

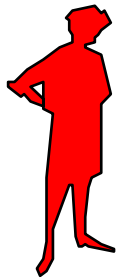
# International Relationship Marketing

Implementation phase of  
International Relationship  
Marketing

There is a **network** involved beyond just supplier and customer

Traditional American  
marketing management  
and marketing mix

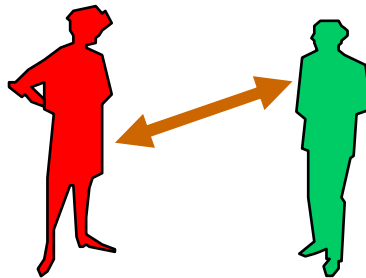
**Customer centric**  
Centered on one party



**Customer**

Relationship marketing  
CRM  
One-to-one marketing

**Relationship centric**  
Centered on two parties

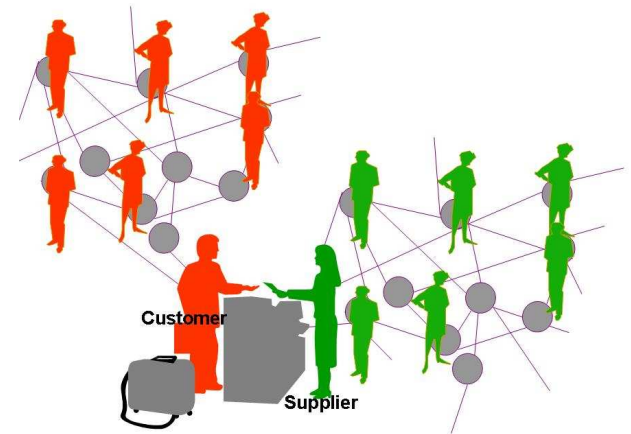


**Customer**

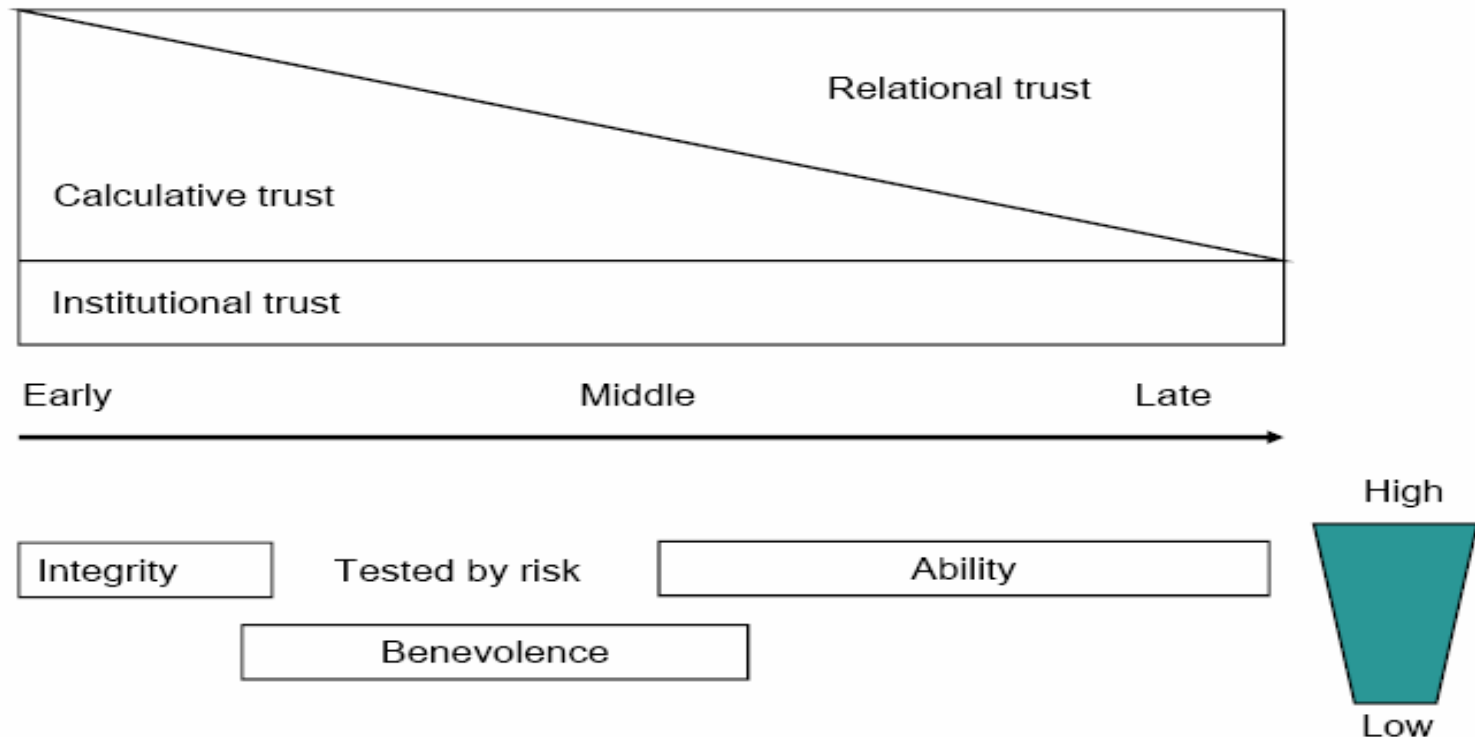
**Supplier**

Many-to-many marketing

**Network centric**  
Centered on many parties



# Model of Trust 1



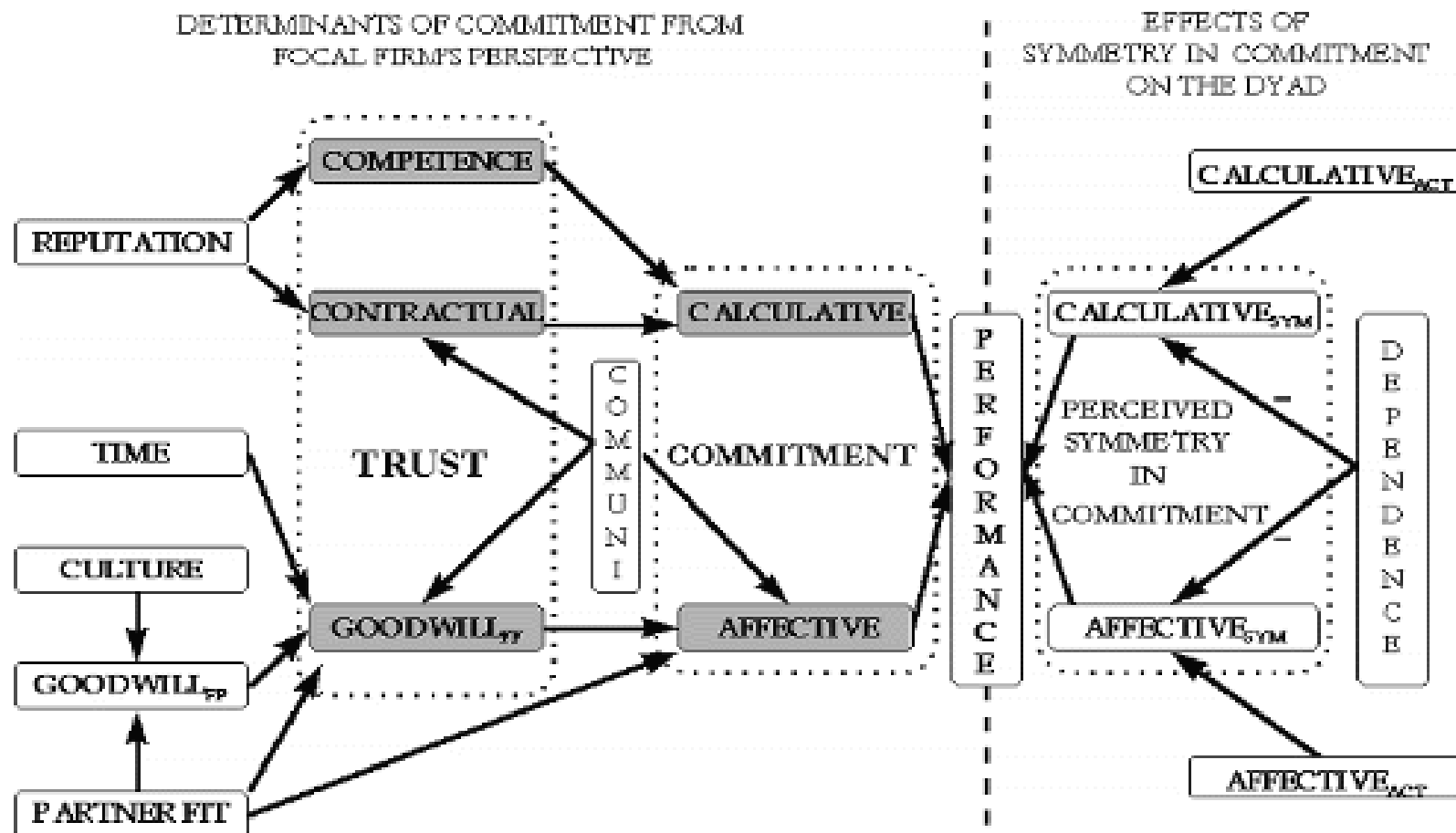
Adapted from: Rousseau, D. M., Sitkin, S. B., Burt, R. S. and Camerer, C. (1998). "Not So Different After All: A Cross-Discipline View of Trust." *Academy of Management Review*. 23 (3): 393-405. page 401  
 and Mayer, R. C., Davis, J. H. and Schoorman, F. D. (1995). "An Integrated Model of Organizational Trust." *Academy of Management Review*. 20 (3): 709-735

Advantages of a network approach.  
It can accomodate:

- ➡ Complexity
- ➡ Context
- ➡ Change
- ➡ Non-linearity
- ➡ Both parts & the whole
- ➡ Both structure & process
- ➡ Both tech & human aspects

COMPLEXITY THEORY

# Conceptual framework of international buyer-seller partnership performance



Source: Lewicki, McAllester, Bies, 1998, p. 440

# Trust and Distrust

## High Trust

Characterised by:

- Hope
- Faith
- Confidence
- Assurance
- Initiative

High-value congruence  
Interdependence promoted  
Opportunities pursued  
New initiatives

Trust but verify

Relationship highly segmented and bounded  
Opportunities pursued and down-side risks/vulnerabilities continually monitored

2

4

1

3

## Low Trust

Characterised by:

- No hope
- No faith
- No confidence
- Passivity
- Hesitance

Casual acquaintances  
Limited interdependence  
Bounded, arms-length transactions  
Professional courtesy

Undesirable eventualities expected and feared  
Harmful motives assumed  
Interdependence managed  
Pre-emption; best offensive is a good defence  
Paranoia

## Low Distrust

Characterised by:

- No fear
- Absence of scepticism
- Absence of cynicism
- Low monitoring
- No vigilance

## High Distrust

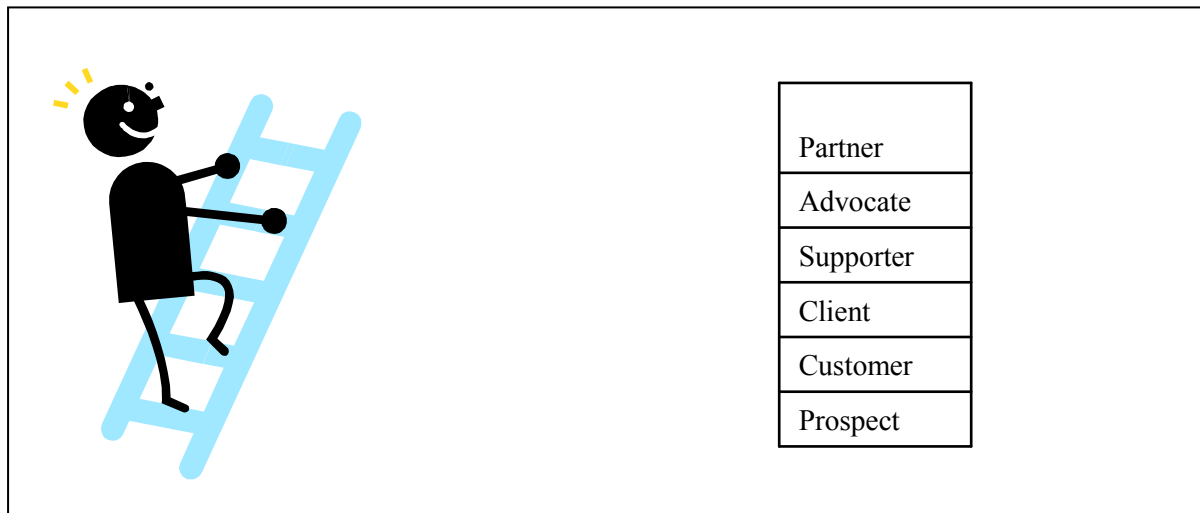
Characterised by:

- Fear
- Scepticism
- Cynicism
- Wariness and watchfulness
- Vigilance

Lewicki, R. J., McAllister, D. J. and Bies, R. J. (1998). "Trust and Distrust: New Relationships and Realities." *Academy of Management Review*. 23 (3): 438-459. page 445

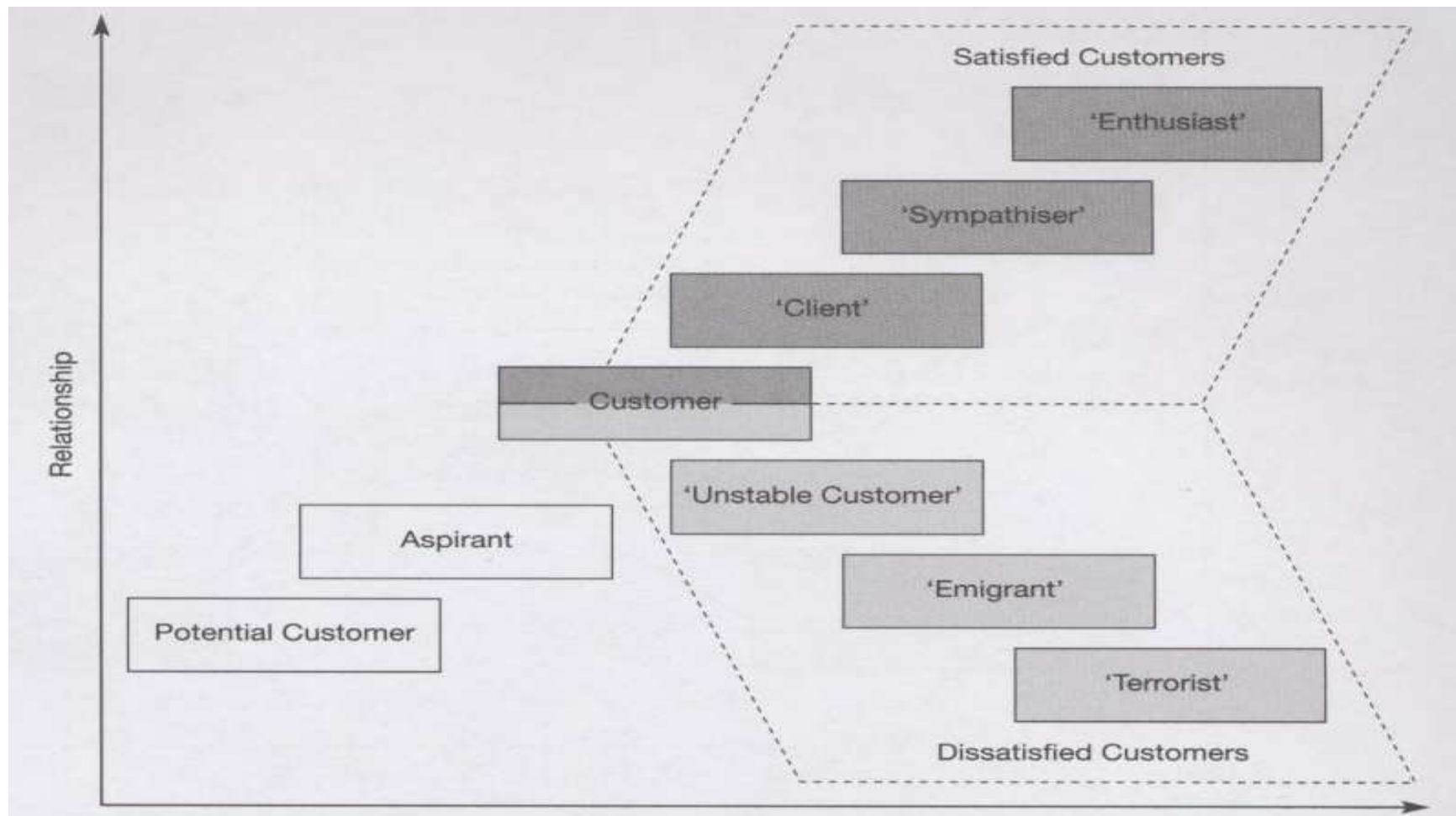
Source: Lewicki, McAllester, Bies, 1998, p. 445

# The relationship ladder



Source: Christopher, M., Payne, A., Peck, H. and Clark, M. 1998, p 67

# The “ladder” of customer relationships



Source: Bruhn 2003, p.7



# CRM Implementation Strategies

- Operational CRM
- Analytical CRM

# Operational CRM

- Enables and streamlines communications to and from the customer
- “Front-Office” CRM
  - Involves areas where direct customer contact occurs known as touch points

# Operational CRM

## Touchpoints

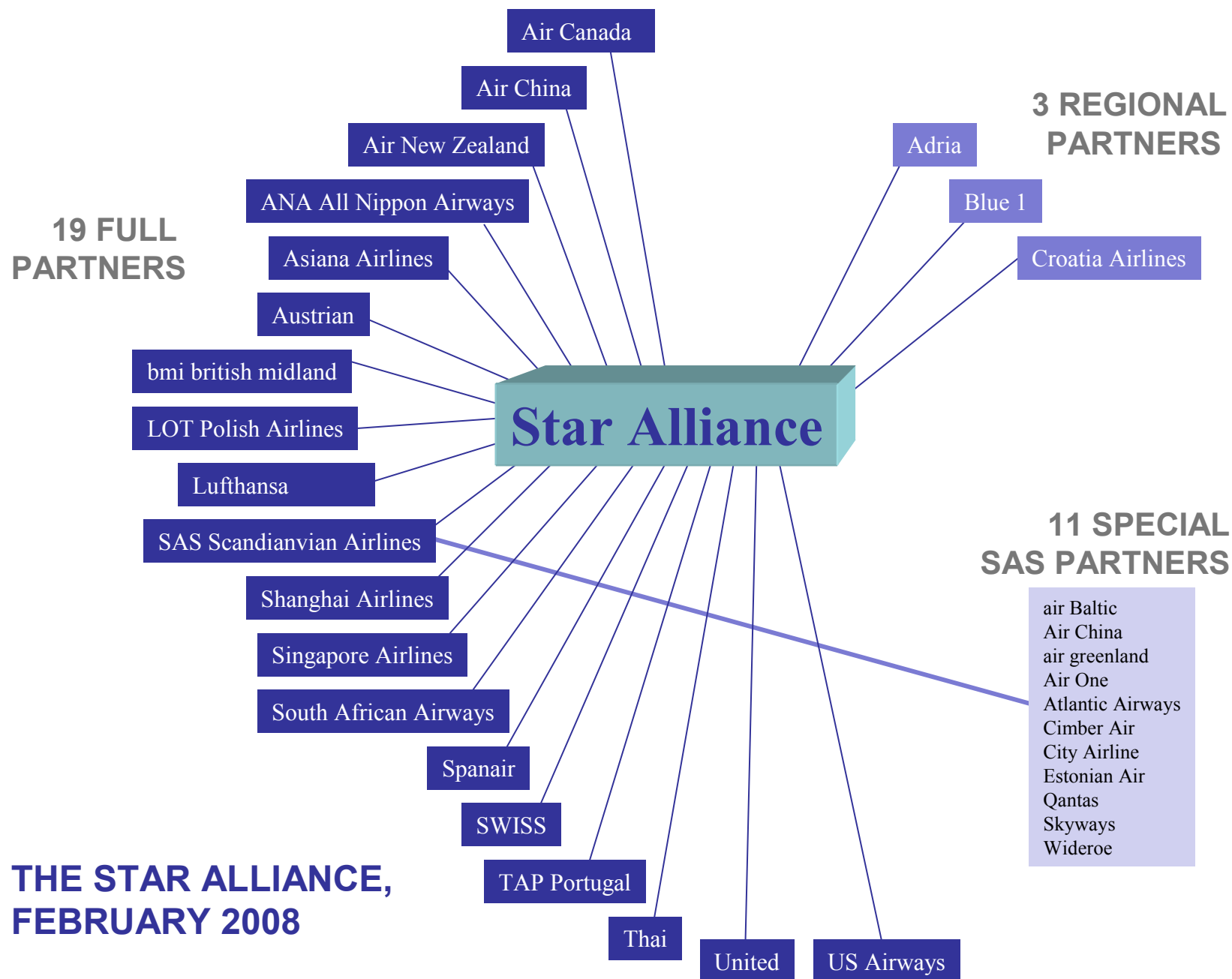
- Media
- Physical
- Mail
- Phone
- Fax
- eMail
- Web Personal

# Analytical CRM

- Involves understanding the customer activities that occurred in the front office.
- “Back-Office” CRM
  - Requires technology to compile and process customer data and
  - New business processes to refine customer-facing practices to increase loyalty and profitability.

# CRM and Business Intelligence (Analytical CRM)

- Data Warehouse
  - Repository of corporate data
- Data Mining
- Business Intelligence
- NONE OF THESE ARE AN EXAMPLE OF *CRM*



# Business Intelligence vs. CRM

- Find an article of one company that has implemented a CRM project or is in the process of implementing one.
- Write a one page summary to discuss in the next class meeting.