

Relationship Marketing: Process of Loyal Customer Retention

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Abstract—With the intense rise in competition there is rise in interest regarding customer retention concept. Customer is the king of the market, a company can win customer not only with a product but it involves service and happy experience too. Relationship marketing has become important tool for gaining customer loyalty. It has taken a central position in the marketing strategy concepts. It involves a high level of investment by the businesses. The main motive of relationship marketing is to retain customers for long term instead of short term goals like only customer acquisition. Relationship marketing involves ideas like following the customer after sales, celebrating customer appreciation days, asking for feedback from customers etc. Now a day there is concept of customization which leads to customer loyalty the key objective of relationship marketing. Social media has been playing an active role in connecting with customer personally. The concept of relationship marketing changed thinking from customer acquisition to customer retention. Relationship marketing helps in facing the competitive pressure. A customer gets personalized services and trustworthy relationship through relationship marketing. It has become a core concept of marketing era. Just like breathing is essential for a marketer it is mandatory to retain customer for longer period.

1. INTRODUCTION

According to James Cash Penny “Courteous treatment will make a customer a walking advertisement.” Relationship marketing has changed the concepts of marketing. In earlier times the main motive of the businesses was to sale the product to the customer and move further in search of new customer and the old customer was not paid any attention after sale of product. After the emergence of relationship marketing business now focus on maintain the existing and old customer with the help of various techniques. These techniques involves maintain long term and healthy relation with a customer. It has been said that a loyal and satisfied customer has a positive word of mouth and further make publicity for the company.

Customer loyalty stands for the willingness of a customer to use the good and services of a company on repetition basis and also recommending those products to others in the society. Relationship marketing involves stay connected with the customers on regular basis. For e.g. companies use to adopt methods like celebrating customer’s happy moments like birthday anniversary, asking customers for their feedback,

listening the queries of customer by being available 24 hours 7 days in a week. The title of the study says that relationship marketing the process of loyal customer retention. In the starting days of marketing business main objective was only customer acquisition which means only acquire or reach a customer by any marketing tricks but now a day the language of marketing has been changed it has been customer retention from customer acquisition.

The objectives of relationship marketing involves to maintain a level of sustained satisfaction, and to retain those customers by making and promoting relations. The marketing managers focus on the profitability earned from individual customer rather than group of customers. It promotes the concept of customisation.¹ Organisation make marketing strategies only considering the external customers of the firm but inside the organization there are customer too. External and internal market has both similar characteristics if employees are treated as customers. The internal customer relation is divided into three parts as follows:

- Employees are customer of an organization
- Employees are customer and supplier of each other
- Functional departments are customer and supplier of each other

There are various departments in the organizations and the relation between these departments is known as internal relationship. Organizations make strategies to deal with the functional departments of the organization. Due to management of internal relationships a internal profit is earned by the firm. When an organization has various subsidiaries then internal relationship helps in coordinating all the branches to earn overall profit of the firm.⁸ the importance given to internal customers is to compete with the external competitors and also to reduce the employee turnover. The concern of every organization is to maintain healthy relations with the external customers which involve individual customers, suppliers. It is important for an organization to maintain fruitful relations with all the stakeholders to run the organization smoothly. Sometimes stakeholders are doing not

directly involved in the working of the firm but they do impact its status.

2. OBJECTIVE OF THE STUDY

The objective of the study is to find out how relationship marketing works in retaining customer for long term period. Or it can be said how relationship marketing and customer loyalty related to each other.

3. RESEARCH METHODOLOGY

The method used in this research is secondary data. And secondary data relates to the data which is already existing and modified according to the use of research. In secondary data collection the researchers as studied various research work done over the topic relationship marketing.

4. CUSTOMER LOYALTY

The term customer loyalty means the repeated behavior of customer as well as it involves that offer good ratings, reviews, or testimonials. Some customer plays very important role by performing their duty of spreading positive word of mouth regarding product or services by telling their qualities to friends and family. All these activities add a customer to the loyal customer column.²

Over the globe each and every firm involved in business carrying objective of profit earning but also wants their customers to be loyal. The factors which have taken responsibility for customer loyalty are customer satisfaction and customer retention. For a business it is very tough job to make a loyal customer towards its product and service. A loyal customer will prove to be an essential factor in gaining competitive advantage. The two factors which are discussed above are dependent on various other variables like customer satisfaction depends upon perceived quality and perceived value but the customer retention factor depends on product attributes, customer relationship and trustworthiness. In Current market the concept of customer loyalty is a key factor.³

There are two terms loyalty and satisfaction both have some internal connection as it has been said that a loyal customer proves to be the satisfied one. Loyalty is made from basically three main ingredients which are product satisfaction, commitment and trust. If talking about studying customer loyalty it is very difficult to understand the evaluations, attitudes, and intentions that affect behavior of customer.⁴ Companies usually depends upon the customer feedback for measuring their performance.

Companies are finding new ways to respond to the customer queries; they are adopting digital ways of listening and responding. The method use to communicate with the customer is emails both for listening and responding. The second best method for communication is social media. With

the help of social media a business can easily know the likes dislikes of a customer and can easily follow them.⁵ Customer loyalty reduces the reappearing cost of customer acquisition.

5. IDEAS OF RELATIONSHIP MARKETING:

- **Follow your commitments:** The first idea for making a sound and healthy relationship with customer is to follow your commitments. A company must fulfill all its promises which have been made to customers. False promises may lead to reduce in the credibility of the firm.
- **Provide value information:** Always provide updated information to the customers with the help of emails, social media, website contents regarding product.
- **Reward customers for their loyalty:**
 - It is the most important point which should be considered by the marketing managers. Usually companies forgot their old customer in search of new customers. They should organize loyalty programme to honour their long term loyal customers.⁶
- **The concept of customization:** Each and every customer must have special identity for a firm. Customization means drafting the product according to the need of an individual customers.
- **Enhance your customer service:** The after sale service of a company speaks a lot about it. Some customer judge the company with their services provided as compare to the product offered. If a customer has good working experience it will create a positive word of mouth for the firm. That will lead to formation of new customers.
- **Visit the trenches:** The head of the company has same responsibility as staff member towards its customer. Head must spend time with customer some few hours can easily make a customer feel very positive. It will also maintain the brand image of the company.
- **Launch multicultural programs:** A customer would be very happy if the marketing is done in his own culture and language. To make more customer of minority groups the concept of Bilingual customer service will also go a long way for the company.⁷
- **Social media:** people remain very active over social media like face book, twitter, LinkedIn etc. For a business man it is a very promising means to connect with customer over social media and also sharing their future plan regarding product and services.

6. E- RELATIONSHIP MARKETING

E stands for electronic with the emergence of internet work can be done easily and in case of relationship marketing it is easy to connect with the customer with the help of internet. When a firm decide to start an E Commerce platform and

choose product and service promotion with the help of internet.

With the help of electronics means a company can cover a large market share of customer for the product promotion behaviour of today's customer is totally changed due to the evolution of internet in every field. Today customer has become more powerful as compared to the earlier one. Now customer expects superior service from the organisation and at the particular time he wants. With the help of internet or World Wide Web a customer can contact from any place in the world.⁹ E commerce organisation adopt concept of electronic means of connecting with customer through emails.

7. CONCLUSION

After the study the researcher has concluded that relationship marketing and customer loyalty both have positive and direct relation in between. If an organisation maintains good relation it can retain a customer for a longer period of time.

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