Editorial

Marketers love acronyms

We have often thought marketers are too keen to invent acronyms or ‘sound-bites’ to describe the latest piece of alleged innovative thinking. These sound-bites spread at twice the speed of a viral campaign (another name for word of mouth but performed electronically), and the marketing community lathers itself into a frenzy of services, conferences and publications (online and offline) to expose its virtues.

We have had CRM and thankfully are at the tail-end of MNP (media-neutral planning). The Opinion Piece by Alan Tapp discusses the meaning of this latter term very well, exposing the many and varied vested interests which claim to understand it. By splitting the decision making into corporate, marketing and marketing communication planning, Tapp makes more sense of how media decisions are reached. He goes on to explain why direct marketers are in a better position to understand MNP as they can measure direct comparisons between media under controlled conditions.

Our first paper by Bazett, Bowden, Love, Street and Wilson — no, not a pop group, but a combined effort from IBM and Cranfield University — tackles the increasingly important issue of measuring multichannel effectiveness. The internet and contact centres have greatly expanded the channel options to a business and revolutionised (perhaps a strong word) customer expectations. But how many of you remember when standard delivery terms were 28 days, until Next announced it would deliver within 48 hours over a decade ago? The only way to buy a Nikon camera was from a Nikon retailer between 9am and 5pm, Monday to Friday. These services are history, as customers today expect instant gratification. They channel hop, picking up advice from one channel, transacting in another and receiving service in a third. Tracking the effectiveness of the route to market now requires a set of metrics, not just one measure. The paper explains this, using a multichannel retailer as an example.

The paper by Moutusi Maity and Cara Lee Okleshen Peters concerns the current state of internet research tools as a way of predicting customer behaviour. There are some worrying statistics. In the USA, analysts estimate between \$3m and \$19m of sales are lost each year because of poor online customer experiences: 65 per cent of customers abandon their shopping carts during a website visit, while Nielsen argue e-commerce firms can double their sales by making their site easier to use. The authors argue that accepted internet marketing research practices need to be supplemented by usability studies that provide an in-depth insight into the customer experience. In the paper the authors identify several methods to rectify these shortcomings.

The IDM Business Performance Award winner of 2003 is this issue’s case study. M&G Investments, with Harrison Troughton Wunderman, created an exemplary integrated campaign leading all the way from market research to sales. On the back of a shrinking market it achieved all its objectives of improved response, higher market share, reduced promotional expense and improved brand awareness. Well worth a read.

Mike Havard’s Legal and Regulatory Update poses the interesting question: ‘death of the cold call?’. It is very difficult for marketers to stop doing something that is profitable. It is like asking MBNA to stop their blanket direct mail campaigns for credit card acquisition — one has to assume they work and are profitable, acting in the same way as general advertising on the OTS (opportunities-to-see) principle. But there is indisputable evidence that customers do not like cold calls: 5.25 million have signed up for the Telephone Preference Service scheme (24 per cent of British households). The pool or stock of available numbers is decreasing. Mike’s piece examines the importance of legislation and customer resistance in the viability of outbound calling, and poses the view that, if drastic action is not taken soon, the practice will cease to be economically viable within five years. Mike’s views are supported by a further paper by Belinda Haden that discusses silent calls.

We would draw your attention to one of the book reviews by George Smith, F IDM, former

chairman of the IDM. The book, by Mal Warwick, is about testing in direct mail. This is a lost science to many of this generation of direct marketers and we sincerely believe if you do not understand testing, parts of the book will be very illuminating.

As editors we will take the opportunity to wish you a prosperous New Year.

*Derek Holder and Robin Fairlie
Co-Editors in Chief*