Governing the Consumer: Every Little Helps

Critical Marketing Stream

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1

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Abstract

The paper begins with a brief discussion of RM and CRM and the limitations of existing critiques. Drawing on Foucault's theorising of power and governmentality, it argues that the practices of marketing, particularly marketing communications, market segmentation and the psychological analysis of consumers, exercise power through the management of consumer subjectivity (Miller and Rose, 1997) and the establishment of new social consensus (Deighton and Grayson, 1995). However, these 'mass' marketing practices, have themselves been the subject of critique (Peppers and Rogers, 1993). This critique argues that mass marketing practices are ineffective because they are unable to identify and respond to consumers individually. RM, and more specifically, CRM can, it is argued transform the practices of marketing, creating opportunities for individualised service and dialogue.

It explores how, through CRM practices, it becomes possible to render the conduct of the consumer continuously and systematically calculable, measurable and comparable (Dean, 1996). Such individualisation represents a highly significant development in marketing practice overlooked by existing critiques. The connecting up of mass and individualised techniques offers the potential to create assemblages of government, combinations of technology, practices, languages, mentalities and artefacts, whose purpose is the subtle management of consumer subjectivities on an individual basis. The paper illustrates how such practices are used to govern or manage the subjectivities of consumers. It concludes by arguing that the significance of CRM lies in its ability to individualise and subjectivise, to render the consumer into a knowable and governable subject and to create the potential for new power relations and the exercise of power.

Introduction

"Once upon a time retailers, banks…. and car dealers had a close relationship with their customers. They often knew them individually, understood what they wanted, and satisfied their needs through personal customised service. This, however, was a costly and inefficient system and customers effectively subsidised this relationship by paying high prices. Today, through the effective use of information and communications technology, such a trade-off is now not necessary; organisations can offer their customers variety, lower prices and personalised service and all at the same time" (Peppard, 2000: 312).

Following this quote Peppard goes onto list some of the examples of how relationship marketing (RM) and its technological counterpart customer relationship management (CRM) enables organisations to recreate the lost world of corner shops where we were known and cherished as individuals. What is offered is a new form of relationship with the consumer, operated not

simply through face to face interactions, but through a whole panoply of channels some electronic, websites, e-mails and telephone calls, some face-to-face, some self-service. RM and CRM have become dominant themes in both academic and managerial marketing (Sheth and Parvatiyar, 2000).

RM encourages a re-orientation of marketing from 'transactions' to 'relationships'. Rather than focusing on individual transactions, marketers are encouraged to focus on the relationship between consumer and organisation which embraces a series of ongoing transactions (Sheth and Parvatiyar, 1995). This greater emphasis on relationships and their role in marketing has given rise to a whole range of related research and managerial agendas. These cover such diverse areas as loyalty and loyalty schemes (Reichheld and Teal, 1996), dialogue (Ballantyne, 2004; Gronroos, 2004), making promises (Gronroos, 1990), trust and commitment (Morgan and Hunt, 1994) and technology (Deighton, 1996). RM as set of ideas, as a discourse found expression within firms in the form of CRM. CRM offered a means of operationalising RM ideas, electronically connecting up customer and organisation. This interplay between RM, with its focus on relationships, and CRM, with its emphasis on technology, gives rise to 'digitally mediated relationships' (Sisodia and Wolfe, 2000), relationships which exist and operate not only through face-to-face interactions but also through a range of media, some digital such as websites and email, and some more traditional such as direct mail and advertising. What marks these relationships out as digital is the placing of that relationship into the digital memory of the firm, rather than a human memory. Once placed into this collective digital memory, a range of individuals can access it and 'work on it', to transform that memory through the application of techniques and methodologies. As we explore later in the paper, that ability to centrally locate, analyse and transform the digital memory of an individual customer has significant implications.

Marketing's focus on relationships has been the subject of some critique. The use of the relationship analogy, particularly in relation to consumers has been questioned (Barnes, 1994; O'Malley and Tynan, 1998), as has the use of the marriage analogy (Levitt, 1983), when used to characterise marketing relationships (Tynan, 1997). Gutek et al (1999; 2000) in a related discussion, question whether the interactions between service providers and consumers can in fact be characterised as relationships at all, and suggest the term 'encounter' is a more accurate description. Fitchett and McDonagh (2000) reflect on RM's failure to address the ecological and environmental challenges faced by society or to offer emancipation or greater representation to consumers and the issue of the morality of RM is discussed by Desmond (1998).

What links these critiques is their essentially humanist nature. Humanism places 'man' or the creations of 'man', firms, institutions, ideologies and relationships, at the centre of social and natural worlds which s(he) is able to shape (Willmott, 1998). In the humanist world (wo)man is a stable self, an individual with intrinsic needs that are expressed, developed, or repressed through engagement with others (Smith and Higgins, 2000). On the basis of that stable individual it becomes possible to speak of 'relationships' as stable,

knowable entities and to compare them with other forms of relationship, in marriage, or between friends or on the basis of their ethical or moral dimension. From a humanist perspective it is possible to understand relationships as unproblematic constructs, whose existence, operation, development and termination are explainable on the basis of rational human behaviour. These critiques of RM adopt a humanist perspective in that they seek to differentiate 'real' from 'unreal' relationships, challenge (wo)man's exploitation of the natural environment, or, discuss the inherent morality of relationships. However, their ability to gain a critical purchase on RM is limited by their acceptance of the humanist understanding of relationships; that they are knowable, stable and that 'real' relationships exist.

An alternative critique of RM develops from the social constructionist perspective. This perspective, whilst not denying the importance of the individual, does not view the individual as a unified whole. Rather it views subjects as 'constructed' through discourse. Here the individual is not stable, their identity, values and morals are constantly constructed. Drawing on a post-humanist critique Smith and Higgins (2000) and Deighton and Grayson (1995) develop a social constructionist critique of RM. These critiques view RM as constructing social agreements or consensuses between participants in the relationship through discourse. These agreements determine the types of actions and languages that are legitimate and may differ widely between participants. For Smith and Higgins the adoption of a social-constructionist position frees marketing from the straitjacket of humanism and its search for authentic, real relationships.

Whilst agreeing with much of Smith and Higgins' analysis we view the emergence of relationships within marketing as more than simply the effect of discourse. RM and CRM draw together an assemblage of elements which render customer relationships into existence, producing them, making them thinkable in terms of a mode of existence and operation. Such a rendering is achieved within a 'regime of practice' which classifies, differentiates, orders, establishes relations between different elements, through techniques of inscription, calculation and language, transforming relationships into a form which can be governed or managed. It is the managing or governing of the consumer through CRM and the relationships it constructs which forms the focus of this paper and differentiates our approach from existing critiques of CRM.

To articulate how CRM governs the consumer the paper draws on the work of Michel Foucault and his understanding of power, power relationships and regimes of practices or government. It then uses Foucault's ideas to explore the mass marketing regime of government and its problematisation by RM discourses. After briefly discussing the concepts of RM and CRM the paper focuses on a specific case study of CRM, Tesco's Clubcard. A detailed discussion and analysis of the practices of CRM is undertaken informed by Foucualt's work and conclusions drawn.

Governing the subject

One of the central and recurrent themes in the work of Michel Foucault is that of power and the exercise of power. Foucault's reflections on power are an attempt to break free of two existing conceptions of power "(T)he benign sociological model of power as the agency of social cohesion and normality, serving to assure the conditions of existence and survival of the community, and …the other the more polemical representation of power as an instance of repression, violence and coercion…" (Gordon, 1980:234).
Power, for Foucault, is not 'held' by a class, or a monarch, but is constituted through power relations. Those relations are constructed within 'regimes of practices', (Foucault, 1991) which are, in an elementary sense, coherent ways of going about doing things. The ritualised and routine ways that things such as caring, administering, curing, punishing, and educating are undertaken at certain times and in certain places. Dean (1999) refers to these regimes of practices as regimes of 'governmentality', emphasising the collective nature of thought implicated in the practices of government, the *mentality* of rule.

The power relations established through these regimes of practices operate, not through the construction of a false consciousness, but through our innermost desires, hopes, fears and interests; through our subjectivity. They mobilise, shape, sculpt and work through the choices, desires, aspirations, needs, wants and lifestyles of individuals to encourage and promote a range of behaviours. "To govern in this sense, is to structure the possible field of action of others" (Foucault, 1982: 138). Power is exercised through the 'conduct of conduct', by shaping individuals' sense of themselves, their subjectivity which in turn shapes and directs their conduct. Governing in this way presupposes the freedom of those who are governed, and is, therefore, concerned with how to ensure free individuals exercise their freedom appropriately.

In studying regimes of practice or governmentality, Foucault isolates two key themes, the objectivisation of the individual and their subjectification. His later work focuses on how regimes of practice have been instrumental in forming the modern individual as object and subject (Dreyfuss and Rabinow, 1983).

In 'Discipline and Punish' Foucault focuses on the objectification of the individual within the prison system. The focus of this work is not however the prison but discipline and punishment as techniques of power. The objective of these techniques, he argues, is not to crush or destroy the body of the individual, but to manufacture compliant, obedient individuals, or docile bodies. The key to achieving that objective lay in the construction of a 'micropower' through continuous surveillance. To achieve 'total docility' of the individual "all dimensions of space, time and motion must be codified and exercised incessantly" (Dreyfuss and Rabinow, 1983: 154). Control of space, continuously, without interruption, is an essential component of disciplinary power. The school, the barracks, the hospital, all form a grid of surveillance, establishing a regime of visibility in which the individual is distributed across a single 'plane of sight' (Rose, 1996). The significance of surveillance lies in

what Dreyfuss and Rabinow (1983) term the 'reversal of visibility'. In traditional exhibitions of power, power itself is continuously on display, the King is visible and the lives of the multitudes invisible. Objectification of the individual reverses these power relations, the multitudes are drawn into the light, they are made visible as the most mundane of activities and thoughts are carefully recorded. Once made visible individuals can be classified, calibrated, their attributes and deficiencies recorded and their individuality and variety managed. Behavioural space, once regarded as essentially unique, is now ordered or to use Rose's term, geometrized (Rose, 1996). As individuals are made visible and objectified through categorisation and classification, so they become known and once known they become amenable to having things done to them, they become enmeshed in relations of power. Through objectification the human individual becomes knowable and manageable.

The second theme around which Foucault structured his discussion of power is that of subjectification which emerges from his discussion of pastoral power and technologies of the self (Foucault, 1982; 1988). Technologies of the self require the individual to relate to oneself and this may take a number of forms; to know, to master or to care for oneself. The act of relating to oneself is embodied within certain practices or techniques, for example, group discussions, confession, self examination and diary writing which are practised under the actual or imagined gaze of an authority, system of truth or authoritative figure. The purpose of these technologies of the self is to encourage individuals to relate to themselves as a subject, as an enterprising employee, responsible father, a conscientious citizen in which they come to understand themselves and their lives in relation to these 'ideal' forms. Power is exercised by encouraging the individual to identify with a subject which they act out or perform in their everyday activities and practices, relating to their children, driving, responding to customers and colleagues, managing their finances, and so forth.

Modern government draws these two themes of objectivisation and subjectivisation together to create relations of power which govern the free individual in society. The school, hospital, prison, all draw on these themes to govern pupils, patients and prisoners. Practices of managing employees within organisations have been extensively explored from a Foucauldian perspective within organisational theory (cf. McKinlay and Starkey, 1998; du Gay and Salaman, 1992; du Gay, 1991). The significance of CRM practices lies in how the themes of objectivisation and subjectivisation are re-worked within those practices to govern the free and sovereign customer.

Marketing and the Governing of the Consumer

The construction of regimes of practices or governmentality to govern consumers can be traced back to post war USA where, according to Packard (1957), producers and retailers faced the problem of oversupply and saturated consumer markets. The task facing marketers was, he argues, to find ways of stimulating demand. This was achieved through the drawing together of a range of techniques, knowledge and technologies into regimes of practices which formed the basis of mass marketing. Mass marketing combined the

practices of market segmentation, advertising and the shaping of products and services, with the knowledge of the consumer derived from psychology and psychoanalysis, to form a regime of governmentality that both objectifies and subjectifies consumers. Through these practices the desires, fears, hopes and aspirations of consumers were identified, amplified and reflected back to them in the form of consumption opportunities. Consumers were governed to the extent that these practices formed compliant consumers who identified with the subjects and the life styles or modes of living, which these practices promote. This is not the unscrupulous manipulation of passive consumers as Packard suggested. Rather the linking of attributes, desires and anxieties of consumers to the qualities, pleasures and satisfactions represented within products and services (Miller and Rose, 1997).

By the 1980's, however, mass marketing was undergoing a questioning of its ideas and techniques, a problematisation. This emerged from a variety of sources (Moller and Hakenlin, 2000) and focused on mass marketing's inability to identify, know and respond to individual customers. Mass marketing practices could not identify the buying behaviour of an individual; why a customer did or did not purchase a particular product, in what volumes, how often, or through which retail channels. An alternative view of marketing emerges from this questioning in the discourse of RM. RM discourse conceived the role of marketing as identifying, knowing and responding to individual customers (Peppers and Rogers, 1993). Once a firm or organisation knows why a customer purchases, the central focus of marketing practices is to 'loyalise' customers, that is to encourage the customer to feel loyal to that firm and, on the basis of that loyalty, to concentrate their purchases with them. The rationale for such a strategy is that loyal customers contribute disproportionately to a firm's profitability, the task of marketing, therefore, should be to expand the number of loyal customers and to enhance their bonds of loyalty.

In order to move beyond a discourse, organisations required practices capable of operationalising RM, which until the mid-1990's they lacked (Grant and Schlesinger, 1995). However, as the Tesco case illustrates, the emergence of new technologies and their connection to existing components and methodologies enabled organisations to draw together CRM assemblages. These assemblages connected a range of different elements, call and administration centres, websites, loyalty cards, data warehouses, software, printing facilities, EPOS tills, printed materials and analytical methodologies and infused with a mentality. That mentality, the taken for granted assumptions that infuse a regime of government (Dean, 1999), comprises two elements. Firstly, that customers seek to create relationships with organisations and firms and secondly, that they desire to concentrate their purchases with a single organisation and would do so if they were recognised and responded to by the firm as valuable customers (Peppers and Rogers, 1993). These two rationales reinforce one another. Through knowing and responding to the customer as an individual, a relationship is formed between customer and organisation, encouraging the customer to concentrate their purchases with that organisation. This concentration of purchases enables the organisation to 'know' the customer better and

respond to their particular needs thus strengthening the relationship; a circle of reinforcing interactions fundamental to RM and CRM strategies (Peppers and Rogers, 1993).

The significance of relationships, as they are understood in the CRM discourse, lies in their ability to individualise marketing, to identify the buying behaviour of individual customers and to reflect their needs and desires through the individualisation of marketing communications, products and services. There is however, another significance to this individualisation of marketing other than merely increasing marketing efficacy. CRM practices enabled firms to re-frame their understanding of the customer. Marketing practices develop from dealing with small groups of consumers whose feelings and desires are projected through segmentation onto the population of consumer, to the identification of the individual. This fusing of technological elements with the psychological sciences creates *techniques for governing human difference:* the individualisation of humans through classification, calibration and inscription of their attributes and capacities with the purpose of managing their individuality and variability (Rose, 1996).

In order to understand how these practices operate we situate our study of RM and CRM within Tesco's 'Clubcard' scheme, discussed in detail by Humby, Hunt and Phillips (2003) in their book 'Scoring Points'. This case study provides us with a detailed insight into the practices and techniques used to construct the Tesco Clubcard, a form of CRM which Humby et al claim is central in explaining Tesco's dominance of UK grocery retailing.

Tesco and Clubcard: You are What You Eat

According to Humby et al (2003), the key ingredient which underpins Tesco's success in overhauling Sainsbury's and becoming the UK's leading and dominant retailer, is their implementation of a CRM strategy based around Tesco Clubcard. Launched in 1995, Clubcard sought to reward and reinforce the behaviour Tesco valued in its customers' loyalty. Customers applied for a Clubcard and had it swiped every time they used the store. Customers then accumulated points on the basis of the amount they spent in the store, these points are converted into a cash value redeemable against future purchases. Customers are sent statement of their accumulated points on a quarterly basis. In swiping their Clubcard Tesco was able to link an individual customer with the basket of products they purchased.

In implementing Clubcard, Tesco made an explicit attempt to adopt a RM strategy, rewarding individual customers for their loyalty. Before such a strategy no UK supermarket knew exactly which of its customers purchased which products and therefore who were the most profitable. Along with all the other supermarkets, Tesco employed classic mass marketing practices, focusing on large market segments through television advertising and unfocused promotional or discounting practices. These market segments were usually defined on the basis of geodemographic databases that identified customer types by their physical location. Clubcard by contrast, identified customers by what they purchased; 'you are what you eat'.

Data from the Clubcard identified what customers had purchased. Although useful in identifying the significant contribution to profitability of key customers, Tesco wanted to understand 'why' customers purchased certain products. Knowing why consumers purchase certain products has long been a central function of marketing (Dichter, 1943, 1947, 1948); Tesco, rather than basing their understanding of consumers' motivations on small groups of consumers, the usual practice in mass marketing, were able to base their work on every customer using a Clubcard. Tesco believed that once they could explain 'why' a customer purchased a certain product it could "encourage customers to think 'why not?'" (Humby et al, 2003: 142).

Identifying why customers purchased certain products demanded the interpretation of products through a psychological lens to reveal the 'hidden' desires, aspirations and fears expressed in the purchasing of products. Tesco's method was to use a combination of Likert scales and Osgood's Semantic Differential Procedures to create a numerical representation of key products.

Osgood's Semantic Differential Procedures are used to measure abstract or judgmental concepts such as 'cheapness' or 'value' using a series of Likert scales. Osgood profiles are constructed through experiments in which subjects are given an object, a tin of peas for example, and a variety of adjectives to describe that object, 'low-fat' against 'high-fat' for example and subjects then rate each adjective on a seven-point Likert scale. By repeating this exercise for twenty coupled adjectives the Osgood profiling method generated twenty numerical measures on which to judge the attributes of an individual product. "Using the scores for all these attributes, an Osgood profile becomes a map of the connotations for the product or concept" (Humby et al, 2003:154).

To do this for every product in a store would be a huge task, so Tesco analysts grouped a small set of products which definitely possessed the attribute or quality they wanted to measure: "so if you want to find out which products are adventurous, start with extra virgin olive oil and ingredients for Malaysian curries, and see which customers bought those products" (Humby et al, 2003: 165). The analysts then looked at what else these customers purchased, discarded common items such as eggs, and identified other key items that would define an 'adventurous' customer. Using this technique a number of different types of customer were identified; adventurous, fresh, budget, bulk, time-poor and so forth, based around the twenty Osgood scores for each product. Combining this segmentation with information gained through the Clubcard, when the individual shopped, their age, marital and family status, together with what they purchased, created a composite understanding of the customer which Tesco termed 'Shopping Habits'. Through this process Tesco had reversed the traditional mass marketing segmentation methods. Rather than interrogating small groups of customers and projecting the derived data onto consumer population, Tesco were able to identify market segments based on what customers purchased. Drawing on this analysis Tesco's marketing activities were based on a combination of the

segment to which the individual belonged, the current range of products they purchased, when and in which quantities. Such analysis "helps the business better understand what different types of customers might want to buy from Tesco that they currently don't, not just what they are currently buying" (Humby et al, 2003: 159).

As Humby et al highlight, the potential rewards of using this analysis are vast. Armed with a detailed breakdown of what each customer purchases, Tesco are able to classify every individual customer into a 'type'. It is then possible to compare that individual customer's purchasing behaviour to that of other customers within that classification. Through such comparisons it is possible to identify variances between the individual's behaviour and the norm for that classification of customer. Such analysis highlights not only unshopped departments, but which products the individual is likely to enjoy within those departments. Marketing activity is then focused on incentivising the customers to try those products which others in their classification do purchase. Much of the Clubcard marketing activity is based around coupons targeted "at either rewarding customers' current shopping behaviour or inviting them to try entirely new products, thus extending their range of purchases from the store" (Humby et al, 2003: 129). Such a strategy "works, not through spectacular changes in customer behaviour, but by encouraging fractional changes in the way shoppers shop" (Humby et al, 2003: 160).

"It is no accident that Tesco has 'Every little helps' as its brand promise to customers. This slogan is based on the fact that regular yet modest improvement in Tesco's offers and service are appreciated by customers and accumulate their goodwill, and that equally constant but small shifts in customer behaviour are enormously valuable to Tesco's business. "So thanks to the targeting power of Clubcard, Tesco has been able to encourage 'loyal' customers, who will be most receptive and likely to change their shopping behaviour, for example to visit the pharmacy, or to consider its clothing range, or simply to buy three bottles of Coke in one go rather than two" (Humby et al, 2003: 25/26).

Together with the quarterly Clubcard statement, Tesco produce a Clubcard magazine. This magazine, segmented into four forms, families, young adults, older adults and over-60s, actively promotes products available in the store ('Skin Wisdom – Introducing our new beauty range). Humby et al argue that customers like directed information – "because it is information they can act on during their next shop" (Humby et al, 2003:132). Clubcard magazine seeks to strike a balance between entertainment and promotion of products. "So an article on summer eating gives tips on how to prepare and serve food for a barbecue, and concludes with Tesco product information and price points" (Humby et al, 2003:132).

Underlying this whole strategy is the concept of the 'inner circle'. This idea is similar to the 'Favourites' list of Web sites on a PC. "Bewildered by so much choice in the world, consumers generally edit their possibilities and maintain their own manageable menu of brands they trust" (Humby et al, 2003:188). It is this menu of trusted brands that forms a customers 'inner circle', sources of

individualised expert help which aids the individual in dealing with the outside world. Tesco Clubcard sought to position itself within a customer's inner circle, helping that individual to navigate through the vagaries and difficulties of modern life.

"I think marketing people use the expression 'emotional attachment' in too free a way. It can be misinterpreted. When I talk about it I don't mean, cut them in half and they'll have 'Tesco' written through the middle of them. I mean that people have an emotional bond to Tesco in that they feel we are on their side. That we look out for their interests, don't patronise them or take them for granted. And most important, we deliver on our promises. It's the sort of customer thinking that says, 'Tesco has always done all right by me'. On the one hand that sounds rather dull. But it is actually massively valuable" (Tim Mason quoted in Humby et al, 2003:198/199).

The Clubcard regime of government

Drawing on the themes of objectification and subjectification and their interweaving into regimes of governmentality discussed earlier, we can form a different understanding of Clubcard, we can explore that case study from a different perspective to the one developed by Humby et al. In this reading of the case the practices and elements of which Clubcard is comprised form a regime of governmentality; a set of practices and technologies infused with a mentality or strategic rationality whose objective is to govern the customer; to encourage and promote patterns of consumption on an individual basis. This is not to suggest that Tesco's government of the customer is perfect or assured, far from it; customers' reactions vary from the outright rejection of incentives through to active participation, but whatever their reaction customers are not dominated, they are not forced to purchase unwanted products. Clubcard establishes power relations that are enabling, liberating not restrictive; customers are encouraged to try new products and flavours, to purchase larger and possibly more convenient quantities and to try new areas of the store. How these positive power relations are created then is an empirical question, a matter of highlighting how the practices of Clubcard function to enmesh the individual in a network of power relations through which power is exercised.

Objectifying the Customer

To govern the individual regimes of governmentality must first render that individual into an object. Following Foucault such rendering rests upon three interrelated mechanisms; hierarchical observation, normalising judgement and the examination. Government of individuals rests upon the creation of microscopes of power, grids of surveillance within which the individual is constantly observed and every behaviour, every variation in behaviour carefully noted and recorded. Clubcard in connecting up a range of diverse elements; data-warehouses, cards carried by individual customers, tills equipped to swipe customers cards, programmes to record customers transactions, programmes capable of translating customer transactions into 'points' earned, methodologies to interpret products into psychological

classifications, the placing of individuals within classifications; transforms the supermarket into a microscope, a lens through which it observes the consumption behaviour of individuals. Peppard's quote at the beginning of this paper highlights the significance of this development. The problem faced by mass consumption is that the traditional relays through which the needs and desires of individuals were observed, noted and responded to: the attentive grocer, the friendly bank clerk, the helpful butcher, are lost - lost within the 'mass' of mass marketing. CRM emerges to retrieve the individual from this lost state, creating a form of surveillance in which the customer is complicit, a willing and functioning partner, presenting their Clubcard for 'swiping', leaving behind them an individualised electronic trail of purchases. New relays are formed between customer and organisation undertaking a surveillance that is both continuous, always alert, ready to function and discreet, hidden from the view of the individual customer.

In drawing the individual customer into the light, by making them visible through surveillance, CRM exercises 'normalising judgement'. Whereas surveillance functions by drawing all individual customers together within a single 'plane of sight', normalisation individualises by making it possible to measure gaps, to determine levels to render differences visible and to measure those differences. Normalisation performs five distinct operations:
1.   It refers individuals and their actions to a whole, a field of comparison.
2.   It differentiates individuals one from another in terms of an overall rule which operates as a minimum threshold, as an average to be respected or as an optimum towards which one must move.
3.   It measures in quantitative terms and hierarchises in terms of the value of the abilities, the level, the nature of the individual.
4.   By measuring value it introduces a constraint that must be achieved.
5.   It defines the frontier of the abnormal and thus defines what is normal.

By placing customers into categories based on their current patterns of purchase, Clubcard is able to construct a concept of what the 'normal' customer in each category purchases and which departments they shop in. That norm is then used to compare and classify the behaviour of individual customers. Where variances against the norm are detected, where customers are not purchasing certain products or avoiding departments in the store, customers are encouraged to develop their consumption in those areas. Individualised money-off vouchers are sent to customers with their quarterly Clubcard statements, some reward existing behaviour, but others seek to encourage incremental changes in behaviour, both to expand the range of purchases and to concentrate purchases, to enhance the loyalty of individual customers. The norm plays a key role here, it relates the individual customer to the segment of customers to which they belong; it identifies the optimum towards which that customer can be encouraged, the range of products that such a customer could potentially purchase; it measures the current and potential value of the customer; it sets a constraint, a target towards which the customer should be incentivised and it defines the boundary of customer types, that point at which the adventurous becomes the fresh. Without a norm Clubcard cannot individualise, it cannot mark out differences and use them to

focus marketing activity, it cannot govern the customer, it cannot exercise power.

The final element in the objectification of customers is the examination. The examination combines surveillance and normalising judgement; "(I)t establishes over individuals a visibility through which one differentiates them and judges them" (Foucault, 1991:184). Foucault uses the example of medicine to highlight the role of the examination, the ritual visit of the physician, the development of the hospital as the 'examining' apparatus. The examination is the technique by which power holds subjects in a mechanism of objectification; it is the ceremony of objectification.

The analysis or examination of the data generated through Clubcard makes the individual visible, customers become discernible from the trail of electronic traces they leave behind. Examination renders these electronic traces into a network of documentation, electronic files that contain the records of what is purchased and when, which money-off vouchers were sent to the customer, which are redeemed and which are not, where they are redeemed and how quickly. As these files are examined they produce more data, greater insights into the individual customer and two new possibilities are created: firstly, the constitution of the individual as they evolve as a customer, their responsiveness to certain types of promotion, their potential in terms of profitability and loyalty; and, secondly, the creation of a comparative system that "makes possible the measurement of overall phenomena, the description of groups, the characterisation of collective facts, the calculation of the gaps between individuals, their distribution in a given 'population" (Foucault, 1991:190). By examining customer data customer norms are identified which are used to focus marketing activity, most notably in the targeting of bonus coupons sent out to customers, coupons whose purpose is to fill the 'hole in the basket'. "The coupons are chosen using an analysis that shows that the customer has a high propensity to buy a product (that is, other similar customers buy it regularly), but so far that customer has not tried it" (Humby, et. al., 2003: 117). The examination of customer data in drawing together surveillance and normalising judgement constitutes the individual as an object, an effect and object of power and knowledge (Foucault, 1991). A new reality is formed, that of the individualised customer who, once known, can be governed.

Subjectifying the Customer

Regimes of government do not determine individual subjectivity, rather they promote, encourage and facilitate certain attributes, capacities and dispositions within individuals and are successful to the extent that these individuals come to experience and understand themselves through such capacities (Dean, 1999). The issue here is not one of identity, but one of identification, how is the individual to identify themselves as a consumer and what is the relationship between their self-knowledge as a consumer and their relationship with Tesco? What forms of self-knowledge and reflection does Tesco seek to promote?

In an increasingly individualised life where subjects are "tied to their own identity by a conscience or 'self-knowledge' (Foucault, 1982: 212)…there exists a "willingness on the part of individuals to accept the definitions of others and to subjugate themselves to their wills. For the anxiety and insecurity that resides in the freedom of action renders us highly vulnerable or suggestive to the demands of others, particularly when those others have a social status or presumed significance beyond our own" (Knights and Sturdy, 1997: 179/180). In exercising their freedom individuals are encouraged to understand their life in terms of their success or failure in acquiring new skills and using them to enhance their own and their families' life style. Out of this new ethic of reflexive self-conduct flows new relations between individuals and expertise. De Swaan (1990) uses the term 'proto-professional' to describe individuals re-defining their everyday troubles in terms of problems that can be resolved by experts (Rose, 1999). These individuals readily enter into collaborative work with professionals or experts in determining their life-style choices and resolving dilemmas. "Individuals act upon themselves and their families in terms of the languages, values and techniques made available to them by professions, disseminated through the apparatus of the mass media or sought out by the troubled through the market" (Rose, 1999:88).

The notion of the 'inner circle' is important here. In reflecting upon their everyday problems and dilemmas, customers are encouraged to view Tesco as their 'friendly expert'. Clubcard magazine holds out the possibility of a better, happier and fulfilling life. The advice and information it carries on issues such as successful barbecues, healthy eating, weight issues and food for children frames product promotions and is backed by money-off vouchers. Humby et al argue that customers *like* information they can act upon in their next shop, this inter-linking of information and opportunities for consumption reflects the authoritative, expert role assumed within the practices of Clubcard. Through them customers are encouraged to engage in a continuous reflexive hermeneutic, a process in which they reflect on the difficulties they face in everyday life, organising a barbecue or a child's birthday party, improving their eating habits or their knowledge of wine and form connections with the consumption opportunities available in Tesco stores which help them to solve problems and enhance their lifestyle. Customers are governed via their reflexivity capacity, through the shaping and re-shaping of their subjectivity.

Conclusion

In forming a new combination of objectification and subjectification of individual customers the practices of Clubcard offer new means of governing the customer. This is not to argue that practices of CRM and RM are all powerful; customers may resist Tesco's overtures, many will refuse to have a Clubcard, others to ignore or deliberately destroy vouchers. Customers in this analysis are not dominated, they are not passive dupes of sophisticated marketing, they are encouraged, not forced, to change and extend their consumption patterns.

A delicate set of linkages is formed between the desires and anxieties of individuals across a diverse range of settings, and the pleasures and satisfactions embodied within specific products. Clubcard forms what we term a 'regime of consumption' a complex hybrid assemblage of technologies and methodologies, connecting up the objectified and subjectified individual with new consumption opportunities. This regime of consumption establishes new relays between the organisation and customer, based not on personal relationships, but on the objectified understanding of the individual which is rendered out of the electronic traces they leave in databases. These relays or relationships construct a new, different understanding of the customer, not one inherently inferior as Gutek et al suggest, nor one we can understand through comparison with other 'human' forms of relationship, but a technological rendering of the customer which reveals a psychological and individualised description of the customer.

In fabricating this set of linkages between the firm and customer a complex and subtle understanding of the customer is constructed. The behavioural space of consumption is geometrized, that which hitherto was lost in the unimaginable complexity of millions of customers is now a knowable, ordered space and that knowledge transforms marketing. As the individual customer emerges from the data and is tied to a norm, that of the normal customer within a category, so the gaze of marketing is focused on the abnormal, on those whose behaviour differs from the norm; normalisation becomes a key impulse of marketing. To normalise is not to respond to customers 'needs', nor is it to dominate the customer, but to highlight the possibilities and delights, the satisfactions and enjoyments they may gain from developing their consumption. The practices of CRM form new power relations within which the liberated and sovereign customer is enmeshed and through which they are governed. Viewed from this perspective our understanding of marketing is also transformed, no longer 'powerless' responding to customers needs, it is actively engaged in shaping those needs in relation to an established norm, which acts as a benchmark, a target to be attained. Marketing exercises power, it governs or manages customers on an individual basis and it is through regimes of consumption in the form of CRM, that this transformation in marketing has become possible. The wider significance of CRM practices is this creation of new power relations in which the individual customer is a willing and active participant. As we 'swipe' our loyalty cards or use retailers websites we unknowingly become an increasingly docile, knowable subject whose behaviour is incessantly observed, measured and codified (Lynch, 1985) and whose sense of self and of identity can be tied to the expertise of those who observe and measure us.

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