Perspective

Evaluation of Customer Relationship Management in Public and Private Sector Organisation

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DESCRIPTION

Marketing is the process of promoting products or services that are for sale. Businesses must provide value for their clients and cultivate strong client relationships in order to receive value from customers. It is described as a social and managerial process by which individuals and groups attain their goals by creating and exchanging products and values with others. Marketing is used to draw in new clients, retain current ones, and satisfy present ones. Since its operations are centred on the client, marketing management can be said to be one of the key elements of business management. Due to overcapacity and mature markets in recent decades, marketing has evolved. In order to maintain profitability, businesses then began to place more emphasis on the customer than on production. According to the ten marketing philosophy, accomplishing organizational goals depends on understanding target audiences' requirements and wants and providing the desired satisfactions. It suggests that in order to achieve organizational goals, a company should predict consumer requirements and wants and provide for them more efficiently than rivals.

Around the middle of the 1960s, when it became apparent that the ability to handle large amounts of data would have an impact on corporate practice, marketing began to associate with and use Information Technology (IT). IT was initially only seen as a business support function, but it has since developed through simple, routine number crunching and data processing applications into a strategic contributor to modern business. One of the first to recognize the potential advantages of IT use in marketing, such as real-time information management of customer and competitor information, enhanced analytical capabilities, and sophisticated Decision Support Systems (DSS) was International Business Machines (IBM). The early adoption of Executive Information Systems (EIS) and Group Support Systems was driven by marketing's need to offer comprehensive support for senior management decision-making and group working processes. Applications for Supply Chain Management (SCM) were first used by marketing professionals in the 1980s to deal with supply and distribution issues.

Artificial Neural Networks (ANN) and Expert Systems (ES) applications are widely utilized in marketing to analyze and enhance client self-service centres and web-based service efforts. Marketing has continued to benefit from IT skills. Enterprise Resource Planning (ERP) offers comprehensive real-time solutions for all business activities, enabling organizations to concentrate on their internal processes to increase productivity, quality, and profitability. While data mining is the process of retrieving information from data warehouses in search of previously undiscovered information, Data Warehousing (DW) is regarded as a crucial component of Customer Relationship Management (CRM) and is occasionally referred to as the CRM engine.

Transaction marketing

The primary goal of the marketing function has always been to draw in new clients, either by expanding the existing clientele or by absorbing clients from other businesses. The marketing division's top priority shifted to acquiring new clients. Due to this process, marketing staff members are now more concerned with bringing in new clients than they are with maintaining existing ones after the sale is complete. In the past, attention has been placed more on the characteristics of the product, it's pricing in relation to the size of economies and the target market, and its logistics and distribution to ensure that it is widely accessible to the target markets. The marketing mix often includes other elements. Promotion is when communication and marketing tactics are used to make sure that the product receives the necessary market exposure and that sales follow. Unfortunately, this last step in the transactional marketing process receives the least attention because, once the sale is closed with the current customer, the focus is shifted to acquiring new customers. Follow-up is supposed to be the final step in the transactional marketing process in which the sales person follows up with the customer after the sale to ensure customer satisfaction and repeat business.

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Relationship marketing

Relationship marketing is the process of establishing, preserving, and enhancing solid, value-laden connections with clients. Relationship marketing refers to a notion that changes the emphasis of an organization's marketing from a purely transactional focus to a relationship focus, with the goal of fostering long-term associations between the parties involved. In the relationship marketing process, acquiring new clients is only the first stage. Over time, relationship marketing evolved into customer relationship management. Relationship marketing companies look for more than just a quick sale. It wants to show that it has the skills necessary to help the customer in the long run and establish a successful partnership. Relationship marketing extends beyond luring clients and closing deals with them. It encourages businesses to keep clients and develop successful, lasting connections with them. Companies are battling it out for survival in today's environment of shifting demographics, fierce competition, and overcapacity in many industries. The price of acquiring new clients is going up. Customer knowledge would be sourced from marketing, sales, and after-sales employees. Real knowledge about distinct client categories, such as the most valuable customers, customers with the potential to add more value, and consumers delivering little to no value to the organization, must be identified in order for the relationship marketing campaign to be successful.