly. You don’t get that with retail, you’re always a step away. So I think there is a benefit there. So I think interactivity from that point of view is great.’

Dis-intermediation

‘Enthusiasts’ viewed the new media channels as sitting parallel to existing channels, but broadening opportunities. In addition, enthusiasts appear to feel more empowered through the ability to communicate directly with their customers. For example, one pharmaceuticals company that had previously marketed only to doctors and pharmacists now found themselves in a position to build brand awareness directly among end consumers. A financial organisation that had previously been able to communicate only indirectly via intermediaries had now adopted more direct channels of communication, through use of targeted mailing campaigns based on customer data. This disintermediation of third parties gave the organisation greater control over the customer relationship and the ever-important brand.

Therefore, in making the step from CRM to e-CRM, marketers were communicating the same messages but in a more targeted manner, and through a broader interface, recognising that the prime role of online is as an additional channel to market:

‘I think the interesting developments in the last couple of years have been that e-commerce has changed things fairly substantially because it’s been a new channel to market, which has been very exciting to see people grapple to begin with, it was a whole new thing. Then we realised on the whole that it was actually just another channel, albeit a different and exciting one.’

There was a strong feeling that it is the medium that has evolved, but

that the central *modus operandi* is broadly similar — being a variation on a traditional theme.

The impact of technology

All respondents felt that technological developments have had at least some impact on marketing practice. The critical issue becomes how the wider organisational culture is embracing technological change.

IT can 'pull' and 'push'

It is important to note that technology-based marketing solutions can both 'pull' and 'push' products through the supply chain. That is, through the use of new media technology (at this stage the Internet is the main medium) consumers can theoretically move increasingly towards 'perfect product information' (but the extent to which this is actually happening and the pace of change are debatable). This means that consumers can now easily access comparative pricing and product specifications, which serves to 'pull' products through the supply chain. On the 'push' side, technology can help organisations keep up with the increasingly demanding customer base by 'pushing' technological solutions through the supply chain aimed at facilitating e-CRM.

Either way, organisations are finding themselves increasingly faced with technological hurdles, which can either be viewed as barriers or challenges depending on openness to change and the approach to marketing. There appeared in the research a consensus that technology is increasingly being 'pushed' on to the market without there necessarily being any 'expressed' demand from consumers. Most agreed that this appeared to be technology with little inherent desire on the part of consumers to use it for information, enquiry or sales.

Towards a balanced view

Reacting to technology

Indeed, similar to the traditionalists, the enthusiasts were well aware of the dangers of 'early adoption' of 'new', comparatively unproven, technologies and techniques, particularly against the backdrop of the boom-bust new media sector economy. Most respondents in the 'enthusiasts' category were very much aware of the dangers of developing a communication stream purely as a reaction to technological change, rather than ascribing any genuine utility to it supported by a strong value proposition. The first wave of adopters, it was argued, are 'techies' with little appreciation of the notion of customer needs:

'I don't feel enough marketers have really caught on to modern technologies and modern tools that are available for people to become more efficient in understanding their customer and delivering a better product. I also feel that on the other hand you also get another raft of people who irritate me even more generally speaking, which is the evangelists of technology, for the sake of technology and not for our customer focus. Too many people in marketing just do not understand that consumers do not move as fast as technology at the moment. So there's no point in introducing an e-commerce site or a WAP phone to people that don't need it.'

The research clearly showed that enthusiasts were aware that they were

Impact of IT on marketing operations

exploring ‘new territory’. In discussions it was apparent that many marketers were ‘feeling their way around’, and trying to establish a firm foothold in the world of interactive marketing. Enthusiasts were sensitive to the risks posed in investing in technologies that were perceived as having relatively short lifespans.

It should be pointed out that while developments in technology were generally praised, there were some negative perceptions. These were primarily due to a poor understanding of the constraints or limitations of a technology-based approach. Thus, some ‘enthusiasts’ felt the greater emphasis on information technology and interactive marketing placed greater — and perhaps unrealistic — demands on the marketing discipline, such that turnaround times were expected to be much shorter. This meant that sometimes the potential for interactive marketing was over-inflated among those who were unaware of the true boundaries of the capability of the technology and what could be achieved with specific budgets.

The implications for marketers

Whether ‘enthusiasts’ or ‘traditionalists’, the research indicates that senior marketers view the ultimate development in interactive marketing as true one-to-one marketing, a (virtual) conversation between the organisation and an individual. However, it was pointed out that the expense of such a concept would be enormous.

Need for new skills

This meant that for ‘enthusiasts’, priorities in terms of the skills and competencies required in marketing were broadly similar to those articulated by the ‘traditionalists’ — the key differences being the likely speed of adoption and the extent to which IT-facilitated solutions would be viewed as appropriate within future strategy for the organisation concerned. Enthusiasts highlighted the importance of developing more specific skills in response to new developments in their practice. For example, one respondent had recently introduced direct mail training in the marketing department as a direct result of the organisation (now) having direct access to their customers. Another senior marketing respondent reported that he had recently trained a number of staff on Web design. Given that interactive marketing is a relatively new discipline, ‘enthusiasts’ often felt that they had little internal knowledge that they could draw on, hence they often sought third-party specialist sources for training.

The next section of the paper considers how these attitudes and changing practice influence the training and education needs of marketing managers and students. The research suggests that many organisations may currently be responding to training needs on a tactical basis, with training being focused on technical competencies rather than addressing the underlying strategic issues:

‘You would like to think that you would get all those involved trained up and comfortable with working with new technologies and understanding the benefits of it, and how it can help in terms of marketing. But in reality it is a bit too much to hope that you would all

go on a fantastic course and within two days you would all be brilliantly knowledgeable.'

Time constraints

The authors believe that increasingly the largest barrier to undertaking external training at any level is time. Less time is available to be spent on formal training courses — and at a senior management level, conferences and seminars tend to take the place of formal training programmes.

The skills gap

This section identifies and discusses the specific skills shortages identified by the respondents taking part in this study.

Understanding the customer experience

Impact of specialisation

The interviews suggest that the evolution of marketing is leading to some skills being lost, or even overlooked as a result of increasing specialisation. These are outlined in Figure 1.

In addition, the research indicates that there are a number of new skills which need to be either taken to a new level of understanding or applied from a new perspective to match the needs in a CRM or interactive marketing context. Key examples include:

- collecting, processing and analysing customer data
- targeting and measuring response
- understanding customer needs
- focusing on retention of customers

Figure 1: Nine skills gaps

New mix of core skills

- developing up-sell and cross-sell strategies to enhance customer value
- selecting, implementing and operating technology solutions for e-business and CRM
- developing and operating websites and other interactive media and using the new media effectively
- commissioning new media agencies, website designers etc
- commissioning above-the-line advertising to support interactive marketing focusing on lifestyle rather than product features
- handling responses and orders
- providing customer service.

Some of these may constitute new skills in some organisations.

Figure 1 provides a diagrammatic overview of the nine areas within the overall customer experience where the research indicated shortfalls in skills are likely to occur. This model demonstrates the complexity of managing and understanding what needs to be achieved through CRM, and how the parts interrelate and interact.

Taking a holistic view of the customer

The most common and worrying gap identified by respondents was the extent to which the organisation could take a holistic view of how to manage this customer experience — a vital element in retaining customers and essential for building profitable longer-term relationships. Organisations need to consider new organisational structures and processes which lead to the customer experience being managed in a seamless way, and build into the model sufficient flexibility to ensure that those who need to can take an overview of these processes and the relationship with an individual customer.

Skills gaps

Figure 2 provides a more detailed analysis of the skills gaps shown in Figure 1, and places them into the context of the overall customer experience. The training implications and opportunities are also identified, plus a summary of the key messages for marketers.

The customer experience model described above indicates the need for

Issue	Relationship	Skills gap	Conclusion
General marketing	The marketing of a company's products and services is the key to a large organisation's success. A company's marketing strategy can either react to the corporate strategy or be an integrated part of that strategy.	Increasing concern displayed over the separation of and specialisation within the 4Ps. Graduates now specialising in 'sub' disciplines, such as advertising and PR, leading to comments on the need for more core 'integrated' knowledge from marketing discipline entrants. Training opportunities: <ul style="list-style-type: none">— core/basic-level marketing courses.	Clearly, for general marketing to be effective, the available channels must be utilised to their optimum potential within the confines of available resource.

Figure 2: The Customer Experience Model — Skills gaps

Issue	Relationship	Skills gap	Conclusion
Channel issues	Marketing channels are predominately used for promoting products or providing information. Increasingly, new technology allows these same channels to engage in dialogue with end customers and allows that channel to facilitate transactions. As channels take on a broader role, new skills are required as increasing integration between promotion and transaction occurs.	Key channel issues centre on how to transform existing information platforms — such as a corporate website — into an e-commerce tool. This raises skills issues where gaps could appear. Opportunities: — transforming a marketing channel into an integrated promotion/commerce/dialogue tool — integrating marketing and sales information/disciplines — understanding the sales-marketing-CRM relationship.	The scope of channel issues therefore serves to re-evaluate the view one takes of marketing.
Functional marketing	The move towards more sophisticated channels that provide a platform for both interactive communication and commerce highlights the need for both in-depth knowledge of how the marketing discipline works, and also specialist knowledge of IT, sales, CRM and other corporate issues. The marketer is beginning to be 'forced' down one of three routes: — focus on a specialism, such as e-marketing, but risk being pigeon-holed — focus on being a generalist, but risk not knowing enough about the individual areas — attempt to combine the general with the specifics, although few will have the opportunity to wear these two hats.	Many skill issues exist on this basis. Training opportunities: — IT/e-marketing courses for marketers — marketing courses for non-marketers — operational training for senior managers.	The desired result of this activity is to increase sales: 'the long term is just a series of many short terms in this organisation'.

Figure 2: (continued)

Issue	Relationship	Skills gap	Conclusion
Sales	Most marketers feel their output is judged on a short-term basis, ie acquisition cost versus expected revenue. CRM has yet to be fully evaluated on a comprehensive cost/benefit basis that measures the longer-term economies of customer retention programmes.	<p>A major skills gap lies in understanding the value of promoting a comprehensive 'customer experience programme' in the medium to longer term.</p> <p>Training opportunities:</p> <ul style="list-style-type: none"> — what constitutes a brand — why a customer should be 'for life and not just for the quick sale' — the cost/benefit of customer acquisition and retention — how to retain customers. 	Within the context of maintaining the customer relationship and building up a positive customer experience, after-sales service becomes paramount.
After-sales care service	After-sales care was regarded as one of the most important issues in successful marketing — the lynchpin of any CRM programme.	<p>After-sales care was increasingly being substituted with cross-selling and up-selling saturation marketing. Thus rather than using the opportunity to cement customer relationships, goodwill was being wasted by clumsy sales attempts and misunderstanding customer requirements.</p> <p>Training opportunities:</p> <ul style="list-style-type: none"> — how to balance sales with customer care — analysing customer data — building customer relationships through care programmes. 	Customer care programmes must have a positive cost/benefit output — and their success must be evaluated on a longer-term basis.
Cross-selling/up-selling	Through building up a positive customer relationship, value can be added through cross-sales (if the right approaches, at the right time, with the right products are made). The criteria for success were judged to be comprehensive information, credible sales approaches and timing.	<p>Successful cross-selling skills were an area where many gaps existed.</p> <p>Training opportunities:</p> <ul style="list-style-type: none"> — understanding and identifying cross-selling opportunities — how to add value through cross-selling — how to use customer data to cross-sell effectively. 	The result of this CRM journey will hopefully be a committed customer base.

Figure 2: (continued)

Issue	Relationship	Skills gap	Conclusion
Lifetime customer relationships	The increasing use of digital channels to surf, shop and transact is seen as 'depersonalising' the customer experience and serving to homogenise suppliers in the eyes of the consumer and lead to increasing differentiation on price rather than value. Clearly the customer experience must serve to increase the customers' sense of value to the organisation, and this perception will act as the main product/brand differentiator	CRM/e-CRM/interactive marketing must be at the forefront of companies' ongoing marketing/sales/information/PR etc activity. Training opportunities: — showing how the 'customer experience model' works — showing the value of marketing/customer retention activity — mapping the trends in marketing and the benefits of customer personalisation.	
Targeting	The process is iterative. Every contact, communication and sale forms part of the customer experience that enriches the customer profile, and in turn allows a more focused approach to that customer.	Training opportunities: — market segmentation — market modelling — data management.	The marketing discipline itself and the skills of the 21st-century marketer are expanding. This leads to a broader 'customer experience' discipline, drawing together all of the original elements of marketing, but taking away the boundaries between marketing and sales/IT/distribution.

Figure 2: (continued)

Broadening the definition of marketing

a broader definition of 'marketing' than is contained within the traditional 4Ps model, covering a wider range of specialisms and skills than considered necessary in the past — for example, 'hybrids' who are marketing trained but also have the necessary IT knowledge and skills to maximise the opportunities offered by interactive marketing; customer service principles being included within marketing training and education, etc.

Adoption of the emerging new full marketing model by organisations seems likely to evolve over time, given the substantial investment involved in installing the necessary IT systems and, perhaps more importantly, putting in place the right culture and organisation structure.

However, the above framework does serve to suggest that the separation of the various elements is ultimately counterproductive, given the need to add value to the customer experience on any level.

This model can be used to highlight the following training areas:

- basic and advanced-level marketing courses (4Ps to 4Cs)
- measuring the added value of marketing and CRM
- techniques for understanding market/customer needs
- developing a customer experience model

Key training areas

- developing a customer (centric) strategy
- market/customer segmentation
- data management and developing a data strategy
- creating dialogue-based, integrated, cross-channel marketing campaigns
- modelling and analysis techniques
- knowledge management to support marketing/CRM
- cost/benefits of customer acquisition and retention strategies
- strategies for retention and cross/up-selling (optimising customer value)
- brand strategies and management
- building relationships through customer care
- internal marketing/communication to support CRM
- differentiating brands on the Internet
- IT courses for marketers (including online)
- marketing for non-marketers
- operational management in CRM.

Conclusions and further research

The findings reflect experiences common within many organisations, and mirror the direction that marketing has taken in recent times. While a limitation of the research is the small sample size, the in-depth interview approach has provided valuable detailed case-study-based insights enabling the key underlying principles to be identified. While further research might wish to quantify these results, the researchers do not consider this to be justified, as the qualitative results are sufficient to begin the process of reconsidering training and education needs.

Redefining marketing

The findings tentatively suggest that the historic development of marketing as a practice-driven discipline leaves marketers ill equipped to deal with the scale of change they face when adopting interactive solutions. Theory lags behind practice, creating a legacy where firstly marketers are often left to manage change without recourse to an adequate body of knowledge to support them, and secondly there is a tactical rather than strategic mind-set. This has left marketers clinging to theoretical constructs developed in a product-focused age using traditional, often indirect, channels to market. Today the need is to understand how to harness the knowledge about increasingly sophisticated and wary consumers, together with the opportunities offered by the new technologies, to build lasting, mutually beneficial relationships. While the sample included examples of ‘enthusiasts’ and ‘traditionalists’ where the role of technology was concerned, all believed that the future will see the relentless trend continue towards the greater adoption of IT solutions to facilitate and support marketing.

Several of those interviewed also expressed concern about the fragmentation of the marketing function, either due to increasing specialisation or organisational change, rendering it increasingly difficult to take the necessary overview essential to managing the full spectrum of needs inherent within the concept of CRM — and to identify the skills or competencies required to do so.

Develop new training and education models

The challenge for educators and trainers — at all levels — is to keep pace with the current dynamic rate of change being experienced by many organisations, and to recognise the range of new competencies which are needed to implement and operate interactive solutions. This may require new partnership-based models for developing and delivering training and marketing education, and the adoption of new interactive delivery channels, or ‘blended’ approaches mixing traditional methods with online, as marketers become increasingly familiar with technology within their roles.

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