

# Scope of relationship marketing



The process of identifying the products and services required by the customers and implementing the policies in order to achieve the needs of the customers and developing the product based on it is known as marketing. It is an incorporated process by which the industries concentrates mainly on the requirement and needs of the customers and hence creates customer relationships stronger.

Marketing process is implemented in order to recognize the customer, to satisfy the customer and to retain the customer. It is stated that marketing management is one of the important part of business management as it is related with the activities which are focused on the customers.

The development of the marketing was originated because of the mature markets and overcapacities over some past few 2-3 centuries. In order to attain profit the industries started to mainly concentrate on the customers rather than the production.

Marketing concept means understanding the needs of the customers, knowing the requirement and demand of the market; and reaching the satisfactions. According to marketing concepts, industries must predict the needs and wants of the customers and should always try to satisfy it more than their competent.

### **Scope of relationship marketing**

The purpose of the relationship management is at its centre if the viewpoint and it also portrays different methods for researching the relationships which the industries enhance along with the internal communities. The scope and the purpose of relationships management has been identified and stated by

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various authors including (Christopher, et al., 1991; Doyle, 1995; Kotler, 1992; Morgan and Hunt, 1994; Webster, 1992).

The relationships management scope contains six markets: internal, supplier, customer, influencer, referral and employee recruitment markets (Christopher, 1991). A previous survey of the six models had placed the customer market at the centre of the relationships marketing.

Figure : The Six Market Model

## **Limitations**

The marketing six models produce very detailed information and there are two important fields in which these six models contain limitations. These limitations should be corrected by all the users implementing these models for decision making in an industry.

The limitations contain:

The concentration provided more on the short term sales rather than the long term sales.

When used for media mix optimization, these models have a clear preconception in favor of time-specific media (such as TV commercials) versus less time-specific media (such as ads appearing in monthly magazines); biases can also occur when comparing broad-based media versus regionally or demographically targeted media.

The brand products and varieties are effected due to the long term sales failure. The marketing mix models are not confined by the involvement of

the marketing spend on its brand variety. One of the reasons for this is the long time period taken by marketing in order to put an impact on the brand variety will go beyond and continue at the best. The other reason could be the variations in the financial and social areas and this reason or variation will not effect the marketing and the brand variety a lot. In the short term sales the market shares may get worsen day to day but the brand variety will be higher. Hence, this higher brand variety will help the industries to retain the sales and market share.

## **Market segmentation**

Marketing segmentation is related with the separation of the customers into a single individual carrying the similar requirement and needs. For instance, Kellogg's cereals- the frostiest are marketed to the kids and crunchy nut cornflakes to adults. Here, both the customers are different and both the products are marketed as per the needs and wants of the customer. Market segmentation is performed for two main reasons. The first reason is segmentation permits perfect distribution of the industry's limited resources. An organization contains only limited resources. Hence, it should always select the particular group of customers. Moreover the tastes of the current western customers can be served better.

Market segmentation can be further called as STP that is segment, target and position.

## **Account based marketing system**

Account based marketing (ABM) is also called as key account marketing which is a planned approach to a business marketing where in an industry

contacts with every single customer accounts by considering it as single market. This approach is considered as one of the best approaches as some companies like BearingPoint, Progress Software, Xerox and Hp are leading by implementing this approach.

## **Strategies**

The following are the tactics and steps to choose a correct strategy for any particular accounts:

**Campaigning:** Lead generation campaigns can be formed for fixing the appointments in a huge target accounts.

**Intelligence:** Marketing role in outlining the target account and contacts within to recognize appropriate schemes.

**Awareness:** communications will play a major role in building a positive insight as the awareness of the supplier is very low in target accounts.

**Sales:** marketing also plays a role in supporting the sales proposal in order to progress the exchange rates and to reduce the sales cycle.

**Advocacy:** The cycle will be finished when the customers turn to advocates and also implements to compel further growth in business.

## **Retaining and Developing Customer Relationships**

In order to make sure long-term banking customer relationships gimmicks and enticing trinkets are not the best approach just like in personal courtships and it has learned by Caribbean retail financial institutions. The customers who are not having any long-term inducement to be with their

company will be effortlessly lured by competitor's "product of the week" next week and the best performers know this thing very well. Hence, the business development remains cost efficient with existing customers than planning to obtain new customers. Implementing these inventive strategies which is stands on this knowledge stays very much easy for many industry participants.

## **Task 2**

### **New online marketing technology**

Structuring and reflecting of social relations and social networks in between the people who share interests and activities is concentrated by a social network service. Social network service generally includes a variety of extra services, representation of each other user (often a profile) and his/her social links. Users can interact by using internet like e-mail, instant chatting as many of the social network services are web based.

Online community is treated as social networking sometimes and social networking means an individual focused service and online community deals with groups. In social networking sites users can share ideas, interests and creativity within their individual networks.

The major type of social networking services are the one which includes group places, ways to connect with friends and a suggestion system linked to trust. The famous procedures unite many of these as Twitter and Facebook are used globally. The most common sites used in north America are LinkedIn and MySpace; in Canada Nexopia is used; in Netherlands- Bebo, Hi5 and Hyves; in Germany-StudVZ ; iWiW is mostly used in Hungary; Tuenti in

Spain; Tagged, XING, Decayenne, Badoo and Skyrock are used in some regions of Europe; Hi5 and Orkut in south America and Central America; in India Orkut and Face book; Friendster, Mixi, Multiply, Orkut, Wretch, renren and Cyworld in Asia and the Pacific Islands.

There are some steps taken for optimizing the services in order to evade the need to some duplicate entries of the friends and interests, although this has created few security and privacy concerns. Some largest social networking sites have originated a concept of making the world digital, while others concentrate on different sectors from music and books to non profit business to motherhood in order to provide both services and community to the individuals along with the interests shared among them.

### **Additional features**

Few social networking sites have many added features, which hold skills to make communities that will share the same interests or connections, downloading live videos, having a discussion through forums or blogs.

Internet mapping is opted by geosocial networking in order to categorize user involvement in the geographic characteristics and their elements.

Mobile social networking has become most popular and the latest trend.

Users having a mobile phone social networking can now be able to create their own profile, involve in the chat rooms, make friends, create chat rooms, can distribute or share photos and videos and also can share some blogs.

Users of mobile phone are provided every option that people who sit with the computer have. The wireless services provided by some companies allow the customers in building their own communities for mobiles and also permits

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them to brand it. But, among many, Face Book is the most popular social networking site through the wireless services. Certain innovative features are provided to the site by some companies which give the real world experience.

Linkedin. com is one more professional aspect in social networking. With this users can exchange their ideas, information, and the knowledge. This helps the professional to be posted with the updated knowledge in the respective fields.

### **Business model**

To get membership few of these social network sites charge the user. This is because the concept of social networking is a new service and the value of it is not yet established nicely. Online advertises are given by the companies like MySpace and the Face book. Therefore they take memberships largely and the charges are given in a counterproductive way. Some companies believe that the core information about the user provided in the site can easily be targeted with advertises when compared to any other sites. In these social networking sites the members serves for both the roles that is for the suppliers and as the content consumers. This is kind of autonomous operation in these sites. But, in the world of business, the consumers and the suppliers are quite distinct. Gaining revenue is easier in the business with the means of the advertisement. But this is possible while the level of the content and the memberships are quite high.

Several application domains use online marketing. They are:

Application for the business

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Application for the dates

Application of the government

Applications on the Medical terms

Applications on the education

## **Various ways of Marketing**

### **Mobility marketing**

In marketing the mobile marketing can fall in to any of the category.

Primarily, the marketing can be described by the mobiles devices such as mobile phone. Secondly, the marketing is described as a moving with the trends.

The Mobile Marketing Association has updated a definition of the marketing for mobile in the year 2009 as:

Mobile Marketing is a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network.

### **Mobile marketing via MMS**

Mobile marketing through MMS will include the video, audio, text, and the images. Here the content of the mobile is delivered through the MMS. Now, almost all the mobile phones are capable to send and receive the MMS messages. But the brands can be able to send and receive the messages through the MMS A2P network to its subscribers. In some other networks, brands can also sponsor the messages which are sent person to person.

For example: The campaign of the Motorola was initiated by the MMS mobile at the House of Blues Venue. Here the users can send the images and photos to mobile in real time.

### **Mobile marketing via Infrared**

Infrared is one of the oldest mobile marketing. In late 90's, some of the companies based of Europe, have experimented the “ shopping window marketing” through the free waves of Infrared. The range of infrared is limited and did not establish as a leader in the Mobile Marketing.

### **Viral marketing**

Viral marketing is something which will encourage the individuals for passing the messages for marketing to others. This will create the potential to growth exponentially with the exposed messages. Like the virus, these strategies will take much advantage of multiplying rapidly for exploding a single message till thousands. In Internet this is called as Viral Marketing.

Guerrilla marketing is invented as an unconventional system of the promotions which depends on time, imagination, and the energy instead of the big market. In the same way, the campaigning's for the marketing is also unconventional and interactive. The consumers are targeted in the unexpected places. Its objective is creating the unique, and a sharp concept that provokes the thought. Jay Conrad Levinson has coined this term in the book Guerrilla Marketing. Since then this term has become most popular.

The approaches such as the encounters in the public places, the products being sold in the streets, the stunts, any marketing that gives more results from minimal resources etc, are involved in the Guerrilla Marketing. The

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digital technology is being used by the mobile as one more approach to the guerrilla marketing. This will help them to create more customers and have a good brand.

As the base of the guerrilla marketing Levinson identified few principles. they are as follows:

This is mainly to serve the business and the entrepreneur that are small

Instead of the experience, judgments, and the work done by guessing it should involve the humans.

Investing time, imagination, and the energy are the primary issues rather than money

The profit ratio is the primary issue to measure the business and not the sales

Also concentrate on the number of new relations made per month

Instead of diverting the focus concentrate on creating a standard.

Concentrate on more referrals and transactions, instead of trying to get more number of customers

Cooperate more on the business instead of the competition

These marketers have to use the combination of the methods in the marketing for the campaign

Build the business by making use of the technologies that are more updated

Aim the messages to the smaller group of the audiences instead of the larger groups

Focus more on an individual to gain their consent. This will let them send more messages

## **Social media marketing**

In the organization of the communications plan, Social Media Marketing is the recent competent. For connecting with the markets target, integrating the markets communication is the principle. In order to produce the message on which the customer easily focuses, the market communication has to be integrated with the elements like

The models of the traditional marketing like the frequency, content, timing, and the communication medium with the organization is collaborated with the external agent like agencies for advertising, firms for the market researches, and the firms with the public relation. The communication of the organization the impact of the social media has an impact on the kind of communication made by the organization with the customers.

## **Platforms of social media marketing**

The social media marketing will benefit the organization and the individual by providing the additional channel for the support of the customer. This becomes a mean for gaining the insight of the customer and the competitiveness and also provides a method to manage the online reputation.

The main factors ensuring the relevance for the customer, the value provided to them with the strength of the base where it is built. The foundation that is strong will serve as the platform to centralize the information and for directing the customers with the developments made recently with the help of social media channels, and publications released through press.

The goal is for creating a foundation that is strong and will engage the powers of the customers by providing the opportunities to the communication in the organization. Platform is most important due to the reason that the organization will measure and monitor the effects on the customers. Tools offered are more applicable than anything else to achieve the goal set by the customer. Example:

With the Direct2Dell forum the Dell computers has the strongest blog. This also helps to improve the organization fame and gives a chance to improve the learning chances for the bloggers. Ever since the site is begun, the percentage of the blogs is improved by 22% from 49%. Dell, with the support to their customers by addressing the concerns, comments, and the questions through the blog was achieved.

## **Target**

Targets are achieved on the Face Book by getting real with the customers and by the exposed products that matches the needs of the customers. Target focused more on the benefits by connecting to the customers and in understanding the medium. They have allowed the customers to shape the group and made the curve of learning easier.

## **Starbucks**

This Starbucks will be found on the Face Book, Flicker, Twitter etc, and on other blogging sites by the My Starbucks Idea. This has the best strategies for the social media. They have focused more on gaining the customers needs, likes, and the information. This helps them maintain customers in good number.

## **Conclusion**

The process of identifying the products and services required by the customers and implementing the policies in order to achieve the needs of the customers and developing the product based on it is known as marketing. It is an incorporated process by which the industries concentrates mainly on the requirement and needs of the customers and hence creates customer relationships stronger.