



## Internet Marketing Consultants

This is one of the 'Best of' articles written by Barry Welford. The current portfolio of these articles is to be found at <http://smmbc.ca/portfolio/>

### Building Your Customer Relationships

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If you thought this article was going to be about more effective usage of your CRM software, you could not be more wrong. Marketers have become used to a world where they try to control prospects and move them through the various stages of engagement until those prospects purchase.



CRM software can be used as an information system to allow you to deal more effectively with that process for converting prospects into purchasers in an individual way, customer by customer.

In a way, it's the traditional way of selling but using the new tools that are now available. It's the marketer who is always in control and the prospective customer who is the target of that effort. This approach takes no account of the fundamental change in society caused by the Internet and, more importantly, by mobile devices. This change empowers customers and gives them new knowledge and abilities that marketers ignore at their peril.

As you will see if you read through to the end, this change in society might appear as a challenge—but you can turn it into an opportunity.

## **It's a social media world**

One quick way to understand what's going on is to observe what's happening in social media, particularly Facebook and Twitter. People can become aware of others, either in their neighborhood or around the world, who have similar interests and who want to maintain contact and exchange ideas and views. Other social media have impacts on slightly smaller proportions of the population but are equally powerful for those niches, like LinkedIn, Google Plus, Instagram, Pinterest, and FourSquare.

In any of these media, individuals will have a network with whom they are in touch from time to time. They are entirely in control of who they are in contact with and how often. Their attitude towards these contacts is very different from how they may feel about attempted contacts by companies who employ push marketing tactics. Companies cannot establish contact with these individuals by frontal assault. In considering how best to establish contact, it's important to realize that different individuals have different beliefs, different understandings, and a variety of ways of doing things. Let us look at some of these different types of individuals.

## **Some customers are 'prosumers'**

**Prosumers**, a small but important section of the population, are customers who treat consumables in a personalized manner. The whole experience is important to them, from the acquisition and use of the product to the impact it has on their lives and lifestyles. Increasingly, they are paying attention to the impact the product has on other people and the environment, as well.

If you can get their attention and their involvement, this is an important group to have on your side.

## **Some customers are influencers**

A much bigger slice of the population are those individuals who are sufficiently connected and enthusiastic and who encourage their networks to try out products and services they find useful. You can't afford to ignore this group. Their importance is highlighted in the **Technorati Digital Influence Report 2013**. As is emphasized, **you cannot live without your influencers** in 2013.

Influencers is a trending marketing term these days, and rightfully so. A quick search will lead to an abundance of tweets, articles, reports, and books filled with the reasons for and benefits of nurturing the influencers in your customer database. Yet we still see so many clients struggling to sift through their customer database and segment those who are participators versus social advocates versus true influencers. Discussing the differences between—and importance of these segments—would require another article in and of itself.

## **Most customers have friends**

Most people do not fall into the categories discussed above. They are the people you meet in the street or who live in your neighborhood. A good solid citizenry who are the salt of the earth. That is one view of them. However, if you chatted with any one of them about the people who are important to them in their lives, you would find they do have their own network of friends and acquaintances. Since this is the largest proportion of the population, they cannot be neglected in any effective marketing strategy.

## **Grow your customer asset**

As we've discussed above, different portions of the population have different innate characteristics regarding how they handle the topics which are important to them and how they interact with others about these topics. Let's look more intensively at a different grouping, the people who are your customers. They all share two characteristics:

1. They were convinced by your selling process to purchase your product or service.
2. They've had experience of using your product or service.

Those individuals and your company have both invested a good deal of effort in creating this relationship. It's far easier to strengthen that relationship than to take individuals who have no knowledge of your product or service and bring them to that same point, i.e., a customer with a satisfactory experience of your product or service.

If the experience of using your product or service is pleasurable, then you can consider these customers as stakeholders. Being one of your customers is something they value. Here are some of the benefits they may get from that association:

- The pleasure of using your product or service.
- The good feeling they get when they need to use your customer service for maintenance or repair.
- The satisfaction they get by recommending your product or service to a friend who values your suggestion.
- The delight they get when there are upgrades of the product or service which deliver significantly improved value.

None of these are all that difficult to achieve with customers who have already invested in your product or service. The theory of [cognitive dissonance](#) suggests they prefer to feel good about purchasing decisions they have already taken.

## **A very different customer relationship management**

A new approach to customer relationship management is suggested by the two factors we discussed above:

- Customers feel like stakeholders in the successful products they like to use.
- Individuals are much more likely to be active members in online networks through social media.

Given that companies will not do well in making direct contact with potential purchasers, we should think how we can help and support our customer stakeholders to spread the word to their friends. It should work for prosumers, influencers, and the rest of the population too. A careful balance is implied here since we do not wish to alienate our stakeholders with too frequent contacts or contacts they do not welcome.

The ideal plan implies regular staying-in-touch messages, which allow the customer to take control and act on offers or request more support documents or devices they might wish to pass on to their friends. Some creativity is required with the ultimate goal being that the customer feels a warm and strengthening relationship with the company.

In a way this is an extension of the idea of customer-centric marketing, an approach that pictures the customer not as the end point in the communication process but as a potential node in an ever-extending network. When successful and occurring at a reasonable speed, you have achieved the marketers dream, true viral marketing.

Here are two references that will give you further ideas on how to strengthen your customer relationships:

- [Customer-centricity takes customer focus to the next level – and improves loyalty and profit](#)
- [Ten ways to build rock solid relationships with customers](#)