EDITORIAL

As vital as intuition and a feel for the market are in making the right marketing decisions, bad decisions are difficult to avoid without being highly systematic, analytical, purposeful and open-minded. The best marketing management is one of the vital keys to success in today's innovative and transient markets. *The GfK Marketing Intelligence Review* aims to provide up-to-date and innovative food for thought through its practice-based contributions from marketing academia, and intends to deliver a greater perspective and professional experience. We translate the findings of empirical research into practical recommendations, explain new strategic approaches and introduce valuable, methodical innovations from the world of market research.

In this eighth issue, we deal with central aspects of professional marketing. In a contribution from A. Godfrey Flynn, K. Seiders and G. B. Voss (*"When Is Enough Enough? Balancing on the Fine Line in Multichannel Marketing Communications"*), we look at what is the right volume of direct communication, which now dominates strategies of relationship marketing in many industries. All too frequently, we can overdo things in this area and achieve the exact opposite of what we are aiming for – a typical consequence of a lack of marketing expertise. The authors use the example of communication by car dealers to demonstrate that within the various media, such as email, telephone and mail, there are various optimums for the number of advertising hits. In addition, the exact mix of media determines the effects on the likelihood of repurchases depending on the target group.

Designing and structuring the branch network is a highly relevant decision-making issue for manufacturers, service providers and retailers, and is best handled with the support of professional analysis. Internal and external growth strategies, multi channel approaches

and diversification of outlet types ensure a constant need for adjustment. In their study, H. Haans and E. Gijsbrechts develop and examine a forecast model for the net effects of losses and gains in customers which result from the closure of certain branches and various outlet types of a food retailer (*"To Close or Not to Close? Assessing the Impact of Outlet Closures on Retail Chains"*). Professional decision-makers must take account of the specific effects for specific types of outlet, but also of the relevant target group structure of the outlet earmarked for closure.

Particular challenges are presented by new product technology such as household robots and Cloud Computing. The acceptance of such technology by the markets is less a question of "whether" than "when". K. van Ittersum and F. M. Feinberg present a method by which survey participants can accurately predict when they are most likely to purchase. This enables much more accurate turnover- and capacity forecasts and therefore shapes supply policies in line with market (*"I Will... Sooner or Later, Predicting Whether and When Consumers Intend to Adopt New Technologies"*).

Line extensions continue to be very popular options in the growth strategies of consumer goods companies. Whether the figures add up here depends strongly on the cannibalization effects of the product variants on other products in the company's range. Often, these effects are not limited to the original product line and will affect other product categories. Good range management therefore requires a model which quickly recognizes such effects based on current sales figures and enables decisions to be made on adjustments. This type of model is presented by H. J. van Heerde, Sh. Srinivasan and M. G. Dekimpe, who look at its application in the car market and the achievable improvements (*"Sibling Rivalry: Estimating Cannibalization Rates for Innovations"*).

» We translate the findings of empirical research into practical recommendations, explain new strategic approaches and introduce valuable, methodical innovations from the world of market research. «

And finally, our latest case study on marketing intelligence shows how a company in the airline industry can find its place among the dynamic competition through systematic surveys of preferences and brand images (*J. Roberts, P. Danaher, K. Roberts and A. Simpson: "Jetstar Airways: How Modeling Guided the Brand Migration Strategy of a Low Cost Carrier"*). Professional brand management can be steered convincingly to focus on customer perception and preference. The economic success of these management methods cannot be underestimated.

In our interview with Alexander Linder, Director Corporate Consumer and Market Insights of Swarovski, we ask about the causes of the gleaming worldwide success of this brand and learn that emotional marketing strategies are an essential addition to analytical calculations and findings of consumer research.

Dear readers, our articles all contribute to the message that the more professional the application is to the processes in marketing management, the greater the market success. If this increases the profile of marketing managers and the influence of marketing in a company, then so much the better. I hope this issue of GfK Marketing Intelligence Review will go some way to making these effects more likely. It is down to you to put it to the test and I wish you every success!

Yours

Hermann Diller
Editor-in-Chief

Nuremberg, October 2012

CONTACT

You can contact us at
diller@wiso.uni-erlangen.de,
by phone on
+ 49 911 5302-214,
or by fax on
+ 49 911 5302-210

Dr. Dr. h. c. H. Diller,
GfK-MIR,
University of Erlangen-
Nuremberg,
Lange Gasse 20,
D-90403 Nuremberg,
Germany