Digital Strategies for Marketing Relationships with Customers

Ralitsa Yaneva

Shumen University, Bulgaria

Abstract

In the conditions of the new economy and in the spirit of the relationship marketing and corporate social responsibility, the digital strategies of building bonds with the consumer are a major area for competitiveness. The present report suggests a model of digital marketing strategies for bonds between a business entity and a client. Based on a study of 303 consumers and 78 companies, consumer opinions about the role of the instruments of the major strategies for mutual bonds—strategies for retention, attraction, and development of a bond—were analyzed. There is analysis of the digital communication tools and principles most used by the companies. The comparative analysis of the results of the research allows the formulation of recommendations for the business entities for the application of a package of digital tools for bonds with the consumers and the improvement of the results of these activities.

Keywords: marketing relationships, digital strategies, digital marketing tools, relationships with customers

1. Introduction

Modern marketing enters the life of every consumer, and marketing management is the most important factor for a company's success in the long run. Today the main challenge in marketing is earning the consumer's trust and social connectivity with the consumer. Because of this, the relationship marketing continues to be the current paradigm. The merger of spirituality and marketing is true relationship marketing or marketing for the new era. This is an opportunity not only for marketing to overcome problems it has created, but for it to become a path for the spiritual transformation of society through the transformation of the production of relationships.[1] The result of relationship marketing is corporate social responsibility understood as "a process of voluntary (beyond the requirements of the law) building of community relationships within the company and with society (with consumers, business partners, and local

---

[1] *Dimitrova, Trufka, Marketing na otnosheniyata—duhoven format, (Shumen: Shumen University "Konstantin Preslavski," 2011), 6.*

and other communities) and nature."[1] Marketing has always been a social process, and social responsibility is a part of this process, yet market and financial relationships prevail. Here it is not a question of replacing concepts, but of taking an approach that guarantees sustainability and a long-term effect for society rather than fashionable enthusiasm and one-off acts for the purpose of economic and other benefits.

Relationship marketing directed towards the consumer, business partners, society, and the environment, also called external marketing, is carried out for the purpose of building interconnections. Fundamental aspects of external marketing relationships and marketing activities that are satisfactory for achieving them are a responsible and caring attitude towards consumers and gratitude, respect, and correctness towards other business associates. [2]

The new economy is characterized by globalization, technological development, and the role of the Internet. The new economy is developing into a society of interrelationship and interconnectivity. Thanks to this, it has become possible for hierarchical networks to give way to networks along the model of the Internet. New technologies allow small companies to compete with the advantages traditionally held by large enterprises because of their scale of production and access to resources. At the same time, small firms are not burdened by the disadvantages of large firms such as bureaucracy, hierarchies, and the inability to change. The Web allows businesses to quickly adapt to change. It removes the necessity for intermediaries between buyers and sellers. In the new economy, the gap between the consumer and the producer is disappearing. Producers are forced to produce specific products that reflect the needs and tastes of individual consumers. Consumers today can already design a future product according to their own desires with the help of a computer, and in this way they can be included in the production process.[3]

In this economy digital marketing communication strategies are becoming a fundamental competitive factor for building relationships between market entities and consumers in particular. Figure 1 presents a model of the digital marketing strategies for the relationship of business entities with consumers and the tools for doing so. In this model, the basis for interconnections is internal marketing, which builds harmonious relationships within the organization. It is a prerequisite for efficiency in the external market directed toward external entities (suppliers, intermediaries, the community, institutes, the environment). The goal of internal marketing is long-term mutual relationships with clients. The "meeting" of the relationships between the entities in one process determines their subsequent

---

[1] Dimitrova, Trufka, Nikolova Denislava, "A report on corporate social responsibility with integral evaluation," *Economic Thought*, 4/ 2017, 89.

[2] Dimitrova, Trufka, *Marketing na otnosheniyata—duhoven format*, (Shumen: Shumen University "Konstantin Preslavski," 2011), 160.

[3] Dimitrova, Trufka, Zhecheva Veselina, *Vlijanie na digitalnija marketing vârhu reklamnite instrument, Ikonomika i upravlenie na biznesa—vâzmožnosti i rešenija*, (Shumen: Shumen University "Konstantin Preslavski," 2017), 414.

interconnectivity. According to the stages of transformation of client relationships, the basic strategies for interconnectivity, in our view, are: a strategy for attracting clients, for retaining them, and developing relationships.

The basic digital tools are: valuable web contents, electric commerce/a system for registration and ordering, web design/functionality, search engine optimization (SEO), direct marketing/personalization, email marketing, online advertising, social media profiles/pages, applications in social media, mobile applications (mobile site versions), and blogging.

The basic principles built into the tools are: trust, freedom of choice, security, engagement, cooperation, personalization, benefit to the customer.

The expected end benefits for the business unit from the model are: profits, sales, ideas, advertising (recommendations), improvement, competitiveness.
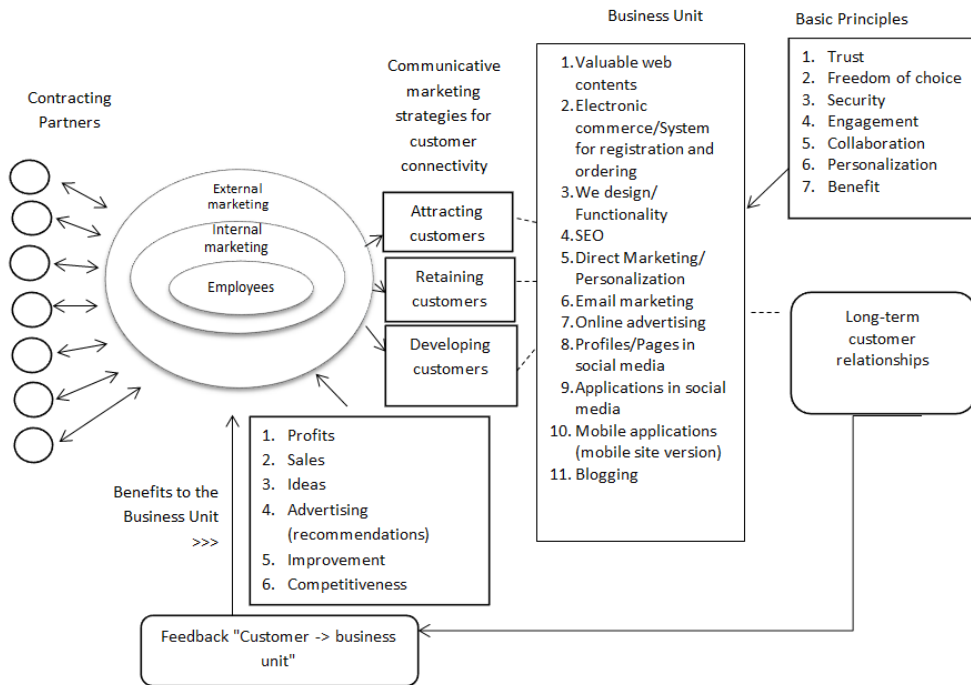

Figure 1. Model of digital marketing strategies for connectivity with clients

2. The Essence of Interconnections and the Basic Tools of Marketing Strategies for Customer Relationships

In the field of business services, Berry states, "The relationship with marketing attracts, maintains, and strengthens customer relationships,"[1] and Berry and Parasuraman propose that: "relationship marketing concerns attracting, developing, and retaining customer relationships."[2] In industrial marketing, Jackson refers to relationship marketing as "marketing oriented toward strong, lasting relationships with individual accounts," as do a number of other authors, according to whom the definitive key factor for development in the area of relationship marketing is a basis of trust and cooperation, between the both the business organizations and their external and internal target audiences, between the organization and the client and partner organizations, as well as between competing companies themselves.

The main drawback of most definitions is that they do not include the concepts for key customers. In order to cover all forms of relational exchange and to focus on the process of relationship marketing, Morgan and Hunt propose the following: "Relationship marketing refers to all marketing activities directed towards establishing, developing and maintaining successful relational exchanges." [3]

Marketing is facing a new paradigm. The focus has shifted from attracting new customers to influencing and taking care of customers. The core of relationship marketing is in the relative, maintaining customer relationships between companies and participants in their micro-environment—that is, suppliers, intermediaries, the public, target markets, competitors, and of course, in the most important role, customers. The idea is above all to create customer loyalty in order to ensure stable, mutually beneficial, and long-term relationships. Value is considered to be an important element of relationship marketing, and the ability of a given company to deliver superior value to its customers was considered to be one of the most successful competitive strategies of the 1990s. This ability becomes a means of differentiation and a key to the enigma of how companies can create a sustainable competitive advantage through adding more value to their core products,[4] as well as a means for business organizations to strengthen their relationships.

Lina Anastasova asserts that relationship marketing represents a broadening of the concept of marketing, brought about by the dynamics of the digital age. In relationship marketing attention is focused on the overall mutual understanding between buyer and seller, rather than simply on the transactions taking place between them. Relationship marketing consists of building and maintaining relationships in which

---

[1] Berry, Leonard L., "Relationship Marketing," in Emerging Perspectives on Services Marketing. L. Berry, G.L. Shostack. and G.D. Upah, eds. (Chicago: American Marketing Association, 1983), 25.

[2] Berry L., A. Parasuraman, Marketing Services (New York: The Free Press. 1991), 133.

[3] Morgan, R., Hunt S., "The Commitment-Trust Theory of Relationship Marketing," Journal of Marketing, July 1994, 22.

[4] Ravald, A., C. Grönroos, "The value concept and relationship marketing," European Journal of Marketing, 1996, 19-30.

potential clients become actual clients, and actual clients—supporters and friends. This, however, requires business organizations to better use the entities with whom they do business (suppliers, distributers, employs, and the community) in order to be certain that they can reach their goals. What are the benefits of relationship marketing? Applying this paradigm creates long-term relationships with clients and increases their loyalty to the company. As a result, companies can see an increase in positive word of mouth and recommendations—the "reward" for the company from satisfied customers. But relationship marketing is not limited to this—it also creates the prerequisites for more effective management, strengthening relationships between the organization and its suppliers. Business practice shows that strategic alliances are increasingly emerging between firms that are serious competitors in a given market. It is becoming clear that even corporate giants cannot create, promote, and market their products all by themselves. They enter into alliances with competitors, suppliers, and intermediaries in order to save time and money and to secure access to markets, including those of their competitors. One of the biggest advantages of strategic alliances is the possibility for firms to learn from one another, although this activity is not always symmetrical, as one of the firms may borrow and learn more than the other.[1]

Evert Gummesson summarizes the definition of relationship marketing like this: "Relationship marketing is marketing based on relationships, networks, and interactions, recognizing that marketing is embedded in the total management of the network of the selling organization, the market, and society. It is directed towards long-term, win-win relationships with individual customers and other interested parties, while jointly creating value between the parties involved."[2]

From the review of various authors' definitions of the fundamental aspects of relationship marketing, the following generally accepted essential characteristics can be summarized:

➢ The main focus of relationship marketing is the exchange that leads to establishing and retaining clients;

➢ Relationship marketing aims at achieving long-term cooperation with clients based on engagement, trust, and collaboration;

➢ Successful relational exchanges contribute to adding value for both parties;

➢ Key or loyal clients become key partners who themselves bring in other clients later.

---

[1] Anastasova, L., "Marketing na vzaimovrâzkite – sâvremenen podhod za izgrazhdane na lojalnost kâm markata," in Godišnik na BSU, Tom XXX, 2014, 11-12.

[2] Gummesson E., "Total Relationship Marketing: Experimenting With a Synthesis of Research Frontiers," Australasian Marketing Journal, Volume 7, no. 1, 73.

According to the consumers who are the subject of our research, the tools for attracting clients can be ranked as follows:

1. Accounting/Landing page
2. Web Content
3. Web design/Functional website
4. SEO
5. Direct marketing
6. Email marketing
7. PPC/Online advertising
8. Social media marketing/Page
9. Mobile marketing/Apps
10. Blogging
11. Social media marketing/Apps

The consumer ranking of the importance of different tools in attracting customers is presented in Figure 2.
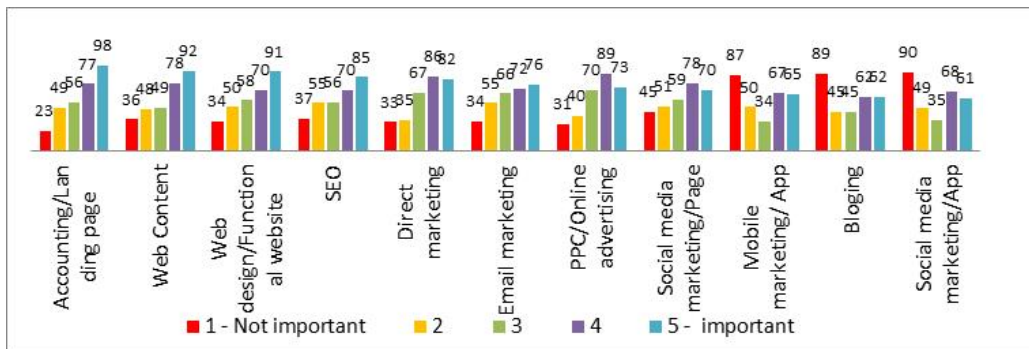

Figure 2. Rating of effectiveness of the tools for attracting customers from the perspective of consumers

Firms rank the tools for attracting customers as follows:

1. PPC/Online advertising
2. Social media marketing/Page
3. Web Content
4. Web design/Functional website
5. Email marketing
6. Direct marketing
7. SEO
8. Accounting/Landing page
9. Blogging
10. Social media marketing/Apps
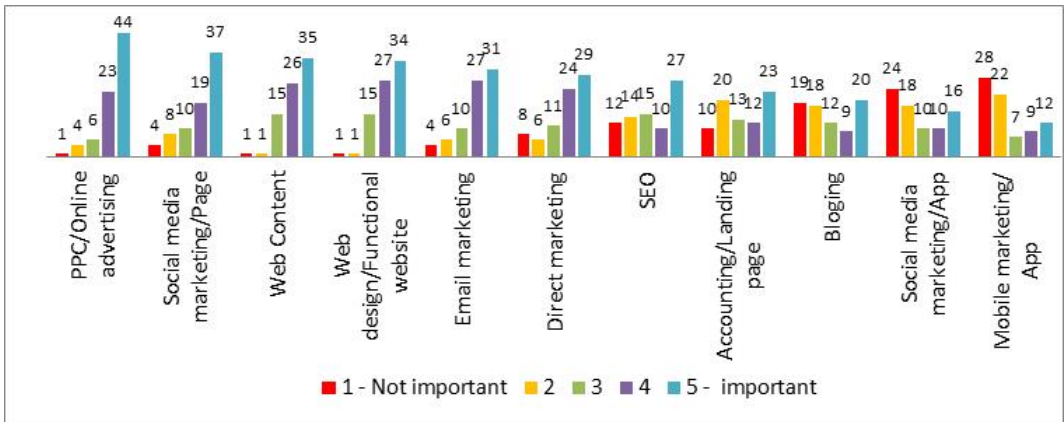11. Mobile marketing/Apps

Figure 3. Rating of effectiveness of the tools for attracting customers from the perspective of businesses

As is evident in a comparison of the tools to attract customers that were indicated by consumers and businesses, it is imperative that companies prioritize their online registration systems and the content and functionality of their websites. A leading tool for attracting customers is, beyond dispute, search engine optimization (see Figure 4).
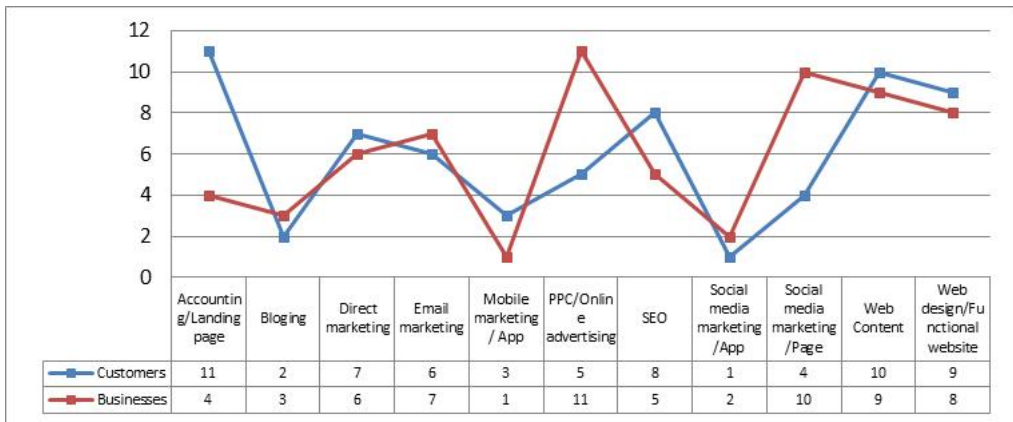

Figure 4. Comparison of the priorities of consumers and business organizations with regards to attracting customers

The tools for retaining customers as ranked by consumers are presented in Figure 5 and are classified in the following order:

1. Web Content
2. Web design/Functional website
3. Direct marketing
4. Email marketing

5. Social media marketing/Page
6. Mobile marketing/Apps
7. Blogging
8. PPC/Online advertising
9. SEO
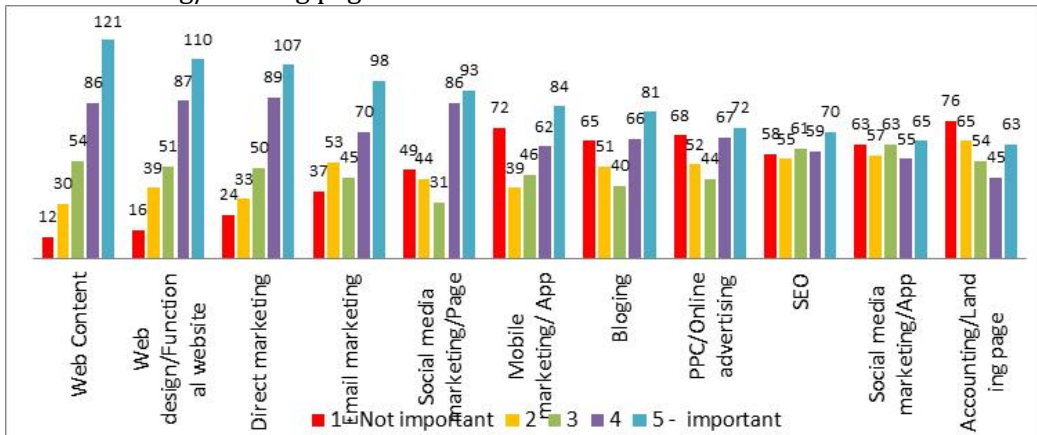10. Social media marketing/Apps
11. Accounting/Landing page.

Figure 5. Rating of effectiveness of the tools for customer retention according to consumer priorities
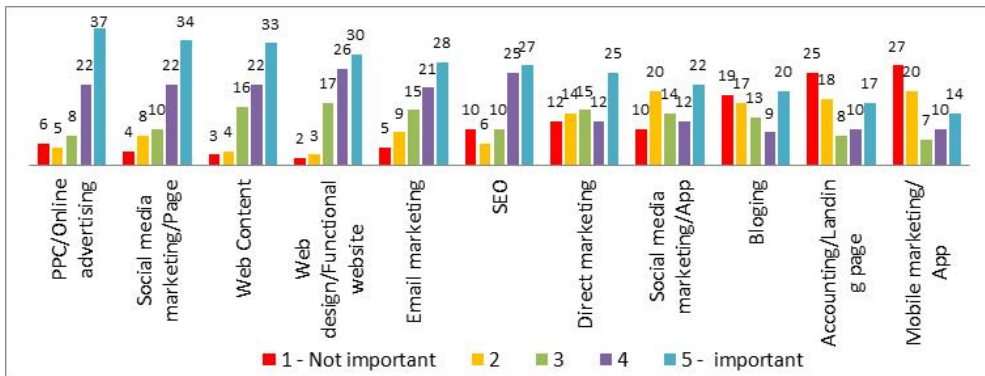

Figure 6. Rating of effectiveness of the tools for customer retention from the viewpoint of businesses

The tools for retaining customers, ranked in order by businesses, are classified as follows:

1. PPC/Online advertising
2. Social media marketing/Page
3. Web Content

4. Web design/Functional website
5. Email marketing
6. SEO
7. Direct marketing
8. Social media marketing/App
9. Bloging
10. Accounting/Landing page
11. Mobile marketing/ App

Comparing consumer opinions with the tools used by businesses for customer retention businesses prompts the recommendation that businesses place greater priority on direct and email marketing. According to the study, 47% of businesses indicate that online advertising is also extremely important in the stages of customer retention, while barely 23% of consumers consider online advertising to exert an influence here. Companies need to shift their priorities towards web content and the functionality of their internet platforms to retain their valuable customers.

There are two main drivers determining the changes in the traditional mix of communication tools: changes in consumer behavior as a result of the tech boom and efforts at the quantification of communication.

The many new devices and means of communication have led to major changes in consumer behavior. Trust in the messages of advertising has sharply decreased with the development of possibilities for rapid communication among consumers. Every product advertised can be quickly found on the Internet and the credibility of its advertising can be verified through the comments and the experiences shared by the company's current customers.

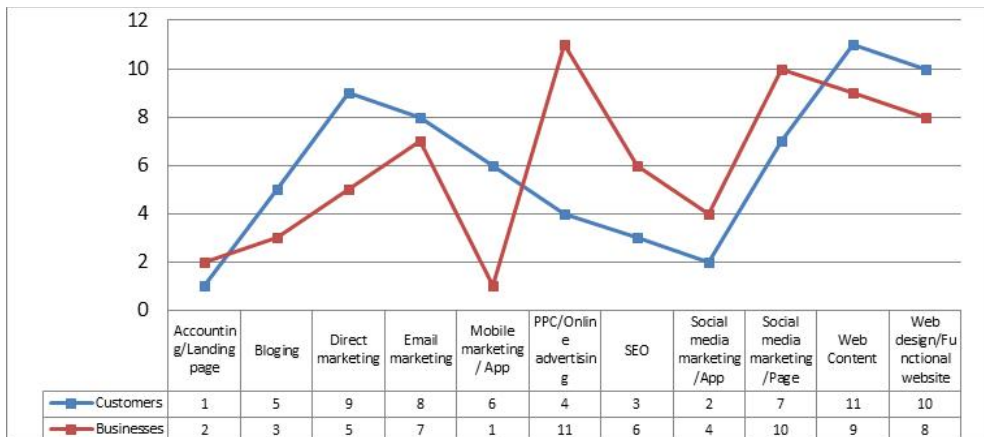|	Accounting/Landing page	Bloging	Direct marketing	Email marketing	Mobile marketing / App	PPC/Online advertising	SEO	Social media marketing /App	Social media marketing /Page	Web Content	Web design/Functional website
Customers	1	5	9	8	6	4	3	2	7	11	10
Businesses	2	3	5	7	1	11	6	4	10	9	8

Figure 7. Comparison of the priorities of consumers and organizations with regards to customer retention

The tools for developing customer relationships are ranked by consumers in the following order:

1. Web Content
2. Web design/Functional website
3. Direct marketing
4. Email marketing
5. Accounting/Landing page
6. Blogging
7. Mobile marketing/Apps
8. Social media marketing/Page
9. Social media marketing/Apps
10. PPC/Online advertising
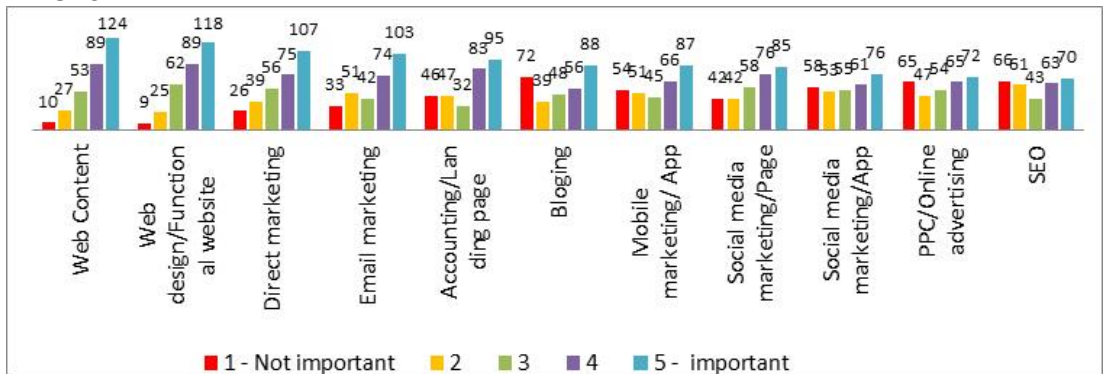11. SEO

Figure 8. Rating for effectiveness of tools for developing customer relationships from the consumer perspective
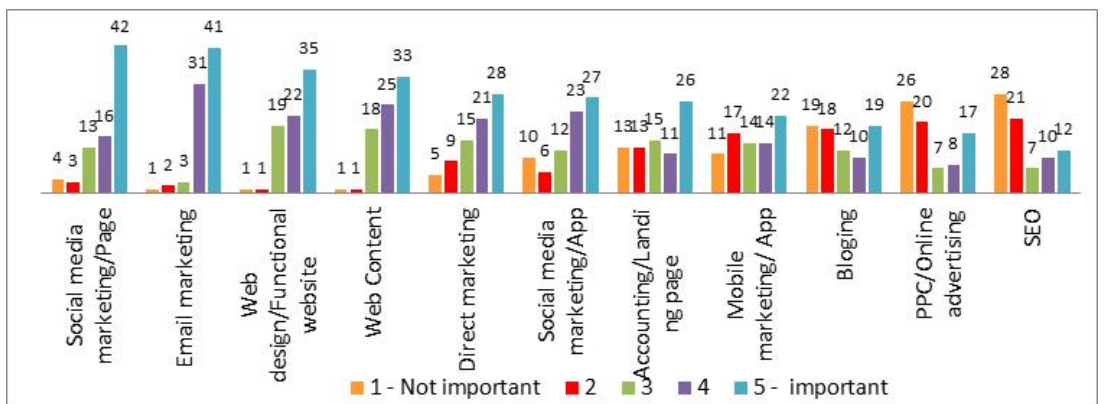

Figure 9. Rating for effectiveness of tools for developing customer relationships from the perspective of businesses

Firms rely on developing customer relationships with the following tools according to the following ratings and prioritization:

1. Social media marketing/Page
2. Email marketing
3. Web design/Functional website
4. Web Content
5. Direct marketing
6. Social media marketing/Apps
7. Accounting/Landing page
8. Mobile marketing/Apps
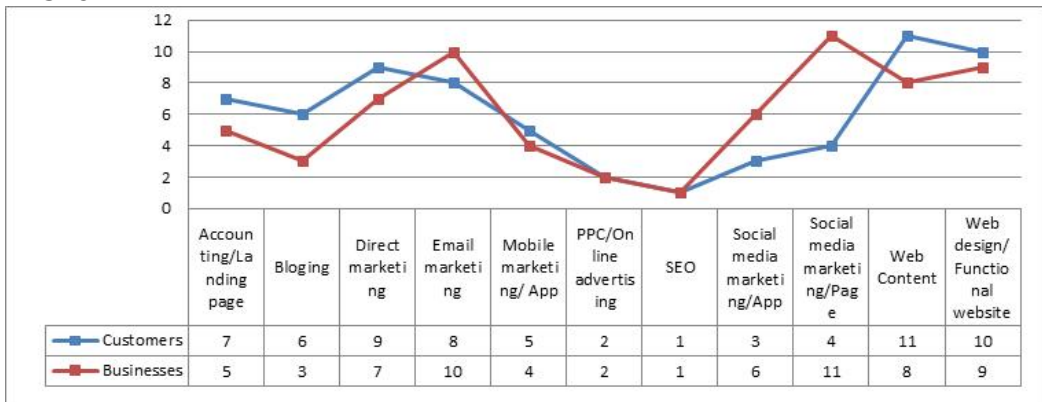9. Blogging
10. PPC/Online advertising
11. SEO

	Accounting/Landing page	Bloging	Direct marketing	Email marketing	Mobile marketing/ App	PPC/Online advertising	SEO	Social media marketing/App	Social media marketing/Page	Web Content	Web design/Functional website
Customers	7	6	9	8	5	2	1	3	4	11	10
Businesses	5	3	7	10	4	2	1	6	11	8	9

Figure 10. Comparison of the priorities of consumers and businesses with regards to developing customer relationships

In the comparison of the tools for developing customer relationship, a difference is particularly evident in the ratings of the effectiveness of social media—around 53% of companies place a high rating on this instrument, but in comparison, only 28% of consumers share this opinion.
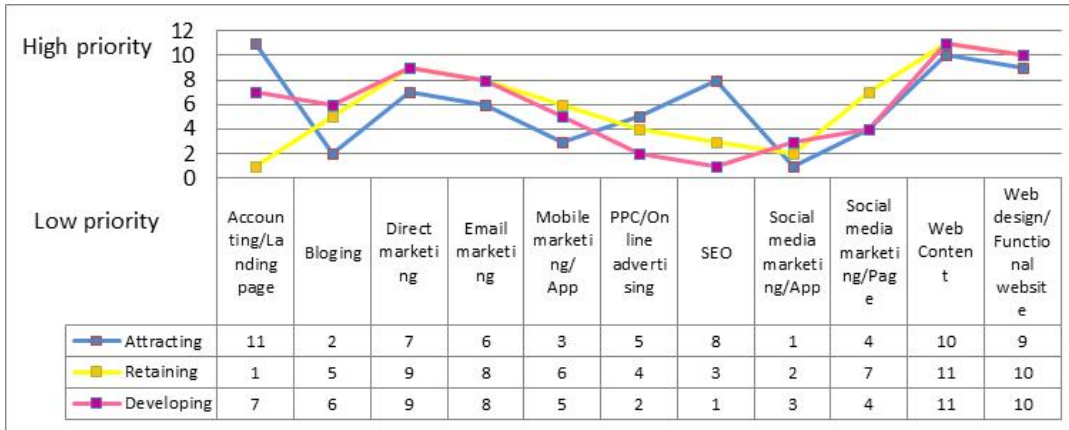
3. Conclusions

	Accoun ting/La nding page	Bloging	Direct marketi ng	Email marketi ng	Mobile marketi ng/ App	PPC/On line adverti sing	SEO	Social media marketi ng/App	Social media marketi ng/Pag e	Web Conten t	Web design/ Functio nal websit e
Attracting	11	2	7	6	3	5	8	1	4	10	9
Retaining	1	5	9	8	6	4	3	2	7	11	10
Developing	7	6	9	8	5	2	1	3	4	11	10

Figure 11. How tools correspond to different strategies according to consumers

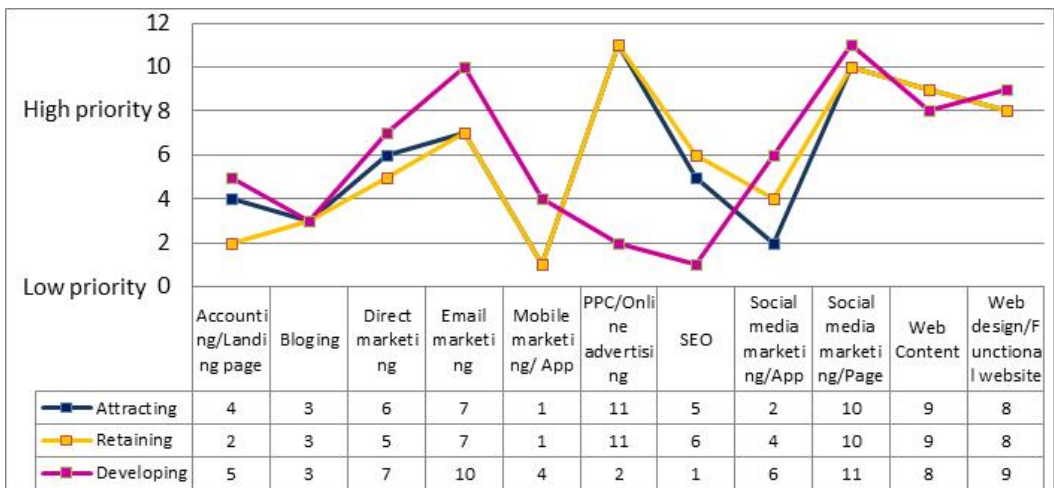|	Accounti ng/Landi ng page	Bloging	Direct marketi ng	Email marketi ng	Mobile marketi ng/ App	PPC/Onli ne advertisi ng	SEO	Social media marketi ng/App	Social media marketi ng/Page	Web Content	Web design/F unctiona l website
Attracting	4	3	6	7	1	11	5	2	10	9	8
Retaining	2	3	5	7	1	11	6	4	10	9	8
Developing	5	3	7	10	4	2	1	6	11	8	9

Figure 12. How tools correspond to different strategies according to companies

Consumers give high ratings to registration systems, SEO, website content, and website design, at the expense of online advertising as a strategic priority for businesses in the first stage.

In terms of strategies for retaining customers, they consider direct contact, email communication, and again web content and functionality to be especially important, while business organizations rely on advertising and social media, but give an extremely low rating to mobile communication, which consumers look for at this stage.

The development of customer relationships, according to consumers, comes about based on the provision of topical and valuable web content, as well as the personalization of messaging and the development of systems for management of customer relationships.

In order to synchronize the relationships between business organizations and customers, consumers consider it of utmost importance that businesses abide by principles such as: 1. Protection of personal data; 2. Correctness (meeting terms and conditions); 3. Freedom of choice (not using aggressive sales techniques); 4. Personalization of messages; 5. Customer assistance to help in the process of making decisions on purchases.

To a large degree these principles represent the principles of the business organizations: 1. Customer trust in the brand (the company); 2. Security and protections; 3. Engagement; 4. Freedom of choice; 5. Collaboration; 6. Benefit for the customer; 7. Personalization.

Around 24% of consumers have built up relationships with business organizations and recommend them to others. The fact that 69.7% of companies learn lessons from their recommendations is positive—that is, they make the consumer a collaborator, which is the highest form of the relationship with customers.

4. Acknowledgments

References

[1] Anastasova, L., Marketing on a mutual basis - a modern approach for citizens on the loyalty of a markat, Godishnik at BSU, volume XXX, 2014, 11-12.

[2] Dimitrova, Trufka, Relationship marketing is a spiritual format, // UI "Bishop Konstantin Preslavsky", Shumen, 2011, 220.

[3] Dimitrova, Trufka, Zhecheva Veselina, Influence on digital marketing top advertising tools, Economics and business management – opportunities and solutions, UI "Bishop K. Preslavsky", Shumen, 2017.

[4] Dimitrova, Trufka, Nikolova Denislava, A report on corporate social responsibility with integral evalution, Ekonomic Thought, 4/ 2017, 89.

[5] Gummesson E., Total Relationship Marketing: Experimenting With a Synthesis of Research Frontiers, Australasian marketing journal, volume 7, no 1, 73.

[6] Berry. Leonard L. (1983), "Relationship Marketing." in Emerging Perspectives on Services Marketing. L. Berry, G.L. Shostack. and G.D. Upah, eds. Chicago: American Marketing Association, 25.

[7] Berry L., A. Parasuraman, Marketing Services. New York: The Free Press. 1991, 133.

[8] Jackson, Barbara Bund, Winning and Keeping Industrial Customers. Lexington, KY: Lexington Books, 1985, 2.

[9] Morgan, R ,Hunt S., The Commitment-Trust Theory of Relationship Marketing, Journal of Marketing, July,1994, 22.

[10] Ravald, A., C. Grönroos, "The value concept and relationship marketing", European Journal of Marketing, 1996, 19-30.