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Customer Relationship Management in the New Era of Internet Marketing

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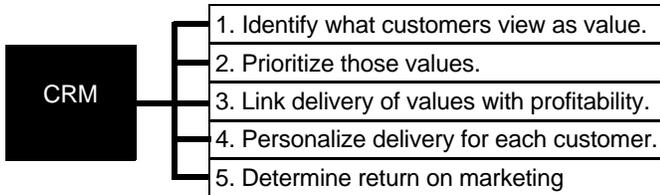
MAIN IDEA

Customer Relationship Marketing (CRM) is the process of making it easier and easier for customers to do business with you because you understand what they need better than anyone else. In effect, the depth of the relationship between the customer and your organization becomes a disincentive for them to go anywhere else for whatever you offer. The process by which those types of relationships are built is disarmingly simple to describe but difficult to achieve. In short, a rich, ongoing two-way dialog must develop. The organization must learn what the customer values, and deliver more of what they want.

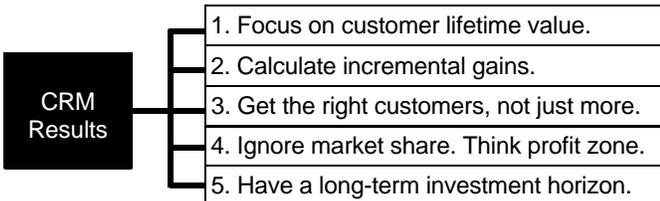
Section 1 -- What Is Customer Relationship Marketing (CRM) And How Do You Measure Its Success? Page 2

CRM is a long-term business strategy by which customers are influenced to do future business with you on the strength of past activities which created added value for them.

The key elements of a good CRM program are:



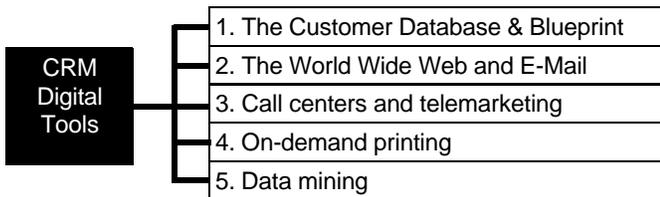
To measure the effectiveness of a CRM program:



Section 2 -- The Most Effective Tools Of Customer Relationship Marketing Page 4

CRM requires special tools -- beyond database marketing, points and card systems. In the current business environment, CRM requires digital communication tools to succeed.

The key digital CRM tools are:



To build customer loyalty, the right mix of these digital tools must be achieved and maintained.

Section 3 -- Customer Relationship Marketing Case Studies Page 6

Companies that have succeeded in implementing high performance CRM programs have followed these strategies:

1. Use the Internet to generate in-store traffic.
2. Apply micromarketing.
3. Develop multiple relationships.
4. Migrate from transactions to solutions.
5. Combine customer knowledge with brand power.
6. Let customers drive the CRM program.

In the end, your organization's actions will always speak louder than its words in any CRM initiative. Quite simply, you have to find new ways to show you care.

Section 4 -- Long-Term Strategies For Successful And Profitable Customer Relationship Marketing Page 7

Over the long haul, CRM always:

1. Turns products into services.
2. Requires a two-way dialogue to grow and expand.

The two key long-term issues every CRM program builder must address effectively are:

1. Protecting the privacy of everyone involved.
2. Accurately measuring CRM profitability.

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