Editorial

One of the difficulties of writing editorials for a quarterly journal is the problem of immediacy: the span of time between writing and reading is long, and that which seems new and urgent as one sits at the keyboard can too easily be as dead an issue as anything in yesterday's newspaper by the time you get to read it in this journal.

There have, however, been a couple of events in 2001 which we think are likely to stick in our readers' memories through 2002, and even a bit longer. The first of these — and the most immediately relevant to us as marketers — was the dramatic collapse of prices in high-technology stocks, followed by the grounding of a wide range of high-flying dot.coms. The legend of Icarus — or, more prosaically, the lesson of the South Sea Bubble — was, it seemed, being replayed.

But to suppose that the dot.com phenomenon is now over, and that we can all get back to our comfortably familiar ways of doing business, is an even more egregious error than to have indulged in the earlier hype that led to the collapse. It was Clive James who reminded us recently that bubbles are a regular occurrence in capitalist economies: previous generations famously lived through a tulip bubble and a railway bubble. The difference between them, James remarked, was that when the tulip bubble burst the world was left with warehouses full of rotting tulip bulbs; when the railway bubble burst there remained a network.

And so it is in the latest affair. We can no doubt dispense with the idea that all future business is going to be conducted on the Web, or that companies can survive indefinitely on inflated stock-market valuations without having to declare profits. But the Internet itself has not collapsed: the number of people accessing it, advertising on it and buying from it continues to grow, week by week. And month by month it becomes clearer that the fundamental reason why pure-play dot.coms are not going to sweep the commercial board and change the world overnight is because staid old bricks-and-mortar outfits are themselves launching into hyperspace, to challenge the newcomers on their own ground.

Today the watchword is integration — integration of the e-channel with all the other channels of communication that customers wish to use; integration of data derived from e-commerce with all other data; integration of customer service and fulfilment activities. This is a prominent theme of Martin Nitsche's paper in this issue, based on experience of developing CRM with the Deutsche Bank.

Another of our contributors this quarter (Steve Reiman) goes so far as to say 'e-commerce is in the author's view merely a new distribution channel'. This may be ultimately to underplay its potential, but it is a sane place from which to start — and still offers immense scope.

In our view, e-commerce *will* eventually change the world, if not totally, at least quite substantially. That it will not happen tomorrow, or next year, or even perhaps this decade is no excuse for supposing that it will not happen at all. Meanwhile, if we all keep our feet on the ground we may not reach the stars tomorrow, but neither will we suffer the fate of Icarus.

Wendy Hewson is the author of a second paper in this issue on CRM: this one dealing with application service providers (ASPs), on which the author casts a cautious eye.

Roger Donbavand contributes a third paper on CRM — and a second on its application within banking, although the implications of what he has to say, and the methodology he describes, are equally applicable to any company which is truly interested in listening to customers, rather than just 'managing' them.

Melanie Gilbert and Roy King contribute a study of using total performance indicators to track intangible as well as tangible assets at Sears Canada. And Christine Reid tries to straighten out for readers the appalling (and unnecessary) tangle in which EU institutions have landed exporters of personal data. (This, of course, is part of the universal obligation, as from 23 October 2001, to be in full compliance with the Data Protection Act of 1998.)

There is one other event of 2001 which will still resonate through 2002 and beyond — the occurrences of 11 September. Early reaction to these horrors took the line that the world had changed forever — nothing would ever be the same again. Of course, for those who lost family that day, this is precisely true. But for the rest of the world?

True, whether by accident or design terror struck at a world economy already more fragile than for some years past — more apt to be pushed into recession by a traumatic event. And the reactions of a surprising number of people who, being statistically illiterate in terms of risk assessment (surely no direct marketers among them?), have cancelled aeroplane flights or holidays, or stopped going about their normal business — these have helped to make the self-fulfilling prophecies of doom seem credible.

The initial hype surrounding the Internet has given way, with the lapse of time, to a more cautious assessment of *its* likely consequences. Perhaps as we move further in time from 11 September 2001, we will take from that too a less doom-laden view of the world's prospects. You who read this page will be a good deal further off from 11 September than we are who write it. So you will be in a better position to judge. Sure, no one who was an adult that day will ever forget it, and it will have practical as well as emotional impact on all our lives. But to change everything? And for ever? Surely not — not unless terror wins. And it will not, will it?

Derek Holder and Robin Fairlie