ONLINE COUNTERPOINT 8.7

This example illustrates the potential tensions between what companies introduce in the name of customer service (often involving standardised, more predictable or less costly solutions) and customers expressed preferences. It is only necessary to reflect upon the widespread use of call centres and customers' frequent experience of frustration with the service that these (frequently offshore) centres are capable of offering to appreciate the tensions between driving down costs to support stock prices and providing service to customers and secure jobs for employees.

ONLINE COUNTERPOINT 8.8

What managers exchange may be called `information' but it is generally subject to (necessarily) selective interpretation. Managers filter out information so that it becomes relevant knowledge that has contextual relevance.

ONLINE COUNTERPOINT 8.9

Many customers are barely aware that their behaviour is subject to such close surveillance. Their permission to obtain this information is not very explicitly sought when customers obtain the Clubcard. Such corporate `nosiness' can backfire, especially when it is perceived to be done in a `sneeky' way. For various reasons, and not least its aggressive acquisition of potential supermarket sites (`land banks') that blocks their use to competitors, Tesco has been stuggling with its public relations in the UK whilst it has been expanding its operations overseas in markets that are growing more rapidly and often less regulated.

ONLINE COUNTERPOINT 8.10

This sounds hightly effective but it pays little attention to the difficulty of agreeing and consistently pursuing strategic goals, especially in uncertain and changing conditions. It may be that the capacity of models to be flexible and responsive is more important that their formal rationality.

ONLINE COUNTERPOINT 8.11

If every company adopts the balanced scorecard (or any other technique) on the grounds that it is necessary to focus upon key strategic objectives, how does any company attain a competitive advantage by differentiating its approach from its rivals?

ONLINE COUNTERPOINT 8.12

The assumption here is that the scorecard has universal relevance and benefit. An alternative interpretation would be that the scorecard was developed for larger organizations and is over-complex, unwieldy and difficult to comprehend for managers of smaller enterprises. See also previous Counterpoint.

ONLINE COUNTERPOINT 8.13

An implication of this is that employees may feel obliged to have their Blackberry permanently switched and to respond to messages very rapidly either to demonstrate commitment, or to spook colleagues. This can be highly stressful, addictive and damaging for work-life balance.

ONLINE COUNTERPOINT 8.14

It is relevant to recognise how this `absorption and use' occurs within a specific context and is mediated by group norms, professional values or `communities of practice' that selective interpret the available information in relation to their own values and priorities.

ONLINE COUNTERPOINT 8.15

See the earlier Counterpoint which raises doubts about the effectiveness of intranets for sharing tacit forms of knowledge.

ONLINE COUNTERPOINT 8.15

Hands-on training enables employees to appreciate the context and detail of particular jobs. Hands-on training tends to be expensive and is therefore used most commonly where staff turnover is low and long-term investment in people is a priority.

ONLINE COUNTERPOINT 8.17

Corporate data collection and information-sharing is an increasingly important part of modern business. As many of the cases in this chapter show, good information systems help to create and sustain a competitive edge. But, from a consumer perspective, there are issues of privacy and potential for manipulation.

- Procter and Gamble and Wal-Mart were criticized by consumer advocates for testing use of radio frequency identification (RFID) technology on Procter and Gamble products in a Wal-Mart store in the US. The two companies quickly abandoned the trial and focused instead on warehouse-level tracking. Unlike bar codes, which have to be directly scanned to deliver product information, RFID chips transmit data and can be read from a distance of up to 20 metres. Further, they can be individually numbered so that the identity of an individual purchaser using a credit or debit card to purchase the item could be recorded. In theory, for example in counter-terrorism operations, covert surveillance could be carried out on individuals through RFID, identifying combinations of products that an individual is using in her/his home . The RFID technology is already used in the UK to track shoppers who pick up high-theft items, such as expensive razor blade refills, to ensure that they pay for the items at checkout .
- Customer loyalty cards, such as the Tesco Clubcard described earlier in the chapter, have also been criticized for the amount of personal information that is collected through shoppers' use of the cards, now widely used in supermarkets and other large retailers around the world. Study of data collected by these cards permits the retailer to develop a very accurate profile of the shopper's family composition, socio-economic class, and likely purchasing 'hooks'. By careful use of such data, says loyalty marketing expert Rick Ferguson, loyalty card operators can move customers "from casual shoppers and disloyal consumers to real brand loyalists, where they get stuck in what we call a 'spin cycle' of shopping frequently and responding to offers" .
- Rapid growth in internet usage has also provided opportunities for large scale data-farming and highly targeted advertising, and simultaneously raised privacy concerns. Google, by far the largest search engine on the web, makes profits by selling advertising, selected and delivered to the internet user automatically through analysis of the search terms she/he enters. Most internet users accept this as the 'price' to be paid for using a free internet tool. When Google launched its Gmail email application in 2004, however, it went a step further. The application 'reads' incoming and outgoing emails and delivers advertising based on that reading, although Google insists that internal policies are in place that prohibit the company linking e-mail-derived key words with other personal information . As the number of different Google applications multiplies to include not just search and emails, but also maps, financial services, and even on-line word processors and spreadsheets, the range of information that the company collects on its users increases exponentially. Although the company is restricted in how it correlates and uses this information in many jurisdictions, and by its own internal policies, some privacy campaigners argue that even tying the data to the user's internet protocol (IP) address comes close to personal identification .
- Internet service providers (ISPs) are able to track the websites that their customers visit using a technology called 'deep packet inspection' (DPI) . This can be used for a variety of purposes ranging from delivering targeted advertising, to blocking or slowing peer-to-peer (P2P) traffic that is often used to carry copyrighted music and videos, to informing authorities if users are accessing secret or illegal data through the internet. While 'cookies' already track some web browsing activities, these reside on the user's own machine and can be switched off by the user. DPI occurs without the knowledge of the internet user and cannot be switched off.