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## Part V

# Customer Relationship Management: Staying on the Ball!

Part II of this book was concerned with the fundamental decisions made within the scope of the sales strategy. Part III discussed the dimensions of excellent sales management, with “management” referring particularly to company-internal issues such as sales organization or personnel management. Part IV dealt with the design of the information systems that are required in sales.

Part V will examine management of the customer relationship. In contrast to Part II, we will discuss tools that facilitate implementation of the sales strategy and constitute the tools of the trade for the sales representatives. Differing from Part III, we will take a company-external perspective here: We will not be analyzing the management of framework conditions in the company, but rather market-oriented activities and tools that are part of the day-to-day business of many sales representatives.

Current discussions on customer relationship management (CRM) rely heavily on IT and are being fueled by IT suppliers. In this environment, companies frequently ignore the fact that effective customer relationship management is not primarily a question of information technology (see Chap. 16). Having the right concepts for customer relationship management is much more important (for overviews, see Homburg and Bruhn 2008). This part focuses on these conceptual aspects of customer relationship management, many of which tend to be “classic in nature”: A considerable share of customer relationship management is undertaken by sales representatives in their everyday contact with customers. The personality traits and skills of these sales representatives are crucial to customer relationship management. Traditional tools such as key account management are also components of customer relationship management. All of this demonstrates that many activities which have long been the cornerstone of market development can be subsumed under the term “customer relationship management”. There is no need for a new IT-based slogan.

Chapter 17 focuses, first of all, on the “best sales representative”. We will describe his personality traits, skills and knowledge.

Chapter 18 deals with media that can be used to manage customer relationships, initially discussing a “relationship management classic” – trade shows. We then

examine call centers as a more recent medium, finally turning to the Internet as the “latest” customer channel.

Chapter 19 addresses customer retention management. We will first discuss the content and foundations of this much-discussed term. Following that, we will be describing selected customer retention management tools, including customer magazines, customer cards, customer coupons, customer clubs and virtual communities, as well as value-added services and complaint management.

Many companies in the corporate customer sector concentrate a large part of sales on a manageable number of customers. In such situations, key account management becomes the decisive tool in customer relationship management. Owing to the particular relevance of this tool, we will examine it separately in Chap. 20.

The success of customer relationship management stands and falls with the right timing of actions. There are always times in a business relationship at which making contact with the customer is particularly important in order to stabilize and cultivate the business relationship. This may be the case, for example, if a business relationship generates extraordinarily high or low sales revenues. To be able to identify such extraordinary situations, a “model of a typical business relationship” needs to be developed. We will discuss this “relationship modeling” in Chap. 21.