

# Aspects of e-marketing that facilitate customer relationship management

[Business](#), [Management](#)



Electronic Marketing (E-Marketing) is best defined as “ The strategic process of creating, distributing, promoting, and pricing products for targeted customers in the virtual environment of the Internet”. My paper will address three (3) aspects of e-marketing that facilitate customer relationship management as well as make three (3) suggestions on specific potential improvements to assist in understanding customer needs and motivations that have developed from the use of e-marketing. A renewed focus on relationship in marketing by building customer loyalty and retaining customers is very important.

Strong customer identification with a company builds meaningful relationships and even turns customers into “ champions” of those companies and their products. The addressability, interactivity, and memory characteristics of e-marketing allow marketers to identify specific customers, learn about their needs, and their purchase histories allowing them to customize products to meet the customer’s needs (Pride/Ferrell, 2006, p. 160). When anyone orders on line, the company order form starts a profile to include your email, this allows them to send notification to the customer when products matching their interests are featured.

An example of this aspect would be when someone places an order on Amazon. com. Your order is a profile of your preferences such as appliances, food, music or electronics; Amazon. com now can begin to create a record and target you with products that meet your profile. Companies are finding that sometimes certain customers are just too expensive to try and keep because they will order an item (+ for company) but then for some reason

they don't want it anymore so the company pays for them to return the item (- for company) which ultimately results in a loss because the company paid to get the item back.

Developing systematic CRM procedures is one of the most important steps in managing relationships (Pride/Ferrell, 2006, p. 161). Another aspect of e-marketing involving CRM is creating satisfying exchange relationships between buyers and sellers by gathering useful data at all customer contact points and analyzing that data to better understand customer's needs and desires (Pride/Ferrell, 2006, p. 160). Imagine placing a call to your cable company to ask a simple question, what do you hear? " Hit 1 for, Hit 2 for.

Your wait time is approximately 5 minutes; all calls will be answered in the order they were received and may be recorded for training purposes. " This is the company's call center and for customer relationship management purposes it is telling you that you are important and we want to talk to you but you will need to wait in line as there may be others that called before you. Also, the support person might not know it but because the information is recorded, a sales person can see it and use it to follow up on. Just the recording of the information has many benefits for other departments.

Customer support and call center software can focus on those aspects of customer interaction that are most relevant to performance. I think that an improvement to this aspect would be to make sure that the information that a company gathers about an individual is not " sold" to another company. The market for CRM applications was expected to reach \$13. 7 billion in 2002 and to swell to \$17. 7 billion in 2006, increasing customer retention by

just 5 percent can increase profits by 25 % to 95 % . All companies utilizing CRM strive for “ Customer Satisfaction”.

New research shows that 55% of consumers would pay extra to guarantee better service and 52% have experienced poor service from a big name retailer in the last year. Marketers should not try to control customers; they should try to develop relationships that derive from the trust gained over many transactions and are sustained by customer’s belief that the company genuinely desires their continued patronage. Trust reduces the costs associated with worrying about whether expectations will be honored and simplifies customers’ buying efforts in the future (Pride/Ferrell, 2006, p. 162).

An example of Customer Satisfaction is the ability to speak with a live person. It is very annoying speaking to a computer that can’t understand me just so I can talk to a live operator. I find that if you hit “ 0” several times it automatically switches you to an operator. I agree with Harvard Business College when they say that US corporations lose half their customers every five years and that most managers fail to address that fact head-on by striving to learn why those defectors left. They are making a mistake, because a climbing defection rate is a sign that a business is in trouble.

By analyzing the causes of defection, managers can learn how to stem the decline and build a successful enterprise. The longer customers stay with a company, the more they are worth. The key to customer loyalty is value creation. The key to value creation is organizational learning. Works Cited: Pride/Ferrell, (2006), E-Marketing and Customer Relationship Management, Marketing Concepts and Strategies, pp. 160-162, Boston New York:

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