

"Study on Strategies to Deal with Pros and Cons of Contemporary Marketing in B2B Business"

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1. INTRODUCTION

Customer engagement is the means by which a company creates a relationship with its customer base. It is the process of actively building, nurturing, and managing relationships with customers. It is an on-going value driven relationship between a customer and a business, which is consciously motivated according to the customer's reasons and choices.

Contemporary Marketing is the process of creating, maintaining and enhancing strong, value-laden relationships with customers and other stakeholders. It is based on a premise that important accounts need focused and continuous attention. The purpose is to establish, maintain, enhance and commercialize customer relationships (often, but not necessarily always, long term relationships) so that the objectives of the parties involved are met. This is done by mutual exchange and fulfilment of promises.

Customer engagement enables the best known marketing strategy for a building block for contemporary marketing. If a company promotes contemporary marketing and shows interest in building more relations with its customers, thereby increasing customer engagement activities by organizing functions, events and various other activities, the customers also feel more connected with the brand. The pros of customer engagement is that it results in reduction in advertising cost since strong customer relationship leads to positive word of mouth marketing which further helps business to gain more leads, they are more likely to accept price rise as they trust in your products and services, it is less likely for a loyal customer to switch to the competitor.

The cons of customer engagement is, it takes a lot of time and work and the results pay off over the long term, you may miss the chance of interacting with new prospects, the established customer may start taking you for granted.

It is necessary to deal with the pros and cons of customer engagement as there is a very fine line between friendship and business.

2. INDUSTRY EXPERIENCE

After working in the business for 3 years, the experience I have about the industry speaks about how customers can be dealt with to fulfil the business requirements. Downfalls will continue to exist but it is very important to overcome those and move forward. A polyester film manufacturing company has its spread all over the world and they are into the export business. For customers to even understand the language of an Indian used to be a great task especially when the customer does not know how to speak English.

The strategies to deal with issues in the B2B industry is to develop relationship as much as possible so that when the customer has problems, he first approaches you with it instead of directly going to the competitor.

Sales is a tough field in which a lot of factors matter like product, quality and distribution but pricing is always a sensitive issue for all the customers. In each and every contract the customer will always negotiate the price and try to get as low as possible as every penny discount is his saving. FMCG sales is very different from B2B sales merely because of the ways to deal with a customer. The FMCG industry is so huge that the pricing and products are decided at a much higher level and it is standardized. Customer relation does play a part in the sales of the product but it is faster and required in B2B business. Businesses usually require top qualities for selling its product one of which is the product of the company should be better than its competitor. The factor that overpowers product quality is usually the relation that the company has with the customer.

JBF RAK LLC deal with a lot of overseas customers and has a huge sales team who travel to accomplish targets, sell the product and to stay in continuous contact with their customers. They even invite customers to visit their premises and view their production lines which makes the customer feel good about the business and in turn gives them confidence to order material. Personalized tough and customer engagement via site visit builds a lot of customer loyalty. That is one of the major benefits of understanding and doing B2B business.

3. RESEARCH METHODOLOGY

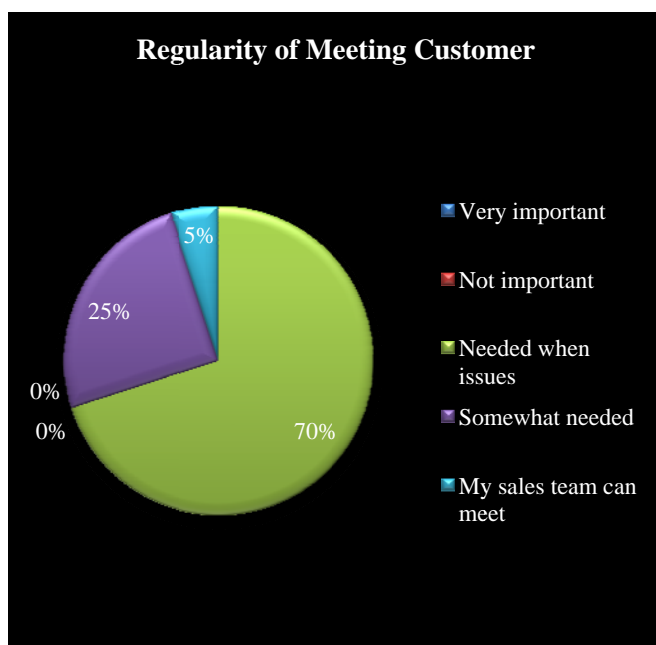
3.1 Research Methodology & Sample Size – The research methodology used in this paper is a qualitative research type. Entrepreneurs have been interviewed and their views have been taken on how they think their business would operate best with higher customer engagement and contemporary marketing. The idea of doing a personal interview was to build relation with the person and to know their views on a one to one level. Some of the guests interviewed were entrepreneurs and CEO of companies while some were Managers who are into customer engagement and have to do those activities on a day to day basis.

Some of the Entrepreneurs involve – Mr. Gaurav Sathaye, Director, United Ink & varnish Co Pvt Ltd. He has been in the business since 7 years and his business is flourished for generations for about 75 years till date.

We have Mr. Ilesh Shah who is the Proprietor of Abrolt Technologies Incorporated. He has been doing his business for the last 40 years and most of his business is primarily based on relationship. He has customers all over India and he travel once in 6 months. But the relation he has with his customers since the start of the business is still strong.

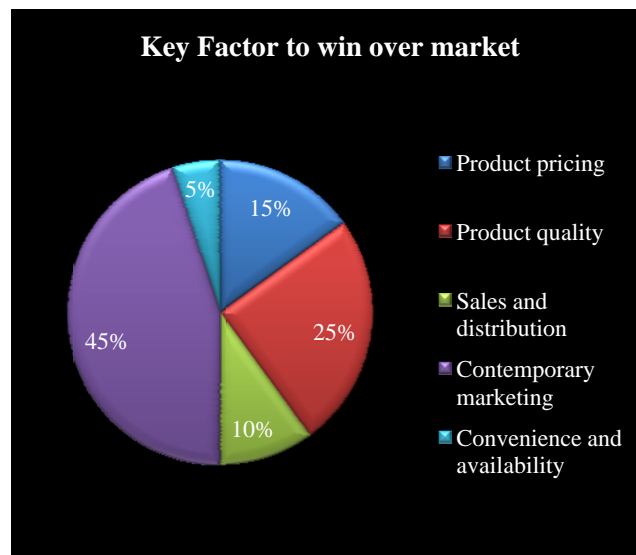
One of the people who have contributed to the data is Ms. Priyanka Dhingra Mathur, Professor, IBS Business School. She has been in the industry of advertising for 10 years and now in teaching since 12 years. Being a professional she has seen both sides of the page of how to deal with customers and how to train others to deal with customers.

3.2 Type of data collected: Primary data via interviews and questionnaire.



Graph 1: Key factors to win over market

Analysis: It is important to be in touch with your customers. But you don't necessarily have to meet them on regular basis; this can be done through various other means like telephone, e-mails, and messages. This helps in always having a presence in the market and amongst your customers; hence it is less likely for them to switch to the competitor. However, 70% of the masses are of the opinion that it is important to meet them personally so that they can deal with the problems and sometimes personal meetings portray that you value their collaboration with your company. This is very important in a B2B business as most of the business happening is on relationship building.

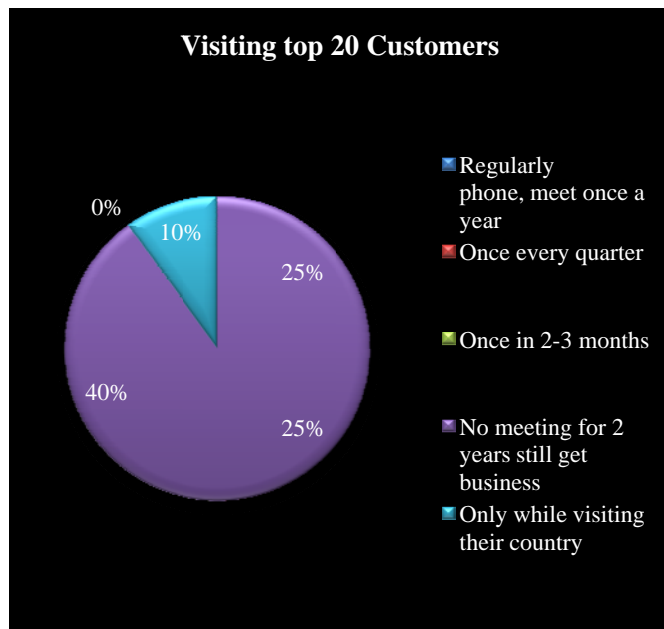


Graph 2: Regularity of meeting customer

From the above graph we can conclude that contemporary marketing has an edge over other key factors as 45% of the masses believe developing good relationship with their customers leads to customer loyalty thereby resulting in consistent sales and smooth functioning of business. Although it is not the only important factor to take into consideration as other factors like product quality, price and availability also contribute largely in overall success of the business. Contemporary marketing is one of the factors which when go hand in hand with other factors like price, product etc, lead to healthy business.

Analysis: This question was asked to understand what people actually think about their customers and how much do they respect them. When a business is at its peak and still feels the need to service its customer by meeting them regularly, that is the time you know that the business will do well as they realise that they are big because of their customers. Equal weightage has been given to responses that say that customers need to be met only while visiting their country or every quarter of business closing. This is as per their business specifications and need. 40% people have said that once in 2-3 months the customer needs to be visited which means that on a

rotation basis every 2 months paying a visit to the customer will be a stepping stone towards relationship building and a better business prospect.



Graph 3: Visiting top 20 customers

Analysis: In the last question

Factors like 1) It is very important to meet your customer fortnightly 2) The relationship that one has with its customers helps build smoother business, 3) A regular 2 monthly visit to your customer ensures healthy business are the positive factors that contributed to the growth of a B2B business and ultimately contemporary marketing has its link with customer engagement. The more the customer is involved in any activity or event relating to any topic of his interest, the relationship builds automatically. Once the relationship develops it is very important to nourish it and be constantly available so that the customer feels good. And also at any given point, building a relationship and conversing with new people never harms, in fact one gets to learn new things when they meet new people.

There are other factors as well which try to say that meeting customers or involving in activities with them is not required for a healthy business. Those factors are true only for certain extend and not all businesses survive on that philosophy. It is likely that the business may run for some time but eventually the competitor will win by service and customer engagement opportunities.

4. STRATEGIES TO TACKLE PROS AND CONS

- 1) It is very important to understand that if too much importance is given to a customer then the customer will start taking the business for granted. This problem can be

tackled by carefully keeping the customer at arm's length and knowing how to bridge the gap. Some events are powerful for connection like a cocktail party but at the same time some are casual like a car race event. Similarly some events are good but less likely to become good for business like a cricket match. If the customer also takes it as an event and has a healthy play, it will always be good but if losing the game results in losing the business then such events must not be suggested to the client. Judging what activity will suit the customer the best is very important.

- 2) Winnings over price value happen when you have a considerably good bond with your customer and the market becomes tough. The customer is also facing issues but he decides to discuss it with you before approaching the competitor and you try to find a solution. This is a very important pro as during such situations is when the relationship is tested and business keeps going.
- 3) Whatever happens, do not lose respect in front of the customer. It is very likely that just because the business will be lost, we take certain steps which will be good for the business at that moment but the customer will never be able to thoroughly respect you. This kind of activity has always been bad and need to be avoided. Example: Giving excess credit far above than required and hampering the business in long term just to fulfil that short term project.
- 4) Not building customer relation will have an impact on the business. It's not very high but the personal touch required in business will not be there and the customer will approach you only with professional motive and nothing else. In those cases people are bound to lose on sales only on the basis of pricing where if the competitor offers better price the customer will shift and purchase material from there.

Article as case study

What if colleges and universities adopted a culture of "customer excellence" in how they engage students? What would those campuses look like?

The problem is, the word "customer" isn't used very often -- if ever -- in the context of higher education. But colleges and universities certainly have customers or stakeholders who matter greatly to their success.

There are many colleges and universities, with varying goals and missions -- but they all enroll students. Yet little attention is paid to students as customers in higher education's organizational model. This omission is a major blind spot because students are indeed customers who are trying to accomplish more with their college educations than receiving a diploma -- they want great jobs and great lives.

Thus looking forward to a program with “customer” engagement is actually engaging the students to participate and encouraging them to perform to achieve those goals.

5. RECOMMENDATIONS

Considering every business is different, there are some top recommendations that apply to all of them

- Every business should give some dedicated time to contemporary marketing and customer engagement activities.
- Relationship building should not be treated as waste of time and money, but should be looked at as a fruitful investment as it always results in positive output for the business.
- Build relationship over common interests which reflects that you value both, your own as well as your customer's needs.
- It is very important for a healthy business. Companies should look for a long term gain instead of long term pain, which can be achieved through customer engagement.

6. CONCLUSION

Contemporary marketing is very important and an essential part of every business. The research has proved that a business can flourish more with customer engagement. Although this is not the only thought one needs to hold on to as there are various businesses that function without any other factors. Those 1% special businesses are self sufficient and can do well without contemporary marketing. One should look at it as an investment and not like an expense. There are many pros and cons in business but some of them can be clearly overcome by customer engagement and developing a healthy B2B relationship.

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APPENDIX- QUESTIONNAIRE

Company Name: _____

Name: _____

Designation: _____

Questionnaire

1) As a businessman, what do you think is the key factor to win over the market?

- a) Product pricing
- b) Product quality
- c) Sales and distribution
- d) Contemporary marketing or relationship with customers
- e) Convenience and availability of product

2) If you were to change one hypothetical point of your market/company which could impact overnight, what would it be?

- a) International availability of product
- b) Sales team
- c) New product launch and success
- d) Government laws to adjust your difficulties
- e) Any other, please specify _____

3) According to you, how important is it to meet the customer regularly?

- a) Very important as it keeps the business going
- b) Not important after the sales has established
- c) Only needed when issues need to be discussed and resolved
- d) Somewhat needed to maintain loyalty and keep away competitor
- e) My sales team can meet and close the deal, I need not travel

4) How often do you make it a point to visit at least your top 20 customers?

- a) Regularly phone, but meet once a year
- b) Once every quarter and continue the cycle
- c) Conversation once a month, meeting once in 2-3 months and conferences
- d) I haven't met some of them since 2 years who give me a chunk of business
- e) Meeting whenever I visit their country for some other new business client meeting

Please rate the below mentioned points on a scale of 1-5 (1=highly agree, 2 = agree, 3 = neutral, 4 = disagree, 5 = highly disagree)

Rating	Particulars
	It is very important to meet your customer every week or at least every fortnight
	The relationship that one has with his customers helps smoother business
	Product quality and pricing is the only important factor in business
	Relationship building is an important factor in doing business
	I believe that if the product is good it is fine to not meet the customer regularly
	Once the business starts regularly, it is ok to not meet the customer even in a year
	It is more preferable to call the customer to my office than go and visit them
	If the customer has issues to discuss, only then should he be visited
	A regular 2 monthly visit ensures good relationship and smooth business
	I can totally progress in business over the phone and without meeting my customers