

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Relationship Marketing Perspective[s]

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Abstract:

Relationship marketing is pivotal to relationship creation and managing customer relations. This paper provides a recipe for enhanced debate on existing marketing management discourse from a relationship building platform. Various issues have been discussed from a critical perspective, focusing mainly on what relationship marketing is, and how it benefits industry and specific terms. The fundamental purpose of the paper is to provide key linkages and key drivers that make the relationship marketing discipline a key functionality in its own right.

Keywords: Relationship marketing, customer relationship marketing, competitive advantage, customer satisfaction, customer retention

1. Introduction

In order to advance the knowledge and understanding of this study, this paper is literally devoted to a review of related literature pertaining to relationship marketing both from a general and specific perspective. A literature review fundamentally allows fact-finding about the research topic (in this case: Relationship marketing and establishes background knowledge about different theoretical concepts (O'Leary, 2004). For this paper, a variety of different sources were used to get a broad picture and insights on the relationship marketing phenomenon. The paper explores on a number of discussive areas on relationship marketing as propounded by different authors and scholars.

1.1. Definition of Key Terms

In order to get clarity and understand the conceptual and theoretical underpinnings pivoting this study, it would be naive to proceed without providing clarification on meanings on key recurring terms that provides meaning and direction to the total research purpose. Against this background, I therefore set the tone for this paper, by giving that clarity through definitions as understood by other scholars.

1.2. Relationship Marketing

Many authors have propounded a number of meanings of relationship marketing and vary their understanding based on their personal experiences. Relationship Marketing refers to exchanges that occur overtime, in contrast to short term transactional exchanges. Another dimension put forward by Strydom et al,(2004) is that relationship marketing is a philosophy of strategically managing relationships with stakeholders, with a strong focus on retention of current customers. The strategic area of relationship marketing was first defined by Berry (1983, p. 25) as "attracting, maintaining and [...] enhancing customer relationships". Thus, relationship marketing refers to activities directed toward establishing, developing, maintaining, and retaining successful relations (Berry and Parasuraman 1991; Morgan and Hunt 1994; Gordon,1998). Hunt (2002) also made it clear that a company's efficiency and effectiveness are always enhanced by establishing relationships with all potential stakeholders. Nevertheless, Gummess on (1995) observes that "not all relationships are important to all companies all the time". For this reason, a fundamental thesis of relationship marketing strategy is to identify, develop and nurture a suitable relationship portfolio (Hunt, 2002).Callaghan et al. (1995) defines it as follows: "relationship marketing centres on the creation and maintenance of the relationship between two parties of exchange, the supplier as an individual and the consumer as an individual through the possession of the desire to be mutually empathic, reciprocal, trusting and to form bonds .Bonding is defined as the dimension of a business relationship that results in two parties (the customer and the supplier) acting in a unified manner toward a desired goal (Callaghan et al., 1995). In the dyadic relationship of a buyer and a seller, bonding can be described as a dynamic process that is progressive over time (Dwyer et al., 1987)." Lovelock (1996) asserts that relationship marketing recognizes the value of current customers and the need to provide continuing survives to existing so that they will remain loyal.

An analysis of a number of all the above definitions, including those excluded here because of space and time, results in this lowest common denominator: that the metamorphic aspect of relationship marketing rests on creating long lasting relations divorced from the traditional transactional view, which is embedded in the 'kill the hen that lays the egg' view. Given

these definitions from the dedicated authors, I summarily assert that while I do not have conflict with any of the views, I believe that relationship marketing is a loyalty building process uncontaminated by greediness and the need to maintain long term relationships for enhanced profitability, obtainable through managing the total customer lifetime value discounted to the present net value (total customer contribution throughout his/her lifetime cycle with the firm). Relationship marketing in support of other author views is a strategy where the management of interactions, relationships and networks is fundamental.

1.3. Customer Satisfaction

Gerson (1994) defines customer satisfaction as the customer's perception that his or her expectations have been met or surpassed. Kotler (1985) defines customer satisfaction as person's feelings of pleasure or disappointment resulting from company's product's perceived performance in relation to his or her expectations. For the purposes of this review, customer satisfaction is viewed as the ability to exceed customer expectations in a way that pulls a customer to do repeat purchases over time.

1.4. Customer Retention

This is defined as the final process in the relationship development between a customer and a company (Gummerson, 1993). Dick and Basu (1994) explain that customer retention is customer detention. Analysis of the detention aspect shows that when a person is detained-he or she cannot go anyway –thus being retained Grover (1999) and Gummerson (1987), defines customer retention as that process of creating an enabling environment upon which the customer is trapped in love with one company. In this paper, retention shall mean keeping the customer with the company for a long period of time. It is a result of customer loyalty.

1.5. Customer Loyalty

Customer loyalty is defined as the willingness of the customer to continue patronizing a company over a long term purchasing and using its goods and services on a repeated and exclusive basis and recommending the firm's good friends and associates (Never and Slater, 1990). Lovelock et al., (1999) describe customer loyalty as a customer's willingness to continue patronizing a firm over the long term, purchasing and using its products to friends and associates. Christopher et al., (1991) propose that the objective of relationship marketing is to turn new customers into regularly purchasing clients and then to progressively move to being strong supporters of the company and its products and finally to being active and vocal advocates for the company. According to Christopher et al., (1991) the traditional marketing mix elements of product, price, promotion and place are the principal elements used to turn prospects into customers, while the focus of relationship marketing is to move customers into clients, supporters and ultimately advocates for a company's products and services. In the context of this study loyalty shall mean, in addition to Christopher's definition, being patriotic, being partisan to a company's products, having a strong belief and attachment to the extent of owning mistakes made by the company and willing to advise the company to correct the mistake and advocate further positive aspects. For example if a batch of x product is contaminated, a client will, instead of attacking and lay blame on the company that produced the product, will quickly take corrective action through informing the affected company.

1.6. Customer Relationship Marketing (CRM)

According to Kotler (2002), CRM is a management strategy that enables companies to provide excellent real time customer service by developing a relationship with each valued customer through the effective use of individual account information. www.reveries.com also defines CRM as a key strategic process and a customer centric culture/value system which considers the literature with the life time value of a customer and puts relationships with the customer at the heart of the business. Customer relationship marketing is viewed as part of customer relationship marketing –in the context of this study. In some cases this term is used interchangeably with relationship marketing though there is an argument that CRM is borne out of relationship marketing. For purposes of this paper, the assumption is that CRM is part of relationship marketing, a microcosm of the macrocosm.

1.7. Relationship Marketing Explored

However, it has not been until relatively recent that business has begun to understand that it is not solely the reliance upon attraction of customers that is important to success. Equally, if not more important, is the need to retain the customer and their future loyalty to the product offering or brand, as this is the only way in which the corporation can sustain their competitive advantage over other market players (Ang and Buttle, 2006; David and Associates, 1998). I strongly believe that maximizing the lifetime value of a customer is a fundamental goal of relationship marketing. Effectively speaking, in this context the lifetime value of a customer is the future flow of net profit, discounted back to the present that can be attributed to a specific customer. Thus, adopting the principle of maximizing customer life time value forces the organization to recognize that not all customers are equally profitable and that it must devise strategies to enhance the profitability of those customers it seeks to target (Kotler, 1999; Yonjae and Sung, 2004; Aggarwal, 2004). Relationship creation with those customers becomes fundamental requirement.

Relationship marketing calls for the need to focus attention on multiple markets rather than the customer alone. In order to compete for profitable customers relationship marketing looks beyond the conventional marketing strategy of focusing on the customer alone as the key. The multiple market domains alluded to here include-suppliers, employees, influencers, distributors and alliance partners. This is akin to the six market model developed by Christopher. There is however nothing sacrosanct about the number six-as the domains can be more or less depending on the nature of your business.

The first meaningful attempt to discuss relationship marketing came from (Gronroos, 1982) who talked about 'interactive marketing'. This was of course followed by Berry (1982) who coined the term relationship marketing in a conference presentation and thereafter Levitt (1983) attempted to broaden the scope of marketing beyond individual transactions. Fornell and Wernerfelt (1987), used the term 'defensive marketing' to describe attempts to reduce customer turnover and increase customer loyalty. This customer retention approach was contrasted with 'offensive' marketing 'which involved obtaining customers and increasing customers' purchase frequently.

Acquiring and building relationship with new customers takes slightly a longer time period. Relationships with clients have been used from time immemorial to cope with the complexity of everyday life. Relationship marketing is one of the oldest approaches to marketing, yet one of the least understood. It is a broad topic and many scholars and researchers have approached it from different perspectives. Globally, the adoption of relationship management, is a key driver in the sustenance and growth of customer base. According to Zeithaml and Bitner (2000) relationship marketing is a philosophy of doing business, a strategic orientation that focuses on keeping and improving current customers, rather than acquiring new customers. This philosophy assumes that consumers prefer to have an ongoing relationship with one organization than to switch continually among providers in their search for value. Berry and Parasuraman (1991) identified relationship marketing as a marketing approach that concerns attracting, developing, and retaining customer relationships. I take this opportunity to express the overall objective of relationship marketing is to facilitate and maintain long term customer relationships, which leads to changed focal points and modifications of the marketing management process.

Relationship marketing aims at creating a client relationship from the start to satisfy and retain existing customers, while transactional marketing tries to make the sale and find new customer (Vence, 2002). A considerable number of academic scholars have devoted quite a considerable amount of time and effort to criticize and attack the traditional marketing mix theory. Success does not come solely from the manipulation of marketing mix elements but by building a long-term relationship between buyer and seller (Ford et al. 2004). The marketing mix approach is considered too limited (Gronroos, 1990, 2000). The marketing mix approach is not adequate in meeting the requirements of the marketing concept (Gummesson, 2000). Zineldin (2005) says that the marketing mix theory is not transferable to the services sector. Rafiq and Ahmed (2000) argue that this criticism of the 4Ps can be extended to include industrial marketing. Their argument is that the 4Ps do not take sufficient account of building a long-term relationship between an industrial buyer and seller. Therefore, relationship marketing has taken a paradigm shift, moving away from the marketing mix. Kotler argues that transaction marketing is more useful than relationship marketing when the customer has a short time horizon and can easily switch from one supplier to another without spending more. Buyers of milk products can still be divided into these basic paradigms of whether to go for transactional approach or a relational approach. The concept of Relationship marketing attempts to implement the marketing concept by strict adherence to market orientation principles that are activity rather than outcome oriented (Paliwoda,1998). Further interrogation of this view reveals that such principles include, among other constructs the following crucial elements: a focus on on-going relationships; a long term business perspective and staff involvement in sustaining relationships.

In contrast to the use of marketing mix processes, relationship marketing is cross functional marketing and is organized around processes that involve all aspects of the organization. In fact some authors and commentators prefer to call relationship marketing 'relationship management' in recognition of the fact that it involves much more than which is normally included in marketing. Christopher et al. (1991) claimed that relationship marketing had the potential to forge a new synthesis between quality management and marketing.

Relationship marketing has been used to describe those strategies intended to bring about and create an extended relationship with customers. Research by Coviello et al.(1995) suggests that there are four distinct types of marketing relationships and these are: transactional marketing, data base marketing, interactive marketing and network marketing. It should be borne in mind that these are not necessarily mutually exclusive. A firm may have transactions with some customers who have neither the desire nor the need to make future purchases, while working hard to serve others whom it is encouraging to climb the loyalty ladder. Gummeron(1999) advocates for total relationship marketing, which he described as marketing based on relationships, networks and interaction, recognizing that marketing is embedded in the total management of the networks of the selling organization, the market and society.

1.8. Difference between Transactional Marketing and Relationship Marketing

Relationship marketing and traditional (or transactional) marketing are not mutually exclusive and there is no need for a conflict between them. In practice, a relationship-oriented marketer still has choices, depending on the situation. Most firms blend the two approaches to match their portfolio of products and services. In the 20th century, transactional marketing was the predominant trend. The main focus is more on the transaction and making a sale and brings in more buyers. It is

typically a short-termist in outlook with very little emphasis on customer service. Firms, over years have realized that this approach is a burden to the organization as one has to continue to spend money on promotional issues and attracting new customers. According to Buttle(1996) and Ang and Buttle (2006), marketing is no longer just about developing, selling and delivering products and services but is increasingly focusing on the development and maintenance of mutually satisfying long term relationship with customers.

Transactional Marketing	Relationship Marketing
Orientation to single sales	Orientation to customer retention
Discontinuous customer contact	Continuous customer contact
Focus on product features	Focus on customer value
Short time scale	Long time scale
Little emphasis on customer service	High customer service emphasizes
Limited commitment to meeting customer expectations	High commitment to meeting customer expectations
Quality is the concern of production staff	Quality is the concern of all staff.

Table 1: Key Differences between Transactional Marketing and Relationship Marketing

Source: Adapted from Payne (1998)

1.9. Three Levels of Relationship Marketing

Berry conceptualizes relationship marketing into three levels which are: Tactical level where marketing is used as a promotional tool. It does not matter whether service industry or not. However, implementation of such schemes often is opportunistic leading to expensive loyalty schemes which create loyalty to the incentive rather than the supplier (Barnes, 1994; Anderson, 1995:). At the strategic level, relationship marketing is in itself regarded as a process by which suppliers seek to 'tie in' customers through legal, economic, technological, geographical and time bounds (Liljander and Strandvick, 1995). Such bonds may lead to customer detention rather than customer retention (Dick and Basu, 1994) and that a company which has not achieved a more deep-seated affective relationship with its customers may be unable to sustain those relationships. In my opinion that what often passes as relationship therefore is an asymmetric association based on inequalities of knowledge, power and resources rather than empathy and mutual trust. A judicious analysis of the trust measurement models usually adopted in channel relationship studies reveals at least two problems. Firstly, in many studies, the operational definition does not match the conceptual definition: while trust is defined in terms of expectations or beliefs about the prospective trustee's behavior, the measurement is grounded in beliefs about the trustee's characteristics. Secondly, in other studies, in order to overcome the previous contradiction somehow, the definition of trust is based on expectations about the characteristics of the prospective trustee, which is not trust in itself (Mayer *et al.*, 1995).

At the philosophical level, relationship marketing goes to the heart of marketing philosophy. General definitions of marketing focuses on the primacy of customers' needs and relationships marketing as a philosophy re-focusing marketing strategy away from products and their lifestyles towards customer relationships lifecycle. Never and Slater (1990) stress the key feature of a relationship marketing philosophy, using all employees of an organization to profitably meet lifetime needs of targeted customers better than competitors. However, some writers in the relationship marketing field still seek to limit the scope of the concept to the customer-supplier dyad, however there is evidence that this broadened perspective is gradually gaining wider acceptance among scholars of relationship marketing (Payne *et al.*, 2005; Morais *et al.*, 2004; Yonjae and Suna, 2004). Schlesinger (1995) declared that achieving the full profit potential of each customer relationship should be the fundamental goal of every business. This is of paramount importance to an organization given the level of competition it is facing as a result of other competitors coming in.

An interesting debate was raised by Fourber (1998), who propounded that 'the field of relationship marketing has leapt ahead to application of relationship marketing ideas and assumed benefits without proper developments of the core constructs involved. It is notable that most explanations provided by most writers were concluded in terms of desired outputs and do not indicate the required inputs which would enable the observer to determine whether relationship marketing is being pursued (Blois, 1996). Kotler's explanation of relationship marketing, though it fails to escape Blois criticism, does well to point out the need for value creation in order for a relationship to exist.

Evans and Laskin (1994), proposed that relationship marketing is the process whereby a firm builds long-term alliances with both prospective and current customers so that both seller and buyer work towards a common set of specific goals. These goals according to Evans and Laskin are met by :understanding customer needs, treating customers as service partners, ensuring that employees satisfy customer needs, this might call for further employee creativity beyond company norms, provide customers with possible quality, relative to individual needs, having constant communication with customers and finally integrate relationship marketing process into its strategic planning, enabling the firm to better manage its resources and meet future client needs.

Christopher et al (1991) and Gronroos(1990) proposed two often cited conceptualization of relationship marketing activities. The following were put forward as some of the key dimensions of relationship marketing;

- Long term scale
 - Orientation on product benefits
 - High customer contact commitment
 - High customer contact
 - Focus on customer retention
 - High service quality
- In the same scenario, Gronroos suggest that relationship activities include:
- A long term customer focus
 - Making and keeping promises to customers
 - Acquiring and using customer information
 - Involving organization wide personal in marketing activities
 - Interactive process to marketing and developing a customer level service culture.

Notably, these authors focused more on long term relations, commitment and a favourable service culture, which to them, are the main components of relationship marketing. Any industry, therefore in line with this needs requires a concrete culture on relationship building for its sustainable growth.

2. Customer Loyalty

There is general consensus in the literature concerning what loyalty can do to businesses. It is agreed that loyalty is an important determinant of firm performance (Anderson et al., 1994; Hallowell, 1996; Silvestro & Cross, 2000; Leverin & Liljander, 2006). Customer loyalty is designed as a marketing process for selecting customers, maintaining them and developing their value. Benavent & Meyer-Waarden(2004) classified loyalty strategies into two classes namely-'customer heterogeneity management' and 'Customer relationship management'.

The first one is based on the establishment of 'discrimination between customers to manage their diversity needs. This strategy is useful if the firm has very heterogeneous clients base and the discrimination is achieved through the application of the marketing mix. The second one is established to manage and improve customer service. The purpose is to increase customer value. In real practice, to retain customers and develop loyalty hearts, a firm must combine these two types of loyalty strategy (Customer heterogeneity management and Customer relationship management. In a nutshell, I strongly attest to the school of thought which assumes that loyalty strategies seek to build stronger and more durable relationships with customers. Durable relations do encourage customers not to easily divert to other firms if there is a problem but patiently waits for its resolution. Thus relationship satisfaction is critical and can be achieved through loyalty packages created specifically for that purpose.

Lastly but not exhaustive, is the relationship marketers "relationship ladder of customer loyalty'. It groups types of customers according to their level of loyalty. The ladder's first rung consists of "prospects", that is, people that have not purchased yet but are likely to in the future. This is followed by the successive rungs of "customer", "client", "supporter", "advocate", and "partner". The relationship marketer's objective is to "help" customers get as high up the ladder as possible. This usually involves providing more personalized service and providing service quality that exceeds expectations at each step.

2.1. Effect of Relationship Marketing Strategies on Customer Retention

The long term success of organizations (Slater, 1997;Kandamully and Duddy, 1999) is determinant a company's ability to maintain customer loyalty. Successful relationship marketing has important outcomes for organizations and service providers due to increase in loyalty and satisfaction such as : willingness to spend more time in the organization or buy other brands and products (Reichheld,1996;Christy et al.,1996; Reynolds and Beatty,1999; Gwinner et al.,1998;Wong and Sohal,2003,Georgina Whyattand Ralph Koschek,2010). The table below provides an in-depth presentation on various approaches and strategies necessary for an effective relationship marketing system.

Strategic Determinant Icon	Meta-Explanation of The Icon	Contributing Authors/References
Communication	<ul style="list-style-type: none"> -Has a vital role for connecting sellers and buyers -is a conscious and unconscious process of transferring feelings and opinions in the form of a message -concerns teaching customers about a product, brand, policy, rules and regulations -making aware, publicity and public relations -having an effective sales force in communication -bringing both old and new customers into the lime light -advertisement ,packaging face to face connections with 	Ring and Van de Ven, (1994), Mohammad Arabi and Davoodlzadi,2005), Mcintosh et al.,1992, Singh and Sirdeshmukh,2000).

	clients are essential aspects to communication	
Preferential treatment	<ul style="list-style-type: none"> -this concept concentrate on selected customers and gives them higher social recognition and offers products above the standard value and services beyond regular practices -concerns customer perception on the level of service provision to loyal customers -It is clear from a marketing perspective to know that customers are not equal at all -Cost of maintaining customers can be higher than their profitability 	Lacey et al.,2007, Smith and Taylor,2004, Parviz Dargi,2007
Service personalization	<ul style="list-style-type: none"> -Personalization refers to adjustment and modification on products and services based on additional information from customers -Strategy enhances relationships between customers and sellers -personalization in this study goes beyond adjusting and modification by involving the customer even before product or service is produced through to consumption and post consumption period(my contribution to existing knowledge) 	Jari Vesanen,(2007); Dwayne Ball(2009); CHIA-Yu Lin and E.Y Huang,(2005); Ansalri and Mela(2003)
Rewarding	<p>Rewarding is an action oriented approach of recognizing efforts of one party through an existing or intended relationship</p> <ul style="list-style-type: none"> -it is a promotional tool in sales process and relationship building based on mutual trust -Promotion is an acceleration tool to maximize sales to customers who are not persuaded by advertisements -improves relationship between buyer and seller 	Belch(2001); Changchien et al.,(2004)
Trust	<ul style="list-style-type: none"> -corner stone of long term relationships -Willingness to rely on exchange partner in whom one has confidence -willingness to accept vulnerability from behaviours of others -Stable quality of product, service ,sufficiency and benevolence are the elements that increase trust levels -plays a role in repurchasing and loyalty levels -means taking mutually agreed words as fact and reducing one's perceptions of the likelihood that either party will act opportunistically -trust is a belief or conviction about the other party's intentions within the relationship -In relationship marketing trust is defined as the dimensions of a business relationship that determines the level to which each party feels they can rely on the integrity of the promise offered by the other -fulfilling promises is a trust building process -trust comes from customers positive experiences that induce them to ccontinue to do business with an organization. -is multi-dimensional concept with different behavioural,emotional and conceptual aspects--Trust in Buyer-seller Relationships -Several studies in the marketing relationship literature demonstrate that trust is indeed a core construct in buyer-seller relationships -For instance, it has been found that trust leads to longer and more stable relationships reduces the incidence of 	Jus' cius and Grigaite,2011, Ndubisi and Wah,2005; Leung et al,2005;Chattananon and Trimetsoontorn,2009; Gronroos, 1990;Versel and Zabkar,2010);Sanzo et al.,(2003) -Rousseau et al.,(1998); (Anderson & Weitz, 1989; Pavlou, 2002); (Morgan & Hunt, 1994); (Anderson & Narus, 1990); (Ganesan, 1994); (Morgan & Hunt, 1994),

	<ul style="list-style-type: none"> conflict -boosts satisfaction with the relationship, minimizes uncertainty increases purchase intention -increases commitment and encourages long-term relationship orientation. 	
Commitment	<ul style="list-style-type: none"> -an important determinant of the strength of a marketing relationship -useful for measuring customer loyalty and predicting future purchase frequency -it is an intention to continue a course of action or activity or the willingness to maintain a relationship -Buyers calculated commitment is based on switching risks and sentiments of allegiance 	Moorman et al.,1992;Hocutt,1998; Berry et al.,2008; Versel and Zabkar,2010
Conflict management strategy	<ul style="list-style-type: none"> -conflict refer to tension and frustration between two or more social and economic entities that arise from their incompatibility of actual and desired responses -handling it amicably is an opportunity to show the company's ability to engage its important customers -ability to avoid conflict through proactive identification of looming conflict is critical 	Dwyer et al.,1987;Meunier-FitzHugh and Piercy,2010
Bonding -financial bonding -structural bonding -social bonding	<ul style="list-style-type: none"> -dimension of a business relationship that results in two parties acting in a unified manner toward a desired goal -is a dynamic process in dyadic relations between the buyer and the seller -enhancing customer loyalty is key to the bonding process -results in feelings of affection, a sense of belonging to the relationship and a sense of belonging to the organization 	Shani and Chalasani,1992; Chattananon& Trimetsoontorn,2009; Levitt,2003; (Pelton, 1997); (Sally, Perry; 2002); (Wilson and Mummalaneni, 1986 Henrik Calonius (1988).
Promising	<ul style="list-style-type: none"> -An integral element of the relationship marketing approach is the promise concept that has been strongly emphasized by a number of scholars and researchers who according to them marketers should not only give promises and then persuade the consumers for a certain desired outcome - Apart from making only promises they should attract new customers and initially build relationships. -if promises are not kept, the evolving relationship cannot be maintained and enhanced -Fulfilling promises is equally important as means of achieving customer satisfaction, retention of the customer base, and long-term profitability. 	Henrik Calonius (1988)

Table2: Key Determinants, Approaches and Strategies of Relationship Marketing

Source: Researched Data

2.2. Theories of Relationship Marketing

Dairy Industry has its own complex structures and dynamics. Understanding these complicated networks calls for delving deep into some critical theories of substance. Relational variables have been drawn from a wide variety of theoretical domains. Relationship marketing-establishing, developing, and maintaining successful relational exchanges-constitutes a major shift in marketing theory and practice.

Ahmed et al. (2001) identify six main sources of business partnerships: transaction cost analysis (Williamson, 1985), relational exchange theory, resource-dependence theory, network theory (Ford, 1990), political economy paradigm (Stern and Reve, 1980), and crosscultural management. Each theory has provided a particular lens through which relationships, their dimensions and appropriate research methodologies, are viewed. Although marketing academics and practitioners have been examining relationship marketing for more than a decade (Gronroos, 1990, O'Malley and Tynan, 2000), most of the studies on relationship marketing have been criticized as overly simplistic because of their uni-dimensional perspective (Yau, 1995) unlike the model of Callaghan et al. (1995). A theory used in relationship marketing since the 1970s is social exchange theory

(SET), based on works of Homans (1958, 1961, 1974), Blau (1960, 1964) and Thibaut and Kelley (1959). SET is widely viewed as one of the most influential conceptual paradigms in organizational behaviour (Cropanzano and Mitchell 2005; Friman et al. 2002). As exchange ideology is also said to influence individuals' sensitivity to organizational politics, job satisfaction and commitment, SET is used to evaluate buyer-seller relationships (Witzel, 2006; Aggarwal, 2004). SET suggests that there are as many as six different resources influencing interpersonal attachments: love, status, information, money, goods and services. This theory is based on certain rules of exchange, although it remains unclear which exchange rules apply to each resource. Reciprocity or repayment in kind is one of these exchange rules (Blau 1964). Major objections to or problems with SET are quoted as follows (Miller 2001):

- SET reduces human interaction to a rational process that arises from economic theory.
- The theory assumes that the ultimate goals of a relationship are intimacy and reciprocity. These are not the "ultimate" relationship goals.
- SET proposes that relationships have a linear structure. In reality, relationships do not develop this way.
- SET is based on an individualist mindset, which may limit its application in and description of collectivist cultures.

The author supports Gummesson's observation that SET does not take into consideration that not all relationships are important to a buyer or seller all the time. This also impacts on the relationship portfolio investments and might influence the development of relationship commitment of suppliers and customers in equal measure. From a philosophical perspective, SET explains social change and stability as a process of negotiated exchanges between parties. This theory explains the formation of long-term relationships through the key mediating variables of commitment and trust. SET is mainly applied in the field of marital satisfaction and the quality of family life. This theory posits that relationship marketing requires commitment and trust and has its roots in economics, psychology and sociology. The functionality of the dairy industry can be progressive if some if not all of these elements are adopted as part of the service culture. It is not surprising to see dairy business suffocating because of lack of appreciation by leadership and weaknesses in their marketing framelogy and design to accommodate such noble aspects of relationship building. Relationship marketing can pay off if customers have a long-term perspective and there will be high costs for switching supplier. In order to acquire and maintain a competitive edge, organizations should develop long-term relationships with their customers. As a result, relationship marketing theory became globally accepted in the 1990s (Gummesson, 1994; Morgan and Hunt, 1994), covering a range of marketing activities (Palmer, 2000), and thus it is described as a "new-old" concept (Berry, 1995). Since then, relationship marketing has become a topic of interest in special issues of international journals such as the Journal of the Academy of Marketing Science (Bejou, 1997). Relationship marketing has been described as a new marketing paradigm based not on transactional exchanges but on relational exchanges (Gronroos, 1994). A consensus also exist amongst various authors that this new paradigm emphasizes a shift in marketing from short-term transactions (traditional marketing or marketing mix) to long-term relations (Kotler, 1992; Morgan and Hunt, 2004; Palmer, 2002; Lin et al, 2003).

Literature reveals that relationship marketing is handled in different ways by different authors (Gummesson, 1996). Four different schools of thought have since emerged which have mainly been influenced by a diversity of disciplinary and research traditions. They include: Nordic, Industrial Marketing and Purchasing (IMP), North American, and Anglo-Australian. It is however not the purpose of this study to explore on these aforementioned schools of thought in detail but serve to say understanding their background and technical details may be a useful starting point for those interested in pursuing serious relational policies such as the dairy industry case in Zimbabwe under the Dairibord thrust.

The evolution of relationship marketing has been one of the most significant developments in marketing over the decades, particularly in relation to industrial marketing (Dwyer et al., 1987; Palmatier et al., 2006; Sheth and Parvatiyar, 1995). Yau et al. (2000) compared a relationship marketing orientation (RMO) with a traditional market orientation in terms of its relative impact on the business performance of firms in retail, wholesale and manufacturing industries from the perspective of Chinese managers in Hong Kong. The literature on market orientation has provided evidence of the positive relationship between RMO and the business performance and brands of firms (Heffernan et al., 2008; Palmatier et al., 2006). As the business environment changes and customers become more demanding, firms must practice relationship marketing to compete effectively (O'Malley and Tynan, 2000).

2.3. The Six Market Model

Christopher, Payne and Ballantyne (1991) identify six markets which they claim are central to relationship marketing. They are: internal markets, supplier markets, recruitment markets, referral markets, influence markets, and customer markets. The six market model helps firms to study about the stakeholders and key market domain that may be important to them. If an organization wants to grow and sustain, it has to maintain its relation with internal as well as external environment. Through the analysis of all 6 markets, managers can kind the critical markets and the opportunity in each market. In order to visualize and understand each market's importance the profounder developed the model below:

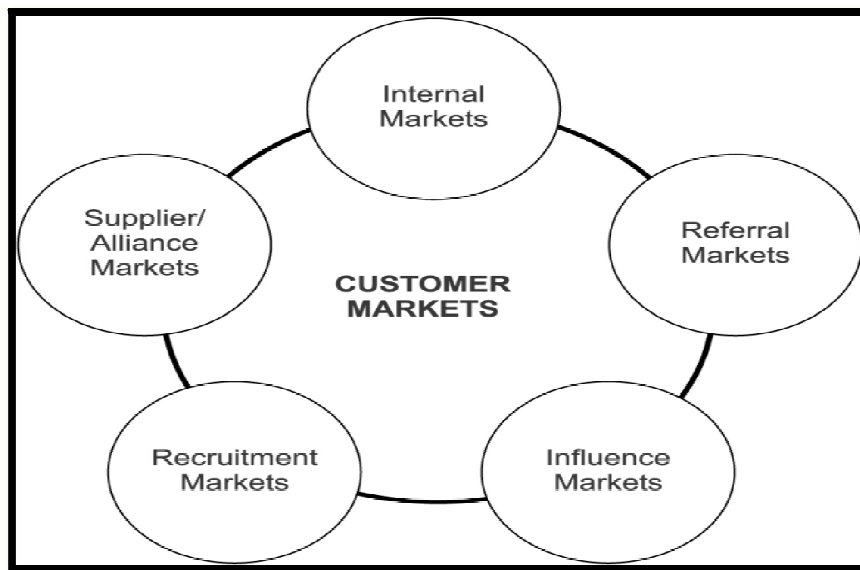


Figure 1: 6 Markets Model
Source: Adapted From Payne and Holt (2001)

The above figure depicts that: Customer market directly influences an organization. If customers are not satisfied with our product, firms cannot retain them. In case of Service Marketing customers' satisfaction is more crucial. This market contains buyer, intermediates, final customers and retailers. Influence market includes stakeholders as well as third parties and involves a wide range of sub-markets including: government regulators, standards bodies, lobbyists, stockholders, bankers, venture capitalists, financial analysts, stockbrokers. Customers who have bought a firm's product must give feedback to their friends, relatives and neighbors. For any organization these customers are their influencers and when third party like supply partners and retailers influence their customers to buy the company's product, they are called value added influencers.

Referral marketing is when a customer buys something after being referred by another customer's friends and relatives. In general we this can be understood as a common practice in marketing. Although it may take months before a firm sees the effect of referral marketing, this is often the most effective part of an overall marketing plan and the best use of resources. Referrals in this study include all consumers – industrial and individual consumers (hotels, retailers, and individual persons). Suppliers are like partners, to an organization. They do supply the crucial raw materials and parts. The need to develop a strategic alliance with them cannot be overemphasized. In this study these include smallholder farmers, sugar suppliers, water suppliers, packaging material suppliers' etcetera. In terms of employee/recruitment Market, it is this market which aids a firm to keep the best people who can add values to the organization. Internal Market applies to the customers and employees within the organization. Actually there should be proper harmony among the employee and suppliers and customers so that organization can work together and achieve its mission. Live-in marketing is a variant of marketing and advertising in which the target consumer is allowed to sample or use a brand's product in a relaxed atmosphere over a longer period of time. Much like product placement in film and television was developed as a means to reach select target demographics in a non-invasive and much less garish manner than traditional advertising.

2.4. Commitment-Trust Theory

The Morgan and Hunt (1994) Model of Relationship Marketing focuses on antecedents and consequences with trust and commitment at the Centre of the relationship. Trust can lead to the commitment to a relationship that results from an exchange partner exerting all his/her efforts to preserve an important relationship (Morgan and Hunt, 1994). "The resources of the seller – personnel, technology and systems – have to be used in such a manner that the customer's trust in the resources involved and, thus, in the firm itself is maintained and strengthened" (Gronroos, 1994). In a study of relationships on the market for one industrial service, Moorman defined trust as "a willingness to rely on an exchange partner in whom one has confidence".

Christopher et al (1991) and Gronroos (1990) bring forth the major elements of relationship marketing: mainly high customer commitment, high customer contact and high customer service emphasis. For us on customer retention and duration as well as the building of more stable relationships with other parties, increase security and help to establish trust and commitment over a long period of time.

The other major element, as propounded by Gronroos (1980) in relationship activities include long term customer focus, making and keeping promises to customers. It involves organization that is a need for wide personnel in marketing and developing a customer led service culture and acquiring and using customer information. In a relationship, it is not just one party that takes initiatives; it is an interaction on equal and respectful terms. Literature from Kotler (2002) is precisely clear and informs that keeping promises is the corner stone of any effective future relationship marketing building processes. In the

same endeavor ,realistic advertising in this case is very crucial, overpromising and under delivering needs to be avoided at all costs and tactical management of customer perceptions and expectations comes as an integral tool for building relations with customers.

2.5. Relationship Marketing Strategies and Tools

As opposed to transactional marketing's focus on one-off sales, a good relationship marketing strategy is rooted in building customer loyalty and lasting, long-term engagement with your customer base. According to a study by Robin Buchanan and Crawford Gillies, the increased profitability associated with relationship marketing is the result of several factors: There is less dating around. Loyal customers do not go around shopping around and they are far less to switch, are less price sensitive and are more focused on the value than the price (Kotler,1999;Webster,1992). It is the foundation of word of mouth. Returning customers buy more and more often and are less expensive to serve because they already know your business culture, and they are part of that culture themselves. Long standing customers are much more inclined to purchase ancillary products through up selling and cross selling. Lastly happy customers reduce the cost of acquisition-reducing the need to pay advertising and marketing campaigns.

Program. Approach	Explanation	References/Author
Customer reward program	<ul style="list-style-type: none"> -used widely among supermarkets and the clothing industry -issuing discounts or personalized offerings according to previous purchases -loyalty cards -Vouchers, coupons for future or immediate purchase 	Dowling and Uncles (1997);Buttle (1996);
Customer involvement	<ul style="list-style-type: none"> -involve customers in the development of the product or service(usually in the design and taste of the product) 	Dowling and Uncles (1997);Buttle (1996);
Live-in-Marketing	<ul style="list-style-type: none"> -involves use of products for free for a period of time -customers get used to the product in a relaxed environment at home nor work -likely results in positive word of mouth 	Dowling and Uncles (1997);Buttle (1996);
Internal marketing	<ul style="list-style-type: none"> -focuses on the staff of the company -every employee is seen as a customer and supplier simultaneously -carry staff climate surveys to determine staff interests -internal communication and collaboration is key -goal of internal marketing is that all staff work attuned to the company's mission, strategy and goals -final output of internal marketing is highly satisfied external customers -a happy employee will likely satisfy the external client 	Dowling and Uncles (1997);Buttle (1996);
		Dowling and Uncles (1997);Buttle (1996);
Networking	<ul style="list-style-type: none"> -Networking, online and off, can be a powerful relationship marketing technique - This not only helps brand awareness, but also expands a firm's potential customer base. It is a win-win situation 	
Cherish Each Customer	<ul style="list-style-type: none"> -every interaction a firm have with its customers shows them that they are valued -Spontaneous recognition of your current customers can go a long way - Delight your customers with the unexpected (in a good way) and be there for them no matter what. 	Dowling and Uncles (1997);Buttle (1996);
Listen to Your Customers	<ul style="list-style-type: none"> - Every business says they do, but not all follow through or apply what they have heard - Even listening and responding to compliments can be beneficial - Customers love knowing they have been heard -By listening to these concerns, you ensure that your 	Dowling and Uncles (1997);Buttle (1996);

	<p>customers feel valued</p> <ul style="list-style-type: none"> -Plus, if you learn what people love and dislike about you, you can leverage the feedback to improve your business. 	
Build a Brand Identity	<ul style="list-style-type: none"> -Customers will gravitate toward what they find that is memorable -If your brand resonates, they will likely remember you and you can develop the relationship further --Once you have a strong brand identity, those that wish to become a raving fan will know what you stand for and why they should care. 	Dowling and Uncles (1997);Buttle (1996);
Free Information to customers	<ul style="list-style-type: none"> - customers are seeking information about your product(s) -They have questions and they need answers. 	Dowling and Uncles (1997);Buttle (1996);
Communicate Often	<p>Relationships are based on communication</p> <ul style="list-style-type: none"> - Your customers and users want to communicate with you, the firm should communicate with them often -Relationship marketing works well when a firm strive to be there for its customers - Social media, email, advertising, and content are all ways to communicate to your customers that want to receive messages that way 	Dowling and Uncles (1997);Buttle (1996);
Special Events	<ul style="list-style-type: none"> - Holding a special event for your existing or prospective customers is a great way to build relationships -leverage exclusivity here by holding an event for your top customers - It is a way to add incentive, but it is also a way to simply thank your customers. 	Dowling and Uncles (1997);Buttle (1996);
Face-To-Face Time	<ul style="list-style-type: none"> -While electronic communication is great, and often preferred, having a face-to-face meeting can help the customer feel valued -Consider stopping by your customer's place of business, or work in some face-to-face time by holding a special event 	Dowling and Uncles (1997);Buttle (1996);
The network economy	<ul style="list-style-type: none"> -In focusing the input – the structure and organization of the resources necessary to produce value – research in services and relationship marketing point to the network as the basis - From a sociological angle, Castells has established at length the network properties of a new economy, reinforced by the networks of the Internet and mobile telecommunications - From a marketing angle, relationship marketing can be defined as “marketing based on interaction within networks of relationships” - A network approach emerged in B-to-B marketing and in Jackson's research the terms transaction marketing and relationship marketing were defined as two complementary ways of doing business 	Castells (1996); (Gummesson,2002b); (Jackson, 1985).
Customer centricity and production centricity	<ul style="list-style-type: none"> -The marketing concept, holding that companies should focus on customer needs and not become navel watchers of their own products and manufacturing, is the foundation of today's interest in the customer -However, \both perspectives are needed -Customer-centricity and production-centricity need one another -They must shake hands and make friends in a balanced production-consumption centricity 	

Program. Approach	Explanation	References/Author
Partnerships and networks	<p>Research by many scholars have discussed issues of networks and partnership without giving conclusive solutions as to how this will help progressive relationships</p> <ul style="list-style-type: none"> -Previous work by identified the development of networks and partnerships as part of critical success factors for improving performance -Relationship marketing is based on cooperation rather than adversarial situation where parties are best off as partners ----For the successful management of the dairy industry, it is important that these points raised here be taken aboard and coopted into their supply chain management systems - Successful networks and partnerships calls for maintaining and enhancing values such as commitment, trust, keeping promises, cooperation and shared values in an integrated way -Establishing and maintaining important stakeholders in the operating environment cannot be overemphasized -The six Market model provide further analysis of this phenomenon asserts that the Six Market model is arguably the most comprehensive one recognizing stakeholder importance -The market domains identified by Christopher are the internal markets, recruitment markets, supplier markets, influence markets, customer markets and referral markets. 	Sodequist(1996); Payne and Holt (2001)
Customer engagement cycle operationalization	<ul style="list-style-type: none"> -The Customer Engagement cycle plays a central role in many brand marketing strategies, but it is not always defined in the same way - It is vital not to settle for platitudes when discussing brand marketing strategies - the most commonly described stages of Customer Engagement cycle are Awareness, Consideration, Inquiry, Purchase and Retention -Brands that become 'customer-centric' understand that their business is no longer about the product or service that they once provided; it is now about the customer that uses the product or service provided by the brand --Customers do not buy products or services; they buy results -The attitudes and quality of the service provided to customers is an important consideration - In either case, there are a couple of missing links or key stages that do not receive enough consideration given their critical ability to drive the cycle to propel a visible customer focused marketing -The Customer Engagement cycle plays a central role in many brand marketing strategies, 	

Table 3: Programs/Approaches and Related Strategies on Relationship Marketing
Source: Self-Created (2018)

2.6. Benefits of Relationship Marketing To the Firm

Researchers argue that a customer's satisfaction with a particular service is primarily outcome of the interactive relationship between the service provider and the customer (Berry and Parasuraman, 1993; Gronroos, 1990). The findings of

several studies on services have suggested that in order to acquire and maintain competitive advantage; organizations should develop long term relationships with their customers (Gronroos, 1991; Berry, 1993; Gummesson, 1987; Jackson, 1985; Buggel and Forbes, 2006). A business that emphasizes relationship marketing improves its business performance (Sin et al., 2002). Relational approaches do encourage firms to compete better (Hunt and Arnett, 2006) especially in market based economies. In specific terms, the fundamental imperative of relational marketing is to achieve, of course competitive advantage and superior financial performance comparatively. Thus firms are expected to identify and develop and nurture a relationship policy and create a portfolio (Gummesson, 2002; Hunt and Derozier, 2004).

2.7. Creating a Relationship Marketing Policy and Its Implementation

Effective relationship marketing requires that a company defines its business accurately and understand how to create and manage a total service offering, which is managing service competition (Gronroos, 1996; Christopher et al. 1991). Creating a customer-oriented policy implies that an organization should be stakeholder driven or customer driven. Appiah-Adu (1998; Yuki, 1998) view customer orientation as an organization wide emphasis on the evaluation of customer needs. It is argued that a lot of companies that claim they are relationship marketing oriented, not all of them are actually. Implementation failure is the main challenge. The main goal of a proper relationship strategy is to increase customer's desire for the unique characteristics found in the relationship-based exchange (Palmatier, 2008). According to Christopher, Payne and Ballantyne (1991), the implementation of a relationship marketing strategy consists of five different steps which are: provision of a mission statement, a strategic review and internal analysis of the industry focusing on relationships of customers, formulating the strategy using the value delivering strategy, use of both internal and external marketing aspects in implementation and lastly the service quality management issues.

3. Conclusion

The literature explored in this paper shows that the field of relationship marketing is a sub-area of "market focused management." In this issue, I presented some cutting edge work on relationship marketing where at the most simple level, Relationship Marketing strategy prescribes that it is more effective to invest in long-term customer interactions than to rely on a series of potentially unrelated, one-time exchanges. The basic aim of relationship marketing is to build a ladder of customer loyalty alluded to prior on (Kerber, 1996; Arnould et al. 2002). The implementation of a relationship marketing strategy is not only about inventing a strategy and putting it into practice but to measure the assets of the implemented strategy on a continuous basis from both the customer's perspective (perceived quality) and the internal perspective (quality of the strategy, leadership).

In practice, however, relationship marketing is not that simple to implement. There are multiple stakeholders to consider, and organizations must make certain that value is shown and provided to all key stakeholders in a way that satisfies both parties. Based on this view, the paper argues for the need to create a further distinction between relationship marketing and customer relationship management in any given industry.

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