

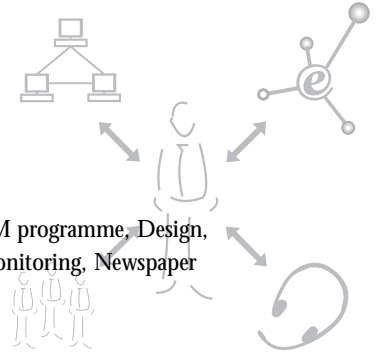


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CRM at Dagbladet Børsen: A Success Story from Denmark

Abstract: The authors develop a single embedded case study on Dagbladet Børsen. They consider key areas of a four-year long customer relationship management (CRM) programme and offer insights into the design, implementation, and monitoring of a particular CRM programme. This procedure is organised around eight areas: commitment of senior management, situational report, analysis, strategy formulation, implementation, management development, employee involvement, and evaluation of loyalty-building processes.

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Introduction

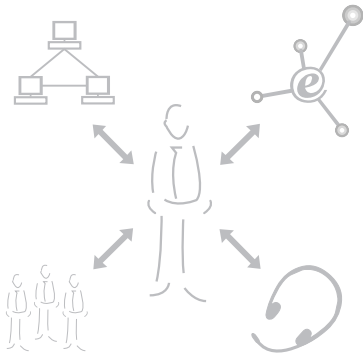
The way in which marketing is being practiced is changing and this, in turn, is due to dramatic changes in marketing's context such as physical distance, time, economy, deregulation, globalization, customer expectations, and new information technology^(1,2,4). Several researchers have sought to understand the nature of these changes in marketing's context and practice. Customer relationship management (CRM) has been advocated as a strategy that is an appropriate response to these changes. However, only few empirical studies have examined the design, implementation, and monitoring of CRM programmes at a practical level.

We first briefly outline the methodology that was a single embedded case study on Dagbladet Børsen. Following that we examine the challenges Dagbladet Børsen was facing and the CRM programme that the publisher designed and implemented in a response to these challenges. We also look at how it has been possible to monitor the CRM programme.

Methodology

The need to understand the content, roles, and boundaries of CRM strategies implied the need for an interpretative design that would retain the complexity of said strategies. We conducted a single embedded case study on Dagbladet Børsen that has recently 'finished' a four-year long CRM project. The case study involved in-depth, three-hour interviews with, from the publisher, the sales and marketing director, the subscription manager, the marketing co-coordinator, and the database manager and, from the consulting firm, the managing partner responsible for the CRM programme project.

The main objective of the interviews was to get a comprehension of how Dagbladet Børsen has sought to manage their customer relationships, and to extract those factors that can explain how the CRM marketing strategy has been designed and, later, implemented and monitored. Questions were standardised around topics relating to the CRM model that was followed during the project (see shortly). Questions were kept ►



deliberately broad to allow the interviewees as much freedom in their answers as possible. After this, a series of specific questions were asked to make sure that all areas of the CRM project had been covered. The interviews were taped and later transcribed for a thorough analysis, while the interview data were cross validated with secondary sources of information such as analysis reports from the four-year project.

Dagbladet Børsen

The objective of the Børsen Group is to cover the need of decision makers in both the private and public sector in Denmark for professional information on Danish trade and industry. This is achieved through Dagbladet Børsen, as well as magazines, books, handbooks, and newsletters. Dagbladet Børsen is the leading business daily in Denmark with a circulation of approximately 60,000 copies. This is an increase of almost 50 per cent over the past six years. Over the past years, Dagbladet Børsen has strengthened its profile through a series of editorial campaigns in the area of enterprises and in the sphere of economics and politics. Regular editorial activities include IT, media market, transportation, finance, property, job market, and private investment, while recent activities include value-based management and the Danish food sector.

Stig Jørgensen & Partners

The publisher brought in Stig Jørgensen & Partners to assist in the CRM project. This firm offers consultancy services to large and medium-sized companies and organisations, and has extensive experience from many projects around all of Europe. Typical CRM projects involve a long-term development process that extends over two to three years and include all areas of consultan-

cy, situational report, design of strategy, implementation of strategy, education and training of employees, and evaluation of the CRM project.

The Case: From Challenges to Solutions

The model that was followed in the implementation of the CRM programme is depicted in Figure 1.

As can be seen, the model combines elements of 'hard' CRM skills (situational report, analysis, strategy formulation, and implementation) and 'soft' CRM skills (commitment of senior management, management development, employee involvement, and evaluation of loyalty-building processes). The discussion of the CRM programme will now be structured around the model's eight areas.

Commitment of Senior Management

The essential anchoring and ownership in senior management is ensured in this phase. A key issue here is for senior management to define a CRM vision that will serve as a guideline for, and a formulation of goals for, the further process. A number of seminars and workshops with the management group are used in this phase.

Dagbladet Børsen had some 37,000 paid subscribers in 1997 of which approximately 6,000 were new subscribers and 3,000 were relatively new subscribers. The publisher thus distinguishes between three categories of subscribers (Table 1).

A subscription does not necessarily cover a whole year, but can be for one, three, six, or 12 months, and this makes it difficult to translate the information in Table 1 into figures for customer retention, as a customer who only wants to pay for three months at a time can still be a loyal customer. In 1997, some 35-40 per cent of the subscribers had paid for one full year; some 50 per

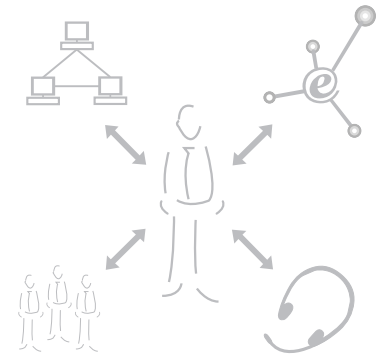
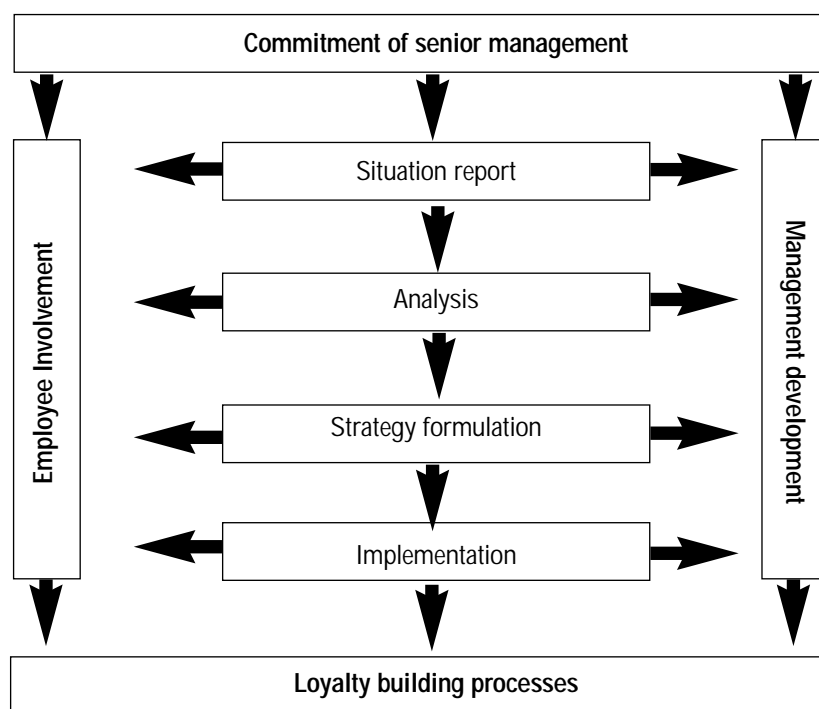


Figure 1: CRM implementation model



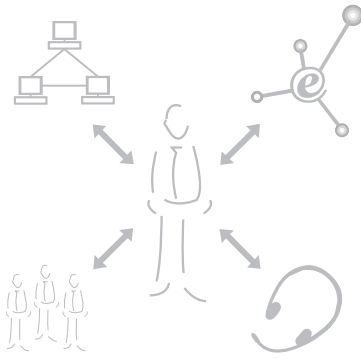
Source: Stig Jørgensen & Partners A/S, reprinted with permission.

Table 1:
Subscribers to
Dagbladet Børsen,
1997

Category of subscribers	Definition: subscribers in this category have paid ...	Number of subscribers
New subscribers	for up to one subscription ^a	6,000
Relatively new subscribers	for two subscriptions	3,000
Regular subscribers	for at least three subscriptions	28,000
Total amount of subscribers		37,000

Source: Dagbladet Børsen.

^a A subscription is defined here as a paid delivery of the newspaper; the time over which the subscription runs can be anything between four weeks and a year.



cent had paid for three months; and the rest had paid for up to six months only. It is, therefore, useful to organise the information about the customers in a different way. This has been done in Table 2. It is now possible to tell what was the main problem for Dagbladet Børsen: In 1997, the publisher was losing up to 40 per cent of the new subscribers and up to 70 per cent of the relatively new customers. Most of the marketing activities were directed toward these customers, and although some of these customers do take up a subscription with the newspaper at a later stage these marketing activities are both costly and inefficient.

After having realised that they needed to improve customer loyalty, Dagbladet Børsen set aside the resources necessary to design and implement the business processes that would

provide for loyalty. The publisher also reasoned that its organisational structure historically had been designed for the daily operations, but that the structure was not appropriate for implementing changes in the business processes, as these were likely to be more fundamental. Moreover, the regular organisational structure is more concerned with today's and tomorrow's tasks than with next year's tasks. A separate project organisation ('Newspaper sales project forum') was set up, therefore, and consisted of six key managers and employees from Dagbladet Børsen working together with the consulting firm; in addition, all other staff from the publisher were invited to present their ideas in the forum's meetings. The organisation would meet once a month or more, if necessary, to discuss the CRM development project: to start and cancel sub-projects; to pri-

Category of subscribers	In percentage of renewed subscriptions	Number of subscribers	'Rotation' rate ^a
New subscribers	30 - 40 %	7,000 - 10,000	280 % ^b
Relatively new subscribers	60 - 70 %	10,000 - 12,000	180 % ^b
Regular subscribers	4 - 5 %	2,500 - 3,200	10 % ^b
New and relatively new subscribers		20,000 ^b	54 % ^{b,c}
Total amount		17,000 ^b	190 % ^{b,d}

Table 2: Yearly churn rates of customer categories, 1997

Source: Dagbladet Børsen.

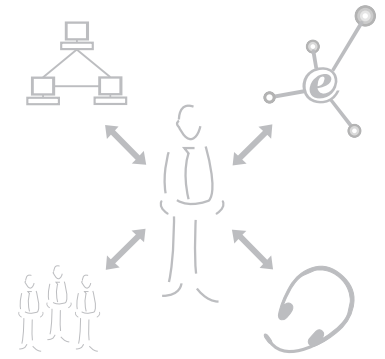
Note:

^a The rotation rate is defined here as the number of subscribers who have ceased their subscription to Dagbladet Børsen as a percentage of the average total number of subscribers in this category.

^b These numbers are only approximate numbers.

^c This number refers to the 9,000 customer base (= 6,000 + 3,000 customers).

^d This number refers to the total 37,000 customer base.



organise and coordinate sub-projects; and to identify and secure project leaders, as well as financial resources. (At a later stage, this project organisation was merged with the regular organisational structure due to lack of necessary resources.)

Sub-projects included the product (the newspaper and augmentations of the product) and customer communications in relation to subscription renewals. Any given sub-project is evaluated on what the problem is, and what the suggested solution is; what the budget is for financial expenses, as well as for person hours; how the project is implemented; what the schedule for implementation is; and which stakeholders must be communicated with.

Situational Report

Based on the CRM vision, a desk research is performed in this phase. Easy-to-use electronic tools are used, as this ensures high productivity. The goal is to describe the elements in the client company's situation and performance, which are of significant importance in relation to the CRM strategy. That is, the here-and-now situation must be known in order to describe the gap between the CRM vision and the present situation.

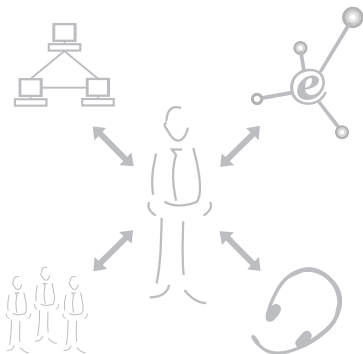
Analysis

The mapping of customer loyalty toward the client company, which is carried out in this phase, is often done on an individual customer level. The central issue here is, How loyal are the customers? Which factors are driving loyalty, and which factors are destroying loyalty? An analysis tool has been developed to help uncovering which cluster of loyalty initiatives will be most effective in improving customer loyalty, and results in a loyalty matrix that distinguishes between ambassadors, loyal customers, cus-

tomers at risk, customers on the look-out, and lost customers (Figure 2). The main purpose in using a loyalty analysis is to provide information about which efforts can move a client company from its present situation to realising its CRM vision.

In this case, the questionnaire dealt with questions related to the individual reader (Appendix A) including a number of statements that the reader would have to reflect over and, subsequently, answer (Appendix B that contains information only on subscriber categories A and B). The questions/statements were developed in focus groups consisting of the publisher and the consulting firm. The focus groups met in three major cities (Copenhagen, Århus, and Esbjerg) and included customers who differed from each other on a number of aspects, as well as people from Dagbladet Børsen and Stig Jørgensen & Partners. If most customers agreed on a particular topic then this topic was omitted from the questionnaire. The questionnaires in 1997 and 1999 were run by the consulting firm, whereas the questionnaire in 2001 was run by Dagbladet Børsen itself.

In order to build the loyalty matrix the analysis tool requires a certain number of returned questionnaires (this number is dependent upon how many issues are dealt with). For example, in 1997, the questionnaire was mailed to 1,303 subscribers (with their personal name on the envelope). These 1,303 people were among 1,859 people who during a campaign in September 1997 had taken up a subscription offer to Dagbladet Børsen ('A month subscription to Dagbladet Børsen for DKK 100.'). Over the months of September and October 1997, the publisher got 497 responses (a response rate of 38 per cent). Further details for the 1997 ques- ➤



Attraction	Satisfaction			Higher
	At risk	Loyal	Ambassador	
	On the look-out	At risk	Loyal	
	Lost	On the look-out	At risk	Higher

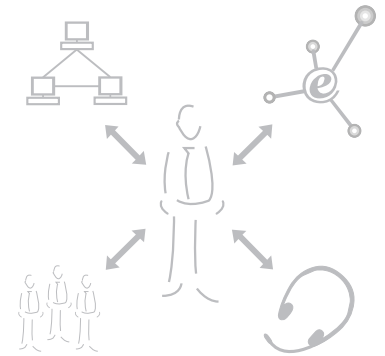
Figure 2. The loyalty matrix

Notes: (a) 'Attraction' is defined as how attractive a customer finds the company and its goods and/or services compared to other companies, whereas 'satisfaction' is defined as how satisfied a customer is with the company and its goods and/or services. Ambassadors are very satisfied with the goods and/or services, and are highly attracted to the company, whereas lost customers are very unsatisfied with the goods and/or services, and are not attracted at all to the company. (b) In the following the arrows are omitted from the loyalty matrix.

Category of subscriber	Number of people that received the questionnaire	Number of people who answered the questionnaire	Response rate
The person will continue with his subscription (Group A, 'continuers')	450	183	41 %
The person will not continue with his subscription (Group B, 'stoppers')	329	126	38 %
The person is yet to make up his mind (Group C, know-nots)	524	188	36 %
Total amount	1,303	497	38 %

Table 3: Response rates for different subscriber categories, 1997

Source: Dagbladet Børsen.



tionnaire have been included in Table 3, including information on the different subscriber categories A, B, and C, and reveal that the response rates were high. Except for minor details the questionnaire was the same for each of the subscriber categories, and would provide key information on the behaviour of the different categories.

The analysis of the questionnaire survey resulted in the loyalty matrix that has been depicted in Figure 3.

56 per cent of the subscribers were loyal (or even ambassadors)^[4] while five per cent were either on the lookout for other newspapers or lost subscribers^[5]. The remaining 40 per cent of subscribers were at risk, as they were not totally satisfied with, and/or attracted to, Dagbladet

Børsen^[6]. The figure also contains information on the three different groups A, B, and C; the analysis of the questionnaire would be dealt with at the level of these three groups.

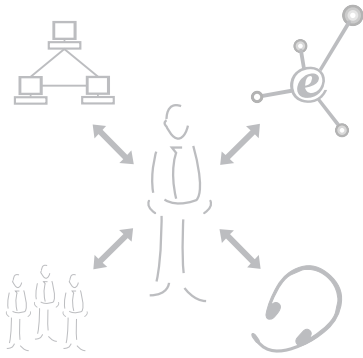
The main conclusion of the questionnaire in 1997 was that the marketing activities were directed toward the wrong subscribers. That is, the majority of those subscribers who are attracted to a special subscription offer do not want to continue subscribing when the full price has to be paid. This means that too many resources are used on short-time improvements in sales where the proper thing would have been to spend the resources on long-time improvements in sales by attracting only those people who want to continue after a special offer campaign. That is, ➤

Figure 3: The loyalty matrix for Dagbladet Børsen, 1997

		Satisfaction		
		At risk: 0 % Group A: 0 % Group B: 0 % Group C: 1 %	Loyal: 25 % Group A: 27 % Group B: 18 % Group C: 28 %	Ambassador: 22 % Group A: 36 % Group B: 19 % Group C: 19 %
Attraction	On the look-out: 1 % Group A: 1 % Group B: 3 % Group C: 2 %	At risk: 40 % Group A: 27 % Group B: 42 % Group C: 39 %	Loyal: 9 % Group A: 6 % Group B: 6 % Group C: 6 %	
	Lost: 2 % Group A: 1 % Group B: 4 % Group C: 5 %	On the look-out: 2 % Group A: 2 % Group B: 8 % Group C: 2 %	At risk: 0 % Group A: 0 % Group B: 0 % Group C: 0 %	

Source: Dagbladet Børsen

Note: The numbers do not add up to 100 % due to rounding-off errors.



although the publisher would attract fewer people the 'quality' of these people would be higher and could better be retained. In order to attract those customers who are not willing to pay the full price for a supplementary newspaper like Dagbladet Børsen it would be necessary to do one of two things:

- change the newspaper so that it no longer is just a supplementary newspaper, but rather a stand-alone newspaper with information on business, as well as domestic and foreign affairs; and/or
- reduce the yearly subscription price of some 2,000 DKK, as this would make Dagbladet Børsen economically more attractive because most people subscribe to at least one major newspaper at a price of some 2,500 DKK. Without such a reduction in subscription price many people have difficulties in justifying their subscription.

Many of the people who have responded to a special offer are far from Dagbladet Børsen's traditional subscribers and will, therefore, not continue after the special offer has finished. Because of that it was recommended to focus more on the traditional reader: professional users. It is interesting to note that, in 1997, readers within sales and marketing had not been approached so far. The majority of those people who do continue with their subscription do so when they find the product interesting (70 per cent) and/or when they receive a financial incentive for doing so (50 per cent).

Strategy Formulation

A CRM strategy development programme is now performed on the basis of the previous three

phases. This CRM strategy has two levels:

- determination of quantitative CRM goals, and
- determination of CRM initiatives.

The CRM goals relate to the following areas:

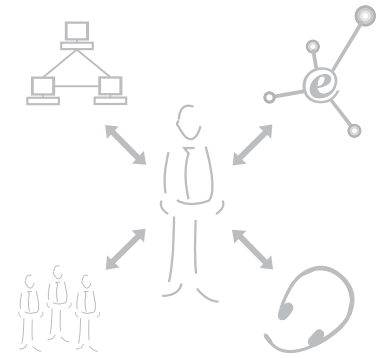
- positive development in lifetime value of the total customer capital;
- positive developments in revenue, profit, and loyalty on an aggregated level and, often, on individual customer level;
- priority of customer segments in relation to both retention and new sales; and
- creation of a system for ongoing customer loyalty measurements, a so-called customer feedback system.

The CRM initiatives, among others, cover the following areas:

- priority of customer-related development projects;
- priority of internal development projects;
- adjustment of various sub-strategies such as sales, marketing, and IT;
- adjustment of competencies development plan; and
- adjustment of salary and bonus programmes.

Although the above mentioned goals and initiatives vary from company to company they seem to be of general importance across different companies and industries.

Figure 3 depicted the overall loyalty matrix, as well as the loyalty matrices for customer categories A, B, and C. We see that there are differences in each of the three customer categories' loyalty toward Dagbladet Børsen. Thus 36 per



cent of A subscribers (continuers) are ambassadors, whereas only 19 per cent of B or C subscribers (stoppers and know-nots) are that. Also, 69 per cent of A subscribers are loyal to Dagbladet Børsen; the numbers for B and C subscribers are, respectively, 43 and 53 per cent. Because of this it was strategically decided to set up activities that would be directed toward the individual subscriber and ensure a one-to-one dialogue with the subscribers.

Implementation

The prioritised development projects are initiated and the necessary adjustments are made in this phase. The client company's ability to manage projects is of key importance. Furthermore, it is imperative that focus on the CRM project is kept motivated by continuous commitment from senior management. A central project in connection to this phase is the upgrading, or adjustment, of the client company's database and CRM facilities. This is where the company's IT supplier becomes of importance. It is interesting to note that Stig Jørgensen & Partners is not affiliated with any IT supplier and, therefore, can consult its clients independently and objectively. To make the one-to-one dialogue possible it was necessary to improve the customer database. An important aspect in this dialogue is for the publisher to follow up upon each subscription when the date for renewal is getting closer.

When a customer signs up for a one-year subscription he has access to a variety of services that other subscribers or readers do not have, including Executive Summary, Børsen-line, and the possibility for receiving the latest news on specified topics via e-mail. (At a later stage, the publisher decided to offer every subscriber with news on specified topics, as it believed this serv-

ice is key in customer retention at all levels.) At this time, some 60-65 per cent of the subscribers have signed up for a one-year period, which should be compared with the 35-40 per cent in 1997. This also means that the number of new subscriptions have fallen, as the subscription period now often is one year instead of one, three, or six months. However, the tendency of one-year subscribers to continue with their subscription is much higher than that of other subscribers.

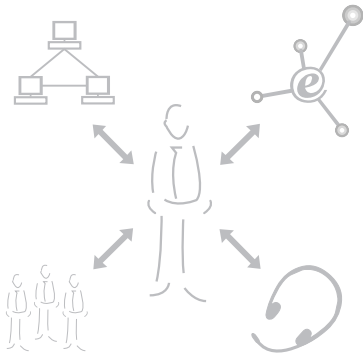
Management Development

Management development and employee involvement are often dealt with simultaneously. In order to ensure a successful CRM implementation it is crucial to have an ongoing supply of CRM competencies in the organisation. Two competencies development programmes are, therefore, put together; one programme for managers and one programme for employees. In general, the companies must understand the positive correlation between customer loyalty, employee loyalty, and profit, which means that managers must master loyalty-based management^[9]. When a company wants to realise its CRM strategy the senior management must develop accordingly. Employees must be loyal, as their creation is important in all essential business situations and processes.

Employee Involvement

With regard to employee involvement the purpose is to help the client company in formulating strategies, developing systems, and implementing solutions that will bring a significant increase of employee loyalty. This is accomplished by:

- identifying how the employees contribute to ►



and/or obstruct the internal business processes in the organisation;

- creating coherence and synergy between the employee analyses and education and training activities in the organisation; and
- adapting the employee analyses and education and training activities to the overall business strategy of the organisation and to the desire for increased profitability.

It is necessary to go through a strategy development process with regard to the employees.

Evaluation of Loyalty-building Processes

Until this moment, we have looked at what the publisher did in 1997 and, to some extent, 1999. However, the project was carried on until 2001. The questionnaire, which was sent out to subscribers to Dagbladet Børsen, was the same in 1997 and 1999, but had changed somewhat in 2001 mostly due to changes in what the newspaper offered its subscribers. The 2001 questionnaire has not been included in the paper. It was now possible to draw further conclusions. Some 70 per cent of the subscribers believe that they are kept up-to-date with relevant information. More subscribers are now aware of Børsen Online (81 per cent compared to 57.6 per cent) that is used by more people (46.8 per cent compared to 13.3 per cent). Subscribers' satisfaction with Dagbladet Børsen has been consolidated. The questions that relate directly to loyalty have been summarised in Table 4.

The client company's ability to perform in relation to the loyalty-generating processes will determine if the investments in the CRM programme will be profitable over time. Therefore, it is essential that these processes are monitored on an ongoing basis, and that the company keeps

working on increasing their performance. In January 1998, 38,008 people subscribed to Dagbladet Børsen (27,607 people were regular subscribers and 4,661 people were relatively new subscribers). In August 2002, the same numbers were, respectively, 53,106, 33,704, and 5,311 people.

In order to monitor customer loyalty the following three components were used in the CRM programme:

- the customer retention rate, which expresses a company's ability to retain its customers over a year;^[7]
- the share of a customer's account or, as it is also known as, the share of the a customer's wallet; and
- the ambassador degree, which means the extent to which the present customers will recommend the company to potential customers.

It is interesting to follow the loyalty matrix over the four-year period of the CRM project (Figure 4).

When moving diagonally from one loyalty cell to the loyalty cell that is just above in terms of satisfaction and attraction, according to the sales and marketing director, somewhere between 20 and 30 per cent more subscribers would answer 'yes' to the following statement: 'I will definitely renew my subscription to Børsen' (Figure 5).

Although the exact value of each customer segment has not been followed in the monitoring of the programme it is possible to have make some estimations of it, as a DKK 2.500 year subscription contributes with between 40 and 70 per cent (depending on way of delivery), as well as revenues from advertisements. It should be noted that revenues from advertisements should be

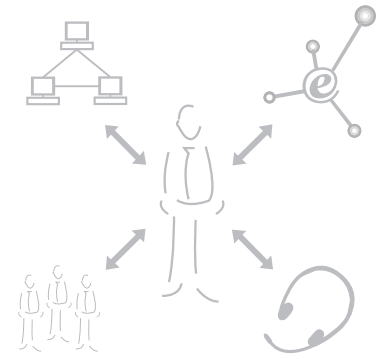
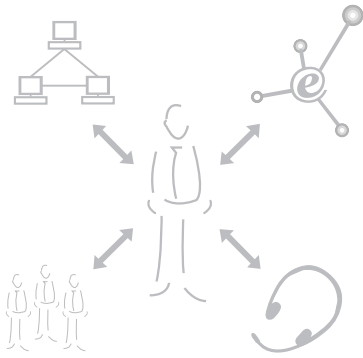


Table 4: Loyalty questionnaire, 2001

Questions		%
All in all, how satisfied are you with Børsen?	Very satisfied	49.6
	Satisfied	48.4
	Unsatisfied	1.3
	Very unsatisfied	0.1
	Don't know	0.6
	Will not tell	0
Do you think that Børsen has improved or worsened over the last year?	Better	28.1
	Not changed	56.1
	Worse	2.3
	Don't know	13.4
	Will not tell	0.1
How attractive do you find Børsen compared with other similar news publishers?	More attractive	69.3
	Just as attractive	23.6
	Less attractive	2.2
	Don't know	4.8
	Will not tell	0.1
Would you recommend Børsen as a job-relevant medium?	Most definite	70.6
	Probably	23.7
	Probably not	2.6
	Most definite not	0.7
	Don't know	2.2
	Will not tell	0.2
Do you expect to subscribe to Børsen in one year's time	Most definite	73.4
	Probably	19.1
	Probably not	2.5
	Most definite not	1.2
	Don't know	3.8
	Will not tell	0





Attraction	Satisfaction		
	At risk: 1997: 0 % 1999: 0 % 2001: 1 %	Loyal: 1997: 25 % 1999: 32 % 2001: 30 %	Loyal: 1997: 25 % 1999: 32 % 2001: 30 %
	On the look-out: 1997: 1 % 1999: 1 % 2001: 1 %	At risk: 1997: 40 % 1999: 39 % 2001: 15 %	Loyal: 1997: 9 % 1999: 8 % 2001: 8 %
	Lost: 1997: 2 % 1999: 1 % 2001: 0 %	On the look-out: 1997: 2 % 1999: 0 % 2001: 4 %	At risk: 1997: 0 % 1999: 0 % 2001: 3 %

Figure 4: The loyalty matrix for Dagbladet Børsen, 1997-2001

Source: Dagbladet Børsen

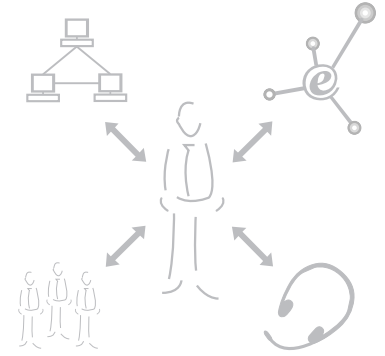
Note: The numbers do not add up to 100 % due to rounding-off errors.

Attraction	Satisfaction		
	At risk: 1997: 0 % 1999: 50 %	Loyal: 1997: 30 % 1999: 51 %	Ambassador: 1997: 57 % 1999: 80 %
	On the look-out: 1997: 11 % 1999: 13 %	At risk: 1997: 30 % 1999: 47 %	Loyal: 1997: 51 % 1999: 70 %
	Lost: 1997: 15 % 1999: 14 %	On the look-out: 1997: 20 % 1999: 20 %	At risk: 1997: - % 1999: - %

Figure 5: The loyalty matrix: Percentage of subscribers who answer 'yes' to 'I will definitely renew my subscription to Børsen', 1997-1999

Source: Dagbladet Børsen

Note: The numbers do not add up to 100 % due to rounding-off errors.



spread over the total number of people reading the newspaper. The latest 2001 figures show that some 230,000 people are reading *Børsen*, and that the newspaper has revenues of about DKK 200 million from advertisements. In other words, each reader generates approximately DKK 870 a year so that each new subscription results in some DKK 2,000, as each newspaper is read by two to three people. Over the period 1997-2001, revenues from advertisements have increased with about 45 per cent. Overall, the publisher now spend less efforts on winning new customers, and more efforts of developing the product.

Conclusions

As stated in the introduction, only few empirical studies have examined the design, implementation, and monitoring of CRM programmes at a practical level. Our study provides detailed information on a CRM programme that a Danish newspaper publisher has successfully designed and later implemented over a four-year long period. The monitoring of the programme reveals impressive returns on the loyalty processes: the newspaper circulation has increased with 40 per cent and revenues from advertisements have gone up with 50 per cent, while total revenue has more than doubled. It is possible from this case study and other similar ones in the marketing literature to start building a database of best CRM practice that can be further tested.

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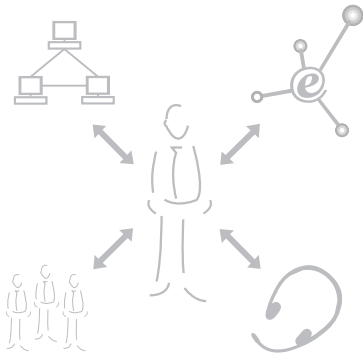
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Notes

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[4] 22 per cent (ambassadors) + (25 + 9) per cent (loyal customers) = 56 per cent.

[5] 2 per cent (lost customers) + (1 + 2) per cent (on the look-out customers) = 5 per cent.

[6] (0 + 40 + 0) per cent (at risk customers) = 40 per cent.

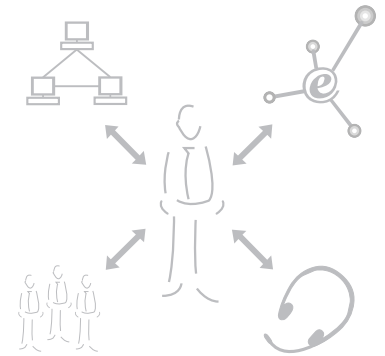
[7] The retention rate is closely connected to the churn of the customer mass. That is, if a company has a customer retention rate of, say, 80 per cent the churn of the customer mass is 20 per cent. This again means that the company, after a period of 5 years, has rotated its customer base one time

Biographies

Adam Lindgreen, PhD. After graduating in chemistry, engineering, and physics, Adam finished an MSc in Food Science at the Technical University of Denmark and is now a European Engineer. Later, he finished an MBA at the University of Leicester (UK) after which he worked as a consultant for Andersen Consulting. He then completed a PhD in Marketing at Cranfield University (UK) – with 18 months as a visiting research fellow at the University of Auckland (New Zealand). Adam was then an assistant professor with the Catholic University of Louvain (Belgium) and represented the university in the Community of European Management Schools' inter-faculty group 'Marketing'. He is now with Eindhoven University of Technology (the Netherlands) where

he is also a research fellow with the Eindhoven Centre for Innovation Studies. He has carried out consulting work for a number of organisations, in Denmark and abroad, and has taught at numerous universities around the world, including Denmark, France, New Zealand, and the UK. Adam is a visiting professor with the Auckland University of Technology (New Zealand) and Groupe HEC (France), as well as a visiting reader with Harper Adams University College (UK). He has published in international marketing journals, including *Psychology & Marketing*, *Marketing Intelligence & Planning*, *Qualitative Market Research*, *Journal on Chain and Network Science*, and *Journal on Relationship Marketing*. For his research, Adam received four paper awards at international marketing conferences. He is on the editorial advisory and/or review board of a number of journals, including *Journal on Chain and Network Science*, *Journal of Relationship Marketing*, *Qualitative Market Research*, and *Børsen Ledelseshåndbøger: Loyalitetsudvikling*.

Jesper Jon Elling is managing partner with Stig Jørgensen & Partners, one of the leading consulting firms in Scandinavia on loyalty-based business. Jesper has consulted on loyalty since the start of the 1990s and is a co-author of *Vejen til loyale kunder* (in English: *Loyalty – For lasting Profit and Growth*), a bestseller that has sold more than 15,000 copies in Danish, Swedish, and English. He has also written numerous articles in *Dagbladet Børsen*, *Civiløkonomen*, *Markedsføring*, *Erhvervsbladet*, and *VL-bladet*. Jesper is a frequent lecturer on customer loyalty and CRM, in Denmark, but also in Sweden, Norway, Germany, England, Austria, Switzerland, Ireland, France, Slovenia, and Poland. He is on



the editorial advisory and review board of *Børsen Ledelseshåndbøger: Loyaltetsudvikling* and is frequently consulted for his expertise on loyalty and CRM. Jesper has lectured at Copenhagen Business School (Denmark), the Engineering College of Copenhagen (Denmark), Reklameskolen (Denmark), and is an associate lecturer with D&Bs CRM School (Denmark). He has been responsible for some of the most successfully implemented loyalty and CRM projects in Denmark such as *Dagbladet Børsen*, SCA Koncernen, COOP Danmark (FDB), F Group (Fona/Fredgaard), Medicotest, NordJyske Medier, Nykredit, TDC, Synoptik, Flensted, and Ingeniørernes A-kasse.

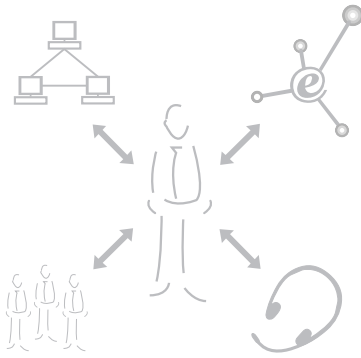
Jes Richard Møller is sales and marketing director with *Dagbladet Børsen*. He finished an MA in sales from Copenhagen Business School in 1983. After that, Jes worked as production manager and marketing director with the Gillette-owned Braun corporation in Denmark and Austria. He then left first for a position as a sales and marketing director with BRFkredit before he took up a managing position with Grey København in 1991. Jes has been with *Dagbladet Børsen* since 1996 and he is today sales and marketing director. Over this time, the circulation of the newspaper has increased with 50 per cent



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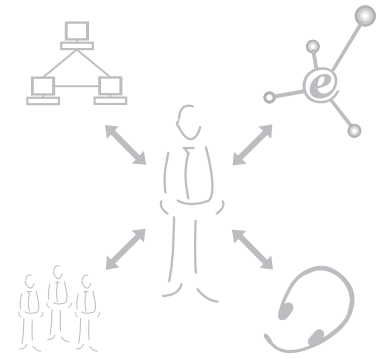
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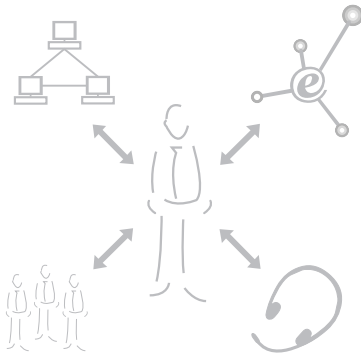


Appendix A: Loyalty Questionnaire, 1997 and 1999

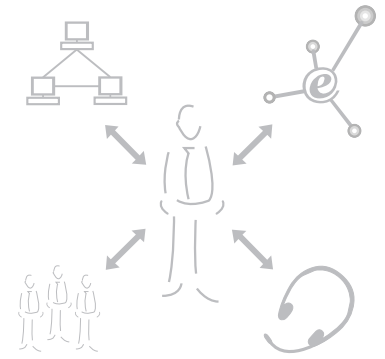
	1997	1999
A. What is your job?		
1 Director	40	48
2 Manager	20	22
3 Other	41	30
B. What is your specialist area?		
1 General administration	33	40
2 Economics/finance	17	17
3 Production	4	3
4 EDB/IT	6	3
5 Purchase/logistics	2	2
6 Sales/marketing	16	13
7 Administration	5	6
8 HRM	1	2
9 Other	17	13
C. What is your age group?		
1 Younger than 30 years	12	6
2 30-40 years	15	26
3 41-50 years	28	28
4 51-60 years	28	31
5 61-70 years	6	7
6 Older than 70 years	1	1
D. Are you ...		
1 Female	11	12
2 Male	89	88
E. How many copies are daily sent to your firm?		
F. To which ZIP code is the copy that you read the most sent?		
G. Where do you get the copy that you read the most?		
1 I receive Børsen on my private address early in the morning		31
2 I receive Børsen on my private address through regular mail	60	11
3 I receive my own copy of Børsen on my job	16	20



	1997	1999
4 I receive a copy of Børsen on my job	18	27
5 I read Børsen on my job	6	13
(If you have answered question 5 under G please do not answer question H)		
H. Will your subscription to Børsen be renewed when it expires the next time?		
1 Yes, most definite	37	56
2 Yes, probably	53	39
3 Probably not	9	4
4 Most definite not	1	1
I. Who pays for the copy of Børsen that you read the most frequently?		
1 The firm	70	84
2 Myself	30	16
J. What is your preferred media for finding job-relevant information? (Please tick the three most preferred media)		
1 Erhvervs-Bladet	19	16
2 Berlingske Tidende	41	37
3 Jyllands-Posten	53	43
4 Børsen	95	87
5 Børsens Nyhedsmagasin	11	9
6 Børsen On-line		2
7 Mandag Morgen	8	6
8 Økonomisk Ugebrev (Børsen)	3	2
9 Regionalt dagblad	5	5
10 Financial Times	4	3
11 Business Week	1	0
12 Fortune	0	0
13 The Economist	2	2
14 TV	28	26
15 Radio	5	5
16 Internet	8	15
17 Other	7	4
K. In which sector are you employed?		
1 Finance	14	14
2 Transportation	4	4
3 Production	14	14

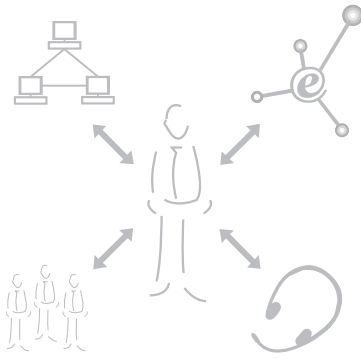


	1997	1999
4 Trade and service	24	25
5 Construction	5	6
6 Self employed	11	10
7 Liberal ...	12	10
8 Other	17	16
L. How many employees in your firm ought to read Børsen?		
M. When do you read Børsen? (You may tick more than once)		
1 Before work starts	38	36
2 During work	41	50
3 After work has finished	40	38
N. How do you feel Børsen has changed over the past 12 months?		
1 Has become much better		5
2 Has become somewhat better		33
3 No change		58
4 Has become somewhat worse		4
5 Has become much worse		1
O. What are your primary areas of interest with regard to job-related information? (You may tick more than once)		
1 Finance	68	63
2 Transportation	7	10
3 Private economy	42	37
4 Property	26	18
5 IT	21	31
6 Sales and marketing	41	30
7 Employment and management	36	40
8 Companies	58	67
9 Politics	31	33
10 International affairs	21	32
11 Law	19	12
12 Economy	52	54
13 Other	4	4



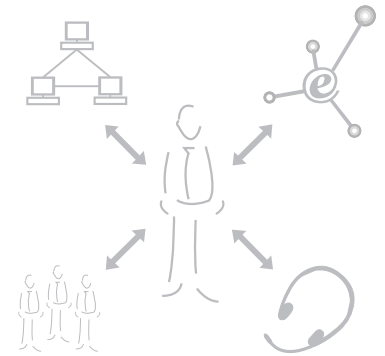
	1997	1999
P. Do you expect to subscribe to Børsen in three years' time?		
1 Most definite		30
2 Probably		64
3 Probably not		6
4 Most definite not		0
Q. All in all, are you satisfied with Børsen?		
1 Very satisfied	25	27
2 Satisfied	69	71
3 Unsatisfied	6	2
4 Very unsatisfied	0	0
R. Would you recommend Børsen as a job-relevant medium?		
1 Most definite	21	33
2 Probably	69	63
3 Probably not	10	4
4 Most definite not	0	0
S. Do you have any say in regard to subscriptions to Børsen?		
1 I decide how many subscriptions the firm will take out	52	43
2 I decide how many subscriptions my department will take out	10	19
3 I decide whether I want to continue my own subscription	36	30
4 I have no say in regard to subscriptions to Børsen	3	10
T. How attractive do you find Børsen compared with other similar news publishers?		
1 More attractive	47	51
2 Just as attractive	49	48
3 Less attractive	4	1
U. Did you know that subscribers to Børsen have access to Børsen Online?		
1 Yes		72
2 No		28
V. Do you have access to Internet?		
1 Yes, on my job		75
2 Yes, at home		68
3 No		10





	1997	1999
W. If yes, do you use Børsen Online?		
1 Yes, daily		3
2 Yes, several times a week		11
3 Yes, but only seldomly		32
4 No, never		55
(If you have answered question 1, 2, or 3 under W please answer X)		
X. What parts [of Børsen Online] do you use?		
1 Dagens Nyheder		25
2 Latest edition of Børsen		5
3 Job, car, and property		7
4 Børsen Archive		12
5 Knowledge centre on electronic commerce		3
6 Børsen Informatik		7
7 Company-related data		17
8 Debate		1
Y. Do you feel that Børsen Online has made subscription to Børsen more attractive than what it was earlier?		
1 Yes, very much		8
2 Yes, to some extent		43
3 No, it has had no impact		49
Z. How do you find the price of your subscription to Børsen?		
1 Very reasonable		5
2 Reasonable		86
3 Not reasonable		9
4 Not reasonable at all		0
Æ. Are you aware of Børsen Executive Summary, free of charge for subscribers?		
1 Yes, I receive it on a regular basis		11
2 Yes, but I do not receive it		16
3 No, but it sounds interesting		59
4 No, it does not have my interest		14
Ø. Are you aware of Børsen's Gazelle Club?		
1 Yes, I am a member myself		4
2 Yes, but I am not a member myself		42
3 No, but it sounds interesting		27
4 No, it does not have my interest		27

Note: All numbers have been given in percentages. For each group the numbers add up to 100%



Appendix B: Comparison of Customer Relationships (in percentage)

Statement	Total	'Continuers'	'Stoppers'	'Know-nots'
There is not enough focus on small- and medium-sized companies	39.5	37.1	45.0	38.4
There is not enough on private investment	39.1	39.4	36.1	40.8
I would like articles that take a critical look at political decisions and the consequences of such decisions	35.7	33.7	47.1	30.2
I would like analyses of smaller-sized public companies	35.5	36.0	38.7	32.7
I would like critical analyses of companies	35.3	34.1	39.2	33.9
There is not enough focus on those factors that determine what the economic results will be for a firm	34.6	33.1	39.7	32.8
I would like cases on change management that have been implemented successfully	33.6	30.7	38.5	33.5
There are too few articles on what are the causes in share changes in public companies	30.2	31.1	26.3	32.0
There are few articles on successful companies	28.9	26.0	30.3	30.9
There is not enough focus on Denmark's most important export markets	28.6	25.3	29.3	31.3
Børsen writes too often about the same five-ten companies	27.8	25.3	34.8	25.9
There is not enough on sales and marketing	26.3	25.7	27.0	26.5
There are few articles on management	26.3	26.1	23.9	28.0
Børsen does not bring articles on less famous business leaders	25.6	27.6	23.3	25.3
There is no schedule on when annual reports and economic key figures are published	25.5	29.9	18.2	26.2
Børsen is not published on Saturdays	23.7	24.6	21.5	24.1
There are few positive stories (a good story seems to be one related to a scandal)	17.8	13.5	19.0	21.0
The Monday Børsen is not up-to-date	17.1	16.0	20.7	15.8
Børsen is not customized to what I need	15.3	12.4	21.1	14.3
Articles are not based on sound research	14.5	15.9	14.2	13.5
I do not know the benefits of using Børsen On-line	5.4	4.7	5.2	6.2

Source: For continuers and stoppers, numbers in grey indicate a major problem.