**Presenting your Plan**

Presenting to a management team or client is a skill that marketing professionals need to master. Multimedia presentations are the norm today.

**Presentation Script**

1. Create a script to accompany the presentation. It should be persuasive and targeted to a business clientele.

*This part of the Individual Project should at least 2-3 pages in length (single spaced).*

**PowerPoint Presentation**

1. Create a professional PowerPoint. You will be assessed on the design of the presentation (including colors, backgrounds, professionalism, font, graphics). Optional content: Sound, videos, animation.

*This part of the Individual Project should be at least 15 slides.*

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| **Presentation**  |
| **Presentation: CRM and Service Market Strategies** |
| It is to a marketer's advantage to continue to meet the needs of customers even after the sale is made. In fact, customers have grown to expect after-sales support. From the point of view of the marketer, this helps to build loyalty. Marketers see the value of customer relationship management (CRM). The aim is to maintain a long-term relationship with the customers. The process begins with building a consumer database over time, rich in customer information. The database typically contains demographic information, purchase history, pricing information and other data elements. Careful analysis of the data provides a wealth of information for management decision-making. Marketers can identify the customers they need to target and so develop appropriate marketing programs tailored for them. In their approach however, they must maintain and respect the customer’s privacy. It is not enough to just implement these tailored programs aimed at maintaining long-term customer relationships. These programs must also be evaluated over time and their success measured. To build and maintain a long-term relationship, marketers must make absolutely sure that all the customer's needs are met, that the customer is completely satisfied. When service goes beyond that which is expected, it further reinforces customer satisfaction and instills loyalty.Marketers develop different kinds of programs to foster and maintain long-term relationships. Programs are designed to reward customers who make repeat purchases. Mass customization is another approach adopted to build a sound relationship. Customers feel that the company has met their specific individual needs.**Strategies for Service Markets**In the competitive environment, it is not enough to just sell the product. The augmented product, which also includes the services offered, helps place the organization in a better position with respect to the competition. Some organizations have strived to build a community of users. These users share their experiences and such exchanges help foster relationships among customers themselves.Services are different from consumer and industrial products in many ways. In the case of consumer and industrial products, a customer can determine the quality of the product before actual purchase is made by evaluating some of the search attributes. This is not possible with services. In the case of services one would typically use experience attributes to evaluate the service, where the quality of the service is determined after use.The primary characteristics of services, which set them apart from products, are that they are intangible; they have no physical attributes. Also, they generally cannot be standardized because service can vary with the person providing it, and they are inseparable since you cannot remove the service provider from the service itself. Service providers are judged on their reliability; their level of responsiveness to a customer's request for service; the assurance they provide in their knowledge of the service and the level of courtesy shown to the customer; the empathy shown to the customers; and the tangible features of the service. If there is a difference between what is expected from a service and the quality of service received, then the customer will naturally view the service negatively. In the service industry, marketers aim to make services as tangible as possible. In going global, service businesses must pay careful attention to local cultures, the customers' expectations (which can vary from country to country), and other conditions specific to the region.With the advent of new technologies, it is now possible to provide some form of standardization of service quality and this enables service businesses to position their services competitively.**Reference**Winer, R. (2004). *Marketing management* (2nd ed.). Upper Saddle River, NJ: Pearson Prentice Hall. |

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| **Article: FAQ: CRM** |
|   **Question 1:** What are the major components of customer relationship management (CRM) model?**Answer 1:** The CRM model involves setting up the following: * Creating a customer database – the database contain all relevant information that could be required for analysis. The database is updated on a timely basis.
* Analyzing the information – Based on varying management needs, the data can be so analyzed. · Identifying customers to target based on detailed analyses.
* Targeting the customers identified / selected from the previous step.
* Designing customer relationship programs directed to the target audience.
* Privacy Concerns – Since a fair amount of customer information is collected and used for the relationship programs, respecting the privacy of the customer is important for a continued relationship.
* Evaluating the effectiveness of the program – It is not sufficient to just implement a customer relationship management program. Once also has to evaluate its effectiveness. Back-end analysis helps reveal what was done right and what could be implemented differently.

**Question 2:** Why is it important to maintain a customer database?**Answer 2:** A customer database is a huge repository of customer information. The information stored provides a storyboard about the customers. It shows the demographics of the client base and their purchase history. It shows if they are repeat customers or one-time purchase customers. The database also provides information on the contacts the customer has had with the company’s customer service department. The data in the database helps management to better target the present customers for future products and services. In addition, using the information of the present customers, management is able to develop a profile of potential customers. This helps management target potential customers more effectively. Information captured in the customer database enables management to determine the value of each customer. This information is applied to project the untapped profit potential of the existing customer base and also the potential customers who may have similar needs.**Question 3:** What kinds of information can be obtained from analyzing the customer database?**Answer 3:** Based on the data elements captured in the database, many different kinds of analysis can be performed. This will lead to valuable information for the management decision-making process. In its most basic form, data captured tells the marketer who the customers are, where they are located, what products they have purchased, how much they paid for them, when they purchased them and if they are one-time purchasers or repeat buyers. Using data mining techniques, it is possible to determine the profit margin of each of the products purchased for any given customer. This enables a marketer to further determine the lifetime customer value for each customer. This analysis assigns a dollar value on each customer, i.e., marketers are able to compute the profit potential of each customer.**Question 4:** Of the following attributes: search, experience, and credence, which is most appropriate to services?**Answer 4:** The characteristics that best describe services are their intangibility, nonstandardization and inseparability. In addition, three attributes can also be used to separate services from consumer and industrial products. Consumer and industrial products are high in search attributes, i.e., a consumer can evaluate a product on specific attributes that the customer values. Services cannot be evaluated on search attributes. Experience attributes are appropriate for evaluating services. However, these attributes can only be assessed after purchase of the service, i.e., after the service has been performed. Similarly, credence attributes are appropriate for evaluating services. However, it is difficult to evaluate services on credence attributes because most often the consumer lacks the expertise to evaluate the service on those attributes.**Question 5:** What are the dimensions of service quality?**Answer 5:** According to the RATER model, there are five dimensions of service quality. These dimensions can be used to the advantage of the service provider to position and differentiate the business from the competition: * **Reliability** – This is the ability of the service provider to provide the service as promised and thereby meet customer expectations.
* **Assurance** – Employees of the service have to instill confidence in the customer. They must be knowledgeable about the service they provide and they must also be courteous to the user of the service.
* **Tangibles** – Services do have some tangible attributes such as price, brochures, etc. Customers use these attributes to evaluate the quality of the service they receive.
* **Empathy** – This is the attention and understanding that the customer receives.
* **Responsiveness** – This is the turn-around time for responding to the customer’s call. The customer’s request has to be attended to in a timely manner.

**Question 6:** How do service businesses grow? In other words, what are their growth strategies?**Answer 6:** Service businesses are different from consumer or industrial products manufacturers in that when they think of growth they cannot simply provide more of their services in the same area. Services business can adopt one of the following growth strategies. * Setting up more than one service location (Multisite): They can provide their services from different locations thereby getting closer to and reaching more of their target audience.
* Providing different kinds of services (Multiservice): They can add to the types of service they provide at the same location, hence, drawing different audiences to the same location.
* Providing different class of service (Multisegment): They can provide a different class, for example, an upscale version, of service to attract a different segment of customers. This can be done from the same location or from the other sites as well.
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| **Article**  |
| **FAQ: Marketing Effectiveness and CRM** |
| **Question 1:** To ascertain the effectiveness of a marketing initiative, what are the types of marketing metrics I should be paying attention to and why?**Answer 1:** There are many marketing metrics indicative of a marketing initiative's success or failure, and none should be considered alone. Following are some metrics and methods as to how you might use them to support or alter your marketing plan:* Sales are a key indicator of success. There are many ways to look at sales. For instance, you can view sales as a general increase or decline, or compare sales during one period with sales during that same period in a previous year. It is also important to look at how sales change within a particular region or demographic. Each of these could affect where and how you allocate marketing dollars
* Market share is similar to sales, but should be considered separately, because while your sales may be flat or increasing at a very slow rate, you may find that you are experiencing success relative to your industry
* Response rates reveal how many people acted on a specific marketing campaign. It is important to define what the desired "response" is; sometimes it is a sale, but sometimes a campaign's purpose is to simply entice people to request more information about a product
* Campaign Return on Investment (ROI) is critical, because regardless of the response rate or marketing costs, the results or returns should be greater than the expenditure

These are just a few of the metrics that can be analyzed when developing marketing plans, programs, and budgets. **Question 2:** How do I ascertain the effectiveness of marketing campaigns such as advertising or direct mail?**Answer 2:** It can be challenging to gather accurate data that reflects the effectiveness of a campaign. If the campaign includes direct mail or a coupon (either physical or a code, as is the case in online purchases), this code can help you link the purchases to a particular mailer or magazine. For example, a coupon with code 1234 can be in one magazine, while the code 5678 can be on coupons in another code. If 75% of the respondents came from code 5678, it is recommendable to invest more advertising dollars in that magazine. This same approach can be utilized in direct mail campaigns. Measuring the response rate of marketing vehicles such as television ads can be more difficult, so companies will often hire third party market research firms to poll audiences for feedback about the ad. Some metrics, such as an increase in sales, can be used but not relied upon without considering the possible effect of other factors. For example, if a retailer advertises a new line of winter coats and there is a sudden boost in sales of that coat, it could be due to the ads or it could be due to a sudden cold snap in the area. **Question 3:** What sort of response rate should I expect in a direct mail campaign?**Answer 3:** Typically, a direct mail campaign will generate up to about a 3% response rate, but often much lower. This may seem like a low number, but several factors other than just response rate should be considered when judging the success of a campaign. For instance, if a 1% response rate would increase sales enough to cover the costs of the campaign and turn a profit, the mailing should be considered profitable.**Question 4:** How can I use surveys or market research to refine the marketing plan already in place?**Answer 4:** A marketing plan is not a static document that should never change. All metrics and research collected and analyzed should be used to refine and improve marketing programs as well as product features, quality, service, and so on. For example, an auto manufacturer wishes increase market share by 3% in the first half of the year. Surveys of consumer opinions regarding the company's product reveal that despite a strong brand, the company is losing repeat business with customers buying a second or replacement car. Furthermore, they learn that this is due to quality and some specific design flaws. Recognizing that word of mouth is a powerful tool and wanting to keep existing owners happy, the marketing team decides to rewrite the marketing plan with a goal that targets increasing purchases from existing owners. The revised plan should include programs that support this objective. **Question 5:** How is CRM (customer relationship marketing) different from traditional marketing?**Answer 5:** Traditional marketing for many years was focused purely upon customer acquisition; that is, companies were casting a wide net with very general advertising venues such as television, radio, or print magazines and newspapers. In recent years, companies have begun allocating a growing percentage of marketing budgets to growing existing customers. They are equally or more concerned with customer retention as they once were with customer acquisition. Acquiring customers is still a very important part of the overall marketing equation, but marketing departments have realized that once they have a customer, it is beneficial to pursue greater customer profitability. The tools that marketers are using in CRM include; but are not limited to, personalization, customer service, loyalty programs, community building, and others.**Question 6:** What metrics are used in CRM?**Answer 6:** Many of the metrics used in traditional marketing can be applied to CRM; however, with CRM, there is generally the added benefit that we know who the customer is, and can therefore draw additional conclusions and make more accurate assumptions regarding the success or failure of marketing initiatives. Customer satisfaction plays an important part in measuring and refining CRM plans and programs. There are many companies dedicated to performing satisfaction surveys and analysis. Sophisticated marketing departments will gather granular data regarding satisfaction, sales, conversion rates, and so on to create detailed reports, which are excellent indicators of a program's progress. For example, many grocery stores that use loyalty programs will divide their customers into deciles or quartiles based on some metric (such as sales, repeat visits, or profitability), and perform for each group additional analysis by region, product, brand preferences, and so on. Such information is crucial in deciding merchandising and marketing strategies. **Question 7:** What is personalization, and how is it used to increase sales?**Answer 7:** Personalization is anything offered to the customer based upon information already gathered about that customer. For example, a grocery store might know that a particular customer always buys two loaves of bread during each weekly visit to the supermarket. The store also knows that this customer tends to buy prepackaged, branded sandwich meat, which carries a lower profit margin than deli meat. The store could offer a coupon for the regularly purchased bread, which is tied to a purchase of deli meat. There are many things that can be personalized based upon data collected about the customer, and they include pricing; offers; discounts; customer service; merchandising; delivery; packaging; and others. |

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| **Article**  |
| **Article:Evaluating Effectiveness** |
| Some concepts in advertising are timeless. The same challenges have existed over decades. Subject experts tell people that market research is the key to advertising success in all stages of the campaign, from preresearch and implementation to postcampaign. In fact, one study, [The Vidale and Wolfe study](http://www.amath.washington.edu/courses/383-winter-2008/documents/vidale_wolfe.pdf), asks the same questions that individuals pose today. * How does one evaluate the effectiveness of an advertising campaign?
* How should the advertising budget be allocated among different products and media?
* What criteria determine the size of the advertising budget?

Another question to ask is how do the answers to these questions turn advertising into an actual sale? The job of advertising is to increase sales.Results from the Vidale and Wolfe study (1957) concluded that "the response of sales to advertising varies widely from product to product." This study suggests that market research is an essential component and first step of developing an effective advertising campaign. Advertising and sales promotions help transform messages into sales. Vidale and Wolfe also summarized that individual product responses related to advertising promotions are characterized by response constants, saturation level, and sales decay constants (Vidale & Wolfe, 1957). The sales decay constant shows that when promotions decrease, sales decrease because of "product obsolescence, competing advertising, etc." (Vidale & Wolfe, 1957). In other words, promotions help keep the product in front of the customer for future purchases.Although these terms have been updated over the decades, the bottom line is that the advertiser has to constantly compare sales responses to the advertising campaign to determine its effectiveness.**Reference**Vidale, M. L., & Wolfe, H. B. (1957). *An operations-research study of sales response to advertising*. Retrieved from http://www.amath.washington.edu/courses/383-winter-2008/documents/vidale\_wolfe.pdf.  |

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| **Activity**  |
| **Customer Service Levels** |
| **Customer Service** Competition is a constant challenge in today's business world. In those industries where products are generally indistinguishable, and in which all producers have equal costs of production and similar supply chains, customer service is often the competitive arena.Let us take a broad view of customer service to include the concept of customer experience. In many businesses, there is a customer service department. This department may include an inbound call center for entering customer orders. In other organizations, customer service means the sales persons on the sales floor. Other organizations provide telephone or on-site support through their customer service department. These definitions are perhaps too narrow.**The Components of Customer Service**True customer service is a quality-driven competitive function. A popular definition of customer service is delivering the right product at the right price to the right customer at the right time at the right location.* *Right product* means the product or service is suited to the needs of the customer, and that is the product or service that the customer expects to be delivered.
* *Right price* really means a fair price in terms of the product or service's value to the customer in light of the available competitive products or services.
* *Right customer* means that the customer is one to whom your organization wants to sell. Not all customers should be serviced.
* *Right time* focuses upon both the promptness and timing of delivery. Customers may be willing to wait patiently to take delivery of the latest sports car model, but may not want to wait at all to pass through a highway tollbooth. Similarly, some customers may have established hours for receiving deliveries.
* The *right location* means that the product and service must be delivered where it is needed, not merely to the loading dock or to the front office.

**Who is responsible for customer service?**The short answer is that everyone is responsible for customer service. Anyone who has contact with the customer or affects the delivery of the product or service shares the responsibility. For example, the good attitude, demeanor, and professionalism of the invoice clerk when answering a customer inquiry is an important part of delivering the proper customer experience. Likewise, the warehouse person who loads the customer's truck or the delivery person who delivers to the customer's site has the last chance to leave a good impression on the customer. |

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| **Resource Links** |
|  **Center for Community Economic Development**(http://www.uwex.edu/ces/cced/dma/)Downtown and Business District Marketing Analysis  |
|  **SCORE**(http://www.score.org/article\_online\_marketing\_strategies.html)Online Marketing Strategies to Promote Your Business  |
|  **Customer Relationship Management (CRM)**(http://www.mckinsey.com/practices/marketing/servicelines/crm.asp)In a web page promoting its services, marketing firm McKinsey and Company describes its use of CRM.  |
|  **CRM**(http://blog.tmcnet.com/telecom-crm/2008/04/11/the-importance-of-crm-and-customer-service-in-health-care.asp)The Importance of CRM and Customer Service in Health Care.  |
|  **SearchCRM**(http://searchcrm.techtarget.com/)"SearchCRM.com is free resource dedicated to Customer Relationship Management (CRM) decision makers." The site offers "original daily news, expert tips, discussion forums, Webcasts and customized research that will help you develop, design and implement CRM initiatives." - from site  |
|  **American Consumer Satisfaction Index Industry Scores**(http://www.theacsi.org)Established in 1994, the American Customer Satisfaction Index (ACSI) is a uniform and independent measure of household consumption experience. A powerful economic indicator, the ACSI tracks trends in customer satisfaction and provides valuable benchmarking insights of the consumer economy for companies, industry trade associations, and government agencies. To access their data, click the **ACSI Results** tab at the top left of the page. When the new page loads, you can browse through recent reports, or look at the menu to the right to see options to view scores by company or industry.  |
|  **All About Marketing**(http://managementhelp.org/mrktng/mrktng.htm)The Free Management Library provides resources on all aspects of marketing including: basics and planning, inbound marketing which includes competitive analysis, positions, and branding, outbound marketing which includes advertising, sales, customer service and customer satisfaction, and articles and resources about how to evaluate your marketing efforts.  |

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