Editorial

The Journal is always happy to provide a platform for the opinions of its readers, particularly when they address the issues of the day. This edition of the Journal contains an embarrassment of riches, with two opinion pieces submitted by regular readers. Do you agree with their comments? Let us know. Responses are equally welcome. To provide some context for these 'op-eds', we have sought to cluster two sets of papers around them, which provide related insights.

Those of us who have suffered from the pain of being on the receiving end of irresponsible or badly managed outbound telemarketing will sympathise with Rufus Grig's call to action. Grig calls to account those firms using technology indiscriminately in an attempt to improve productivity at the expense of customer relationships. He suggests that voluntary codes of practice have failed in this area and the risk is that telemarketing in the UK and elsewhere in Europe becomes a 'no-go area' as it is in the US: 'a responsible move from a young industry could just let it survive into adulthood' he suggests.

We contrast this experience with two other forms of direct marketing. One form even younger than telemarketing is commercial SMS messaging. Ruth Rettie, Ursula Grandcolas and Bethan Deakins track the growth of commercial applications for text messages and consumer response to them in this paper drawing upon 26 text marketing campaigns. Although the analysis is based upon claimed rather than actual response, it appears that surprisingly high levels of

acceptability (compared to telemarketing) were noted among recipients. Of course, as the team point out, increased likelihood to purchase may simply be a novelty effect which wears off over time; but the responses already demonstrate clear discrimination against marketing that is unclear, poorly targeted or lacking in high value content.

By comparison, one direct marketing mechanism older than the hills is direct selling. Often neglected, direct selling and account management — particularly in the business-to-business context — is nevertheless a significant marketing communications channel; but sometimes it is complained about as much as telemarketing. Lynette J. Ryals and Beth Rogers explore the extent to which the effectiveness of this channel can be influenced by the nature of the compensation offered to key account managers. But the solution is not just a matter of paying people more: 'the most highly rewarded salespeople are often the most dissatisfied', Ryals and Rogers suggest. They propose instead a portfolio approach in which the reward system is linked with relationship type, with the result that salespeople pursue more strategic targets rather than just the 'low hanging fruit'.

Our second opinion piece, contributed by Anthony Marsella, Merlin Stone and Matthew Banks, addresses the opportunity presented by real-time customer analytics to do away with textbook segmentation, driven by 'out of date market research and old customer data'. As might be expected they warn that such analytics also require

fundamental changes in management approaches to the customer. Customers themselves will also have to change 'to learn how to carry on a relevant dialogue, exploring their needs'. How realistic is this challenge?

Our related papers here are to do with understanding the link between segmentation, satisfaction and company profitability. The paper by Silvia M. Chan-Olmsted, Jack C. C. Li and Jaemin Jung profiles early cable modem adopters. Their findings support the notion of innovativeness and the innovation-seeking behaviour characteristics of early adopters. The dynamic and demanding nature of this market would seem ideal for the applications of Marsella, Stone and Banks' real-time analytics approach. High levels of customer satisfaction are usually taken as a proxy for fulfilled customers' needs, and it is assumed that this has a positive effect on profitability. Brand trust was often seen as one expression of customer satisfaction. Jenni Romaniuk and Svetlana Bogomolova's paper reminds us, however, that trust is more like a 'hygiene' factor in that all brands have to have a certain level of trust to be competitive in the market. Finally, Chiquan Guo and Pornsit Jiraporn's paper seeks to demonstrate in practice that customer satisfaction performance has a lagged effect on profitability, with all the implications this carries for what Marsella, Stone and Banks call 'a lifetime of interaction' between the resources of the firm and the customer.

We should not forget that, despite popular interest in direct marketing and customer analysis — particularly that employing new technology — advertising still plays the most significant

role in marketing communications. But we should also not forget that understanding and measuring the effects of advertising — particularly those associated with emotional responses — continues to be a methodologically challenging and controversial area, where academics and practitioners often disagree. Our final two papers in this issue therefore provide refreshingly practical contributions to this debate. Both studies employ an item battery approach to exploring consumer response. Ulrich R. Orth, Peter P. Oppenheim and Zuzana Firasova examine consumer response to positively versus negatively framed advertising messages across several European countries. Neglecting even subtle national differences in response to advertising content and imagery between superficially similar countries, they suggest, can be damaging; this is an important conclusion for practitioners. William L. James, Arthur J. Kover, Brenda S. Sonner and James P. Keeler seek to employ the N.W. Ayer Battery of Emotional Responses in examining the responses of four different subject groups to television commercials, to test the tool's reliability and validity. The Ayer battery is significant in that it originated as a commercial tool which is now available to academic researchers. It 'may provide a way for these two groups to benefit from each others' research and narrow the divide between them' conclude the authors. An objective that this Journal fully endorses.

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Editor
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