

Losing the Name Game

by

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Whether it was Peppers and Rogers or CRM software – or something else entirely – marketers today are on a passionate quest for a new grail: the names. Those would be the names of anyone who might have *even* a passing interest in their wares. This knowledge will, it is said, allow for customized direct communications that uniquely and specifically address each such individual's preferences, needs, and desires making for a more valuable and meaningful relationship.

And the earth is flat. Value-laden language is thin cover for the real purpose: data mining and a more insidious barrage of one-way communication. Everybody knows.

The problem is not the techniques. Tools are valuable in their place. Obtaining information to better a "relationship" is neither bad nor wrong; it's

merely not applicable as universally as some believe. In fact, perhaps more often than not getting the name is pointless and even counter-productive.

I encounter the issue daily talking to marketers and advertising agencies about new consumer-response/interaction tool. Suggesting that they encourage consumers to engage *anonymously* with their broad offers prompts a reflexive: "Oh no, we need the information," or "We do a lot of CRM . . .," or . . . You get the idea. Despite a market- informed and pragmatic argument, and – at times – even logical emasculation of these objections, the dogma holds. We are definitely in the heat of a *preference, one-to-one, permission zeitgeist* (possibly even a mania), and it's time to shake it at least a little.

First step back and evaluate the situation, starting with "customer relationship management." Obvious point one: it's about customers, not suspects or tire-kickers sniffing around the edges. A relationship with someone you don't know is a mirage – except in the most liberal and self-deluding interpretation. "Managing" such a dubious connection is equally ephemeral. This particular form of managing is really the creating and sustaining of a stranger's favourable sentiment toward an organization and its wares. Nothing more. These (non-)relationships and their management have long been the purview of brand advertising and "positioning".

When used properly for its designed purpose *in the appropriate situation*, CRM can be a magnificent tool for analyzing customer qualities, creating loyalty, and magnifying sales. Unfortunately it seems rarely so nuanced. Too many ham-handed practitioners – even those doing it on a grand scale – use CRM for the analytics and the one-way one-to-one communication capability. Granted, personalized and permitted communication is better than a generic blast. But these acts should in no way be confused with creating or furthering a *relationship*.

A relationship in the human sense implies mutuality. We need to interact, share, and be satisfied that there is mutual impact. A *conversation* or *dialogue* – whether between lovers, master and pupil, politician and constituent, or a marketer and customer – is fundamental to a relationship. Dialogue demands more than one voice. A single voice is a lecture. For example, just how much of a “relationship” is there *really* with a personalized, preference-driven, permission-based single voice: say a customized Web portal page? After all, this proxy to a CRM application displays what the user wants, customized for her by her: it may even make recommendations that fit what she's told it she likes. Is there a relationship? Will persistence result in greater closeness? Loyalty *maybe*, but there's no evidence to prove a relationship.

The point is that CRM is a good tool, but still just one tool. Some, however, mistake it as the *only* tool they need or have – so they fit every marketing action to CRM's capabilities. Does that seem reasoned? Probably not when contextualized even in as limited a way as we've just done. Still, CRM (and cheap data storage) has inexorably led to preference marketing, behavioural marketing, and all the other data-driven targeting tools.

Business and marketing is relatively simple. At its core the objective is to get someone with money and interest close enough to get *my* hand in *his* pocket and exchange *his* money (that I want) for *my* offering (that he wants) – repeatedly and at a profit. The vast majority of the world is at varying distances beyond my reach, so I need to get them to come to me. The rest is tactics: what we call marketing. And one should never confuse tactics with strategy, let alone with objectives.

Granted, that's glib and perhaps insulting to professionals in the marketing trade. But I provoke specifically because it seems that too many marketers have taken their focus off the overarching business objective in favour of what is seen as marketing-specific strategy (CRM) that is in fact a marketing tactic. But it's not business no matter how many names and addresses you collect if it doesn't turn into money.

In the context of market mood and psychology, and the broad business need, it should be apparent that "getting the names" ought to be reigned in

before – like every other tragedy of the commons – it ruins the tactic for all.

Consider the following contextual shifts and emergent market circumstances.

1. People are suspicious of the motives of those asking for personal information. Ham-handed databasing and excessive communication – especially in the context of today's privacy sensitivity – has inflated the internal value of personal information.
2. People have an innate sense of equitable balance. We weigh a value exchange and if we perceive it as uneven we take action. Given that it is a consumer's specie in a pre-commercial value exchange, the consumer's internal value of his personal information must be met by the value of the marketer's offer – or the marketer will likely receive tainted information. (Or the exchange will not happen at all.)
3. People perceive greater value parity and are more willing to use their name "currency" at each deeper stage in their "customer lifecycle" with a marketer. Early interaction (anonymous or otherwise) between stranger and marketer builds the psychic investment that brings the perceived values of the name and the marketer's offering closer.

There is good counsel here (if I say so myself) in nothing more than the observation that the CRM-driven quest for names and information is blindly seeping into stages of marketing that are wrong for and do not require it. Everything in its place and time. That is a universally applicable truth. But, to put

the plea into boldest relief, we need to bear in mind that the North American consumer environment has changed. It has become generally less hospitable to this particular tactic. So, the smart marketer will use this environmental force rather than fight it which, in this case, means keeping a good tactic in the right place.

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