

MANAGEMENT POLICY OF COMPANY KEY CUSTOMERS

Leading companies try to build a complete partnership with their customers. For this purpose, they develop loyalty and retention programs for their key customers. Marketing experts try to provide these customers with constantly high value and satisfaction. They also use specific marketing tools to develop stronger relations with these users. The main purpose of this paper is to study in theoretical and practical terms the specifics of the relationship management in regard to the company key customers.

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1. Introduction

Leading companies try to build a complete partnership with their customers, especially with solvent ones. For this purpose, they develop loyalty and retention programs for their key customers. Marketing experts try to provide these customers with consistently high value and satisfaction. They also use specific marketing tools to develop stronger relations with these users. Customer relationship management aims to create a solid base of current and potential customers over a long period of time.

The main purpose of this paper is to study in theoretical and practical terms the specifics of the relationship management in regard to company key customers.

The object of research is the policy for working with key customers of the “M” organization and the subject is the achieved advantages of the established system for customer relationship management.

The main tasks related to the goal are:

- theoretical presentation of customer relationship management;
- examining the peculiarities in managing customer relationships;
- analysis of the policy for working with key customers of the “M” organization.

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2. Basic approaches to defining CRM

Managers of large organizations are fully aware that they need to do everything they can to satisfy their key customers. Numerous studies have shown that a high level of customer satisfaction brings a company greater loyalty to it, and this is a prerequisite for a better financial result. "A fundamental rule of modern customer relationship management theory is for companies to understand customers and then to acquire and develop resources to ensure their satisfaction and retention" (Anastasova, 2008, p. 68).

Inventive managers aim to fascinate their customers by promising them only what they could deliver and later delivering more than what they have promised. Their customers do not just re-purchase but become the so-called "missionary customers" attracting additional users to the company. "Customer retention is not only re-purchasing from a particular provider. Customer retention is a manifestation of their loyal behavior towards the seller based on satisfaction with the overall offer" (Stanimirov, 2013, p. 16).

Three approaches to defining CRM that form the so-called "CRM continuum" (Payne and Flow, 2005, p. 168) are reflected in the literature:

- Tactically defined CRM;
- CRM, customer-oriented;
- Strategically defined CRM.

Although customer-oriented CRM stands out, this does not mean that tactical and strategic CRMs do not have user orientation.

At the strategic level, CRM is not only perceived as a software or technology. CRM is a concept and business strategy focused on creating a sustainable business in the heart of which a user-oriented approach has been incorporated. CRM is distinguished from the traditional marketing approach by creating value together with the user. "CRM is a technology aimed at acquiring, satisfying and retaining solvent clients" (Goranova and Kuznetsov, 2010, p. 22).

At the core of CRM there is the process of creating and distributing value between business partners. Relationship management emphasizes customers who are able to create more added value. On this basis, companies use a differentiated approach for different customer groups.

In order to group customers of different value for the seller, Peter Doyle proposes the following four distinctive criteria to be used (Doyle, 2001, p. 128):

- Strategic importance – it depends on three factors: interest, growth prospects, and propensity for recommendations. Companies should target those customers who are interested in the value offered by the seller. Among the most desirable users are those who have good growth prospects. Some customers are opinion leaders and may influence other potential users by recommending the product of the respective provider;

- Importance of the user, determined as the relative share which the respective customer has in the total income or profit of the provider;
- Customer's profitability – it is formed by comparing the income accumulated from the customer to the costs for attracting and retaining him/her;
- Loyalty coefficient – if a company wishes to establish long-term partnerships, it must identify and strive to attract and retain those customers who are inclined towards such contacts. Some customers tend to behave loyalty upon establishing contacts with a provider. Others do not want to engage in partnerships, regardless of the level of service they receive from the provider.

Each of the criteria indicated by Peter Doyle must be evaluated within a certain timeframe because each customer could have high and low income at different time intervals. "Customer relationship marketing is complemented by a strategic vision for business development – customer management, including customer analysis and the benefit / contribution of each of them, analysis of their life cycle, etc." (Goranova, 2013, p. 59).

Once an organization's key customers are identified, processes and actions should be initiated to ensure the effective implementation of the CRM concept.

By building a new base for working with key customers, their needs are met better and information on the opportunities for collaborative work is collected directly. It is important for the company to build a specialized communication system that contains adequate and timely information for creating quality sales plans and customer loyalty programs, which also leads to establishing a mutually beneficial long-term partnership.

An interesting aspect in understanding the strategic role of CRM at corporate and company level is proposed by Roberts, Lui and Hazard (Roberts, Liu and Hazard, 2005). Their model offers the sequence of actions in implementing the CRM activity practically. Its focus is on the basic requirements in corporate and marketing aspects so that the process can be implemented successfully. "Quality assurance cannot absolutely guarantee quality service, but it makes it possible for specific reasons for any inconsistency and omission in the service to be identified and subsequently strategies for overcoming them to be developed" (Ilieva, 2016, p. 159).

3. Key customer management policy of the M organization

The managers of the M company clearly understand that customers are the most important factor for progressive business development. The organization operates in a specific industry where new customers are found relatively rare. Another characteristic is the realization of a large part of the positive financial result from a relatively small share from the customers.

The M organization operates on the B2B market (Business to Business market) which is why it is of utmost importance for it to create and maintain long-term relationships and trust relationships with partners. Relationship management prioritizes profitable loyal users with the highest return on resources. Efforts at building strategic partnerships are not

focused on all customers but only on "previously selected customers; on "loyal and profitable users" and on "the most valuable company customers".

The M company strives for continuous technological development and expansion of the product range. Based on this the company works on attracting and retaining its key customers.

A control mechanism for user access levels is implemented in the organization's CRM system. The following units are differentiated in the system:

- "Contacts";
- "Activities";
- "Opportunities";
- "Problems";
- "Products";
- "Documents";
- "Administration".

The capabilities of the system are manifested on a flexible, individualistic, structural basis enabling the organization "M" to adapt the respective decisions in time, depending on the changing needs.

4. Conclusion

By examining the characteristics of the CRM system incorporated in the M company, we could present the main advantages for the company as:

- Increased sales (respectively profit) as a result of well planned and effective marketing;
- Finalizing transactions and sales opportunities;
- Concentration of the management on fundamental tasks;
- Accumulation in a unified database with controlled access to information concerning partners and users;
- Possibility to control the activity of each employee;
- More service and customer satisfaction.

In general, modern market relations imply a quest for better service in relation to competing companies. And the introduction of a CRM system is a quick step in this direction, creating the foundation for competitive company development.

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