

# Data Data Everywhere

## - and not a byte of use?

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### Discovery to Decisions - a possibility?

In today's fast moving world of ever more sophisticated consumers coupled with the new electronic channel, the Internet, opening up ways of marketing that were hitherto unseen, customer knowledge becomes more and more critical to businesses. Paradoxically, the more data that is collected seems to highlight the lack of information held and the amount of knowledge distilled from this is paltry by and large. This knowledge is necessary in order to understand customer needs and wants as well as market trends and directions.

Vast databases holding terabytes of data are becoming commonplace. Without the right tools and systems accessing it that allow companies to discover new knowledge and enable better business decisions it is largely wasted. 'Knowledge in people's heads can be put to use; it is alive.

Knowledge on disk is data. Data is by definition dead - an artefact.' (Scott 2000)<sup>1</sup>

This paper looks at research done by the author for an unpublished, MA in marketing at MBS which looked at a small sample of companies from various sectors in the UK focusing on their use of customer data within the business. (Abbott, 2000).

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<sup>1</sup> Scott M C, 2000, Reinspiring the Corporation: the seven seminal paths to corporate greatness. Cited in an Extract from Advanced Uncorrected Proofs, John Wiley & Sons Ltd, Chichester

But what has this to do with CRM? Everything. As customers become more and more sophisticated and products more and more commoditised, then service becomes paramount. Customer retention is critical and this requires loyalty which is brought about by great service, trust and to different degrees, personalisation. All of these need knowledge of the customer which is where the data comes in. Vast amounts of data are being gathered and held in data warehouses that if it were exploited properly could transform businesses by discovering trends and market segments that would otherwise have been missed. This allows much more cost effective marketing, using the appropriate channels. It is not unusual for the return on investment for these to be measured in a few months.

Marketing is moving forward very quickly towards the 'segment of one', but this segment is not static and its needs will change - potentially very often. Adaptive marketing is the way forward and again, up to date knowledge of the segment critical in allowing businesses to move towards this goal - the ultimate CRM. The better the knowledge is used, the faster the journey and the more profitable the company. The Internet is simply another channel to market, to be used when it is right for the target segment and allowing for more data to be gathered and utilised.

The journey has to begin with data collection and analysis. Also critical is the cleanliness and timeliness of the data. No longer is it enough to just have buying patterns, today's marketers must understand the more personal data from their customers to allow more targeted campaigns (for example hospitality) leading to increased loyalty. It also decreases the cost of doing business. Scattergun and mass marketing campaigns are expensive and give little return. We are in the age of targeted marketing using all of the technology at our fingertips - or are we?

Many Internet companies are now capturing and analysing click stream data for use in their marketing as a matter of course. But these are the leaders. Reading articles on the subject would make us believe that most if not all companies are not only data but information and knowledge rich. But are they? How are the mainstream companies adapting to CRM and e-marketing? The research does not give a definitive answer as the sample is very small, but it indicates the speed of adoption within different businesses in the UK today.

## Discovering the reality

The study was aimed at understanding the level of CRM implemented in the UK marketplace and also the amount and type of customer data held - and whether this data was usable. Because time was short, the surveys were conducted by e-mail and telephone. Of course, forty respondents from different industries across the whole of the UK does not give a representative sample size and so no definitive conclusions were drawn, but it enabled broad assumptions to be made. A secondary outcome of the study was to discover if marketers today were using available technologies in their marketing programs - including the analysis of customer data and the Internet.

The findings showed that CRM was being embraced by all of the companies surveyed and implementation was generally ongoing or in-plan. The level and speed depended on age, industry (whether mainstream or highly targeted) and size of company, with the small niche players furthest along and older mass market players falling behind.

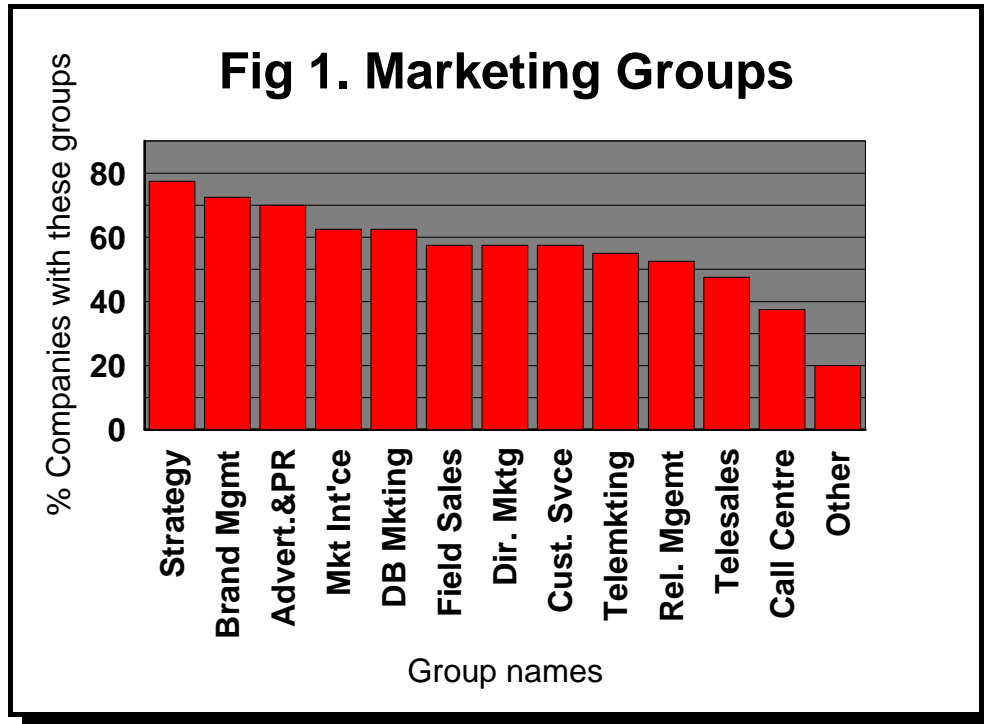
None of the respondents had a completely up to date, clean and usable set of data or fully implemented CRM strategy.

The industries ranged from Information Technology (hardware, software and services companies), Manufacturing, Retail, Utilities, Petrochemicals and Not-for-profit. Many had a global presence and others concentrated on serving the UK markets. Typically companies with a high number of employees had the highest turnover, but one firm with mainly telesales staff had a very high turnover and relatively small number of employees. (This particular company was well known for having revolutionised its industry)

### **Marketing in General**

Despite CRM hitting the headlines and efforts being made to change market focus from product based to customer service, most of the companies in the survey had marketing groups focused on strategy, product and awareness. The customer based departments - such as customer service,

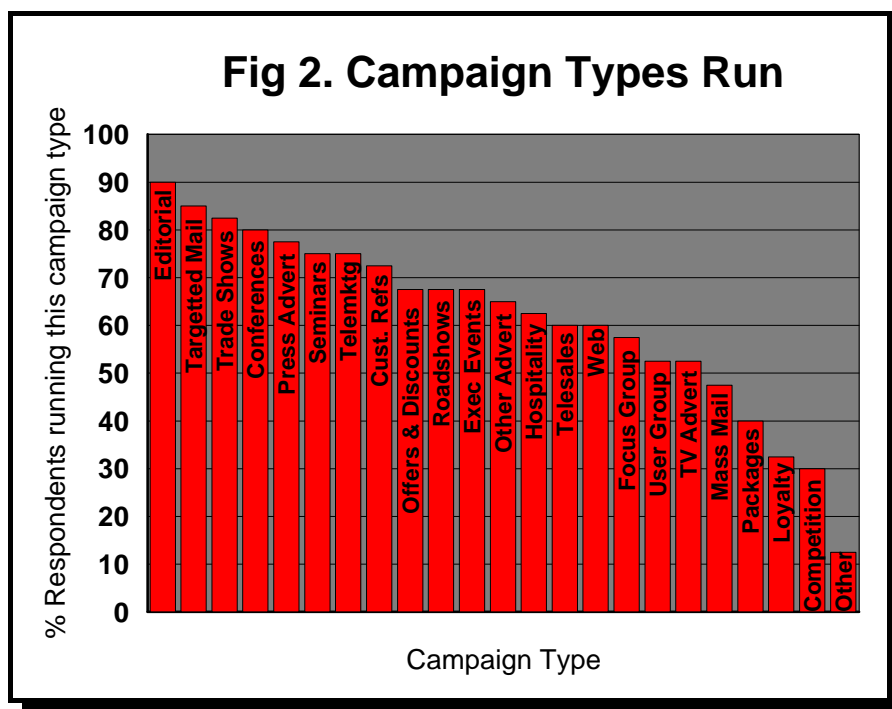
were positioned much lower down indicating that a move to CRM was not yet pervasive in the marketing teams within the study groups as they still appeared largely inwardly focused. See fig 1 below.



This was surprising as the expectation was that there had been a widespread shift to CRM and marketing groups created to take advantage of this, yet less than 40% had a call centre in place (which is usually the first system within a CRM implementation to be installed). Many of the respondents also spent very little time with their customers. This again, was a surprise, as customer understanding requires real knowledge and if not first hand then how is this gained?

A base of knowledge about the customer segments targeted is necessary before embarking on specific marketing campaigns, using the wide range of tactics and channels available today. In order to move with the times, companies need to adapt by allowing the evolution of their marketing groups from static through e-commerce to adaptive utilising the knowledge discovered in their data by executing the right campaign to the right segment via the right channel.

Very few companies had any web enablement marketing groups despite around 60% running web based campaigns. See fig 2 below.

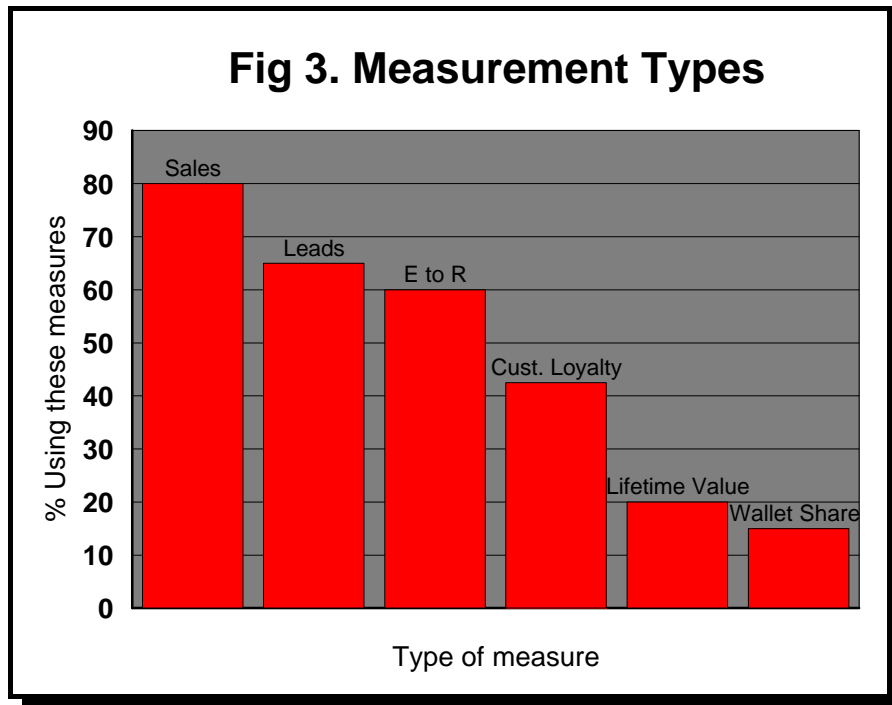


The trend away from mass marketing to more targeted is shown in the chart above, as is the popular use of editorials instead of advertising to get marketing messages across in the sectors represented. To enable targeted marketing to be successful, the data used must be clean and accurate, and as will be seen further on, the majority of the respondents to the survey had little confidence in the data they used for their campaigns. This implies a lot of wasted effort and money and even worse can cause customer dissatisfaction.

Loyalty schemes and competitions are good ways of getting customers to give marketers data on themselves but these tactics were way down the list of those used. Web based campaigns can use cookies to get data, but this is for each PC rather than user and the cookies have to be accepted for this to happen. The web tactics certainly weren't as pervasive as expected, especially as the majority of the companies surveyed are in the IT business.

When looking at the types of measurements used - again to see if CRM was being implemented, the three highest rated measures were sales, lead generation and expense to revenue ratios - all

traditional marketing measurements. The customer based measures of loyalty and lifetime value were much further down showing that the short term, easy measures are still predominantly the ones that the company wants to see. See Fig 3 below.



The lack of measurements in the CRM areas also show the speed that this is being embraced as they are critical to success and so should be put in place early in the implementation. ‘The gateway to the loyalty revolution is developing the right kind of measurement system’ (Reichheld 1996)<sup>2</sup>

Despite the many tools around for marketers today, the humble spreadsheet is still the main tool of choice for managing campaigns etc., being utilised by all of the respondents. The Internet is growing fast as a marketing tool as is data mining. The last two products indicate that CRM and e-marketing are becoming more widespread - at least in part, as they are part of the tool set needed to exploit every available method of getting closer to the customer.

Most respondents felt that marketing was not widely accepted throughout their company apart from as short term sales support whereas they felt that their role should be as a strategic business driver. However, it was conceded that they need to ensure that the company understood how marketing

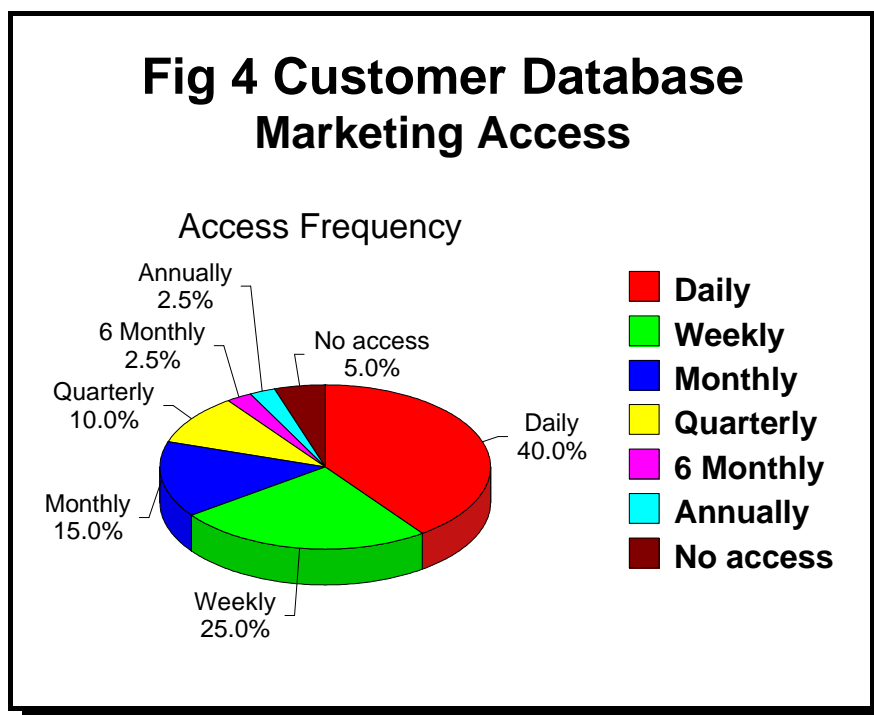
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<sup>2</sup> Reichheld F F, 1996, The Loyalty Effect, Harvard Business School Press, Bain and Co. Inc., USA

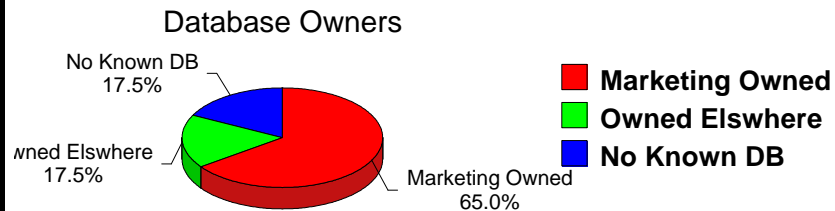
can add value in order for things to change. Focus needs to change from that of looking inwardly at products to concentrating on customer relationships and channels to market. The results from the next area of the research confirms this as many of the respondents did not have many dealings with their customers, which could be because of the company attitude to marketing or a failure to move forwards within the marketing departments themselves.

## Data and Databases

This part of the study looked at the customer databases, aiming to discover if they are owned by marketing, the frequency of use in marketing campaigns, how they are populated and even if they exist! The results were unexpected showing that less than half of the marketers accessed the customer data daily and some had no access at all. The marketing department did not even own the data in around a third of the companies surveyed which could cause problems with CRM implementation in these firms. The information held on this data is marketing specific and lack of ownership could mean that the wrong data types are held. Marketers' understanding of their customer set is fundamental to marketing and if they do not access the data held and do not have customer contact (see Marketing in General, above), then how can they even begin to understand their customers? See figs 4 and 5 below.



**Fig 5. Customer Database Ownership**



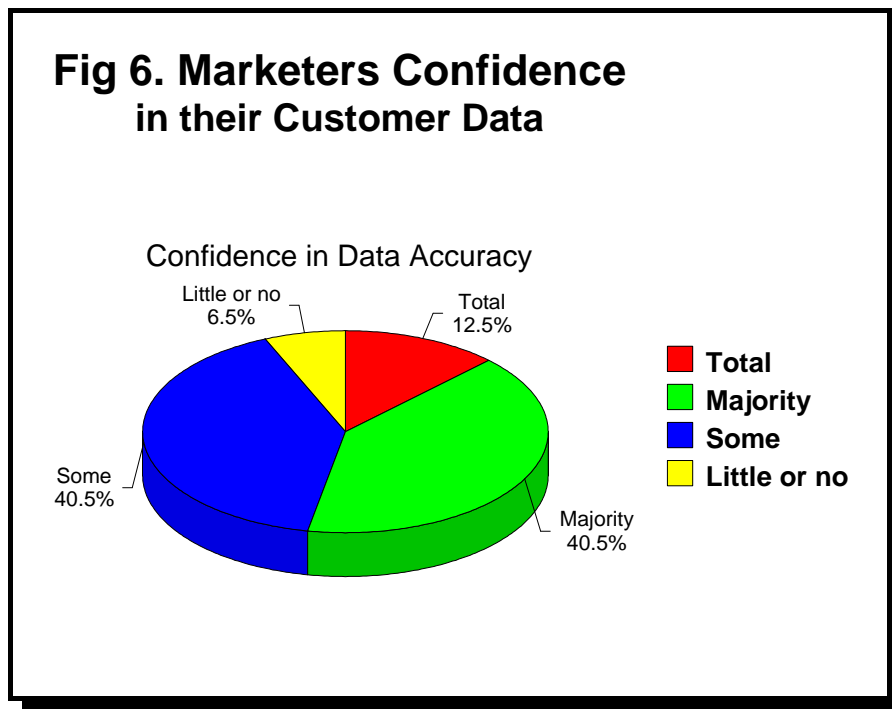
Those respondents that had customer data gained this from internal sources or marketing campaigns held. Almost half did buy data in from outside. The amount of competitive data held was surprisingly small given the competitive nature of markets today. Despite the vast majority using the databases for campaigns, the confidence in the accuracy and cleanliness of the data held was very low.

This does not bode well for the success of their marketing campaigns and the resulting customer satisfaction and loyalty. This is confirmed by Shaw who cites 'the amount of information held on customers today is truly startling' but then goes on to say that 'the average British household receives over 100 items of direct mail annually.....with over half of these thrown away unread' (Shaw 1998)<sup>3</sup>. This indicates that the problem is perhaps more widespread than the sample surveyed in this research. Professor Malcolm McDonald appears to agree 'Too many companies believe that all they have to do is collect large amounts of similarly pointless data and they will finally be able to meet those (ludicrous) cross-selling objectives. Ah, the power to annoy more customers, faster and at greater cost - heaven!' (McDonald 2000).<sup>4</sup> See Fig 6 below for the research findings

<sup>3</sup> Shaw R, 1998, Improving Marketing Effectiveness, The Economist Books in association with Profile Books Ltd, London

<sup>4</sup> McDonald M, 2000, On the right track, Marketing Business, April 2000, CIM, Berkshire

in the area of confidence in data accuracy and applicability.



The main type of data held was very basic customer information along with campaign and other historical data, although around half of the respondents were starting to hold purchase patterns and competitive data as well as market information. There was little or no personal customer data held by the majority of the companies surveyed (see the case study section for some notable exceptions).

Virtually all of the respondents agreed that more data helped marketers to do a better job today - although the data had to be good, as bad data hindered campaigns. It has helped to change the way marketers work especially in the areas of targeting and segmentation. 'As a general rule, the more information a company has, the better the decision'. (Stone 1998)<sup>5</sup> However, most of the people in the study still felt that there was a long way to go before their data was completely usable. Executive focus was cited as crucial in order for things to improve as funding and the right technology were necessary for data to improve and confidence in it increase.

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<sup>5</sup> Stone M, 1998, Building customer focused data, Close to the Customer Series, Policy Publications, UK

The main message coming across from all of the sample was that clean and accurate data was the key to much better targeting and segmentation, both of customers and prospects. This is regardless of the campaign tactics employed. Better data and, just as critically, how it is used in order to understand the customer and prospect base, as well as competition and market forces underpins successful marketing today and going forward into the future. Major savings can be made by having tools that can turn data into knowledge and enable better decisions to be made, as well as just being able to run more successful campaigns in a timely manner using information that can be trusted.

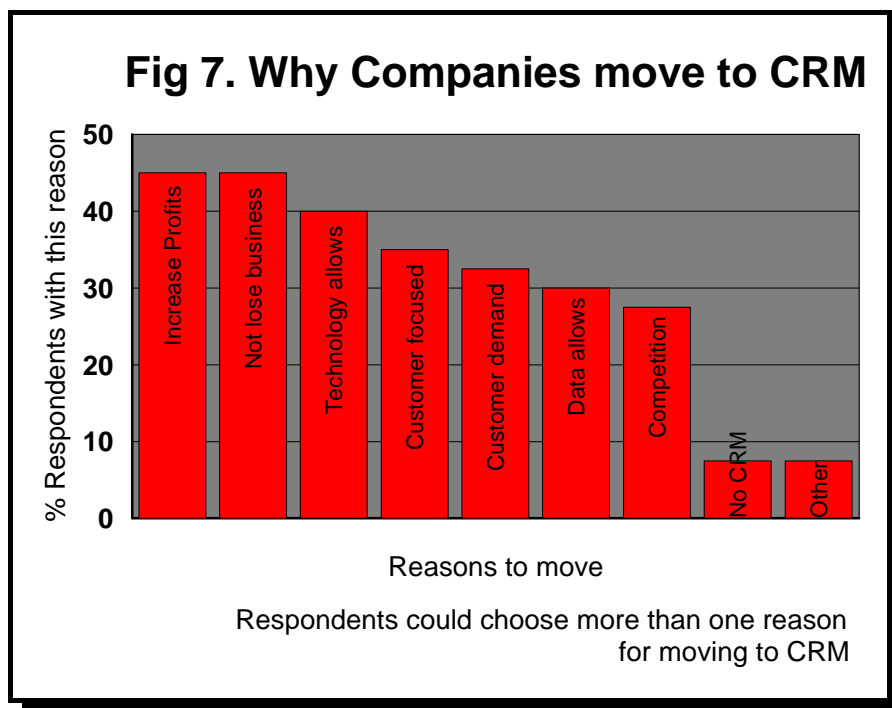
Improved data can also enable the channels to market to be changed according to needs, including the implementation of CRM (indeed accurate data is critical to the success of this) and take up of the new channel - the Internet. The use of different channels can again bring about major savings, allowing field sales people to concentrate on high yield customers and using call centres, telesales and the web to maintain contacts across the whole base.

## **Moving to CRM**

Please note that in this study, CRM and relationship marketing (RM) were considered to be part and parcel of the same thing.

As already noted elsewhere, most of the respondents were moving towards CRM with different levels of implementation in their companies. But why are they doing it? Is it genuine care for the customer, believing that business will follow if the customer is looked after? Or, is it because the competitors are doing it, the analysts say it is the way forward, and the customers are voting with

their feet? Only around a third of the marketers felt it was for the customer. See fig 7 below.



The vast majority of the respondents felt that CRM was important (the ones that didn't were from old, well established mass marketing companies) and most of these felt it was critical to success. However, less than a fifth thought that they understood their customers well enough to move forward into one to one marketing. (which is an aim of most marketers today) The results of the study showed that firms from the sample have some way to go before fully embracing the accepted view of CRM. This is echoed in a recent survey by Cap Gemini and IDC on CRM adoption which found that 'almost half of the companies surveyed were still in the planning stage of the project' (Petrisans 1999)<sup>6</sup>

Data is felt to be critical to the implementation of CRM and the companies were moving forward in their implementation as fast as their data would allow. Of course it is not just the data, but the whole infrastructure around it, including the behaviour and focus of the company employees. It is important to get closer to the customers and make marketing pervasive throughout the company as well as have top level commitment to ensure that the databases used contain clean, accurate information,

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<sup>6</sup> Petrisans A, 1999, Customer Relationship Management: The changing economics of customer relationships, Cap Gemini and IDC white paper, IDC and Cap Gemini, EMEA

make sure that the data remains that way and have the right tools and people to exploit this undervalued company asset.

## On the road to easier decisions

The three cases outlined here are companies who responded to the study, the respondents agreeing to their being examples providing anonymity is preserved. Therefore they have been disguised to ensure compliance with this. They are reproduced with full permission from the author. (Abbott 2000)<sup>7</sup>

The cases are all different and dependent on the type and amount of information given by the individuals. Although the actual organisations are very dissimilar, all of them had some things in common - targeting a niche market, genuinely caring for the customer and believing that the right customer data is critical to success. They all embody true CRM but not all have the technological systems implemented that are perhaps the yardsticks used when considering customer care today.

### **Case Study 1 - Start up company**

This case is fairly general, looking at a start up company from the viewpoint of the beliefs of the board members - that of customer service, and how they are utilising their data and other resources to implement relationship marketing from the outset.

### **Introduction/Background**

This company was set up two years ago as a young enterprise scheme based in a UK school. There are five board members and all but 1 are studying for their GCSE exams. The exception is the managing director's father who is in business and is on the board only to take on any activities

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<sup>7</sup> Abbott J, 2000, The exploding volume and scope of customer information; theory and practice: A relationship marketing viewpoint, An unpublished dissertation for an MA in Marketing, Manchester Business School

that have to be performed by someone over 18. Everything else, including all business decisions are taken by the teenagers. There are also various sales representatives who are also in the same age group. They are friends of the board members and work for the company part-time.

The mission is to set up and run web sites (see products/services section for more detail) for customers and the base at present is in and around London due to time and travel restrictions amongst the company members - they are not old enough to drive and so rely on public transport. However, the sales reps are based in major cities across the UK and Ireland as well as Brussels, Paris, Berlin and Jerusalem so the company already has extensive coverage.

They have a turnover of between £1 and £2 million and are making a profit - see financial objectives section below.

## **Business Philosophy**

This is a very young company run by young entrepreneurs who are trying out their business wings. They practise what they learn from the textbooks in their economics and business studies classes and therefore understand (and believe) the theories of relationship marketing and are using them daily in their business.

They started with a penetration pricing policy to enter the market which has resulted in a growth of 40% per annum year on year (based on sales) for the two years that the company has been in existence. This is expected to slow now.

They are committed to customer service as their sales director quoted 'we are a small company so we have to focus on service, and when we look after our customers it does help business'.

## **Business/Marketing Strategies**

The main strategy is to develop relationships with their customer set to enable repeat business and recommendations.

The board is in the process of launching a parent company to the three companies in their portfolio. (one of which will be the first no monthly fee web hosting service in the UK).

A major review of the business and marketing strategies, has just taken place. This enabled the board to study the customer feedback and data and decide how best to move forward to achieve their business goals of increasing awareness and entering new markets whilst giving the best service to their existing customer base in order to retain them.

The result of the review was that the company is being rebranded and relaunched in September 2000 and will be diversifying into new markets. They are still trading under their old name today and further details of the launch/diversification are still confidential and could not be released.

### **Financial Objectives**

The main objective is to have the profits increase by 10% year on year. 60% of this will be retained into a company university and car fund for the directors. The remainder is reinvested into the company.

### **Measurement**

The company measures its performance in terms of customer satisfaction, sales, revenue and whether it is meeting its profit objectives.

### **Markets**

Today, half of their customer base is geographically in and around London, centring on the small and medium businesses who want to go on the Internet. This is due to the physical access problems -

the company is based near London and time and travel constraints (see above) mean that potential customers further afield will be targeted at a later date. (After the GCSE exams and when they can drive - or if markets are easily accessed by public transport)

However, the company targets customers world-wide and as two of the board are multi-lingual, web sites can be set up in German and French as well as English. The remainder of the customer base is in the rest of the UK and mainland Europe - accessed due to contacts made when two of the board members lived there. A proportion of the sales force is based outside the UK (see background section above). The US is a future target market.

### **Customer Base**

There are around 25 repeat customers, who have their sites updated or buy new sites, although most of the customers pay a variable monthly fee dependent on the services they use.

Most of the customers are small to medium businesses with a sizeable number being start up companies. Others are individuals who want their own web site setting up and 'dot com' companies.

### **Channels to Market**

The main channels are via their sales force, web site (including e-mail) and promotions. They also make a lot of use of the telephone and have face to face meetings whenever possible.

The employees of the company are all based from their homes although the directors do work from school occasionally.

### **Products/Services**

The group are services companies rather than product based and their core competencies are designing, setting up, promoting and hosting web sites for customers.

There is a web design team of 5 who have a capacity of 15 web sites a month (depending on complexity and time/exam constraints). An external company is subcontracted if demand cannot be fulfilled.

### **Marketing Tactics**

Campaigns revolve around the web - especially those asking for responses from prospects and customers in order to get better data. Telephone promotions are also used although no details were given on this.

Other promotions include linked web-sites, e-mailshots and presence at a small number of trade fairs (maximum 2 per annum).

Because the majority of marketing tactics are based around their core competencies, the marketing spend is quite low. (No details were given)

### **Data/Database Usage**

The database is a company wide one holding a variety of data - including customer and company data, customer feedback, personal information, buying patterns and competitor information. There is also general information on the markets.

The directors each access the database on a 'need to know' basis - exam constraints stop this happening more often although there was a planned review and analysis of the database in the 2000 summer holidays.

At the moment the data is mainly used to look for new markets and improve customer service but the board believe that it can be used in a better way and this will be part of the summer review.

The data is seen as being very useful in order to facilitate business decisions and go to market in the most effective way possible, mostly by being used in the planning process to review previous campaigns and services. This allows the board to enhance services where necessary and put the most relevant marketing and sales tactics in place.

## **Conclusion**

The board are committed to giving a personal, tailored customer service as well as sustaining growth in their company. They realise that in order to achieve the latter (and make profits), they must concentrate on the former, making sure that after sales service and contact is as good as pre-sales.

They are a very impressive team and have already achieved a lot in their first 2 years of trading as well as keeping up with their studies and plans for university.

## **Case Study 2 - Not for Profit**

This case concentrates on the database and data aspects of relationship marketing for an organisation in the not for profit sector. The information was given by the marketing director. Customer/supporter data is considered critical to success.

## **Background**

This ecological organisation is part of the not for profit sector and as such is reliant on supporters for revenue which is generated from their subscriber base of which 94% comes from individuals ensuring that the marketing department focus on the supporter needs. Direct debits are the most common method of payment (70% of subscribers) and a paper less direct debit system was recently set up which required stringent criteria from the clearing banks. This included high quality data which initiated further database reviews. The organisation was the first in the sector to take paper less direct debits.

## **The database**

The database was moved from card index files to computer in 1982, and a lot of the original data was still in existence until fairly recently, causing problems due to constraints that were present in the 1980's technology. (e.g. null fields full of asterisks) This has now been cleaned and the constraints removed.

All new data entered uses a comprehensive set of rules to ensure accuracy and allow flexibility. For example new joiners will be asked for date of birth rather than age, as well as 'phone number and any e-mail address. Whenever anyone talks to a subscriber, the current details are checked and reconfirmed.

As the organisation is entirely dependent on the data they are forced to keep revisiting the data integrity and rigour of the rules. To quote the marketing director 'Being lean in business forces innovation.'

## **The database team and technology**

The marketing database team set the data objectives and are very focused in getting the right data and analysis needed. They use the latest technology including data mining, analysis and e-commerce to achieve this. Only data that is necessary and can be made use of is collected, and this is under constant review by the team.

A good database team is considered vital as it vastly improves the understanding of the information held within the data.

The team keep abreast of technology to ensure continued success, for example the re-engineering of the database to allow the validation and change of e-mail addresses.

As external agencies are used for telemarketing, excellent e-commerce facilities are necessary. E-mail is the primary communications method between the organisation and the agency, and is becoming more important in contacting subscribers.

## **Relationship Marketing**

The database is essential to relationship marketing as it is crucial for maintaining supporter relationships and slowing attrition, which are enormous drivers. The organisation has always worked in this way and the database was built around this.

Genuine care for supporters is what drives the organisation and it would go against its ethics to be involved in CRM for business reasons (some respondents cited business reasons for their company moving to CRM rather than genuine care for the customer).

Relationship marketing is something they believe in but think that the expectations are too high today and it is set for failure. The spirit of CRM is good, but companies need to be realistic about what can be achieved.

It is necessary to keep going forward to make CRM more real within the organisation, it is iterative so cannot stop. Everything must be more tailored to the individual as they are dependent on the supporters and must meet their needs.

## **Issues**

The main issue is that of budget. Keeping the database up to date has a low priority as supporters want their contributions to go to mainstream campaigns.

Salaries are another. They are lower than is typical within industry so people who are there must want to work for the organisation and subscribe to their ideals. (This can also be a benefit as

everyone will be working together towards the same goals) Lower salaries also mean that in order to incent the right database people, the technology has to be well known and current and is another reason to constantly review the tools used and keep them up to date.

### **Differences from the commercial sector**

The marketing director has some experience of the profit making sectors and believes that the main difference is the lack of profit objectives and so has a need to integrate more closely with the rest of the organisation. Marketing gives confidence to the other areas by delivering the vision and receiving the subscriptions. This also adds a lot of value and makes it easier to open up the internal communications channels.

She believes that the commercial sector still has a problem with marketing as it is not seen to have value, credibility or trust and marketing's objectives are often dissimilar to other departments within a company.

### **Case Study 3 - Luxury goods manufacturer**

This case is viewed primarily from the relationship marketing aspect and how the data is critical to its success. The company relies on customer loyalty and so ensures that they understand as much as possible about their customers and prospects in order to look after them in the accustomed style.

### **Background**

This manufacturer of high value luxury goods has been in business since the early days of the 20th century, is based in the UK and relies on a world wide network of dealers as its channel to market. It has recently been the subject of a take over and therefore has new objectives (production rising from around one thousand to many thousand units a year), but is still reliant on its small customer base at present.

## **Customer base**

The customer base is global but quite small and niche. They are wealthy individuals or companies who use the goods to make a statement about their own brand.

Many of the customers own various residencies and have a lifestyle that includes yachts, aeroplanes and even their own sports teams.

The company segments the customers into the main base and key accounts (top customers, including some of the world's richest people) first of all. It treats those buying new and used in the same way as a typical buying pattern is from used to new. The buy cycle can be anything from once every 20 years to multiple annual purchases. (This is often product type dependent)

## **Customer relationships**

These are paramount for this company and is accepted at every level, with all employees taking a great pride in their workmanship and making sure of the highest quality product and service. After sales services is as important as pre-sales as customer loyalty is a high priority with repeat purchases as a target.

The customer service line goes direct to the experts in the field at the manufacturing plant to ensure that the customer gets the right answer first time, and the company make sure that they know enough about their base to ensure the correct type of service and offers are given. Product launches are executed in a personalised way for each sector in order to ensure the best response. Personal managers are also employed from other luxury goods companies whose sole job is to interact with the customers and a bench marking exercise is currently underway to measure performance against affinity companies.

A lovely story concerns a customer owning a product dating back to 1909 that had broken down for the first time, who called the company with a tongue-in-cheek complaint about poor quality!

Because a lot of the customer base is in the middle or far east with different cultures and conventions, this can be a problem for the customer service team to ensure that the highest quality service is given without encroaching on any cultural differences. For the marketers, one problem that arises is simply that of names, as customers in the middle east often have very long and complex names and it is crucial to get them right.

Customers are proud to own the products and are very loyal to the company. Therefore knowledge of them is critical and data is fundamental to this.

### **Data as a factor of relationship marketing**

The database is central to keeping the customer relationships with personal data key. Buying records are kept for at least 20 years and this is being extended as more information is obtained. Each product manufactured in this time frame can be tracked and the data base currently holds around 50,000 active customer records and 30-40,000 products. The company is now trying to go back even earlier for the products with the ultimate aim of knowing the whereabouts and 'life' of each of the units manufactured by the company since its inception.

The data is collected and kept up to date mainly by personal interactions with customers and dealers as well as from campaigns and customer satisfaction surveys. Every respondent to the survey gets a personal letter of thanks or a visit from a customer manager.

The database is used daily and any problems quickly dealt to ensure minimum disruption. There are no specific cleaning exercises done, instead customer records are dealt with on a personal basis and time taken to pay attention to detail which can be done in this market.

### **Comments**

This long standing company genuinely cares for its customers and has learned over the years that it is critical to keep them loyal. Therefore the ethics of relationship marketing have long been used and

proven. This has been relatively easy with such a small set of high profile customers and time will tell if this can continue once the product output increases tenfold and less costly products are part of the range. This will open up the market and bring in a new set of customers to deal with who may need a different approach.

The new owners of the company are mainstream and not used to dealing with customers in an individual fashion and this too may be a concern for the current employees of the company. However, if the core values of relationship marketing remain and the employees allowed to continue as today, there should be no reason why the company's image should suffer due to the take over.

## Discovery to decisions - moving forward

Many different points came out of the study, mainly to do with CRM and the speed of take up within industry. It must be said that the sample size was very small and restricted to companies based in the UK. However, there were a variety of industries, as well as differing company sizes and ages within this sample and the outcome was broadly similar. This could potentially indicate that business as a whole within the UK is in a similar state regarding these issues. More research would need to be done to ascertain if this is indeed true and if the rest of Europe is also following the same trends.

There does seem to be a widespread move to CRM and a steady take-up of the Internet as a channel. This opens up the whole area of marketing as channels become more varied and complex and customers ever more sophisticated. The right data is an ongoing problem for marketers. Not only do they have to get the data in the first place, but they have to keep it up to date and accurate. Not an easy task.

There is also the issue of legislation between countries regarding data which can cause a myriad of problems in the e-marketing area, especially as customer information becomes more and more critical to companies.

The new, born on the web businesses are as in need of customer data as every company and this is more difficult for them to get as their customers are fairly anonymous until the point of purchase. (Only one such company was part of the study done but other work has been done in this area) Tools are available to do this but must be implemented from the beginning in order to get the return needed in the shortest possible time. This customer base also expects high speed responses or they will just as quickly become dissatisfied. 'Managers hoping to serve them must work to eliminate time and speed constraints' (McKenna 1997)<sup>8</sup>

As product life cycles get shorter, so do market life cycles and speed becomes increasingly necessary in this area too. In order to be first to market, and more importantly in these days of CRM, first to gain a customer's loyalty, the right knowledge must be put to work as fast as possible. To be able to discover new trends, directions and market segments, the basic data held must be transformed into a mine of usable information, from which marketers can make the discoveries needed to make the best decisions for their company - and their customers. As Hamel and Prahalad said 'The goal is not simply to be led by customers' expressed needs; responsiveness is not enough. The objective is to amaze customers by anticipating and fulfilling their unarticulated needs.' (Hamel & Prahalad 1994)<sup>9</sup>

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<sup>8</sup> McKenna R, 1997, Real Time, Harvard Business Press, Boston USA

<sup>9</sup> Hamel G & Prahalad C K, 1996, Competing for the Future, Harvard Business School Press, Boston, USA