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Relationship Marketing – Back to The Future

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Abstract

The Primary objective of this article is to dissect Relationship Marketing by breaking it down into two separate words, and to address each one's simple immutable meaning. We'll also go on to discuss what (re)triggered this "new" specialization to emerge, the advantages and disadvantages that should be considered when implementing a full circle RM in our organization strategy, and to what levels we can take it. This article will go further on and try to provide tips on some key factors that are mandatory to achieve this implementation from the inside and out of an organization.

Keywords: Relationship, Marketing, Information, Emotions, Value

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1. INTRODUCTION

There has been a lot of thought going on about the “new” trends in Marketing. We’re hearing concepts like Digital Marketing, Ethical Marketing, Relationship Marketing, etc. but in fact there is only one Marketing. When Marketing is done right all trends are fulfilled. We can compare this to other sciences, like Medicine and to its objectives. Medicine has always been about the well being of the person but due to the necessity of treating a patient better and resolving situations that were beyond the known capability, Medicine has specialized into orthopedics, stomatology, etc. Medicine didn’t stop being Medicine it has just got better by being able to attack specific problems in more depth. Marketing, as such an absorbing and demanding science went down a similar path, and to be able to be in the front of every battle at its strongest, specialization also occurred. Although this may seem consensual, we have the short end of the stick, because whereas other sciences have the advantage of the “one problem and one or more solution”, in Marketing we work with people’s emotions, so we have got a lot of different problems and needs that we have to address in a very careful way so we can continue to be an option to our consumer or potential consumer.

We can probably agree now that science hasn’t changed in its basic foundations but has the world changed? This current time that we’re occupying this planet, is the time of Fast and Accessible Information. Knowledge is just around the corner and everyone lives on the same street. Due to this fact we live in the age where “copying” is possible and easy, there are no more “secret ingredients” that distinguish us from the rest, and this is where Relationship Marketing can make an impact because pure individuality can’t be mimicked.

A full circle Relationship Marketing implementation should in fact have a continuous boomerang effect and improve the service or product on the Market.

2. METHODOLOGY

This paper undertakes a review of diverse Marketing and Management literature supplemented by on going research with professionals on all level of an organization and with the diverse situations encountered with consumers and clients for over 30 years in different companies.

3. EMPIRICAL COMPONENT

3.1. THE TECHNOLOGY IMPACT

Relationship Marketing has been around for centuries, in different forms, but in the last decade we’ve seen an increase of its importance, and to a certain extent, its validation as a specialization in Marketing. Initially Relationship Marketing was more linked to the Service Sector but is of equal importance in all Sectors that want to influence the consumer. Relationship Marketing goes on in some ways to eliminate the Economic Sector barriers that we studied and shows it’s fundamental for the survival of any organization to Relate. Relationship Marketing is not the Humanization of Goods and Services it’s the attempt to create an identification, a bond with the consumer to achieve their recognition and loyalty.

Most of today’s world population are living the Age of Technology, we have become in some ways a part of Hard-Ware, most of us are attached to our smartphones, laptops, smartwatches, etc. Technology has become a part of us and we a part of it. This is not just the age of Technology, **it’s the age of accessible knowledge, the age for copycats.** Never in any time of history has it been possible to access so much information, **to be able to do it all without knowing it all.** The internet plays a crucial role in the change of rules on how the game is played, and for that fact, the game and the players are completely different and always changing. RIGHT NOW, and if I wanted, I could look up a recipe for apple pie and, in less than a minute have over a hundred of them at the palm of my hand. I now possess the knowledge to go home and bake one for my family. This might seem ridiculous but imagine yourself as an Apple Pie Company and instead of being me baking a pie, it was a company that wanted to go into this line of business and downloaded your recipe. In what situation will this put you in? Did your main product and, your carefully kept secret just come exposed? Are you now at the same level as this new company? Could you in fact be Dolly the Sheep? Yes of course. This comparison may be simple, but it must serve as a lesson to humble us, everyone, every organization. From any

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given part of the world people and organizations have the potential do be like the BEST, or at least, look identical to the BEST. Due to the accessibility and rapid flow of information and of knowledge we live in the age of the Copycats. Products, Services and Processes are no longer fully protected by patents. A Copycat can appear from no where and has the power to cause harm in a very short amount of time to the Organization and Brand that took so long to build.

This Age of Technology doesn't just benefit the Copycats, it also benefits the consumer. At the palm of their hands they have the power to search for the cheaper prices, the best product or service, best quality/price relation, customer feed-back, product composition, product origin or even what their favorite singer eats or drinks, the list goes on and on. Consumers can look up pretty much anything they want.

When Organizations, Brands, Products and Services are under constant pressure, in constant threat, and in the eye of the consumer they all look the same, what can we do? How can we influence choice?

"We must do MARKETING; we must specialize and do Relationship Marketing!"

3.2. AUTHENTICITY

"When ALL colours blend into one it will be necessary to shine a little brighter"

On our previous point we mentioned the Copycats, the easiness on how it is to be cloned, and how everyone has the potential to be the BEST. There is tremendous difficulty to prevent this from happening. Patents, Registrations and Security Vaults are just not enough, and can't protect us from small changes on our Product, Service and Processes. Commercial relations have become more complex, and we don't simply play in the "Open Market", we play in a Market of "Open Souls" where the DNA of our organization's are exposed. The Copycats are here to seize this opportunity and attack us. We can continue to innovate, and bring cutting edge advantages to the market, but they will soon know our best kept secrets.

Consumers on the other hand, now see us as number, they confuse us with the "others", and choice is highly influenced and fought for. Being a pioneer or an owner of a Brand doesn't mean you have control of your battle ground, its doesn't even mean you have a upper hand. Products and Services are displayed on the same shelves in the supermarket or when being "googled" could appear in an order that doesn't benefit us.

This is not a dead-end road, nor should we stop investigating, renewing, inventing, etc., these actions are a must and will always give as a competitive advantage to put us, even if momentarily, in front of the herd. We all know that "Leaders Don't Follow" but what happens when they catch up to us? First, we must maintain focus, and continue to push forward to improve these actions, and second we must introduce our most singular and simple factor that can't be copied, we must call forward the "me in me" or the "us in us".

The concepts of the "me in me" and of the "us in us" are simple ones, they are based on singularity and authenticity and therefor, when we're selling a product or service we're also "offering" *me* or *us* to the market. The consumer must perceive these as extras to his expectations, and these extras must differentiate us from the competition in a positive way so that we can ultimately influence choice.

"Today we know the name of the Brands by heart, but tomorrow they must know mine"

To leverage this differentiation in a positive way, so that we can influence choice, we must go after "emotions". We must try to create a tie with consumer, so he can see our product and service not just as the best for HIM, but something that HE loves, identifies with, the one thing HE won't betray and the one that makes HIM feel special and recognized. To achieve this feat, we must also identify the consumers singularity, we must know HIM.

To know HIM, the consumer, OUR costumer, and to create this tie, there are many paths, like simply knowing his name, and communicating through it. We also have, the birthdays, the hobbies, the habits, the children, the

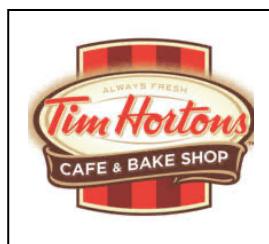
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pets, the needs, the dreams, behaviors, etc. We can work on each of these, or better, on more than one at a time. If we recognize this singularity in the consumer as a part of our strategy, as part of something bigger, and if we make HIM feel involved and emotional attachment with us, we're on the right track to transform HIM into a costumer. The ultimate goal would be for this interaction to work as a Joint Venture where each participant maintains their identity but cooperates in making our product or service better. We shouldn't relax on the fact that our product has quality, that it's priced right or that our Innovation Department is constantly ahead of the competition. We should also allow the consumer to participate in the re-engineering of our product, of service and making our organization "consumer friendly". This is where the term "Relationship" should be introduced. There's a saying that *"marriage is about two people looking in the same direction"*, when doing Relationship Marketing its pretty much the same, but with a twist, it's like having a Polyamory attitude. It must be an open, consensual and committed for life relationship.

The must of a Good or Service having a Purpose (Value) maintains essential, because making just a tie with emotion is simply not enough, we must work on necessity and quality. If I we're to need to cut down a tree this weekend I won't be looking for a kind man in suit to sell me a chainsaw, I'll probably be looking out for a crude guy with a bunch of tattoo's to see what he uses. This is just to say that depending on what we're offering, there should be a logic to the Relationship Strategy behind it. To follow this logic our communication must be clear and leave no doubt in the consumer's mind. It should be clear and strong enough, so that when the necessity pops up in the consumer's head, so will our Brand. We should be, without a doubt, the solution, the one the consumer should turn to. In some cases, the name of the Brand is so strong that we confuse it with the good, examples like Coke, Kleenex or going a little wider like asking for a Scotch at a bar. This kind of Brand Confusion is almost impossible in these times but impossible has been beaten and beaten repeatedly, and, if you don't believe me use the "wi-fi" and "google it".

"Bringing back the "Visible Face" behind the Brand"

Tim Hortons, a well-known Canadian Brand, born in Hamilton Ontario, specialized in Coffee and Donuts, is going through some difficult times. Brazilian based private equity firm 3G Capital thought it would be positive and in their best interest to "merge" the best characteristics of Tim Hortons with Burger King, so that after "filtered" each one would emerge stronger and be more competitive in the market. This filtration gave way to a new structure, new ways in cuttings costs, training and advertising. What happened was that Tim Hortons stopped being the Tim Hortons the franchisers knew and to Canadians it stopped being "Timmies". Sometimes our product or service is not what we know it is, its what people think it is. Tim Hortons was ranked 13th in 2017 in the 50 most reputable Canadian companies and fell off the charts in 2018, and their annual Brand survey saw them fall from 4th to 50th in 2018 although in 2019 they made a recovery to 33rd. Focusing and what "others" focus on has made them pretty much the same as these "others" and instead of being cloned they made the choice of "imitating" causing them to lose the "me and me" and their "us in us" and eventually leading the consumers to forget the visible face behind the Brand. Tim Hortons, which I hope will be Timmies again in some given time, has realized that the perception and a "visible face" are what makes us unique in this game and so they now have a rebranding strategy on the way with the goal of going back to core values and becoming Canadian again.



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Taking a different path and starting first with a “visible face” is the new French brand “C’est Qui Le Patron?!” (Who’s the Boss?!). They changed the assumption that a cheaper price for the same kind of product is better, they clearly went after “emotions” and “influenced” the costumers to pay more to embark on a mission, a mission that would be to save the French farmers merely spending the insignificant amount of 4,00 euros more on milk a year. The strategy was to let the consumers know that due to the pressure from the big retail groups in reducing the producers prices, most French Dairy Farmers we’re going broke and to top it all their suicide rate was 30% higher than the general population. Milk is all white but CQLP shines a little brighter and is now the Best-selling new food brand in France and the 4th biggest milk brand outsold only by cut-price supermarket-owned brands. CQLP are said to be “forming a goodwill army” of consumers to make change happen. CQLP is going on to introduce new products in the Market and by listening and involving the producer and consumer, they are doing Relationship Marketing.



There will always (probably) be a place in the Market for Big Brands like Coca-Cola and Pepsi where there isn't a “visible face” associated to the product, making it hard to work on “true emotions”. This leaves an open door and gives the opportunity to those who choose this path to approach the consumer. We see new age entrepreneurs creating products and services for niche markets and no matter what their market percentage is, there are more and they're biting the toes of the Big. Big Brands for this reason must stay on constant alert and not fall asleep because Giants have fallen in the past. Consumers are looking behind having Social Friends and being “Liked” on Social Media, they are eager to be a part of something bigger, to connect with something real and to bring back “Aunt Mary's Cookies” or “Granddad John's Barbecued Ribs”.

Competition, Prices, Copycats should never be an excuse to give up, they should in fact be a motivator to become the black sheep among the rest, they should be the opportunity to go back, to be original, authentic, the “me in me” the us in us”.

3.3. ORGANIZING THE ORGANIZATION

The cornerstone of our Organization most stand on Authenticity, we must always be faithful to the “me in me” but also allow adaptations if our “me in me” evolves. We should recognise the need to change, if our vision or values on a certain subject changes. We can't sell a product or service we don't love and don't believe in, if we choose to do so, we're no better then the Copycats, and we're in this only for the money not for the love. Eventually we'll start losing our Authenticity and sell out our “me in me” for the almighty “dollar”.

Implementing a Relationship Marketing Strategy inside and out an organization isn't an easy task. As we discussed before it's all about true commitment to the relationship, so the smaller number of people involved, the easier it is to receive and process this *come and go* of interactions. For each person we add to the equation the more complex it becomes. Take for example, one singular addiction on the Organizations side, we change immediately from the “me in me” to the “us in us”, and if we add just one person on the consumers side, we add the possibility of encountering multiple opinions, emotions and beliefs to satisfy.

How we go about to organize and process the consumers opinions, emotions and beliefs is essential, it will help us choose our “*modi operandi*” that must be aligned with our “me in me” or “us in us”. There are many tools on the market that can help us. The further we go with Relationship Marketing the more complex it gets, because looking into and registering each consumers individuality is extremely demanding.

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The smaller the organisations the simpler and easier a Relationship Marketing “strategy” becomes. When an “organization” is a “one-man band” like a coffee shop, a small convenience store, or local butcher, we have automatically the “me in me” and what you see, is what you get. This of course, doesn’t mean that having the “me in me” is enough and all we have to do is wait for customers to roll in.

We still must work on authenticity to distinguish ourselves from all the other butchers, because we’re not just selling meat, we’re selling the best cut, best origin, fresh from the farmer to your table, and to the ones you love. So, we, as businessman, as organizations, must be determined and passionate because we’re pursuing emotions of consumers and, we want this relationship to trigger choice. We want the consumer to know, our Brand, our name, we want consumers to call us by our name: “Bill the Butcher”. In the consumers mind, we must *be the guy to go to*, the one who advises on the best meat, which part of the animal is best for in cooking and how to do so. He’s the friendly guy with the knife. This way, we can literally say that “Bill the Butcher” has his life cut out for him.

“You can always find someone with the brains to get it done, what will be harder is for them to have a heart”

As mentioned earlier, the larger the organization the more complex authenticity gets. We’re shifting from our original cornerstone, the “me in me” to an “us in us” and although we could be armed with a strong product or service, when we add one, or various people to the equation, it changes its original formula. Knowing that the individuality in the individual is impossible to copy, each variable added will contribute to something new in the relation. The addition of this individuality, could bring more or less quality to the relation, depending on the perception of the consumer, but one thing is certain, it will never be the same. This is Change. Change is important to acknowledge in Relationship Marketing because it will alter perception, we have the obligation to participate each time our organization makes Change (addition/subtraction). There is no Change too small that won’t influence our equation, and therefore alter our “us in us”. When defining our organizations strategy, we are assuming who, and where we want to be. The people we hire or cut loose must allow the organization to be aligned with its strategy. Each person in the organizations must be an Ambassador of the product or service, we shouldn’t underestimate how important we think the role is because everyone is crucial in our organisation’s global value.

4. DISCUSSION

What do we really need to influence choice and loyalty in the future?

Today we must take in consideration that the flow and accessibility of information is enormous, and that there’s still much that’s being done to increase it. Its certain that consumers in the future will be more informed, and that accessibility will be as common and simple as breathing. Due to these facts we can consider people as “people ready”; ready to lookup, ready to compare, ready to comment, ready to share, etc. This will make the effort to influence choice harder and the necessity to establish a connection with the consumer even more important. Connection must be established in such a way that the consumer not only see’s a benefit from what we are offering, but identifies with it, creating an emotional tie.

What is the future for Relationship Marketing?

Is it a road too rough and demanding to be on, or is there another path we can take?

First, we’re ALL on the Road already. Better or Worse, we’re all at some level doing Relationship Marketing. There is no other path, as soon as we go to the Market, “we relate”, we establish communication, so, the only thing in our power, is the attention and dedication we take into the Relationship. Consumers are more “*detail orientated*” and due to this, organizations are pressured to listen and satisfy their demands. The more importance we give to Relationship Marketing the more consuming it gets, but it will also put us in a solid position to grab and maintain the costumer. We have many options to approach the Market with our product or service, each of them has implications and variations. For example, we can mass produce and mass communicate, do a “one sizes fits all” option. Another option is to pursue collective behaviors, and orient our communication to the “tribes”, here we have a product or service specialized for a group, and we work within

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this group to achieve our goals. We still have the more demanding option, to orient our communication to the individual, to the “HIM”, recognizing singularity and building a product or service based on “HIS” needs.

What is authenticity and what does it take to be authentic?

“Authenticity is the quality to be real, to be true beyond a doubt”, so for a product or service to be authentic it must be clear that what we offer and the perception of the good are aligned. It's easier for the consumer to trust, and emotionally relate if our product or service is authentic. This won't transform everyone into a customer, but it will ensure integrity of the brand. For example, when too many spices are added into a steak, we no longer know if we're eating meat. When an organization intends to implement diversification it should carefully study if the impacts on its main product or service so that the original identity of the Brand is not harmed or lost in the process.

5. CONCLUSIONS

Relationship Marketing is a specialization of marketing, “tailored” to influence choice and loyalty by establishing an emotional tie with each customer's unique needs and interests. To reach its goals an open communication platform is established between the organization and the consumers, enabling the collection of information that should be used correctly to leverage choice.

Authenticity is the first step for any organization when bringing a product or service to the market. They must believe in the “me in me” or the “us in us”, and, that what they are bringing to the table is different or brings a twist to what already exists. Organizations should be genuine about customer's interests and needs, this is the only way to clearly build trust, and customer long term loyalty.

The collection and organization of information is fundamental for the success of a Relationship Marketing Strategy and it becomes more demanding the bigger the ambition is to “relate” in the market. This information should be constantly analysed and updated, so organizations know their current position. It should also allow the identification of threats and weaknesses in products or services, so these can be improved. This will make the consumer feel involved, sending a “message” that there is a true attempt by the organization to establish a real relationship. When the consumer understands this intent to “relate” it will be easier to transform him into a long-term customer.

Relationship Marketing will be successful when there is true commitment and passion within the organization. Every job, and every task contributes to the construction of a solid Brand. To achieve this, the organization should be built from the inside out, and each addition should be carefully chosen to continue with this vision ultimately making everyone into a Brand Ambassador.

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