Marketing Strategy
in the Era of Ubiquitous Networks

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Ubiquitous networks usher three new styles into the existing world of consumer-oriented marketing. They are: (1) “context marketing,” where proposals that are optimally designed to meet customer-specific conditions become available through network sensing and tracking abilities; (2) “benchmark marketing,” in which consumer persuasion is enhanced through merchandise assessments and Q&A exchanges by making the best use of the growing strengths of online communities; and (3) “collaborative marketing,” in which the wide use of visual images broadens consumer participation in the process of merchandise planning and development, thereby culminating in higher consumer loyalty.

The success or failure of consumer-oriented businesses will depend on whether they can quickly combine the above three marketing approaches to provide what might be called “concierge-like” services for consumers. As enterprises come to embrace these points of view, they must hasten to reconstruct their marketing strategies and customer relationship management (CRM).
I Marketing Venues Expanded Through Ubiquitous Networks

1 Comfortable Concierge-Like Services

Let us imagine, say, around the year 2005 and view from a customer perspective a marketing venue that conveniently utilizes ubiquitous networks. We see digitized ads hanging from the ceiling of a commuter train, each of which is promoting merchandise and/or magazines that are inexplicably suited to individual tastes. And if we get sufficiently interested, we push a button on our mobile phones. When we later get off the train and pass a kiosk in the station, our mobile phones conveniently beep to let us know that the item is on sale there. Or when we return home and turn on the TV, the receiver is tuned to all the stations and programs that we had wanted to watch that day. Commercial messages are also just those in which we tend to be interested. Thus, we will find ourselves pegged to our TVs, perhaps more so than our own will.

To be offered well-timed and well-tuned services that really understand just what we want is like having at your side the concierge of a hotel where you have stayed for many days. Granted, some of us may feel uneasy having someone who knows so much about us. Yet, there surely must be many people who want the comfort of attentive services, if only individual privacy is meticulously respected.

In short, a new world will emerge in an environment provided through ubiquitous networks, where a host of concierges make various proposals suited to the tastes, likes and patterns of activities of each individual in a tactfully reserved manner.

2 Ubiquitous Networks Assist Us Throughout Our Active Hours

The Latin word *ubique* means “everywhere,” and ubiquity means omnipresence. The phrase “ubiquitous networks” connotes the omnipresence of networks. In other words, it presupposes an environment that permits us the use of a wide range of equipment to connect with high-quality networks and to exchange information with anybody, anywhere, at any time and with any type of equipment.

With ubiquitous networks, we are not thinking of future networking only from the viewpoint of introducing broadband technology, accelerating network speeds and concomitant reductions in cost. Rather, we are also envisaging the roles of networks in working together with such non-PC terminals as mobile phones and information-integrated home appliance to evolve into services that support people throughout their active hours.

From the viewpoint of marketing, the realm of customer information handled by enterprises will expand dramatically under ubiquitous networks. In addition to the records they currently maintain on customer attributes and purchase histories, companies will gather real-time data that give clues to the circumstances surrounding each customer (the hour, place, activities, and other details). This is information that can have drastically stronger marketing effects if skillfully utilized.

Moreover, interactive contacts with customers will become closer and shift to a real-time basis. Companies can show merchandise in the planning stage to potential buyers through an online customer community and carry forward with improvements...
based on the returned assessments. This will enable a company to produce goods whose design includes the “participation” of customers. Moreover, customer loyalty to both the enterprise and the merchandise can also be further strengthened in the process.

3 Three Marketing Approaches Made Possible by Three Technological Changes

At present, we see three major flows of technological changes leading toward the realization of ubiquitous networks. This view encompasses an increased capacity for contents distribution, an increase in and the diversification of equipment for network connections, and the diversification of the relationship between networks and users (see Figure 1). These three trends are interrelated and are leading to substantial changes in society in the shape of an increased ability for sensing and tracking, the growing strength of online communities, and an exchange and sharing of visible knowledge (a kind of knowledge about sensing techniques that has so far been deemed difficult to formulate).

These changes are about to create new marketing approaches—specifically, context marketing, benchmark marketing and collaborative marketing (see Table 1). The adoption of these new formats will provide customers with new values accompanying merchandise and services, and therefore will make it possible for enterprises to gain increased profits from each customer.

Following are some emerging cases involving these three marketing approaches and a description of their directions and problems.

II Three Marketing Approaches

1 Context Marketing

(1) Case Study: The adoption of activity sensing for automated turnstiles by OMRON, PIA and Tokyu Railways

OMRON Corporation, in a joint effort with PIA CORPORATION and TOKYU CORPORATION (Tokyu Railways), has launched an information service experi-

Table 1. Marketing Approaches in the Era of Ubiquitous Networks

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<th>Response to Essential Changes Due to Ubiquitous Networks</th>
<th>Context Marketing</th>
<th>Benchmark Marketing</th>
<th>Collaborative Marketing</th>
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<tr>
<td>Increased ability for sensing and tracking (understanding context surrounding people)</td>
<td>Increased power of community (towards communities beyond the real world)</td>
<td>Exchanging and sharing visible knowledge (sharing knowledge that involves sensitivities)</td>
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<td>Overview of Three Approaches</td>
<td>Effective stimulation of consumer purchasing desire by making appeals at the time a need arises. Proposals should be made in response to individual contexts (place, activity, time, etc.) in addition to individual attributes and purchase history.</td>
<td>Activating consumer purchase desires by building self-confidence through product evaluation rankings and/or professional advice in consumer communities</td>
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<td>Representative Emerging Cases</td>
<td>Goopas: Utilizing automated turnstiles to transmit email to mobile phones (OMRON, PIA, Tokyu Railways)</td>
<td>Music Front: Music evaluation site that consumers can access and vote their preferences via mobile phone (YAMAHA)</td>
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<td>Individual sales promotion by the use of ATMs (Wells Fargo bank)</td>
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<td>Values for Merchandise Providers</td>
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<td>Reducing sales promotion costs and initial expenses</td>
<td>Outsourcing help-desk functions to online communities (cost reductions)</td>
<td>Acquiring highly loyal customers</td>
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Source: Nomura Research Institute.
ment called Goopas that utilizes automated turnstiles at the stations of Tokyu Railways. Train passengers who use seasonal passes to go through the turnstiles get time- and place-dependent information (event notices, shop ads and coupon tickets) in the form of emails addressed to their mobile phones.

Clients who pre-register their mobile-phone email addresses, fields of personal interest and basic individual information with the railway company receive a special season pass. The movement of these special passes (i.e., whether entering or leaving a station) will activate the correct kind of information to be sent to the mobile phone. For example, a passenger who has just entered a station will receive current time-sensitive information concerning his destination. And passengers leaving a station will get similar information about the areas around the terminal. The road towards services of this nature has been paved by the rapid spread of mobile phones with push technology (i.e., a technology which automatically disseminates information) and automated turnstiles that are connected to ubiquitous networks (see Figure 2).

(2) Proposals triggered by customer activities
Context marketing is a system that targets individual consumers to reinforce their intentions to purchase. It captures the very moment when somebody’s need for merchandise or services emerges, and promotes goods and services that are best suited to such person’s tastes and interests. This concept of assuming the context in which a customer is positioned and then using it for marketing purposes is already common. Credit card companies have achieved substantial results by offering various proposals to their customers. These proposals are made by utilizing not only the customer’s personal attributes (age, gender, etc.) obtained at the time the credit card is initially issued, but also on the basis of the cardholder’s purchase records.

In addition to the above-mentioned data, ubiquitous networks also make it possible to acquire information about the date, place and specific activity of a customer. As we have seen already, this provides information as to whether the person has left or entered a station. With this knowledge, it would be easy to determine whether to provide information about a bargain sale near the station or other information related to the person’s destination.

In a ubiquitous networks environment, it becomes possible to appeal to a customer at all times just as easily as it is when the person is working with a computer. In other words, necessary information can be delivered on a push basis just when the person needs it, unlike a monthly direct mail announcement or a daily insert in a newspaper.

(3) Fully attentive consumer care
The availability of pertinent information just when it is needed is gratifying for consumers. Once consumers have pre-registered the kinds of information required, such as what they want, hobbies, tastes and other

Figure 2. Context Marketing (Goopas case)

- Consumers are freed from the need to memorize in an information-saturated environment
- Companies easily control sales promotion processes (and price changes) on a real-time basis in response to inventory levels

Source: Nomura Research Institute.
attributes, the consumer can essentially abandon the need for shopping lists, as the networks will send a reminder when a need actually arises.

Obviously, the freedom from the “need to memorize” is surprisingly attractive to many consumers amid today’s torrential flow of information. A customer who has enjoyed this advantage may gradually even find it comfortable to be “locked in” by such an enterprise.

(4) Ability to control sales promotions on a real-time basis
Enterprises that sell merchandise and services will benefit from offering timely information to their customers, because the dispensing of such information tends to cause recipients to make quick purchase decisions. In other words, a well-timed email unbound by time or place can motivate the recipient into making an impulse purchase without engaging in any comparison-shopping.

In addition, marketers can derive considerable advantages from being able to control sales promotions on a real-time basis. For example, the email distribution of coupons by a supermarket can be easily halted when stockpiles run low. Similarly, beauty parlors can do the same when all the chairs are taken. Companies can also appeal to customers with messages like “The first six patrons served” or “Only ten items available.” And dynamic price changes, which have been limited to cyberspace (i.e., the PC world) so far, can become practical in real space.

(5) Accelerated diversification of activity sensing in real space
In contrast with the rapidly expanding ability to sense time and location, the sensing of specific activities (i.e., what a person is doing at any moment) in real space has just begun. With various endeavors now underway, the use of ubiquitous networks is expected to lead to further diversification in these efforts.

For example, Coca-Cola Japan, NTT DoCoMo and ITOCHU Corporation are jointly conducting an experiment dubbed “C-mode” service in Tokyo’s Shibuya district that uses two-dimensional bar codes displayed on mobile phones in making purchases from new automatic vending machines. The new machines are equipped with a liquid crystal monitor and a printer that are activated by the buying activity to transmit ads in line with the time, location and the kind of drink purchased.

In Atlanta, Georgia, a supermarket lends PDAs to shoppers when they enter the store. Instead of taking merchandise from the shelf and putting it in their shopping carts, customers scan the bar codes printed on the goods they want and use a multimedia kiosk near the exit to make their final decisions and settle the transaction. This means that the activities of shoppers and information about their movement and the kind of goods they are inclined to buy are acquired on a real-time and precise basis—just as if the shoppers were making their purchases over the Internet. Sooner or later, PDAs will start to display even more personalized ads at well-timed intervals.

(6) Individual contracts to handle privacy issues
Privacy issues will turn out to be one of the most difficult hurdles for the popular acceptance of these push-type ads. It is not easy to obtain permission from customers to use personal information when intrusive emails are posing widespread problems. The key to resolving this difficulty would be to clearly establish certain guidelines and lines of responsibility regarding the use and handling of personal data and to secure the confidence of the user.

It is also important to enter into a contractual relationship with each client, rather than trying to work this out through a single set of governing rules. This calls for a menu that describes different service levels that prospective clients can choose from. Those who want more tailored and timed proposals would be asked to release more of their personal data.

2 Benchmark Marketing

(1) Case Study: Yamaha’s music evaluation site using mobile phones
Yamaha Corporation launched a new community site called Music Front in 2001 to provide a venue for conducting online auditions of new musicians (http://www.musicfront.net/). Under this system, consumer online communities evaluate participating musicians who have already qualified through the first step of the contest. The five-item evaluation is made on music products randomly distributed to audiences, who can vote for their preferred music via not only PC but also by cellular phone. Consumers can also score points by submitting their votes. A customer can order an original CD in which several products of new musicians are combined, or other listeners can download their preferred music products to their own MDs at multimedia kiosks in convenience stores. The site also offers a bulletin board to which consumers can send questions and immediately get answers from experts.

(2) Building buyer confidence through consumer communities
Benchmark marketing is a sales promotion tactic to stimulate a willingness to purchase by consumers through providing consumer communities with certain “benchmarks,” including product evaluation rankings and comments or advice by recognized experts. Consumers can make better selections in their purchases on the basis of the self-confidence that
comes from referring to these benchmarks concerning the merchandise that is offered. This process may eliminate barriers that otherwise prevent consumers from making actual purchases and may enhance their satisfaction after buying.

One of the examples of this benchmark marketing can be seen in the merchandise evaluation site known as Power-to-the-People (PTP) (http://www.ptp.co.jp/top.php3). This site has recently been expanding its field of activities to cover broad areas for evaluations, even including political parties, which has resulted in building stronger consumer support.

As the increasingly large number of devices connected to networks contributes to realizing seamless access under ubiquitous network environments, participants in communities are likely to expand rapidly from the younger generation to elderly citizens and from at-home to on-the-move usage. Such rapid increases in the number of participants can also augment the amount of information that underlies the formation of benchmarks and improve the validity of the merchandise evaluation process. Additionally, consumers will be able to refer to benchmarks not only when they are looking at their PC displays but also when they are actually examining products at brick-and-mortar outlets.

Value-based proposals to customers by the use of benchmark marketing techniques have been successful in making use of community sites to seek business opportunities by utilizing the marketing strategies of companies. This may be the first step in enhancing the profitability of community sites.

(3) Increased added value for merchandise by offering related information

When consumers want to purchase some products, they can use these sites not only as an alternative for product catalogues, but also as supplemental source for information if they lack adequate knowledge about the product. Even if consumers want to compare some products under specific conditions, they often face difficulties in understanding whether they are superior to other products under such particular conditions. This is because most buyers generally lack the necessary knowledge that people with experience in using such products under the same conditions usually have.

For example, a person who is considering buying a digital camera to take a picture at a music concert may wonder whether “a picture of a dark stage can be successfully taken in a live house.” It would be difficult to answer a question like this even if one were to carefully check the product’s catalogue. In such a case, the advice or comments by actual users or professionals can be the decisive factor in the purchase decision. Consumers can also purchase merchandise with greater confidence, as they can understand whether users or professionals who contribute comments are reliable or not.

Consumers have recently been demanding that these sites offer evaluations, comments or usage advice from professionals who have a lifestyle similar to their own, in addition to providing a simple comparison of price and functions. By obtaining knowledge from well-informed experts, consumers may attribute certain symbolic values to products they want to buy. (For instance, consumers may feel that a certain camera “appears to be one that James Bond would use.”) This is a world of expertise with profound knowledge.

(4) Outsourcing call center functions to online communities

The advantages of benchmark marketing to companies can be found in increased sales through the elimination of purchasing barriers, as well as improvements in the effective utilization of products after purchase—including enhanced customer satisfaction and greater customer revenues from product usage.

The voices of consumers are an important input in the development process of future products and merchandise lines. If such input can be quantitatively correlated and analyzed with customer attributes, the results can significantly contribute to a company’s research and development strategy. Even if specific customer identification (name and address, etc.) cannot be acquired, consumer responses to the advertising of several product categories can provide companies with significant indications for the future.

Another important point that tends to be neglected is the advantage in terms of costs that is brought about by the use of these community sites. If a company can use these Q&A sites, it means that the company is essentially outsourcing its consumer help-desk functions. The effective utilization of Q&A sites can substantially reduce the number of inquiries addressed to the company’s call centers in the same way as FAQ pages can do. Indeed, such sites can sometime surpass the company’s call center in terms of effectiveness, as they can provide consumers who need independent and neutral evaluations with reasonable and understandable answers and a general feeling of satisfaction.

(5) Charismatic concierges enhance the attractiveness of community sites

It is not easy to maintain community sites that retain their attractiveness for consumers. Sites with a high popularity usually make efforts to provide incentives to information providers and respondents to questions, or establish natural selection systems to allow only better evaluations to remain on the site. One example is the Hollywood Stock Exchange (http://www.hsx.com) in the United States, where consumers can offer bids on any movie film that they believe would make a success and receive merit points if they are right. The site uses these game-like incentives to attract consumer evaluations.
It is also highly meaningful for community sites to foster charismatic concierges in various fields. In actuality, highly charismatic personalities are employed by a number of electronic commerce sites to recommend specific products under a “Selecting Best Buys” category.

If the individual characteristics of each concierge can be clearly distinguished, some additional advantages accrue to the site, because consumer preferences can be identified to some extent from their selection of a particular concierge. Trying to accumulate data to determine consumer preference by means of a computerized program requires a time-consuming effort that is beyond our imagination. As an alternative, this concept is intended to set initial data through the selection of concierges by consumers, rather than by simply accumulating consumer data in a passive manner.

(6) Improvement of community management skills is necessary
There still remain a number of problems in community management that require trial and error efforts to resolve. Consumers can be classified into various types as seen in the case of neighborhood gossips. There are those who are always willing to make a comment on anything, just as there are those who will respond only to the comments of others. It is therefore necessary for community sites to establish a system by which various types of consumers can be reconciled in order to maintain high performance in terms of commentaries.

In addition, it will become necessary for ID management to include a multiple-layer system if the community site wants to collect data on the real intentions of a wide range of consumers. Such layers may include a “membership layer” that consists of formal site members and whose identity can be fully specified, a “personality layer” with only broad attributes being collected through pseudo-IDs, and an “anonymous layer” composed of consumers who have not revealed any specific identity-related information.

Apart from these issues, community sites face an almost endless range of potential problems that must be dealt with. For instance, they need various measures to encourage site activities on the basis of community lifecycles, the balance between quality control and the self-organized operations of a community, and appropriate self-defense tactics to prevent intentional attacks from disrupting the site.

The most important point is to create a system to draw out the desire for self-actualization of unnoticed concierges in the community, and have them contribute to community management, without totally depending on monetary incentives or the voluntary activities of people. This type of skill has not yet fully matured in Japan, where voluntary activities have a relatively short history and the social infrastructure for such activities is underdeveloped. Additionally, companies will be required to positively use the know-how developed by these external sites and finally to accumulate community management skills within their own organizations.

3 Collaborative Marketing

(1) Case Study: Merchandise planning and order-based production by Future Planet
Future Planet is engaged in the planning and production of a TV Tokyo program called “Azabu Connection—A Thousand Choices.” This program features various manufacturers, designers or craftsmen who talk about the new products they are planning and commentators who freely discuss these proposals. If 1,000 or more consumers order a product that is discussed, the actual manufacturing of the item can be started. Orders may be sent by email from PCs and mobile phones as well as by telephone (see Figure 3).

Although consumer opinions cannot be reflected in this case, it can be seen as a proposal-type merchandise planning process that is carried out by confirming consumer reactions. On the basis of this scheme, companies can avoid the risks of unsold inventories and consumers can acquire certain limited goods that they have highly rated.

While such a scheme must rely on TV networks (the medium with nationwide penetration at the moment), it is highly likely that such collaborative schemes could be carried out in real time once interactive broadband media, including digital TV services, become available in the future.

(2) More sensitive collaboration may become possible at communities that make use of images
Collaborative marketing refers to a type of cooperative process between a company and consumers through knowledge sharing at a stage prior to the planning, development and final production phases. In this process, the company may establish customer groups with a high degree of loyalty by securing a strong commitment from consumers (willingness to participate) and by offering limited or customized goods.

A good example for a merchandise planning and development site involving consumer participation is Tanomi.com (http://www.tanomi.com/). The site enables anybody to submit a proposal to manufacture a certain product, and may directly request a company to use its commercialization capabilities to manufacture the product if a certain number of consumers vote for the proposal. The development of ubiquitous networks may make it possible for companies to share more knowledge with consumers in the future, especially in the highly sensitive field of merchandise design or brand concepts—something that was impossible by means of static pictures and text alone.
In this knowledge sharing process, companies can supplement the shortage of information resulting from the difficulty of conveying human sensitivity through the use of words and static pictures alone. At the same time they can reduce the burdens on business required to realize such difficult tasks, and also incorporate user views in more specific ways into their product development process through visualized tools such as three-dimensional modeling.

The sites for Ricoh Elemex Corporation and Isetan department store have already been successful in the commercialization of watches, boots and other merchandise targeted at specific customer groups by adopting customer views through various merchandising proposals. While text and photographs are currently used in the exchange of information with customers, including the look or design of merchandise, moving images will be used more frequently in the future along with the wide use of broadband services. In the world of BTO (build-to-order) as well, such sites as Sony Style.com Japan, Nike Japan and Matsuda will also introduce and actively use moving images and/or advanced visual simulations.

(3) “Products we planned ourselves” ensure a higher commitment
Consumers involved in collaborative marketing strategies will feel a stronger attachment to the products offered, as they reflect the opinions of consumers themselves or are manufactured on the assumption that consumers would purchase them. It is not too much to say that the consumer desire for self-realization is satisfied through the process of merchandise development. The scarcity of products limited to specific customers can generate a feeling that they own special goods that carry a high premium.

(4) Averting risks in niche markets and creating loyal customers
One of the advantages of collaborative marketing strategies for companies is the potential for realizing product planning and development initiatives in niche markets that have long been neglected for various reasons. Relying on order-based production enables companies to avoid the risks resulting from manufacturing goods that are left unsold. Moreover, customers acquired through this process may have a stronger loyalty to the manufacturer because the desire for self-realization was fully satisfied. Accordingly, such customers can be assumed to represent a high lifetime value (LTV) to companies, as loyal buyers with a high commitment are likely to convey the value of products they have purchased to their own consumer communities through word-of-mouth advertising.

Ubiquitous networks are the best fit in expanding the range and the speed of such word-of-mouth information transmissions. If this feature of ubiquitous networks is combined with the benchmark marketing described above, the 1,000 customers who order first...
can each contribute to the creation of an expanded market of tens or hundreds of new customers.

(5) Commitment through investment in development
Consumer commitment can assume a number of formats, including advance ordering and investment in development funds. For example, Konami’s Tokimeki Memorial 3 gaming software accepts consumer investments for software development before launching a new product. The names of investors who provide more than a certain level of funding can be included in the credits at the end of the software, and such investors are also offered a special original package—both steps that play well to consumer self-satisfaction.

Interesting applications may be produced from the convergence of IC cards, an element in ubiquitous networks, with the commitment described above. NTT’s laboratories have already implemented experiments in advanced BTO formats. For example, information about a consumer’s home, including room size, furniture, color scheme, etc., is recorded on an IC card. This information can be used to realize a “virtual fitting” when the person wants to purchase furniture from an online furniture shop. Another idea has been developed to record a person’s measurements on an IC card that can be used in purchasing clothing. These trials can be referred to as an exchange of “visible knowledge” (see NRI Papers No.34: “Industrial Change and Corporate Management in the Era of Ubiquitous Networks,” October 2001) that uses broadband technology beyond actual image data.

(6) Reforms toward CRM channels that enable collaboration
In order to incorporate consumers into the upstream of marketing process, the functions of channels that respond to customers—including face-to-face, call center, and Internet contacts—must be improved to meet customer needs not only in the after-sales stage, but also in the merchandise planning stage. To this end, a mechanism is required to integrate the management of customer views in a unified way that enables all in-house departments to share such input and to establish an effective customer relationship management (CRM) function by which these departments can collaborate with customers.

Care should be taken when new media are integrated with CRM functions as new channels. People tend to believe that interactive broadband media such as BS or CS digital television broadcasting are the best approaches in establishing channels to collaborate with customers. When considering the low penetration ratios for these new media, however, it is important to find a way to accumulate know-how on collaborative merchandise development as quickly as possible by fully utilizing existing media.

III  How to Respond to Trends in Ubiquitous Marketing

1  Acquiring the Position of a Concierge in Serving Customers
As noted at the beginning of this paper, the three marketing approaches involving context marketing, benchmark marketing and collaborative marketing will be combined at the final phase in the development of ubiquitous networks, and will converge into concierge-type marketing by which networks can offer services to customers in an autonomous way. Just like the services provided by a hotel’s concierge, this final type of marketing will provide us with a wide variety of services in response to our conditions at that moment. Examples include proposals on dinner selection in the evening along with restaurant evaluations (similar to the famous US restaurant guide ZAGAT), or even recommend a light menu if we’re tired or a bit under the weather. In other words, concierge-like marketing provides us with timely information in response to our activities and other contexts, various evaluations based on our own community benchmarks, and merchandise and services that take our preferences into consideration through collaboration.

Under the strong effects of ubiquitous network development, corporate competition in network environments will undergo substantial changes. For example, traditional portal sites have long operated on the premise that consumers will generally access networks on an active basis without appeals from these sites. However, this comfortable assumption may largely be undermined. The increase in the number of non-active consumers who comfortably immerse themselves in the management offered by concierge-type services are likely to change the premise described above.

In this new competitive environment, success will depend on having better concierges who are personally selected by consumers. In addition, it is likely that once attracted by a certain concierge, consumers may become reluctant to change their preference, thus making an acquisition of customers in the early stage more important than ever. This means that a company’s survival may well hinge on acquiring a concierge-like position among their high-end customers through partnerships with companies in various fields of business, etc.

2  Need to Establish Customer-Oriented Strategies and Reorganize CRM Systems
There are a number of difficult problems facing the corporate information systems that are believed to support marketing strategies in the era of ubiquitous
networks. In essence, various systems that must include customer-centered links are operated in an inconsistent way as they have been structured without any systematic relationship among them. There are companies whose customer-related information collected by their call centers is not fed into their basic customer database. The main reason behind this is that corporations have not established company-wide customer-oriented marketing strategies in the first place. Therefore, customer-related information systems have been operated independently and have remained unchanged without taking any measures to establish links among them.

Moreover, there are cases in which marketing strategies are not fully communicated throughout the company, or they are not incorporated in the company’s evaluation system, thereby leading to highly unsatisfactory results from the information collection functions carried out by sales representatives or customer service personnel. In short, even though various systems have been developed, they are not effectively used.

The first essential task for companies when they advance into the era of ubiquitous networks is to establish customer-oriented marketing strategies and reorganize their CRM systems on the basis of such strategies. In order to realize concierge-type marketing systems, forming partnerships with blue chip companies will be an important success factor, because concierge services to customers will be fully developed when they can be jointly provided by several companies through a partnership rather than by any single company. Proposals not only on restaurants but also theaters or shopping may help companies understand customer preferences.

However, even under an environment where corporate partnerships play an important role, delays in the development of in-house CRM systems can be fatal, because the effects of partnership cannot be displayed if the customer information possessed by each company cannot be effectively linked among partners in preparing well-tailored proposals. It is therefore vital for a company to reexamine its marketing strategies and CRM systems if the company wants to be selected by partners and maintain its position among the winners in the era of ubiquitous networks.

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