

Relationship marketing

is about forming long-term relationships with customers. Rather than trying to encourage a one-time sale, relationship marketing tries to foster customer loyalty by providing exemplary products and services.

Relationship Marketing centers on

Establishing

Developing

Maintaining

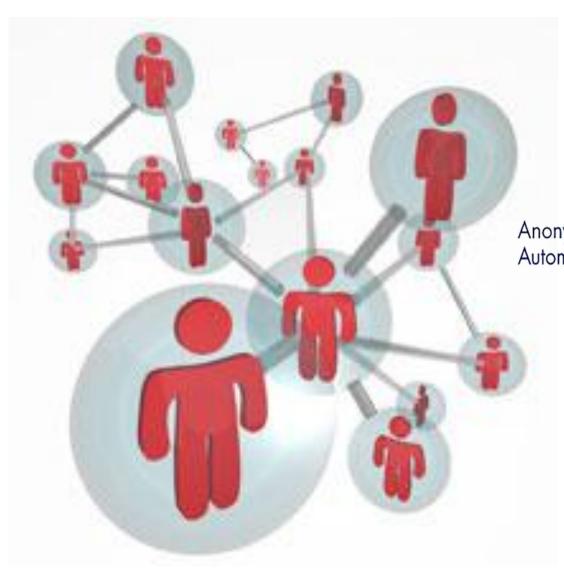
successful exchanges with customers.

Collaborative Advantage

Demonstrating special skills with "key" customers or

Developing innovative strategies with alliance partners





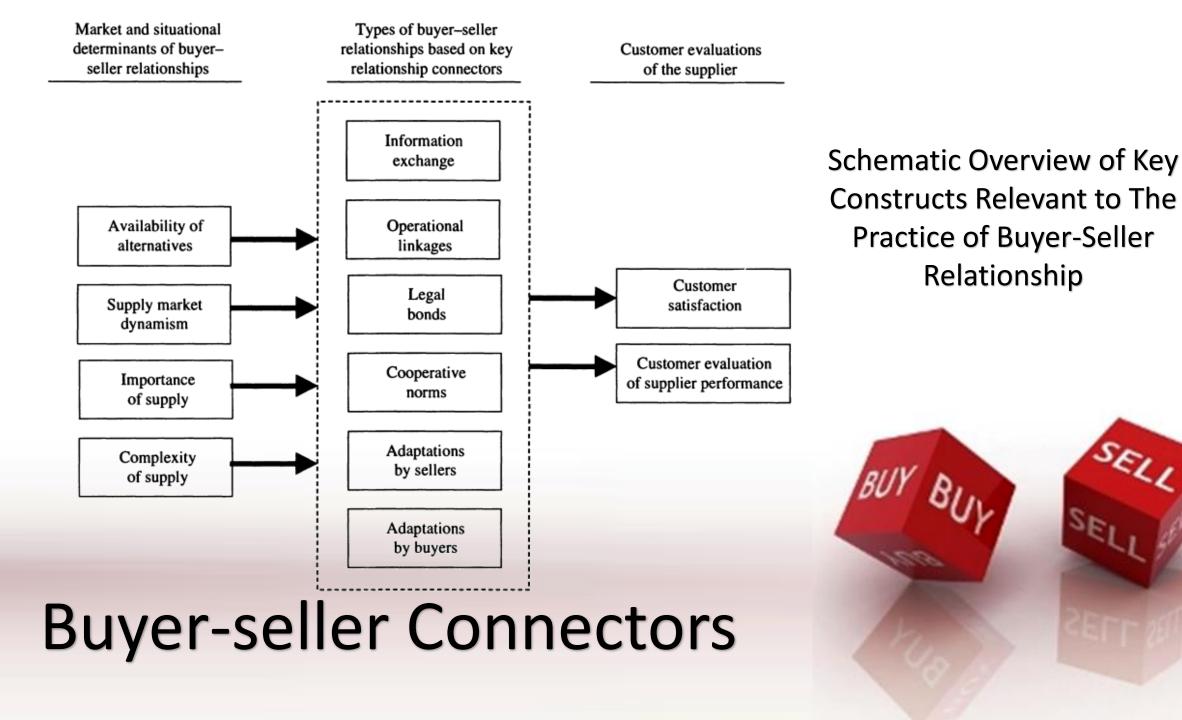
Types of Relationships

Transactional Value-Exchanges Excha

Value-added Exchanges Collaborative Exchanges

Anonymous transactions/ Automated purchasing Complete collaboration and integration of supplier with customer or channel partner

- Transactional Exchange Centers on timely exchange of basic products at highly competitive market prices
- Features close information, social, and operational linkages, as well as mutual commitments
- Value-Added Exchanges are those where the selling firms shifts from just attracting customers to keeping them by:
 - 1. Adding additional services
 - 2. Developing Services that are customized to meet the buyers need
 - 3. Providing continuing incentives that promote repeat business







CRM is a cross-functional process for achieving

A continuing dialogue with customers

Across all their contact & access point

Personalized treatment of the most valuable customers To insure customer retention and the effectiveness of Marketing Initiatives

- Seller's resources
- Customer's needs
- Cost of serving various groups of customers
- Potential profit opportunities
- How customers define value and how to meet those expectations

Acquiring the Right Customers

Crafting the Right Value Proposition

- Points of parity to a competitive option
- Points of difference

- Assigning a client representative to take ownership of the relationship.
- Assigning a Project Owner who completes the project or solves project problems.
- Developing an in-process feedback and measurement system.

Instituting the Best Processes

Motivating Employees Learning to Retain Customers

Providing superior value

(more than expected) to

ensure high satisfaction.

Nurturing trust.

commitment.

business.

Developing mutual

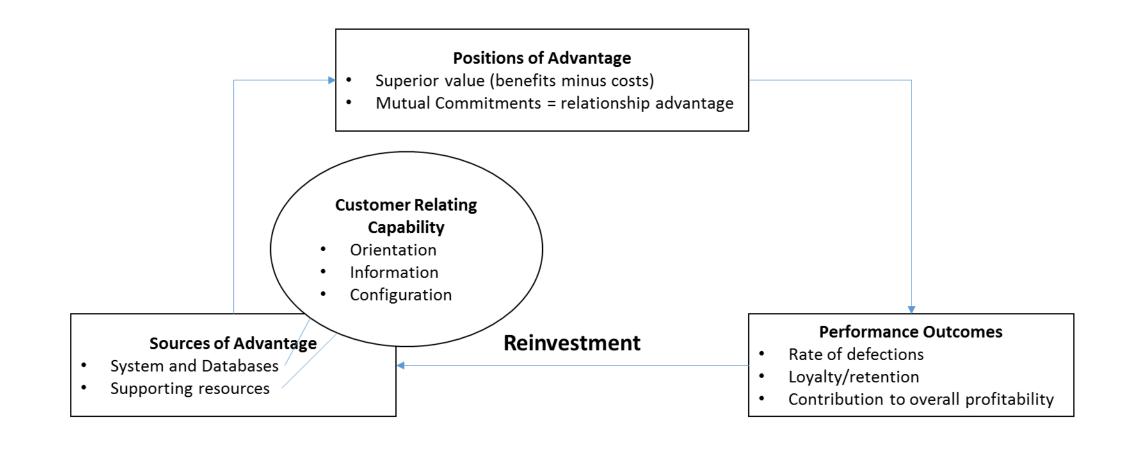
If possible, helping

customers grow their

- Hire good people.
- Invest in them to increase their value to the company and its customers.
- Develop challenging careers and align incentives to performance measures.

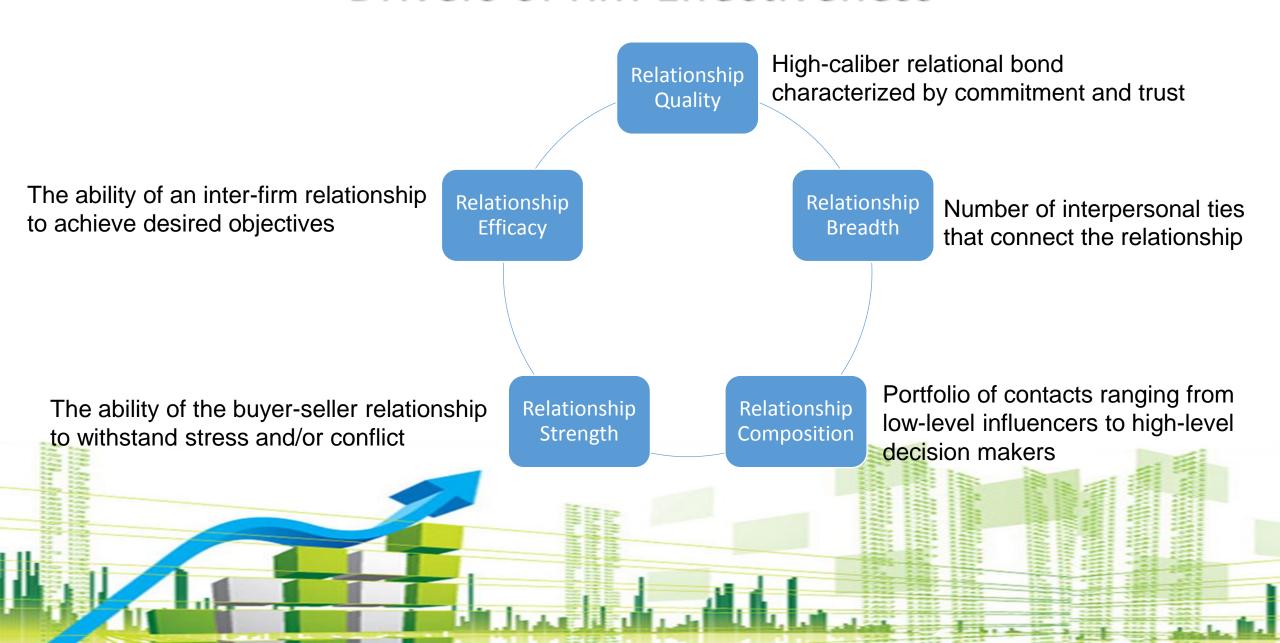


Creating a Customer Relationship Management Strategy



Achieving a Relationship Advantage

Drivers of RM Effectiveness



EINID