D13 Customer relationship management (CRM) - Solutions

1

Customer satisfaction is the most important result of customer relationship management. The acquisition of new customers is expensive, so it is important for to enterprises focus on retaining their existing customers. However, only satisfied customers make repeat purchases, subsequent, and additional purchases. Therefore, customer satisfaction is an important factor. In addition, enterprises are eager to win back dissatisfied customers and initiate targeted measures with the help of systematic complaint management.

2

Individual solution. Suggestion:

- Customer traffic must be driven to the site: for example, through the use banner advertising or the location of links in a search engine (e.g., Google).
- The site and the products offered on it must be convincing. This includes professional web design.
- Customer contact must be produced, for example, through a contact or order form.
- Targeted measures that increase the likelihood of a purchase decision, for example, by granting special discounts for new customers.

3

A customer is not profitable for the enterprise with a first purchase because, at that point, the enterprise has already accrued high costs (e.g., advertising) to attract the customer. The customer only becomes profitable over time. It is less expensive for the enterprise to retain an existing customer (for example, in that purchases are increased or additional purchases generated) than to always be acquiring new customers. Customer-retention programs allow an enterprise to approach customers in a targeted way, because the enterprise knows the customer is already interested in its products or services. Customer-retention programs are therefore of great importance in CRM.

4

Individual solution. Suggestion:

Enterprise	Measures to increase customer loyalty
Yves Rocher	Customer card with loyalty bonus
Wine sellers	Direct marketing by telephone, ask if customer is interested in other offers
ricardo.ch	Direct marketing by e-mail: current offers, for example, garden furniture in
	spring/summer or ski equipment in autumn/winter

5

a Individual solution.

b Individual solution.

6

Individual solution. Suggestion:

		Customer magazine		Customer card		Mailing	
Criterion/	Weight	Points	Result	Points	Result	Points	Result
location factor	W	Р	$= \mathbf{W} \mathbf{x} \mathbf{P}$	Р	= W x P	Р	$= W \times P$
Costs	30	1	30	4	120	5	150
Effectiveness	50	4	200	5	250	4	200
Innovative capacity	20	2	40	5	100	5	100
Total	100		270		470		450
Ranking			3		1		2

Choice of instrument according to the cost-benefit analysis: customer card

7

Individual solution. Suggestion:

CRM activity	Concrete measures		
Customer acquisition	- Commercials on radio / TV for the ski region		
	- Advertising in magazines and on billboards		
	- Online advertising		
Customer retention	- Generate repeat purchases by targeting the existing clientele, e.g.,		
	early booking discount and loyalty bonuses, awarding vouchers		
	- Introduction of systematic complaint management (e.g., vouchers		
	or discounts for dissatisfied customers)		
	- Introduction of after-sales management (e.g., create diploma for		
	passing the ski test, send photos of ski school classes, newsletter)		