

REVISITING THE CONCEPTUAL DEFINITION OF DIRECT MARKETING: PERSPECTIVES FROM PRACTITIONERS AND SCHOLARS

CAROL SCOVOTTI, *University of Wisconsin-Whitewater*

LISA D. SPILLER, *Christopher Newport University*

Sales attributed to direct marketing activities continue to grow worldwide. Despite its growth, there is no agreement of what direct marketing is. Terms like directed marketing, relationship marketing, interactive marketing, etc. are used to describe direct marketing activities. This term de jour approach promotes ambiguity and misinterpretation among marketing managers and inhibits researchers from selecting an acceptable definition to interpret empirical results. The need for greater shared agreement about what direct marketing encompasses is critical.

This study examines conceptual and operational definitions of direct marketing in an effort to determine a common framework on which marketing managers and scholars can agree. Definitions found in Principles of Marketing, Advertising, and Direct Marketing textbooks yield highly diverse views about the nature of direct marketing. On the other hand, practitioners with direct marketing experience present a significantly more unified view. When practitioner input is compared with the definitions found within textbooks, six key dimensions emerge – historical foundations, customer relationship building, database analysis, electronic media and print media. These dimensions account for 64.3 percent of the variance with coefficient alphas for each dimension ranging from .60 to .85, indicating medium to high reliability. Based on the synthesis of practitioner and scholar perspectives, a conceptual definition is proposed.

INTRODUCTION

Mass media advertising as we know it today is on its deathbed... Advertising agencies are restructuring to accommodate a harsher advertising reality, ... direct marketing is stealing business away from traditional advertising, and the growth of sales promotion and integrated marketing communications both come at the expense of traditional advertising. (Rust and Oliver 1994, p.71)

Over a decade ago, Rust and Oliver foretold the rise of direct marketing at the expense of traditional advertising. Today, direct marketing is a fundamental marketing tool in a growing variety of businesses. Direct marketing grew faster than almost every other marketing activity for the latter part of the 20th century (Katzenstein and Sachs 1992). In the U.S., sales attributed to direct marketing media, methods, and channels rose from \$1.3 trillion in 1997 (13.7 percent of U.S. GDP) to the most recent figures available, almost \$2.2 trillion in 2003 (21.2 percent of U.S. GDP) (DMA 2003; Johnston and Williamson 2004). Similar growth rates are reported across Europe and Asia as well (Fowler 2003; Mitchell 2003). According to Deighton and Glazer (1997), “the logic of direct marketing has become the logic of all marketing.” This suggests that direct marketing is becoming an integral element in the marketing manager’s arsenal worldwide.

Despite its growth, there is no agreement about what direct marketing is (Karson and Korgaohkar 2001). Both marketing managers and academicians grapple with a contemporary conceptual definition. Terms like *directed marketing*, *relationship marketing*, *interactive marketing*, *permission marketing*, and *one-to-one marketing* are used to describe similar (if not the same) direct marketing activities (Stone 1995; Tapp 2001). In the business world, this *term du jour* approach promotes ambiguity and leaves room for misinterpretation. Misinterpretations expose the firm to marketing design and implementation errors and the potential for loss of valuable resources. It is equally problematic for researchers as it inhibits them from selecting an agreed-upon definition for a study, operationalizing that definition, and interpreting empirical results (Giese and Cote 2000). Rapp (1989) contends the definition problem is so acute, direct marketing is losing its identity, and eventually, its effectiveness as a marketing method.

Definitions provide a fundamental foundation on which knowledge is built (Kinnear 1999). Precision is critical as definitions communicate meaning and significance. Definitions provide a means of differentiating a concept in one clear statement (Miller and Nicholson 1976; Katzenstein and Sachs 1992). Many contradictions among the definitions of direct marketing exist. The need for greater shared agreement is critical.

The purpose of this paper is to provide a framework to improve the understanding of the concept of direct marketing. Building on the work of Bauer and Miglautsch (1992), we examine the published definitions of direct marketing, identifying critical components from the perspectives of both academicians and practitioners and propose a contemporary definition that synthesizes the opinions of both groups. To accomplish this, we first examine how direct marketing has evolved to find the root of the ambiguity. Then, we review both conceptual and operational definitions via a content analysis of marketing, advertising and

direct marketing textbooks. Next, we describe the methodology used to determine what industry practitioners consider to be direct marketing. Using factor analysis, we compare the results from an empirical study of direct marketing practitioners with those from the content analysis and develop a framework to study the elements of direct marketing definitions that are of importance for both practitioners and scholars. Finally, we propose a comprehensive contemporary definition of direct marketing and explore opportunities for future research.

EVOLUTION AND AMBIGUITY

The historical roots of direct marketing rest in direct mail, an advertising medium, and mail order, a selling method. The first trade catalogs appeared in the mid-fifteenth century, with record of a gardening catalog as early as 1667. There was a proliferation of mail-order catalogs during the post-Civil War period and in 1872 Montgomery Ward produced its first price list. By 1897, Sears Roebuck & Company produced a catalog of more than 750 pages with 6,000 items (Baier 1983). Though mail order catalog shopping has been the most widely used of all in-home shopping formats in the U.S., earlier research studies frequently made little distinction between it and other forms of in-home shopping (Lindquist, Keep and Dahlstrom 2000). From these rudimentary beginnings, the fundamentals of direct marketing were formed: Direct marketing involved reaching the *right people* with the *right offer*, using the *right creative approach*, being able to *accurately measure the results* (Stone 1995).

Although direct marketing utilized new tools (e.g., credit cards), media (e.g., telephone) and technologies (e.g., database), the formula for success remained constant – reaching the *right people* with the *right offer* using the *right creative approach*. However, with the advent of toll-free numbers in the early 1960s, new terminology was coined. AT&T, in its Phone Power campaign of 1968, created the term

telemarketing to describe the use of the telephone for direct marketing purposes. Over time, terminology to describe marketing functions provided via telecommunications technology was further refined – telesales, teleservice, telesupport, etc. Facilities where telephone-based marketing activities took place became known as telemarketing centers, then call centers, customer contact centers, customer service centers and customer relationship management operations. New terms proliferated as new applications using the telephone as the communications medium developed and as the term itself developed a negative impression.

Computerization in the 1970s and 1980s enabled the management of customer lists to migrate from index cards to databases. In the late 1980s, with more advanced database management systems came the beginning of data mining where customer data could be used not just for classification purposes but also for estimation and prediction (Roiger and Geatz 2003). Research shows that electronic coupon systems are being used to facilitate data gathering and experimentation in order to determine optimal levels for face value, expiration period and consumer effort (Porter 2000). The introduction of new database management technology spawned a proliferation of new terms.

The rise of Internet-based marketing in the 1990s had a major impact on the direct marketing industry and its corresponding terminology. One of the scholarly journals in the discipline, *Journal of Direct Marketing*, changed its name to *Journal of Interactive Marketing*. This change reflected the contention among scholars that direct marketing denoted a specialized marketing tool, not an overarching marketing methodology driven by response and the utilization of customer data (Deighton and Rashi 1997). Today, *Journal of Interactive Marketing* editors contend that the field of interactive marketing is rapidly changing and expanding to include even more new hi-tech media beyond the Internet—like kiosks and

handheld devices (Shankar and Malthouse 2006). While most direct marketing practitioners agree that the Internet has revolutionized the field, they also agree that the fundamental direct marketing principles still apply regardless of the medium (Yeck 1997). This rift indicates the growing divergence between practitioners and scholars.

Another factor impacting the rift between scholar and practitioner regarding direct marketing and its corresponding terminology is the decline in the perceived risk associated with direct marketing purchases. Recent research findings conclude there is no difference in perceived risk between traditional retail and Internet shoppers or between Internet and catalog shoppers (Larson, Engelland and Taylor 2004). This contradicts previously held beliefs that consumers perceive in-home shopping methods as more risky than traditional retail shopping (Haggin and Kartomten 1989; Reardon and McCorkle 2002). Thus, as direct marketing's acceptance grows, so too does the disagreement of what it is.

What is considered direct marketing today depends on who is asked. A review of 19 Principles of Marketing, Integrated Marketing Communications (IMC), and Advertising textbooks published over the past decade reveals 19 different definitions of the term. Inconsistencies are evident by the debates of whether direct marketing is limited to specific media, customer categories, retail involvement, and personal contact. A list of these definitions is included in Table 1.

A comparison of these definitions reveals conflicting views as to the nature of direct marketing and the types of customers that may be served. For example, several textbook authors contend that using specific media like direct mail, publications, broadcast or telephone is critical in classifying a marketing activity as direct marketing (Russell and Lane 1996; Zikmund and d'Amico 1998; Pride and Ferrell 2003). However, others suggest any communication medium may be used (e.g.,

TABLE 1
Marketing and Advertising Textbook Definitions of Direct Marketing

Author	Definition
Arens (1999)	System of marketing, and it is interactive, meaning buyers and sellers can exchange information with each other directly
Armstrong and Kotler (2004)	Direct communications with carefully targeted individual consumers to obtain an immediate response and cultivate long-lasting customer relationships
Bearden, Ingram, and LaForge (2001)	Distributing goods, services, information, or promotional benefits to carefully targeted consumers through interactive (two-way) communication while tracking response, sales, interest, or desires through a computer database
Belch and Belch (2001)	System of marketing by which an organization communicates with customers to generate a response and/or transaction
Boone and Kurtz (2001)	Direct communications other than personal sales contact between buyer and seller, designed to generate a sale, information request, or store visits
Etzel, Walker, and Stanton (2001)	A form of non-store retailing that uses advertising to contact consumers who, in turn, purchase products without visiting a retail store
Harrell and Frazier (1998)	The use of various communications media to interact directly with the customers and generally calling for them to make a direct response
Kerin (2000)	A promotional alternative that uses direct communication with consumers to generate a response in the form of an order, a request for further information, or a visit to a retail outlet
Kotler and Armstrong (1999)	Direct communications with carefully targeted individual consumers to obtain an immediate response
Lamb, Hair, McDaniel (2003)	Techniques used to get consumers to make a purchase from their home, office, or other non-retail setting
Nickels and Wood (1997)	Two-way process of marketing communications through which marketers interact directly with customers to exchange information and sell product
Perreault and McCarthy (2000)	Direct communication between a seller and an individual customer using a promotion method other than face-to-face personal selling
Pride and Ferrell (2003)	The use of the telephone and non-personal media to introduce products to consumers, who can then purchase them by mail, telephone, or the internet
Russell and Lane (1996)	Selling goods and services without the aid of a wholesaler or retailer. Includes direct-response advertising and advertising for leads for salespeople. Also direct door-to-door selling. Uses many media: direct mail, publications, TV, radio
Sirgy (1998)	Marketing communications tool used in the context of direct form of distribution. Involves promotion to ultimate consumer directly
Solomon and Stuart (1997)	Exposing a consumer to information about a good or service through a non-personal medium and convincing the customer to respond with an order
Solomon and Stuart (2003)	Any direct communication to a consumer or business recipient that is designed to generate a response in the form of an order, a request for further information, and/or a visit to a store or other place of business for the purchase of a product
Wells, Burnett, and Moriarty (1995)	A type of marketing that uses media to contact a prospect directly and elicit a response without the intervention of a retailer or personal sales
Zikmund and d'Amico (1998)	Marketing in which advertising, telephone sales, or other communications are used to elicit a direct response, such as an order or by mail or phone

Wells, Burnett and Moriarty 1995; Harrell and Frazier 1998; Solomon and Stuart 2003). Several consider direct marketing a mechanism to communicate with consumers (e.g., Sirgy 1998; Kotler and Armstrong 1999; Etzel, Walker and Stanton 2001; Armstrong and Kotler 2004) while others indicate its

application in the business-to-business marketplace (Nickels and Wood 1997; Solomon and Stuart 2003).

Contradictions are also evident with where transactions take place and the importance of physical presence to conclude business

dealings. For example, several authors specify direct marketing involves non-store retailing (e.g., Wells, Burnett and Moriarty 1995; Etzel, Walker and Stanton 2003; Lamb, Hair and McDaniel 2003). This contradicts the definition provided by the Direct Marketing Association, which specifically identifies, “a visit to a store or other place of business for purchase of a specific product(s) or service(s)” (Solomon and Stuart 2003) as an element of direct marketing. Russell and Lane (1996), suggest direct door-to-door selling is a form of direct marketing while others explicitly exclude personal contact (e.g., Wells Burnett and Moriarty 1995; Solomon and Stuart 1997; Perreault and McCarthy 2000). Table 5 summarizes nine key, albeit conflicting, elements found among definitions of direct marketing in these textbooks.

While definitions of direct marketing are extremely diverse in marketing, IMC, and advertising textbooks, those found in direct marketing textbooks share more common ground. As seen in Table 2, half of the ten direct marketing texts reviewed use some or all of the Direct Marketing Association’s definition, “*direct marketing is an interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location*” (Baier 1983; Katzenstein and Sachs 1992; Stone 1995; McDonald 1998; Spiller and Baier 2005).

Direct marketing textbook authors who don’t use the DMA’s version acknowledge that a variety of different definitions currently exist and call for the creation of a new one (Nash 1986; Katzenstein and Sachs 1992; Kobs 1993; Roberts and Berger 1999). Of the new definitions presented, several specifically address the use of a database (Kobs 1993; Sheppard and Associates 1995; Stone 1995; Roberts and Berger 1999) while others emphasize the use of any media (Baier, 1983, Katzenstein and Sachs 1992; Stone 1995; McDonald 1998). Only one of the published definitions details specific media (Baier, Ruf

and Chakraborty 2002). In addition, only one definition itemizes the types of customer response mechanisms utilized (Katzenstein and Sachs 1992), the notion of information privacy (Roberts and Berger 1999), and the offer (Baier, Ruf and Chakraborty 2002).

Several texts (Nash 1986, 1993; Jackson and Wang 1994; Baier 1996) do not explicitly define the term but touch on direct marketing concepts and theories. For example, Nash does not actually define the term in any of his published direct marketing texts, but offers food for thought with regard to the importance of direct marketing.

Direct marketing is somewhat like laser surgery; a powerful, precise, and very effective tool in the hands of professionals, but a potential disaster in the hands of amateurs. We must approach it as if we are surgeons, not butchers, as if we are cabinetmakers, not carpenters (Nash 1993, p. 1).

A review of the textbooks that address the elements of the term *direct marketing* reveals that there are many dimensions within the concept. In the first-ever published textbook on direct marketing, Baier (1983) claims that the characteristics of direct marketing include measurability, accountability, lists and data. Katzenstein and Sachs (1992) contend advertising-action unity, specificity and feedback differentiate direct marketing from other methodologies. In his sixth edition, Stone (1997) details the following elements of the official DMA definition – interactivity, one or more advertising media, measurable response, transaction at any location, and database – while McDonald (1998) asserts that the dimensions include interactivity, measurability and response at any location. Nash (1993) professes that some of the basics involved in direct marketing include: targeting, selectivity, personalization, involvement, salesmanship, testing, measurability, response-ability and

TABLE 2
Direct Marketing Textbook Definitions of Direct Marketing

Author	Definition
Baier (1983)	An interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location.
Baier, Ruf and Chakraborty (2002)	Direct marketing includes three essential components: a proposition that encompasses the offer, the audience (customers/prospect) and the promotion (benefit-oriented messages sent via print, broadcast, and/or electronic media that appeal to the audience and send in a way—kind of media—that appeals to that audience), measurement of the response to the message and medium, and valuation of the buyers and repeat buyers (customers).
Geller (2002)	A measurable, tested marketing method whereby products or services are offered to a targeted audience and a direct response is solicited.
Katzenstein and Sachs (1992)	Direct marketing is paid-for communication in media, expressly eliciting a direct, measurable response, such as an order, an inquiry, or a visit to a store or showroom.
Kobs (1993)	Direct marketing gets your ad message direct to the customer or prospect to produce some type of immediate action. It usually involves creating a database of respondents.
McDonald (1998)	An interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location.
Roberts and Berger (1999)	Databased direct marketing is an information-driven, relational marketing process that takes place in a context of concern for the privacy of customer data.
Shephard and Associates (1995)	Information-driven marketing process, managed by database technology that enables marketers to develop, test, implement, measure, and appropriately modify customized marketing programs and strategies.
Spiller and Baier (2005)	An interactive system of marketing that uses one or more advertising media to effect a measurable customer response or transaction at any location and stores information about that event in a database.
Stone (1995)	An interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location, with this activity stored in a database.

relationship building. Table 5 lists 11 key concepts contained within these definitions in direct marketing textbooks.

In summary, while many different direct marketing definitions exist, the themes are more consistent throughout the direct marketing texts than the other types of marketing textbooks. Many of these direct marketing textbooks were written by industry practitioners, thus, their definitions tend to emphasize select key components of the term. A total of 12 key concepts are identified through content analysis. Marketing textbook authors consider response generation, direct communication, the use of multiple channels, nonpersonal, interactivity, media (unique or common), relationships, and measurability to be essential elements distinguishing marketing activities to be considered direct. Direct marketing textbook authors add segmentation, database, and offers to the definitional mix.

Given the discrepancies among definitions by textbook type, this begs the question of how practitioners view direct marketing.

QUESTIONNAIRE DEVELOPMENT

To determine the practitioner's view of direct marketing, we first identified key themes and topics to be included in a questionnaire. In addition to the elements resultant from the previously described textbook definition content analysis, topics were derived from a content analysis of abstracts from 97 papers presented at the Direct Marketing Educational Foundation (DMEF) Annual Educators' Conferences from 2001 through 2004 as well as 108 seminars presented at the 2003 Annual Direct Marketing Association Conference and Exhibition. Conference proceedings and session descriptions from conference programs were used as the basis of this analysis. These conferences were selected because they offer

the greatest concentration of relevant and timely international direct marketing information for both academicians and practitioners. Table 3 lists the 49 key terms discovered through this process.

Verbatim language from presentation titles and descriptions were used to insure the authors did not place their own interpretations on a particular term. A preliminary questionnaire was developed to determine the intensity of relationship of each term to direct marketing. Relationship intensity was defined as having high association and exclusivity with direct marketing. All terms were rated on a scale ranging from 1 = no relationship to 4 = high relationship. The instrument was pre-tested by 15 senior-level, U.S.-based direct marketing practitioners. Based on their feedback, 12 terms relating to specific industries, market segments and regulatory issues were eliminated.

The revised questionnaire was distributed to randomly selected attendees of two regional U.S. and one international practitioner direct marketing conferences in fall 2004 and winter 2005. Respondents were asked to complete and immediately return the questionnaire to an on-site interviewer. A total of 118 usable questionnaires were received from the three conferences. In addition to rating each of the existing terms, respondents were asked to provide any additional terms they considered to have a high relationship with direct marketing. They were also encouraged to provide their own definitions of direct marketing.

DATA ANALYSIS AND RESULTS

Previous cross cultural research involving direct marketing activities indicates substantial differences in strategies, legislative conditions, and consumer attitudes based on country (e.g., Iyer and Hill 1996; Taylor, Franke and Maynard 2000; Lee 2004). As one of the conferences was attended by people from multiple nations, the first step was to determine if there were any differences in the assessment of a term and its relationship to direct

marketing based on the practitioner's national origin. A series of t-test comparing the means of each term by conference attended indicated no significant differences. As a result, all 118 completed questionnaires were analyzed as a single data set. As seen in Table 3, the mean score of each term was determined and a ranking of terms was established. Next, the 37 terms were factor analyzed to uncover dimensionality (varimax rotation). As shown in Table 4, six dimensions emerged that accounted for 64.3 percent of the variance. These six dimensions were assigned the following names: historical foundations, customer relationship building, high-tech media, database analysis, electronic media and print media. The coefficient alphas ranged from .60 to .85 indicating a medium to high degree of reliability. Only 25 of the 37 terms were included in the factor analysis. Interestingly, 10 of the 12 terms eliminated from the factor analysis were, compared to the terms included, ranked the lowest in terms of relationship with direct marketing.

Respondents provided some 60 additional terms in the "other" category. However, none of these terms were included in this analysis. In most cases, no more than one person listed a term specific to their area of business (e.g., lock box, self mailers, business reply card/envelope, National Change of Address registry). In a few cases where more than one person listed a term, it was either too vague (e.g., stickiness, solutions, value) or not specific to direct marketing (e.g., acquisition, sales, return on investment).

Finally, 45 of the 118 practitioners provided operational definitions of the term direct marketing. While not as formal or complete as contextual textbook definitions (practitioner average items per definition: 1.9; marketing textbook author average items per definition: 2.6; direct marketing textbook authors average items per definition: 4.3), they identify key elements that can be compared with those penned by textbook authors. Table 5 indicates the percentage of practitioners, marketing

TABLE 3
DMEF & DMA Conference Terms by Ranked Practitioner Survey Results

Rank	Term	DMEF	DMA	Total	Mean	SD
1	Direct Marketing	23	6	29	3.92	0.335
2	Direct Mail	1	4	5	3.90	0.401
3	Response Rates	3	6	9	3.79	0.539
4	Database Marketing	11	12	23	3.78	0.510
5	Direct Response Advertising	0	5	5	3.73	0.594
6	Lists	1	10	11	3.70	0.708
7	Merge/Purge	0	2	2	3.61	0.719
8	Mail Order	0	13	13	3.57	0.818
9	Customer Relationship Mgmt	3	4	7	3.56	0.663
10	Lead Generation	0	5	5	3.54	0.714
11	Catalog Marketing	0	13	13	3.53	0.747
12	Customer Retention	6	13	19	3.52	0.612
13	Database Enhancement	1	0	1	3.49	0.763
14	Email Marketing	4	17	21	3.47	0.763
15	Relationship Marketing	4	3	7	3.47	0.751
16	One-to-one marketing	2	0	2	3.39	0.871
17	Interactive Marketing	13	1	14	3.38	0.794
18	RFM	3	0	3	3.37	0.850
19	Telemarketing/Teleservices	0	7	7	3.36	0.886
20	Internet Marketing	17	23	40	3.33	0.754
21	DRTV	1	5	6	3.27	0.848
22	Information Privacy	6	3	9	3.24	0.897
23	Permission marketing	1	0	1	3.24	0.910
24	Continuity Program	0	2	2	3.22	0.896
25	WWW	4	0	4	3.22	0.721
26	E-commerce	5	17	22	3.21	0.839
27	LCV	6	2	8	3.21	0.800
28	Multi-channel marketing	3	9	12	3.07	0.817
29	Fulfillment	0	6	6	3.06	0.827
30	Measurement/Accountability	1	0	1	3.04	0.848
31	Offer	0	8	8	3.00	0.754
32	Club Offer	0	4	4	2.94	0.998
33	Cross sell/Upsell	0	11	11	2.94	0.844
34	Advertising	3	9	12	2.92	0.926
35	Conversion Rates	0	5	5	2.84	0.991
36	Match Codes	0	1	1	2.81	0.972
37	Lift	0	3	3	2.66	0.998
38	<i>B-B*</i>	6	12	18	-	-
39	<i>Consumer Products*</i>	0	12	12	-	-
40	<i>Customer Behavior*</i>	13	0	13	-	-
41	<i>Ethics, Government*</i>	5	4	9	-	-
42	<i>Executive Issues*</i>	0	8	8	-	-
43	<i>Financial Services*</i>	0	11	11	-	-
44	<i>Hispanic Marketing*</i>	0	4	4	-	-
45	<i>IMC*</i>	3	0	3	-	-
46	<i>International/Global*</i>	4	12	16	-	-
47	<i>Non Profit*</i>	2	5	7	-	-
48	<i>Publishing*</i>	0	5	5	-	-
49	<i>Service Solutions*</i>	0	13	13	-	-

Asterisk indicates the term was dropped from final survey instrument
n = 118

TABLE 4
Factor Analysis

Term	Historical Foundations	Customer Relationship Building	High-Tech Media	Database Analysis	Electronic Media	Print Media
Direct Marketing	.844					
Direct Mail	.785					
DR Advertising	.778					
Response Rate	.650					
Lists	.605					
Relationship Marketing		.772				
1-to-1 Marketing		.729				
Information Privacy		.668				
Permission Marketing		.647				
CRM		.606				
LCV		.480				
Internet Marketing			.836			
Email Marketing			.747			
E-Commerce			.697			
CyberMarketing/ WWW			.658			
Interactive Marketing			.616			
Database Enhancement				.681		
Merge/Purge				.629		
Database Marketing				.619		
RFM				.580		
TV Direct Response					.801	
Telemarketing					.720	
Catalog Marketing						.733
Continuity Programs						.619
Mail Order						.585
Variance Explained (64.3%)	27.0	12.7	7.9	6.0	5.8	4.7
Coefficient Alpha	.85	.80	.82	.66	.81	.60

textbook authors and direct marketing textbook authors that mentioned any of 12 elements discovered through the content analysis of textbook definitions. The elements that were

identified by both marketing and direct marketing textbook authors as well as practitioners in their definitions included response generation/transaction and direct

communications. Practitioners and direct marketing textbook authors (albeit, many of whom are practitioners) agreed that segmentation/targeted/personal was an important element based on their conceptual definitions. Other elements of importance to practitioners included measurable, non-specific media and database. Marketing textbook authors and practitioners consistently included multi-channel/location and interactive as elements in their definitions of direct marketing. In summary, the research results point out both similarities and differences with respect to the elements to be included when defining direct marketing.

DISCUSSION, CONCEPTUAL MODEL AND MANAGERIAL IMPLICATIONS

Unquestionably, the concept known as direct marketing continues to evolve. The purpose of this paper is to provide a framework to improve our understanding of direct marketing, determining its critical elements and proposing a contemporary definition that synthesizes the opinions of both academicians and practitioners. Through content analysis of definitions published in *Direct Marketing*, *Principles of Marketing*, *IMC*, and *Advertising* textbooks, 12 elements emerge as being important to academicians. Some of these elements are contrary to others, (e.g., direct marketing involves specific media/any media may be used for direct marketing purposes; direct marketing involves non-store retailing/direct marketing is used to encourage customers to visit retail establishments) while others are found among both types of authors (response generation, direct communications, relationships, and interactivity).

On the other hand, practitioners present a more consistent view of direct marketing. The factor analysis demonstrates that from the practitioner's perspective, direct marketing contains six key dimensions. A conceptual model of direct marketing is seen in Figure 1. First and foremost, direct marketing activities are based on its historical foundations. While new media like the Internet change the

mechanisms by which direct marketing activities are performed, its cornerstone media remains direct mail and direct response advertising. The quality of the list is critical to direct marketing success. That success is determined by measuring response rates. The formula for success remains constant – reaching the *right* people with the *right* offer using the *right* creative approach.

Next, successful direct marketing relies on the building of strong customer relationships. While relationship building is referred to in many different ways (e.g., relationship marketing, one-to-one marketing, permission marketing, and customer relationship management), the end result is the same – mutually beneficial long term bonds between buyer and seller. The success of that relationship is measured in terms of lifetime customer value. Successful relationships also require respect for and protection of personal information shared by customers. Customer bonds with the seller strengthen when s/he trusts that the information shared is protected.

Third, the key technological tool that enables the building and maintenance of long term relationships is the database. Direct marketers agree that database enhancement techniques and merge purge help them reach the right customer with the right offer at the right time ... a foundation of database marketing. Recency, frequency, monetary evaluation techniques help practitioners determine who that “right” customer is and the response to expect from them. Databases enable relationship marketing to occur.

While direct mail and direct response advertising are items within the historical foundations, the factor analysis and model demonstrate that direct marketing is not dependent on any specific form of media. In fact, it demonstrates that any media may be used to directly communicate with prospects and customers. Practitioners classify non-foundational media into three categories: high tech media, electronic media, and print media.

TABLE 5
Direct Marketing Definitions – Content Comparison

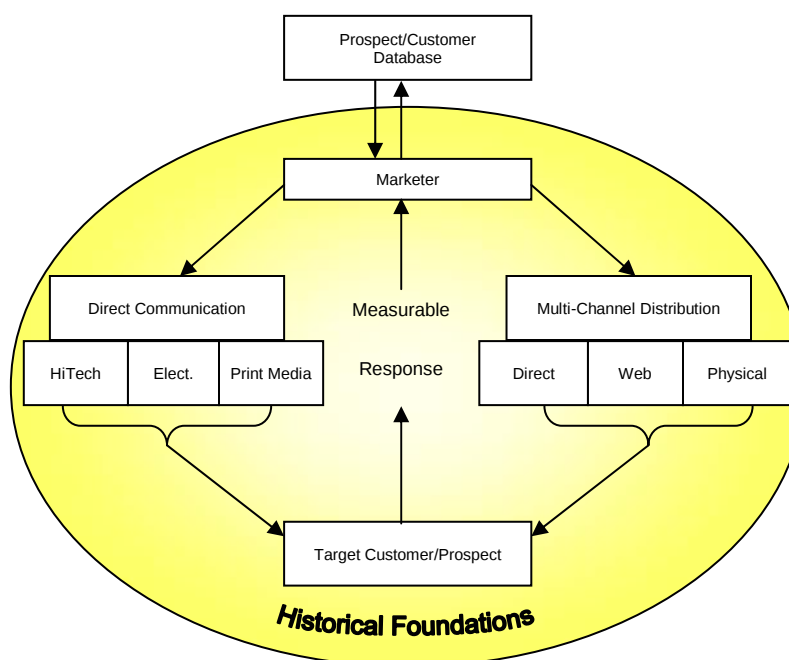
Term	Practitioner Responses (%)	Marketing Textbook Authors (%)	Direct Marketing Textbook Authors (%)
Segmentation/targeted/personal	57.8	0.0	60.0
Response generation/transaction	44.4	68.4	80.0
Direct communications	31.1	63.2	20.0
Offers	13.3	0.0	10.0
Measurable	13.3	5.3	50.0
Not media specific	11.1	10.5	60.0
Limited to specific media	8.9	15.8	10.0
Multi-channel/ location	6.7	47.4	50.0
Non-personal	2.2	15.8	0.0
Relationships	2.2	10.5	10.0
Interactive	2.2	26.3	40.0
Database	0.0	0.0	50.0

Practitioners = 45 (average 1.9 items per definition)

Marketing Textbook Authors = 19 (average 2.6 items per definition)

Direct Marketing Textbook Authors = 10 (average 4.3 items per definition)

FIGURE 1
Conceptual Model of Direct Marketing



High tech media includes Internet marketing, email marketing, electronic commerce and cybermarketing. Regardless of its name, this dimension stresses the importance of interactivity and acknowledges that direct marketing will continue to evolve with technological advances.

Just because it's old doesn't mean it has lost its value. In addition to the Internet, practitioners also consider electronic media like telemarketing and direct response television to be powerful vehicles for directly communicating with customers. Finally, print media like catalogs and mail order round out the media options for direct marketing practitioners. Unlike the introductory marketing textbook authors whose definitions limit direct marketing communication to specific media, practitioners value and freely use all options when it comes to establishing interactive lines of communication with their customers.

Based on literature review, content analysis and empirical research findings, we propose the following definition of direct marketing:

Direct marketing is a data-driven interactive process of directly communicating with targeted customers or prospects using any medium to obtain a measurable response or transaction via one or multiple channels.

This definition identifies database, interactivity, direct communications, target customers, any medium, measurable, response, and one or multiple channels as key dimensions in direct marketing activities. It encompasses not only what direct marketing is—but what makes it unique. The definition is parallel with the conceptual model found in Figure 1, recognizing the importance of responses that are measurable and the value of customer data in driving direct marketing strategies. It also encompasses the strategic use of multiple channels—a topic that is of emerging importance to direct marketers.

LIMITATIONS AND OPPORTUNITIES FOR FUTURE RESEARCH

Our research identifies the elements deemed important by scholars and practitioners when defining the concept of direct marketing. We propose a new contemporary definition of the term based on comprehensive secondary and primary research. One of the reasons for doing this research is to inspire both scholars and practitioners to revisit their own presumptions of what direct marketing is and to assess their own biases about this marketing method. The time has come for consensus on a definition of direct marketing. Researchers need a conceptual definition upon which to base further exploration of new direct marketing strategies and concepts. Practitioners need to reduce the likelihood for ambiguity and miscommunication. We hope our research will foster additional thought and investigation on this important subject.

While we have attempted to be thorough in our analysis, there are several limitations to the study. First, there are significantly more Principles of Marketing, Advertising, and IMC textbooks than were used in this study. To be included in this sample set, we relied on publisher data about widespread use. While we attempted to review the most popular textbooks in the discipline, certainly there are more. Also, with the decreasing time between the publishing of updated editions, the definitions used in this study may have been revised (or be in the process of being revised) in a more recent edition. Finally, to facilitate data collection, practitioners who participated in the survey were selected via a convenience sample of conference attendees. Sample bias cannot be determined.

While the study has its limitations, it also suggests a number of future research opportunities. The difference of opinion between practitioners and academic scholars is another area ripe for future investigation. A gap analysis between perceptions of practitioners versus perceptions of

academicians warrants further investigation. This research could extend to the potential differences between what is being taught in higher education versus the knowledge and skill set that is needed in business. Given the growth direct marketing in business, are students being taught what they need to know to function in marketing positions in the business world? Another area of investigation is the important concept of multi-channel marketing. Clearly this is an area that has not received adequate attention in the past—as evidenced by the light coverage of this element in most practitioner definitions of direct marketing.

Direct marketing plays an important role in a growing number of businesses and industries. The interpretation of what direct marketing is impacts its use and success. Only through a greater shared understanding of what it encompasses can practitioners and scholars come together, address critical issues, and exploit direct marketing's advantages.

REFERENCES

- Arens, William F. (1999), *Contemporary Advertising*, 7th Edition. Boston: Irwin, McGraw-Hill.
- Armstrong, Gary and Philip Kotler (2004), *Marketing: An Introduction*, 6th Edition. Englewood Cliffs, NJ: Prentice Hall.
- Baier, Martin (1983), *Elements of Direct Marketing*. New York: McGraw-Hill.
- ____ (1996), *How to Find and Cultivate Customers Through Direct Marketing*. Chicago: NTC Business Books.
- ____, Kurtis M. Ruf and Goutam Chakraborty (2002), *Contemporary Database Marketing*. Evanston, IL: Racom Communications.
- Bauer, Connie L. and John Miglautsch (1992), "A Conceptual Definition of Direct Marketing," *Journal of Direct Marketing*, 6 (2), 7–17.
- Bearden, William O., Raymond W. Ingram and Raymond W. LaForge (2001), *Marketing: Principles and Perspectives*, 4th Edition. Boston: Irwin McGraw Hill.
- Belch, George E. and Michael A. Belch (2001), *Advertising and Promotion*, 4th Edition. Boston: Irwin, McGraw-Hill.
- Boone, Louis E. and David L. Kurtz (2001), *Contemporary Marketing*, 11th Edition, Mason, OH: South-Western.
- Deighton, John and Rashi Glazer (1997), "From the Editors," *Journal of Direct Marketing*, 11 (4), 4–5.
- ____ and ____ (1998), "From the Editors," *Journal of Interactive Marketing*, 12(1), 2–4.
- Direct Marketing Educational Foundation (2004), "Direct/Interactive Marketing Course Rationale," *Direct Marketing Association*. New York.
- Etzel, Michael J., Bruce J. Walker and William J. Stanton (2001), *Marketing*, 12th Edition, New York: McGraw-Hill-Irwin.
- Fowler, Geoffrey A. (2003), "Junk Mailers Discover Asia is Close to Heaven," *The Wall Street Journal*, March 15, B1, B2.
- Geller, Lois K. (2002), *Response: The Complete Guide to Profitable Direct Marketing*, New York: Oxford University Press.
- Giese, Joan L. and Joseph A. Cote (2002), "Defining Consumer Satisfaction," *Academy of Marketing Science Review*, 2000(1), <http://www.amsreview.org/articles/giese01-2000.pdf> (accessed July 1, 2005).
- Haggin, Jeff and Bjorn Kartomten (1989), "Learn to Think Like your Customers," *Catalog Age*, 6(10), 98-99.
- Harrell, Gilbert D. and Gary L. Frazier (1998), *Marketing: Connecting with Customers*, Englewood Cliffs, NJ: Prentice Hall.
- Iyer, Ramesh T. and John S. Hill (1996), "International Direct Marketing Strategies: a US-European Comparison," *European Journal of Marketing*, 30(3), 65–78.
- Jackson, Rob and Paul Wang (1994), *Strategic Database Marketing*, Chicago: NTC Business Books.
- Johnston, Louis and Samuel H. Williamson (2005), "The Annual Real and Nominal GDP for the United States, 1789 – Present," *Economic History Services*, April. <http://www.eh.net/hmit/gdp> (accessed July 1, 2005).

- Karson, Eric and Pradeep Korgaonkar (2001), "The Broadened Concept of Direct Marketing Advertising," *Marketing Management Journal*, 11(1), 82-93.
- Katzenstein, Herbert and William S. Sachs (1992), *Direct Marketing*, 2nd Edition, New York: Macmillan Publishing.
- Kerin, Roger A., Eric N. Berkowitz, Steven W. Hartley and William Rudelius (2000), *Marketing*, 7th Edition, Boston: Irwin McGraw Hill.
- Kinnear, Thomas C. (1999), "A Perspective on How Firms Relate to their Markets," *Journal of Marketing*, 63(Special Issue), 112-114.
- Kobs, Jim (1993), *Profitable Direct Marketing*, 2nd Edition, Lincolnwood, IL: NTC Business Books.
- Kotler, Philip and Gary Armstrong, (1999), *Principles of Marketing*, 8th Edition, Englewood Cliffs, NJ: Prentice Hall.
- Lamb, Charles W., Joseph F. Hair, Jr. and Carl McDaniel (2004) *Essentials of Marketing*, 9th Edition, Boston: Irwin, McGraw-Hill.
- Lee, Monle (2004), "Attitudes Towards Direct Marketing Privacy, Environment, and Trust: Taiwan vs. U.S.," *International Journal of Commerce & Management*, 14(1), 1-18.
- Larson, Dee Anne, Brain Engelland and Ronald Taylor (2004), "Information Search and Perceived Risk: Are There Differences for In-Home Versus In-Store Shoppers?" *Marketing Management Journal*, 14(2), 36-42.
- Linguist, Jay D., William W. Keep and Robert W. Dalstrom (2000), "Consumer Shopping Process Benefits: Shopping Centers Versus Catalogs," *Marketing Management Journal*, 10(1), 131-141.
- McDonald, William J. (1998), *Direct Marketing: An Integrated Approach*, Boston: Irwin, McGraw-Hill.
- Miller Gerald R. and Henry E. Nicholson (1976), *Communication Inquiry: A Perspective on a Process*, Reading, MA: Addison-Wesley.
- Mitchell, Shena (2003), "The New Age of Direct Marketing," *Journal of Database Marketing*, 10(3), 219-229.
- Nash, Edward L. (1986), *Direct Marketing: Strategy, Planning, Execution*, 2nd Edition, New York: McGraw-Hill Books.
- ____ (1993), *Database Marketing: The Ultimate Marketing Tool*, New York: McGraw-Hill Books.
- Nickels, William G. and Marian Burk Wood (1997), *Marketing: Relationships, Quality, Value*, Dallas: Worth Publishers.
- Perreault, William D. Jr. and E. Jerome McCarthy (1996), *Basic Marketing: A Global Managerial Approach*, 11th Edition, Boston: Irwin, McGraw Hill.
- Porter, Arthur L. (2000), "Direct Mail's Lessons for Electronic Couponers," *Marketing Management Journal*, 10(1), 107-115.
- ____ and ____ (2000) *Basic Marketing: A Global Managerial Approach*, 12th Edition, Boston: Irwin, McGraw Hill.
- Pride, William M. and O.C. Ferrell (2003), *Marketing: Concepts and Strategies*, 12th Edition, Boston: Houghton Mifflin.
- Rapp, Stan (1989), "So What is Direct Marketing Anyway?" *Direct Marketing*, 52 (3), 74-75.
- Roberts, Mary Lou and Paul D. Berger (1999), *Direct Marketing Management*, 2nd Edition, Upper Saddle River, NJ: Prentice Hall.
- Reardon, James and Denny E. McCorkle (2002), "A Consumer Model for Channel Switching Behavior," *International Journal of Retail & Distribution Management*, 30(4), 179-185.
- Roiger, Richard J and Michael W. Geatz (2003), *Data Mining: A Tutorial-Based Primer*, Boston: Addison Wesley.
- Russell, J. Thomas and Ronald W. Lane (1996), *Kleppner's Advertising Procedures*, 13th Edition, Englewood Cliffs: NJ: Prentice Hall.
- Rust, Roland T. and Richard W. Oliver (1994), "The Death of Advertising," *Journal of Advertising*, 23(4), 71-77.
- Shankar, Venkatesh and Edward C. Malthouse (2006), "Moving Interactive Marketing Forward," *Journal of Interactive Marketing*, 20(1), 2-4.

- Shankar, Venkatesh and Russell S. Winer (2005), "Interactive Marketing Goes Multichannel," *Journal of Interactive Marketing*, 19(2), 2-3.
- Sheppard, David (1997), "From the Practitioner: Direct Marketing, Round Three," *Journal of Direct Marketing*, 11(2), 2-4.
- Sheppard, David and Associates (1995), *The New Direct Marketing: How to Implement a Profit-Driven Database Marketing Strategy*, 2nd Edition, Burr Ridge, IL: Irwin.
- Sirgy, Joseph M. (1998), *Integrated Marketing Communications: A Systems Approach*, Englewood Cliffs, NJ: Prentice Hall.
- Solomon, Michael R. and Elnora W. Stuart (1997), *Marketing: Real People, Real Choices*, Englewood Cliffs, NJ: Prentice Hall.
- _____ and _____ (2003), *Marketing: Real People, Real Choice and the Brave New World of Electronic Commerce*, Englewood Cliffs, NJ: Prentice Hall.
- Spiller, Lisa D. and Martin Baier (2005), *Contemporary Direct Marketing*, Upper Saddle River, NJ: Prentice Hall.
- Stone, Bob (1995), *Successful Direct Marketing Methods*, 5th Edition, Chicago: NTC Books.
- _____ (1997), *Successful Direct Marketing Methods*, 6th Edition, Chicago: NTC Books.
- Tapp, Alan (2001), "The Strategic Value of Direct Marketing: What Are We Good At? Part 1," *Journal of Database Marketing*, 9(1), 9-15.
- Taylor, Charles R., George R. Franke and Michael L. Maynard (2000), "Attitudes Toward Direct Marketing and Its Regulation: A Comparison of the United States and Japan," *Journal of Public Policy & Marketing*, 19(2), 228-237.
- Wells, William, John Burnett and Sandra Moriarty (1995), *Advertising Principles and Practices*, Englewood Cliffs, NJ: Prentice Hall.
- Yeck, John D. (1997), "From the Practitioner: Hang on to Your Old Journals," *Journal of Direct Marketing*, 11(4) 2-3.
- Zikmund, William G. and Michael d'Amico (1998), *Effective Marketing: Creating and Keeping Customers*, St Paul, MN: West Publishing.