

Discussion question

[Business](#), [Marketing](#)



Creating competitive advantage using databases Creating and using a database implies the utilization of valuable customer information in the form of personal and professional details, likes and dislikes, buying pattern, trend, spending power, et cetera. Such details are exclusively owned by the company and with the help of this information it can offer better services, recommend apt products and customize its promotions more effectively and in-line with latest market demands.

The asymmetry in this information which is available exclusively to the company provides competitive advantage to the company because the competitors would have to spend huge amount buying that same information. Thus, value of the customer information determines the value of the company (Blattberg, Kim and Neslin 32). With time, database management helps companies understand their customers better and offer them products and services which match their perceptions, likes and requirements more closely.

Lucky Larry's use of database to create customer loyalty

Customer loyalty is the measure of happiness and satisfaction of customers in which they buy the product or avail the services of a company time and again. From an organization's point of view, it is a strategic management tool wherein right customers are attracted and stimulated to buy and bring in more customers.

Lucky Larry made use of databases and valuable customer information to identify frequent and heavy gamblers. It initiated a casino publication to keep them abreast of the latest happenings, news and programs at Lucky Larry's. There were tournaments arranged for the identified key players to

encourage their playing enthusiasm and entice them to come back time and again to the casino.

Players who played the biggest and the largest were entitled to prestigious ‘A-Club’ and were also given silver coins as commemoratives from Lucky Larry’s (Kotler, Bowen and Makens 642). Kay Palace, the manager of the database program constantly measured the impact of programs designed with the help of information extracted from databases to improve the results and bring about necessary changes as and when needed.

Is Lucky Larry’s database marketing part of Integrated Marketing Program?

Lucky Larry’s database marketing is definitely a part of integrated marketing program as it is an attempt to attract and contact the customers directly.

Database marketing falls under direct marketing when it fulfills two conditions- the results of the list are analyzed and secondly, the list is updated; both of which are true in the case of Lucky Larry’s.

Percy (164) asserts that database marketing, as a part of direct marketing can serve as a strategic marketing tool and a component of Integrated Marketing Program under given situations. If the people on the list are loyal/repeat customers; where the list is used for niche marketing or segmentation and when defections can be avoided with the help of the database details; database marketing can be said to be a part of Integrated Marketing Program.

At Lucky Larry’s, the database was maintained for frequent gamblers who played regularly at the casino. Secondly, the list segmented the customers based on heavy, moderate or rare players and it was becoming tougher for the competition to lure away Lucky Larry’s customers and create defections

in customer loyalty. Most of the conditions fulfilled indicate that Lucky Larry's database marketing was a part of Integrated Marketing Program to a great extent.

Works Cited

Blattberg, Robert, C., Kim, Byung-Do, and Neslin, Scott, A. Database Marketing: Analyzing and Managing Customers. USA: Springer, 2008.

Kotler, Philip, Bowen, John, T. and Makens, James, C. Marketing for Hospitality and Tourism. New Delhi: Pearson Education, 2011.

Percy, Larry. Strategic Integrated Marketing Communications. Oxford: Elsevier, 2008.