

Effect of Relationship Marketing In Consumer Market

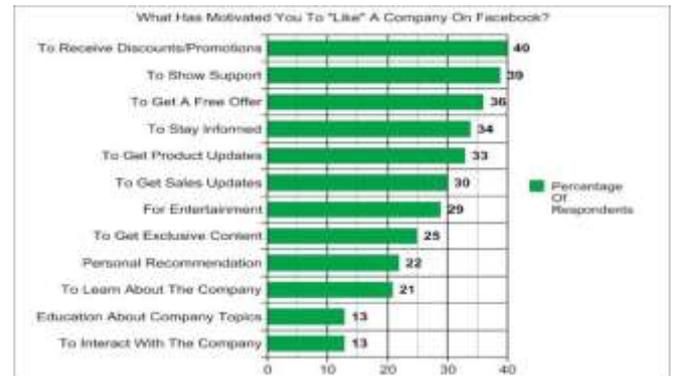
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Abstract—Understanding marketers engaging in relationships with consumers is important. What consumers want from marketers is, simply, simplicity. Relationship marketing can involve revising major aspects of the way a company conducts business. This article tells about the features and benefits of relationship marketing.

Key words: emotional well being, trust, profitability, relational exchanges, relationship marketing, customer relationship management

I. INTRODUCTION

CONSUMERS always want to deal with those marketers whom they feel secured with regarding the quality of product, timely delivery of service, selling norms especially soft skills of the marketers that include proactiveness, ethics, memory etc. From a sales management perspective, the term relationship marketing is applied to a number of different marketing activities ranging from consumer frequency marketing programs to selling activities directed towards building partnerships with key business – to – business customers (Weitz and Bradford, 1999). It is the opposite of transaction marketing. In transaction marketing, marketers focus on the current transaction and strive for fulfilling short term goals whereas in relationship marketing, marketers heed on maintaining good rapport with consumers keeping in mind the profitability in the long run. If the perceived risk of making choices is reduced by the industry through service guarantees, quality assurance and customer integrity, it is likely to encourage transactional behavior (Shimp and Bearden 1982). Today, the technology has caused a paradigm shift in relationship marketing. Through internet, marketers can track, store, analyze and then utilize vast amounts of information about customers or consumers. In fact they are offered personalized ads, special deals, and expedited service as a token of appreciation for their loyalty. Many marketing activities are being done with the help of social networking sites. Working on brand positioning in this digital era, many consumers feel connected with the brand of product and service according to their own personality and never wish to leave the brand in future. How marketers interact with the customers affects the self- confidence of customers as well as consumers.



II. FEATURES OF RELATIONSHIP MARKETING.

Develops relations with reseller. Reseller also plays an important role in such type of marketing as marketer and reseller both contribute to make consumers loyal towards a product or service. The bonding between marketer and reseller is competitive and at the same time trustworthy too.

Exists in B2B Marketing. Not only business to consumer marketing, rather relationship marketing works in business to business marketing also for the long term benefits regarding negotiations with suppliers, loans from creditors etc.

Empathy. When marketers try to act as journalist instead of salespersons, they actually get the attention of people. The Swedish furniture maker has a worldwide base of intensely loyal customers. When the company changed the font in their ubiquitous catalog, Ikea lovers took to the Internet to air their complaints. Rather than alienate their customers for a trivial reason, Ikea changed the font back in the next catalog.

Non-mechanical process. Transaction marketing is mechanical whereas in human relations management focus is always on delivery of value to customers.

Win-Win situation. Through relationship marketing marketers maintaining stability in business transactions and can get security in bad times. On the other side consumers also feel heard and valuable to marketers. The direct mail marketing firm sends out handwritten birthday cards to clients and associates every year. This simple, personal touch helps clients feel like Direct Recruitment cares about them as people rather than simply consumers.

Don't believe in discrimination. There is no place for

bias or partial behavior in relationship marketing. Indian and foreign people are treated same way. Suppose if any company is acting as a solution provider as a side business keeping in mind the holistic approach then fair and best possible solution is to be provided to the querents.

Strong in hospitality services. Relationship marketing exists very strongly in hospitality services like tourism, hotels, resorts etc. Even a smile starts building a relationship. The airline maintains a comprehensive frequent flyer program that rewards customer loyalty with the promise of free flights, upgrades, and discounts.

Feedback. Relationship marketing works effectively with personal interaction taking place with consumers or customers as well as positive word- of- mouth from each other.

Long term. In this, focus is always on long term relationship building rather than short term current transaction. Dell computers created a special online store for high volume corporate customers. By tailoring the ordering process to the specific customer's needs, Dell was able to expedite many of the hassles corporate technology buyers face.

Trust. Creating long term relationships require trust for the marketer, brand and other important factors to establish it effectively. If the quality product or service is being delivered, then trust increases.

Commitment. The makers of the popular ADHD drug created an extensive online portal that included videos, forums, expert articles, and mobile apps to help those who suffer from ADHD. Rather than relying on the strength of the product alone, the drug makers created a place for users to gather and interact that was linked back to the company. They anticipate and meet customer needs from a very proactive sense.

Focus on human values. Relationship marketing focuses on non- tangible, ethical nuances of demographic environment. Rather than focusing on a specific ad or single campaign, relationship marketing affects every aspect of a company's business practices. It takes care of the emotional well-being of the customers. For example an organization striving to provide the best security systems with good floor security and CCTV.

Customer retention. It is very important part in relationship marketing. A major focus is placed on the company's broader business strategies.

Profitability. Relationship marketing focuses on the long term profitability instead of short term profitability. It builds strong economic, technical and social ties among the parties.

Perseverance. Relationship marketing works on perseverance. Relationship managers keep working on 'level of needs' customers is up to. According to their needs, managers make a long term marketing plan to fulfill its company's objective.

Professional. There is no place for casual, irritable or any such behavior making any individual annoyed. Relationship marketing is based on formal interaction with network of relationships.

III. BENEFITS OF RELATIONSHIP MARKETING.

It increases referrals and helps the marketers to roll out price increase easier because pricing becomes less important as the loyalty increases.

Genuine feedback can be generated through relationship marketing which helps the marketer in providing an insight that they can use to improve their business, products and/or overall customer experience.

Marketers see today's consumers as web-savvy, mobile-enabled data sifters who pounce on whichever brand or store offers the best deal. They can stay in touch with the consumers through internet. For example with the help of blogs on the marketers 'website, consumers can gather trustworthy information about a product and confidently and efficiently weigh their purchase options.

Organizations can get a benefit from their consumers spreading good words about their brand, product, service, technology and skills.

If marketers are going to adopt new marketing strategy, they will surely get their consumers' support. For example, expanding into a new market, having similar demographic factors like age groups, gender, income, occupation, culture, family structure etc.

Less money needs to be spent in the long run on promotional and research and development activities.

Through relationship marketing, marketers are able to get a hold on distracted and disloyal customers.

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