Changing Nature of Customer Relationships in Organizations:
Strategies and Initiatives

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ABSTRACT

Companies focus on developing relationships and marketing partners to generate customer value and to receive value in return. However, companies should be selective in developing relationships with customers and marketing partners. The objective of the study is to understand and to focus on profitable customers and marketing partners. The methodology adopted is a conceptual analysis of the various aspects of building, developing, and managing relationships with selected customers and marketing partners. Companies should focus on developing deep and interactive customer relationships and on consumer-generated marketing. They should focus on developing customer relationships both in offline and online domains. They should understand various consumer rights and protect such rights. They should also focus on building relationships with marketing partners both within and outside the firms. The discussions will sensitize both academicians and practitioners about the importance of developing relationships with selected customers and partners to be successful in the long run.

KEYWORDS

Consumer-generated Marketing, Consumer Rights, Customer Preference Program, Customer Relationship Management, Interactive Relationships, Marketing Partners, Partner Relationship Management

1. INTRODUCTION

Companies require building and developing relationships with customers to know them better (Moreno & Lockett, 2015). Companies require understanding customer requirements and preferences. Companies will not be able to serve and delight their customers unless they understand customer requirements better (Vigolo, Bonfanti, & Rivera-Hernaez, 2021). Consequently, it is imperative for companies to build and develop long-lasting customer relationships. Companies and businesses work in a competitive environment. They will not be able to compete and excel in the competitive environment unless they build and develop positive and effective relationships with relevant customers. However, companies do not want to build relationships with all their customers. Today's companies are building more direct and lasting relationships with customers who are selected carefully (Tambunan, Reza, & Susanti, 2021).

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Companies should have customer relationship management in place to focus on customers. Customer relationship management (CRM) is the process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction (Payne & Frow, 2005). Companies aim for high customer equity through customer relationship management. Customer equity is the total combined customer lifetime values of the company's customers (Lemon, Rust, & Zeithaml, 2001). Companies are able to build lasting customer relationships through the creation of superior customer value and satisfaction (Djajanto, Afiatin, & Haris, 2019).

In the era of globalization, companies cannot build and develop relationships with all customers. They build and develop relationships which are mutually beneficial for themselves and customers and for the society at large.

Companies acquire profitable customers. However, companies build relationships with those customers who help them in growing their *share of customer* (Maggon & Chaudhry, 2018). In the digital age, with technological developments and internet penetration, customer relationships are developing in online marketing domains. Customer relationships in online marketing domains may require different set of skills for companies. Companies should formulate different customer relationship management strategies for different customers both in offline and in online marketing domains (Mandal, 2021). Also, marketers should build the *right relationships* with the *right customers* (Caliskan, 2019). Companies should also be aware of consumer rights and should develop marketing strategies accordingly (Schlegelmilch, 2022). In return for creating value for targeted customers, a company captures value from customers in the form of profits and customer equity.

Good marketers cannot select customers and build relationships with them without the help of other stakeholders. They should work closely with marketing partners inside and outside the company. Consequently, in addition to being good in customer relationship management, companies should also excel in partner relationship management (Osterrieder, 2021).

The topic is important and relevant from a sociological perspective. Unless companies and businesses build, develop, and maintain relevant, long-term, and profitable relationships with customers, it will be difficult to create a societal impact. Companies should develop customer relationships and deal with customers and other stakeholders in a manner so that they are able to create a positive impact on the society. Relevant and long-term customer relationships will not only benefit customers but will also benefit the society at large. So, such relationships may be considered as public good.

The discussions done above indicate the importance of customer relationship management. However, long-term relationships should not be developed with all customers but with a selected few. Companies should also develop relationships with selected marketing partners. Again, companies should be aware of various consumer rights. Although the topic of focusing and building relationships with selected customers and selected marketing partners is important, there exist few studies which focus on an analysis of building relationships with selected customers. The study aims to address this research gap.

The objective of the study is to understand relationships between customers and companies and between marketing partners and companies. It is imperative for companies to build relationships with customers and with marketing partners. However, in-depth relationships should be developed with selected customers and selected marketing partners. The aim of the study is to explore this important phenomenon.

The novelty and the contributions of the study lie in the fact that a conceptual analysis of the various aspects of building and managing relationships with customers and marketing partners is done. The discussions will sensitize both academicians and practitioners about the importance of developing relationships with customers and marketing partners to enhance customer value. They will also understand that all customers and marketing partners are not equally profitable. They should focus on those customers and marketing partners who are profitable in the long run. They will understand the various strategies and initiatives which should be adopted and which will help them to retain

profitable customers and marketing partners. The study will emphasize the importance of building and developing relationships with selected customers and selected marketing partners on the online domain. Both academicians and practitioners will understand the importance of consumers rights and the necessity of developing marketing strategies and initiatives ensuring that consumer rights are not violated.

The study is structured as follows:

The conceptual analysis of various aspects of changing nature of customer relationships in organizations is done from section 2 to section 7 and their sub-sections. The methodology adopted is explained in the section on introduction (section 1). Section 8 discusses the salient points of the study with sub-sections 8.1 and 8.2 highlighting the theoretical implications and the managerial implications of the study respectively. Section 9 concludes the study with sub-sections 9.1 and 9.2 highlighting the limitations of the study and the avenues of future research respectively.

1.1. Methodology

The methodology adopted is a conceptual analysis of the literature on customer relationship management with an emphasis on the aspect of focusing on selected customers and selected marketing partners. Latest and relevant research papers which are published in reputed academic journals and which focus on the specific and various aspects of the changing nature of customer relationships in organizations are referred to for conducting the conceptual analysis. The important issue of consumer rights is also addressed. The theoretical foundation is based on the customer relationship management and the various analytical tools viz. profitability, RFM model, and customer lifetime value (CLV) which help companies to analyze their customers. Latest and updated literature related to the topic is analyzed. Primary data is not collected and empirical analysis is not done.

2. BUILDING RELATIONSHIPS WITH MORE CAREFULLY SELECTED CUSTOMERS

Companies do not aim to build and develop relationships with all customers. They target fewer and more profitable customers (Kumar & Reinartz, 2018). Companies apply *selective relationship management* instead of customer relationship management to target fewer customers. Companies may apply tools like customer profitability analysis to understand which customers are profitable and which customers are losing customers. Companies may also apply Recency-Frequency-Monetary Value (RFM model) to understand which customers should be targeted and with which customers long-term relationships should be developed (Kanchanapoom & Chongwatpol, 2022). Based on the analysis, companies eliminate losing customers and target the winning ones (Kapooria, 2017). Companies create and communicate attractive offers to capture the profitable customers and to earn their loyalty.

In India, the global lifestyle brand Nautica invited 45 individuals on a *Nautica Navigator*. The event included three days of 1200 km car rallies, 35 km river rafting on the Ganges, and jumping 10 meters off a cliff in the mountainous terrain of Rishikesh (The Press Trust of India Limited, 2006). The small group of selected participants experienced and lived the brand. Contests were organized and attractive prizes were given to the winners to enrich the relationship between customers and Nautica (The Press Trust of India Limited, 2006).

3. DEEP AND INTERACTIVE RELATIONSHIPS WITH CUSTOMERS

Companies design strategies and adopt initiatives to attract new customers and to create fruitful transactions with them (Rhouma & Zaccour, 2018). At the same time, firms apply customer relationship management to retain current customers and to build profitable and long-term relationships with them (Al-Hazmi, 2021).

Marketers need to change the communications environment and should design marketing communications such that customers are attracted towards the offerings. They should also develop customer relationships which are deeper and meaningful in nature (Dewnarain, Ramkissoon, & Mavondo, 2021). Consequently, rather than relying on one-way, mass-media messages only, today's new marketers are incorporating new and more interactive approaches that help build targeted and two-way customer relationships (Cuevas-Molano, Matosas-López, & Bernal-Bravo, 2021).

3.1. Two-way Customer Relationships

Recent developments in technology are changing the ways in which individuals interact with one another (Llosa & Nicod, 2019). New tools include emails, blogs, websites, video-sharing, online communities, and social networks such as YouTube, Facebook, and Twitter.

The changing environment determines the manner in which customers relate with companies and products. Marketers take advantage of the recent technological developments and communication approaches to build closer customer relationships (Mosa, 2022). They aim to create deeper customer involvement and a sense of community surrounding a brand. Such involvement allows marketers to come closer to customers and to make the brand a meaningful part of consumers' conversations and lives.

Pepsi has started an online CRM program, RefreshEverything.com (Washkuch, 2010). The program allows consumers to list projects that can improve communities such as feeding the hungry or teaching people to read. Consumers rate the projects and vote for those projects which they feel should receive a share of the $20 million that Pepsi is donating. They also provide their email addresses so that they can receive email alerts on the project (Washkuch, 2010). Overall, the program allows consumers to have a say on what projects should benefit from Pepsi's giveback to the society.

Technological developments and new communications tools allow marketers to create relationship-building opportunities. However, marketers also face challenges while using the tools (Mandal, 2020). Technological developments allow customers to be empowered. Consumers have a sense of belongingness in the marketing process because of technological developments. This results in brand democratization (Yang & Yan, 2019). Consumers of today are aware and have more information about brands than ever before. They can have access to any information with the single click of a mouse button. Many platforms are also available to them where they air and share their brand views with other consumers. And more than ever before, consumers can choose the brand conversations and exchanges in which they will participate.

Companies cannot rely on marketing by intrusion when they consider building relationships with customers (Mejame, 2021). Customers are empowered and exercise greater control on the types of marketing communications they wish to entertain (Acar & Puntoni, 2016). Companies must practice marketing by attraction. This requires companies to create marketing offerings and messages that involve consumers rather than interrupt them. Marketers modify their mass-media marketing efforts with a rich mix of direct marketing approaches. Those approaches that promote brand-consumer interactions, are chosen.

Online social networks provide marketers with an opportunity to interact with customers. Marketers create online communities to facilitate such conversations. Almost all companies, now-a-days maintain Twitter pages for effective and seamless promotion (Aytaç, Silahtaroğlu, & Doğuç, 2020). They *tweet* to start conversations with registered Twitter users, address customer issues, research customer interactions, and to drive traffic to relevant articles, websites, contests, and other brand activities (Shakhovska, Peleshchyshyn, Myna, & Bilushchak, 2019).

3.2. Consumer-Generated Marketing

Consumers play an influential role now-a-days in brand experiences. Consumers play a major role in shaping their own brand experiences and those of others (El Banna & Stoica, 2021). Consumers may interact with companies and within themselves. There may be invited and uninvited consumer-to-consumer exchanges in video-sharing sites, blogs, and other digital forums. Companies invite

consumers to play an active role in brand-building exercises. They encourage consumers to get involved in shaping products and brand messages (El Banna & Stoica, 2021). For example, McDonald's, Coca-Cola, and Apple collected brand-related consumer videos from YouTube and other popular video-sharing sites. Such videos are then converted into commercial messages (Mandal, 2021).

Companies request consumers to generate ideas for new product development (Moutinho, Teixeira, & Lage, 2014). For example, a Facebook app was set up by Coca-Cola's Vitaminwater to collect consumer suggestions for a new flavour. The brand promised to manufacture and sell the winning idea (Majchrzak & Malhotra, 2020). The new flavour – Connect (black cherry – lime with vitamins and a kick of caffeine) – was a big success. The app also allowed Vitaminwater to double its Facebook fan base to more than one million (Majchrzak & Malhotra, 2020).

Consumers are invited by companies to play an active role in shaping advertisements (Xiao, Wang, & Chan-Olmsted, 2018). In Japan, Nike ran contests for consumer-generated commercials and aired a combination of these (Muñiz, Jr & Schau, 2007). In China, McDonald's encouraged viewers to send in cheers online during the Beijing Olympic Games. The best cheers were those that garnered the highest number of votes. Such cheers were used in the Olympics promotion of McDonald's (Muñiz, Jr & Schau, 2007).

Costs are attached to the process of harnessing consumer-generated content. The process may be time-consuming, may require effort, and may exhaust the resources of companies (Kitsios, Mitsopoulou, Moustaka, & Kamariotou, 2022). Heinz invited its consumers to submit homemade advertisements for its ketchup on its YouTube page (Heinemann & Gaiser, 2015). The invitation resulted in Heinz sifting through more than 8000 entries of varying quality (Heinemann & Gaiser, 2015).

Consumer-generated marketing is a major source of information and suggestions for marketers now-a-days. It may be invited or uninvited. Consumers are playing an increasingly important role in shaping their own brand experiences and also helping companies in generating ideas for new products (El Banna & Stoica, 2021). Through a profusion of consumer-generated videos, blogs, and websites, consumers are having an increasing say about everything from product design, usage, and packaging, to pricing and distribution (El Banna & Stoica, 2021).

4. ONLINE MARKETING DOMAINS AND CUSTOMER RELATIONSHIPS

Marketing on online domains has increased with technological advancements and penetration of the internet (Singh & Deshmukh, 2022). It is imperative for companies to understand customers in the online domain. Otherwise, it will be difficult for companies to succeed in the competition (Udayana, Farida, Lukitaningsih, Tjahjono, & Nuryakin, 2021). Companies require maintaining customer relationships in four major online marketing domains which include business-to-consumer (B-to-C), business-to-business (B-to-B), consumer-to-consumer (C-to-C), and consumer-to-business (C-to-B).

4.1. Business-to-Consumer Relationships

The advent of online marketing has created changes in business-to-consumer relationships. The internet allows customers to access any information even when they are *on the go*. Now-a-days, customers buy almost anything online. A large number of US households do online shopping regularly. Online shopping experiences a healthy double-digit growth rate (Rodriguez, & Yung, 2016). US online retail sales were $202 billion in 2013 and grew to 62 percent and reached $327 billion in 2016 (Hwang & Lee, 2022). Given the importance of online marketing, companies will be better off if they cater to the requirements of online customers and develop and build long-term relationships with them.

Online shopping accounts for more than 7 percent of total US retail sales. The internet influences more than 48 percent of total sales (Miwa, Morisada, & Dahana, 2018). These include sales through online shopping and sales in stores which are motivated by online search. Consumers search for information about products on their smartphones. They use smartphones while shopping to find better deals and to score price-matching offers. Marketers understand the importance of building

and developing relationships with those customers who shop online. Marketers employ integrated marketing communications and multichannel strategies that use the internet to drive sales to other marketing channels (Shareef, Dwivedi, & Kumar, 2016).

Online shopping has characteristics which are distinct and are different from traditional offline shopping. Online shopping has unique consumer approaches to buying and consumer responses to marketing. Control is in the hands of customers who do online shopping. They can initiate and close a buying process in online marketing at their own convenience. Consumers are actively involved in selecting online websites and shopping apps they will use. They also decide which marketing communications to accept and which communications to reject or ignore. All these indicate that companies should realize that to succeed in online marketing, they require developing and implementing new marketing approaches for building customer relationships.

4.2. Business-to-Business Relationships

Online marketing is gaining importance in business-to-business domain in recent times. Companies require building relationships with business customers. Marketers in B-to-B domain use websites, e-mails, online social networks, mobile apps, and other online resources to reach out to new business customers, sell to current customers, and to serve customers more efficiently and effectively (Sharma, Saha, & Balaji, 2022). Technological developments and the internet allow companies to build lasting relationships with business customers.

Business customers can access important information shared by B-to-B marketers on websites. Such information may relate to product information, customer purchasing, and customer-support services online (Patil, Vaze, & Agarkar, 2022). For example, networking equipment and software-maker, Cisco Systems maintains its official website, cisco.com. Corporate buyers can visit the website, select detailed descriptions of the company's product and service solutions, request sales and service information, attend events and training seminars, view videos on a wide range of topics, have live chats with Cisco staff, and place orders (Diorio & Hummel, 2022). Cisco maintains fan page on Facebook and YouTube channel. Business customers can view informational and instructional videos, and several other things. Some B-to-B companies prefer to conduct their entire business online. Online business reduces hierarchy and response time, and streamlines various processes. For example, more than 80 percent of its business is conducted online by Cisco (Diorio & Hummel, 2022).

4.3. Consumer-to-Consumer Relationships

Consumers can interact with other consumers through online marketing. Consumers can communicate with other interested parties online over a wide range of products and services (Moriuchi & Takahashi, 2022). The internet facilitates in creating excellent opportunities for consumers to buy and exchange products or information directly from one another. Various C-to-C websites are available where consumers can display and sell almost everything and can interact with others. The products may range from arts and antiques, coins and stamps, and jewellery to computers and consumer electronics. Some of the most popular C-to-C websites include eBay, Overstock.com, Craiglist.com, and several other auction websites. One of the most popular auction websites include eBay.com which has more than 100 million active users worldwide. In 2012, consumers transacted more than $60 billion in trades which is more than $1900 every second (Bensinger, 2012).

C-to-C communications involve special interest groups. Such groups interact with each other and exchange information through internet forums (Mandal, 2021). Companies can arrange such communications for both commercial and non-commercial purposes. Individuals can create web blogs and share their ideas and views on a specific topic on such blogs. Blogs may contain topics ranging from politics or baseball to haiku, car repair, or the latest television series. Individuals promote their blogs on social networks like Twitter and Facebook. The forums allow huge reach for bloggers. Individuals who regularly follow such blogs may be substantially influenced.

Companies can reach their targeted audience through blogs as a medium. Now-a-days, companies create and maintain their own blogs. For example, Sony maintains a Play Station Blog. Fans can exchange views on new arrivals, submit and vote on innovative ideas for improving Play Station products (Kain, 2013). Customers can access all information about Disney from the Disney Parks Blog. Bloggers can discuss all things about Disney, including a Behind the Scenes area where bloggers can post about dance rehearsals, sneak peaks at new construction sites, interviews with employees, and more (Barnes, 2011).

Dell maintains a number of blogs that facilitate "a direct exchange with Dell customers about the technology that connects us all" (Menchaca, 2010). The blogs include Health Care (about healthcare technology that connects us all), Dell TechCenter (IT brought into focus), DellShares (insights for investor relations), Direct2Dell (the official Dell corporate blog), and Education (insights on using technology to enhance teaching, learning, and educational administration). DellVlog is a channel on YouTube maintained by Dell. The channel contains videos which Dell bloggers often embed into their blog posts (Menchaca, 2010).

Blogs may be used as a medium by companies to promote their offerings or to influence content there. Influential bloggers may be encouraged to go for *sponsored conversations*. One survey found that 54 percent of marketers used third-party blogs to help get their messages out (O'Brien, 2012). For example, *money bloggers* are targeted by McDonald's. Money bloggers influence the choices of the nation's homemakers, who in turn influence their families eating-out choices (O'Brien, 2012). Fifteen bloggers were invited and hosted by McDonald's on a paid trip to the headquarters in Oak Brook, Illinois. The bloggers visited the company's facilities (including the company's test kitchen), met McDonald's USA president, Jan Fields, and also had pictures taken with Ronald at a nearby Ronald McDonald House. Such bloggers are encouraged by the company because such bloggers have the potential of creating substantial influence on others. McDonald's understands the importance of maintaining proper relationships with them. The company's director of social media says, "Bloggers, and specifically mom bloggers, talk a lot about McDonald's. They're customers. They're going to restaurants. And even more important, these women have loyal followings" (O'Brien, 2012). McDonald's makes these bloggers feel important and special by providing them a behind-the-scenes view.

Companies maintain blogs because blogs offer a number of advantages. Blogs offer updated, honest, original, and cost-effective way to understand the psychology of customers. However, blogs also have a number of disadvantages. Information in blogs is cluttered. Flow of information in blogs cannot be managed and controlled. Companies may be overloaded with the amount of information available in blogs. It becomes difficult for companies to assimilate and to analyze such huge amount of information. Blogs remain confined largely to a C-to-C domain. It is true that the analysis of information in blogs helps companies in understanding their customers better and in building customer relationships. However, the control remains largely with customers (Srivastava & Fernandes, 2022).

Companies can use blogs as an effective tool for understanding customers. Companies require monitoring and listening to C-to-C conversations taking place in blogs. Consumers not only consume product information in blogs, but they also help in creating new and relevant information. Marketers should make skilful usage of such conversations to develop effective marketing programs which may help them in developing and building effective customer relationships.

4.4. Consumer-to-Business Relationships

Technological developments and the internet make it easier and convenient for consumers to communicate with companies and to have direct interactions with them (Mileros, 2020). The internet helps consumers to have easier and instant communications with companies. Companies also find it easier to connect with consumers directly, understand them better, and to develop fruitful relationships (Mandal, 2021). Companies invite prospects and customers to submit suggestions for improvements. Customers can submit such suggestions directly on corporate websites. Consumers can also search out sellers online, collect information about their offers, initiate purchases, and provide timely

feedback. Consumers are empowered enough to initiate the businesses rather than companies doing it. For example, at Priceline.com, would-be buyers can bid for hotel rooms, airline tickets, cruises, rental cars, and vacation packages. Companies can then decide whether to accept or to reject their offers (Mandal, 2021).

Various websites are available where consumers can get their queries answered. They can lodge complaints, offer suggestions, or deliver compliments to companies. Such websites include PlanetFeedback.com, Complaints.com, and GetSatisfaction.com (Carr, 2012). GetSatisfaction.com tries to create a customer-driven service community and tries to offer *people-powered customer service*. The website offers forums where customers can ask questions, give praise, share ideas, or report problems they might be having with offerings of more than 65000 companies. Such companies include Microsoft, Google, Zappos.com, and Procter & Gamble. GetSatisfaction.com also helps companies to gauge customer services and the level of customer satisfaction (Turban, King, Lee, Liang, & Turban, 2015).

5. KNOWLEDGE OF CONSUMER RIGHTS

Consumers have several rights related to products and services. Companies should be aware of and should have knowledge about consumer rights to serve them better. Companies should respect the rights and should strive hard to protect those rights. Political action committees (PACs) mobilize government officials to pressurize business executives and to respect the rights of consumers, women, senior citizens, minorities, gays, and lesbians (Maher, 2017). For example, the design of smoke detectors may be directly or indirectly influenced by insurance companies. Similarly, scientific groups affect the design of spray products. Companies respect consumer rights and have started establishing public affairs departments to deal with such special-interest groups (Ogechukwu, 2013).

Companies will find it difficult to develop and to build customer relationships unless they are aware of consumer rights and try to protect those rights. The consumerist movement organized citizens and governments to strengthen the rights and powers of buyers in relationship to sellers (Hemais & dos Santos, 2021). Consumerists have various rights. They have the right to know the real cost of a loan, the true cost per standard unit of competing brands (unit pricing), the basic ingredients and true benefits of a product, and the nutritional quality and freshness of food (Hemais & dos Santos, 2021).

Customers share a lot of information with companies. Customers worry about the privacy and security of the information shared by them with companies (Mandal, 2018). They share personal and sensitive information for customized products from marketers they trust. Customers worry that companies may misuse the information shared by them. They also worry that companies may make improper usage of the information without their knowledge and consent. They worry that the private information may be used against them. They worry that companies may develop communications based on the analysis of information. Companies may target them with unwanted and unauthorized communications. Vulnerable groups like children may be targeted with advertisements and other forms of communications (Mandal, 2022).

Technological developments and the internet allow companies to target individuals easily. However, such communications may result in various concerns. Both customers and regulators may be concerned and worried about online privacy and security (Segijn & Van Ooijen, 2022). Marketers can collect all information about customers with the help of technology. One researcher notes that it is difficult for individuals to protect their personal data. Most of the personal data become available in the public domain which affects the privacy and security of such data (Sullivan, 2012).

Companies should understand that customers worry about data privacy and security. Companies should respect such concerns and should ensure privacy and security of information shared by customers. Otherwise, sense of trust and belief will not be developed between customers and companies. Customers will hesitate in sharing information with companies. It will be difficult for companies to convince those customers who are worried and suspicious about the privacy and

security of the shared information. Companies also need to convince customers about the security of information to build and to develop meaningful and long-lasting relationships with them.

6. DEVELOPMENT OF CUSTOMER PREFERENCE PROGRAMS

Satisfied and delighted customers spread positive word of mouth about companies and brands in the networked economy when they trust companies (Tram, 2021). Customers rely on the viewpoints and suggestions of others to help them make purchase decisions. For all these reasons, it becomes essential for companies to develop customer preference programs which help them to attract or to reassure potential new buyers. Satisfied and delighted customers agree to act as references in addition to the sales and marketing departments of companies. Technology companies like HP, Lucent, and Unisys employ such programs to attract new customers and also to strengthen relationships with existing customers (Mandal, 2021).

Customer preference programs allow potential buyers to interact with companies and their existing customers in a number of ways. Prospective buyers can interact with customers through social media, conferences, events, and trade shows. The programs help buyers in forming their own personal and professional networks (Mandal, 2021). In the digital age, individuals can interact with each other through various means of communications. Companies should also acknowledge and recognize the importance of peer-to-peer interactions. Companies should be aware and should be convinced that such programs can act as a guide for potential buyers.

The discussions indicate that companies should aim to develop an effective customer preference program. Marketing experts offer a number of suggestions and strongly recommend that companies formulate the program to develop an army of advocates (Mandal, 2021). They are of the opinion that references should act as the centre of growth and strategy for companies. Companies should appoint an experienced executive as the leader of the program. Companies should also realize that all existing customers will not act as references. Instead, companies should focus on a smaller group of truly committed, motivated, and impactful company advocates who have a passion for the company. Research has proven that customer preferences programs help companies deepen customer relationships with both new and existing customers. Such programs may help in motivating and in increasing the loyalty even of the customer advocates themselves (Kumar, Petersen, & Leone, 2013).

7. BUILDING RELATIONSHIPS WITH SELECTED PARTNERS

Marketers should work closely with a variety of marketing partners. However, marketers should not aim to build relationships with all marketing partners. They should build and develop relationships with selected partners (Touma, 2020). In addition to being good at customer relationship management, marketers should also be good at partner relationship management (Agarwal, Singh, & Agariya, 2017).

7.1. Building Relationships with Marketing Partners within the Company

Traditionally, the basic job of marketing is to understand customer requirements and preferences and to communicate such needs to different departments of the company (Felix, 2015). However, in the present-day business scenario, it is not the responsibility of marketing only to do and report customer interactions. It is the responsibility of every functional area to interact with customers, especially electronically (Prajová, Homokyová, & Horvátová, 2019). In the present age of seamless connectivity, every employee must be focused on customers. David Packard, the late co-founder of Hewlett-Packard, wisely said, "Marketing is far too important to be left only to the marketing department." (Sharma, 2020)

Today, firms do not allow each department to go its own way. Firms link all departments so that the departments can work in proper coordination to create customer value (Bezaz, Himber, & Soulez, 2021). Now-a-days, customers are not assigned only to sales and marketing people. Companies are

forming cross-functional customer teams. For example, Procter & Gamble (P&G) assigns *customer development teams* to each of its major retailer accounts. Such teams consist of individuals from marketing, operations, finance, and others. The individuals coordinate the efforts of many P&G departments towards helping the retailer to be more successful (Corsten & Kumar, 2005).

7.2. Building Relationships with Marketing Partners outside the Firm

Changes are occurring in the ways in which marketers connect and interact with their suppliers, channel partners, and even competitors (Fedotova, Shynkarenko, & Kryvoruchko, 2018). In the age of connectivity, companies develop networks with other firms and build partnerships with such firms to conduct business which is mutually beneficial.

Marketing channels consist of distributors, retailers, and others who connect the company to its buyers. Companies maintain effective and efficient supply chains. The supply chain describes a longer channel, stretching from raw materials to components to final products that are carried to final buyers (Mukhsin, Taufik, Ridwan, & Suryanto, 2022). For example, the supply chain for the delivery of personal computers may consist of suppliers of computer chips and other components, the computer manufacturer, and the distributors, retailers, and others who sell the computers.

Supply chain management allows firms to strengthen their connections with marketing partners along the supply chain. They understand which marketing partners are more effective and efficient and develop relationships with such partners. Firms know that success at building customer relationships also rests on how well their supply chains perform in comparison with the supply chains of competitors. In a supply chain, suppliers are not treated only as vendors and distributors as customers. Firms consider them as partners in delivering superior customer value. Again, companies (such as Lexus) select suppliers carefully and work closely with such suppliers to improve quality and operations efficiency (Agarwal, Singh, & Agrawal, 2017). Such companies may also work closely with its franchise dealers to provide top-grade sales and service support. Such sales and service support solves customer problems and encourages customers to come back.

Apart from managing the supply chain efficiently and effectively, companies are aware that they need strategic partners to achieve business excellence. Now-a-days, companies operating across all industries and services cannot function without developing strategic alliances which are effective. For example, there is an explosive growth in auto sales in China. McDonald's has tapped this opportunity and has entered into a 20-year drive-through deal with Sinopec, a state-owned oil company, to give it right of first refusal on locating its restaurants at any of Sinopec's 30000 petrol stations (Grogaard, Verbeke, & Zargarzadeh, 2011).

8. DISCUSSIONS

Marketing is about developing, building, and managing profitable customer relationships. The aim of marketing is to create value for customers and to capture value from customers in return. Marketing should focus on understanding customer needs, designing customer-driven marketing strategies and programs, building customer relationships, and capturing value from the firm.

Companies should acquire profitable customers and build relationships that will keep them and will grow their *share of customer*. However, each customer is different and different customer relationship management strategies are required for different customers. In the digital age, with technological developments and internet penetration, customer relationships are developing in online marketing domains. Companies should not focus on all its customers. They should focus on the *right customers* and build *right relationships* with such customers. In return for creating value for targeted customers, the company captures values from customers in the form of profits and customer equity. Companies should respect consumer rights and should develop marketing strategies and initiatives so that consumer rights are protected. Also, companies should develop customer preference programs to build fruitful relationships with customers and prospective buyers.

Good marketers realize that effective customer relationship management cannot be built, developed, and managed alone. They must work closely and collaboratively with marketing partners inside and outside the company. Marketers should be effective in not only managing customer relationships but should also be effective in managing partner relationships. All these aspects are discussed in the study. The discussions have both theoretical and managerial implications.

8.1. Theoretical Implications

Academicians will understand the importance of customer relationship management and partner relationship management for companies. They may study the requirements and preferences of customers and marketing partners. They may conduct analysis to understand which customers and marketing partners are important and profitable for companies. They may suggest companies to focus on those selected customers and marketing partners. They may also conduct a cost-benefit analysis of focusing only on selected customers and marketing partners and provide insights to companies. Academicians may study the changing nature of customer relationships in online marketing domains. They may study and analyze various consumer rights and customer preference programs developed by companies for existing customers and prospective buyers. They may study and analyze the updated and relevant literature on the topic and suggest strategies and initiatives which will be effective for companies in the long run.

8.2. Managerial Implications

The discussions will sensitize managers to concentrate and to focus on selected customers and marketing partners. They should analyze the customer relationships in online marketing domains. They will understand that all customers and marketing partners may not be equally profitable for companies. They should conduct an analysis and should invest their efforts and resources on profitable customers and marketing partners and build deep and interactive relationships with them. They will understand about customer empowerment and the importance of consumer-generated marketing. They will also focus their efforts on retaining and building relationships with selected marketing partners both within and outside their firms. Practicing managers should be aware of consumer rights and ensure that such rights are protected. They should also develop customer preference programs for existing customers and prospective buyers.

9. CONCLUSIONS

Various aspects of the changing nature of customer relationships with companies, both in offline and online marketing domains are discussed. Companies become selective while choosing both customers and marketing partners for developing long-term relationships. The pros and cons of developing and managing relationships with selected customers and marketing partners are discussed. The importance of ensuring consumer rights and developing customer preference programs for existing customers and prospective buyers are discussed.

9.1. Limitations

A conceptual analysis of the various aspects of developing and managing relationships with selected customers and marketing partners, both in offline and online marketing domains, is done in the study. Various aspects of consumer rights and customer preference programs are discussed. Primary data is not collected and empirical analysis is not done. The discussions are done mainly with a focus on the markets in the United States. Markets in other countries may not replicate the markets in the United States. For example, the markets in a country like India are highly fragmented. The requirements and preferences of customers in such markets may differ widely. Such markets may also differ widely with respect to income, social status, and culture. So, different approaches for analysis with a focus on individual markets may be required.

9.2. Avenues of Future Research

Primary data is not collected and empirical analysis is not done in the study. Researchers may collect primary data and conduct empirical analysis. Such analysis may generate insights which are actionable and implementable. Also, the study focused on conducting an analysis of mainly the markets in the United States. Researchers may collect primary data and conduct the analysis for other markets to understand the situations and issues in such markets.

It is imperative for companies to build, develop, and to manage relationships with customers and marketing partners. They should be selective in choosing customers and marketing partners for developing long-term relationships. Researchers should focus on using proper analytical tools and suggest how to select customers and marketing partners, both in offline and online marketing domains. They should develop and formulate selection criteria which will help companies to be cost-effective in selecting customers and marketing partners. They should also suggest which customers and marketing partners will help companies to achieve business excellence in the long run.

Researchers should analyze various consumer rights and understand whether such rights are protected by companies. They should also advise companies to develop and to strengthen customer preference programs for existing customers and prospective buyers. Such programs will allow companies to identify profitable customers and to develop relationships with such customers.

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