

# THE INFORMATION SYSTEM OF RELATIONSHIP MARKETING IN THE INDUSTRIAL MARKET

## ИНФОРМАЦИОННОЕ ОБЕСПЕЧЕНИЕ МАРКЕТИНГА ВЗАИМООТНОШЕНИЙ НА ПРОМЫШЛЕННОМ РЫНКЕ

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**Abstract.** The article discusses the importance of information support of marketing activity for industrial enterprises implementing the concept of relationship marketing. The authors analyzed the model of the marketing mix «4C» and «4R» as the most efficient for the relationships with customers. The structure of data flows in the implementation of the «4C» and «4R» models of the marketing mix is presented. It is developed a set of action for the tools included in the model «4R» for the Russian company - the manufacturer profile of polyvinyl chloride construction items. It is concluded that effective information system of management for relationship marketing in the industrial market will maintain a long-term relationship with partners by the creating and supporting a close relevance between the enterprise and customers.

**Keywords:** RELATIONSHIP MARKETING, MARKETING MIX, MARKETING INFORMATION SYSTEM, INDUSTRIAL MARKET, INFORMATION MANAGENT.

### 1. Introduction

The relationship marketing performance depends on the all company divisions' access to the data and its regular updating. The complete information support for marketing activity allows making decisions concerning the changes in the external environment rapidly and in good time, so that can provide the marketing cost minimizing. The relevance for the creation and implementation of the marketing data for the companies, doing business in the industrial markets, is determined by the need in decreasing the uncertainty element and risk in production and sales performance. The importance of the marketing information system is caused by the evident demand from the industrial companies for the implementation and development such a relationship system, which could help the company to get the sustainable market position and to support the long-term relations with the customers. In order to achieve this goal, it is required to maintain and improve the data feedback from the customers and also to supply them with the actual information. The systematic quality research of customer behavior permits to generate the complex understanding the clients' needs, preferences and values [4]. The customer feedback is becoming the prior element in the marketing data for the development of the marketing relationship concept.

The development of business processes in the company for the reaching the result, which the customer intended to get, requires the constant data updating about the level of achievement and the customer interaction efficiency. That's why in the transformation to the relationship marketing concept from the traditional marketing, the marketing data has to be reconsidered. It should be developed in order to track and to reveal the data from the customers, and to analyze it and it should be available to the company management, for those persons, who are responsible for the making the decisions. The national industrial companies pay more attention to the customer behavior study and design of the customized technical offers for satisfaction the demand of the most sophisticated clients, providing the company success. [1].

### 2. Preconditions and means for resolving the problem

The information system for the relationship marketing at the industrial enterprise includes the regular inflow of relevant data about the market, the customers and the results of the interaction with them, the conditions of external and internal company environment, and the final analysis the whole data in order to get the objective estimation for the results of relationship with

customers, its efficiency and for the development the most relevant marketing activity in current situation.

The optimum result of relationship marketing can be achieved only in situation when the interests from the all market institutions, which are involved in the industrial company performance, are taken into account completely and adequately. Moreover, in the scientific literature the issue about the choice of data metrics and the data inflows structure for the relationship marketing management in the industrial company is supposed to be reliable.

It is required to design the data inflows scheme, which will be able to create the marketing information system in such a way, that allows to collect as many feedbacks, impressions from the customers, the loyal and constant clients interaction results, the customer opinions about the product and service, the customer satisfaction level, the intention for the company product and service recommendation, the expectations for future cooperation as possible.

### 3. Solution of the examined problem, Results and discussion

Having studied the peculiarities of marketing information system for industrial enterprises, the scientist emphasized the fact, that the marketing data is used for the decisions making covering all managerial aspects in the company, but not only for the marketing purposes. W. DeLone, E. McLean's and S. Petter, developing the model of marketing information system, proposed the two major elements for the success - the sustainable and the informative quality. The flexibility and the availability for data examination are the part of the sustainable quality; the reports, the researches, the web-pages templates, which includes the target, the pattern, the frequency and the implementation degree are the part of the informative quality [11]. The contemporary researches X. Li, Sh. X. Sun, K. Chen, T. Fung and H. Wang highlight the importance of common sense and the system of marketing data analysis for the understanding the market context and possible risks [8]. L. Mocean and C.-M. Pop recommend to build the marketing information system based on the customer interests and preferences and avoiding the data overdose [9]. O.U. Yuldasheva emphasized the same aspect, that the major company asset within the marketing relationship transfer is the data and knowledge, which could not be generated without the interaction between the institutions [2].

According to the authors, the structure for data inflows should be designed with regard to fulfillment all tools of marketing

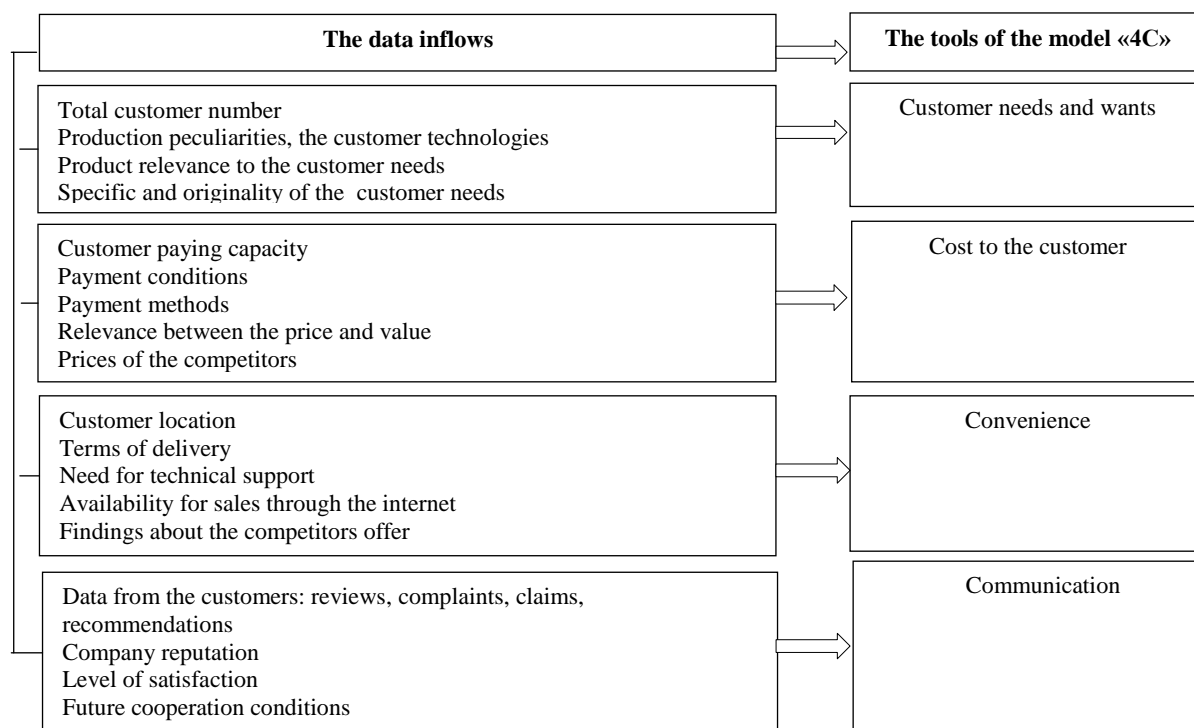
mix. From the point of view of the development of the customer relationship, the following models are the most customer-oriented: «4C» and «4R», bringing the customer to the first place in the developing the value process, which they would like to receive. The author of «4C» model R. F. Lauterborn modified the «4P» classic concept and made the marketing tools focused on the customer; submitted the product as the customer needs and wants, the price as the cost to the customer, the place for product purchase as the convenience, and promotion as the communication with customer [5]. The marketing aim for the implementation of this concept is the individual customer needs satisfaction and the gaining the clients loyalty as a result for the mutual beneficial relationships with the organization.

The model «4R» emphasizes the personal approach in the marketing. The author of its one edition D. Schultz considered the four marketing tools: the Relevance between the organization and the customer, which demands the strong matching the company products to the customer needs; the Respond for the fast changes at the market; the Relation with the customers and fulfillment the promises; the Reward from the clients for the received value, the intention for the future cooperation [10]. The same model was introduced by the American scientist Elliott Ettenberg, who presented the Relation between the company and its customers as the marketing tool; the Retrenchment - as the way for proximity for

the organization and clients, the demanded technology and consumption way; the Relevance as a correspondence the brand value with the products purchase motivation and the customers Reward - as the way for long-term meeting their preferences and needs [7].

This model supposed to include the process of the studying the top customers wishes and the developing the improved customer value for them [5]. The company's major goal is the maintaining the tight relevance between the organization and the customers, the transformation of the sales process into the fulfillment of the promises, given to the customers, and as a result, the creation of the constant client group, which would be the long-term source for a company profit.

The decision-making for considered issues requires the systematic data inflow about the customers and the results for the interaction with them. The authors, based on the models «4C» and «4R» analysis, have designed the information system scheme, which is taking into account the need for the data from the point of view the considered marketing tools in order to make the managerial decisions in accordance with the marketing relationship concept. The data inflows scheme for the implementation the «4C» marketing complex model is presented on the figure 1.



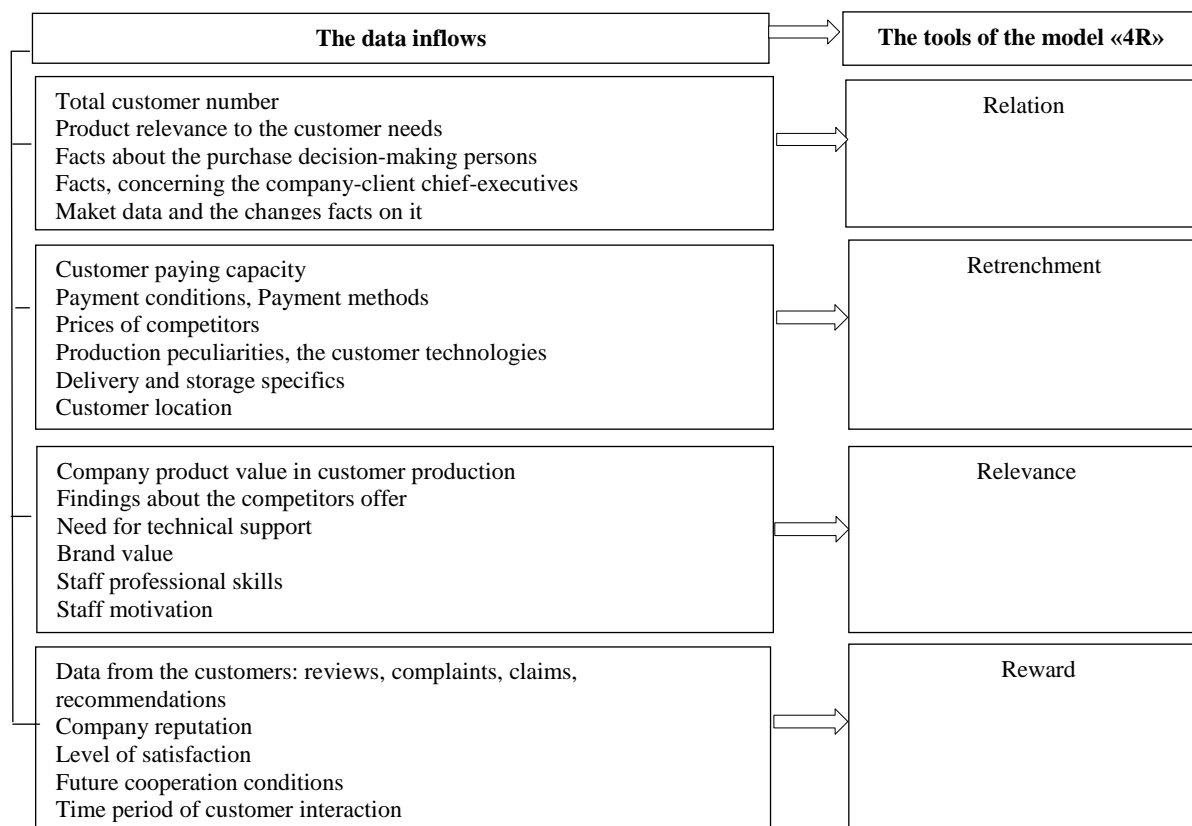
*Fig. 1. The data inflows scheme for the implementation the «4C» marketing complex model  
The source: developed by the paper authors.*

Having analyzed the data inflows implemented with «4R» model (Fig.2), it can be observed the coincidence of the major data inflows types for the «4C» marketing model tools. But simultaneously the «4R» model tools have to be estimated as more complex approach in order to build the data background, since it includes the value understating, creating the organization performance and the customer. It could provide the possibility for development the further activities, focused on this value management based on a such data.

As a result of data exchange between the partners, the creation of the common data environment, the management of

communication, it's possible to achieve the settled level of interaction for the mutual fulfillment of planned activities, taking into consideration the partners knowledge and technologies in the industrial market.

The authors propose to consider the «4R» model as a basic model for the marketing relationship management for the organization in the industrial market, as it allows to develop the more complex approach for the company business-process performance, providing the results desired by the customer.



**Fig. 2.** The data inflows scheme for the implementation the «4R» marketing complex model  
 The source: developed by the paper authors.

Designing the marketing mix based on the analysis of the collected information, it's necessary to transform the company functions from all the divisions, where the customer preferences play the leading role. The top-managers, the staff of the marketing and sales departments, personnel of the production units, logistic, technical support, supply department, finance and economics departments have to stick to the client centricity in their usual activities, based on the interests and values of the customers.

The complex of activities for the tools of «4R» marketing data system model, collected as a result of information management in accordance with the scheme, was developed for the Russian production company – the producer of polyvinylchloride constructions (PVC) - The Limited Liability Company «Adeplast».

The main consumers of PVC constructions are manufacturers of windows, operating in the market of individual clients. The consumption level of these companies depends on the growth rate in the houses construction and the percentage of windows covering of existing real estate market. Beginning since 2014 the windows construction market in Russia has a clear tendency for decreasing, in 2014 the market was accounted for the 46.8 million sq. m., in 2015 it was 40 million sq. m., in 2016 it was 32 million sq. m.; according to the research of the «O.K.N.A Marketing» agency. 2017 was a some kind of stable year for the windows construction market due to: the slowing the inflation rate, the banks loans availability, the government support for the mortgage financing, the indexation of pensions and one-off pension payments. The optimistic forecast is the total market growth by 5%. From the results of the studying the market in 2017 the new trends are revealed: the amount of the customers, who are ready to pay more for the popular PVC constructions brand and for the more quality windows produced with the use of modern technology, is growing.

Also in 2017 the share of customers, who have changed the windows in new building due to the low quality, expanded. According to the results of 2016 the share of consumption in segment «new construction» was 20%, and in the segment «windows reinstallation» was 80% [3].

In such conditions the PVC constructions companies-producers have to increase the management efficiency, to develop the complex of activities for the all marketing tools, based on the complete data marketing analysis. The knowledge of each customer and its needs lets to optimize the cost for sales and marketing, and to gain more profit from the maintaining the efficient communication with the client.

The target segment share for the Limited Liability Company «Adeplast», which called «Major customers», accounts for 26%, and it provides the company of 84% sales and can be described as the narrow demand by 1-2 product range items.

Let us determine the key marketing decisions for the company producer of polyvinylchloride constructions, designed with accordance the market trends and based on the data inflows for the each tool of the «4R» model.

1. Relation. For generation the relations between the company and its customers its essential the following:
  - the comprehensive and constant studying the target segment customer needs;
  - the conducting the marketing researches;
  - the collection the data concerning the partners chief-executives, who are in change of taking the decisions about the purchase;
  - the increase of production volume for the demanded product range;
  - the possibility to discontinue the production for some product range;
  - the high level quality support, the improvement of the customer demanded products characteristics;
  - the availability of constant warehouse stock for customer demanded product range;
  - customized production for the individual orders from the major customers and the development for them the improved consumer value.
2. Retrenchment. In order to provide the proximity for the company with its clients and for the consumption comfort

development it is recommended to complete the next suggestions:

- to analyze the current level of customer purchasing capacity;
  - to monitor the activity and prices of the competitors;
  - to outline the flexible payment conditions and provide the possibility for online payments;
  - to fulfill the customized order of the major customers;
  - to cut the prices in the conditions of supplying the cheaper raw materials;
  - to provide the delivery on time.
3. Relevance. For the creation a brand value and the further motivation for the company products purchase it is required to do the following:
- to make available the technical support in good time, to provide the consultations of technician staff for the customers;
  - to keep the congruity of the producer products to the leading-edge technologies and inform about it regularly the customers;
  - to provide the technical data about the product range;
  - to hold the constant monitoring of the available technologies used by the market competitors;
  - to replace the account-managers from the «small» customers to the «major» ones;
  - to design the loyalty program for the primary customers;
  - to develop the adequate staff motivation policy.
4. Reward. In order to manage the efficient data-communication process for the developing the customer reward as the long-term method for the customer needs and preferences satisfaction, it is necessary to complete the following:
- to manage the customer data-base;
  - to manage the feedback, claims, complaints and recommendations;
  - to provide the analysis in the customer satisfaction level;
  - to make possible the personal communications between the staff, top-managers of the company-producer PVC construction items with the companies-customers;
  - to enhance the advertising campaign and advertising support for the partners;
  - to maintain the corporate website and update it;
  - to arrange the online orders;
  - to manage the customers congratulations with holidays, special events and the customer invitations for the corporate events;
  - to estimate the interaction efficiency with the target segment clients.

The large volume of narrow product range consumption in this industry segment is the sign to consider the decision about the stop the production line for particular product range. The replacement of the personal sales-managers from the individual clients from the non-target segments such as «average» and «small» to the segment of the «major» customer's permits to cut the costs for the sales staff and increase the efficiency of relationships with the significant corporate clients. The further development the relationships with customers based on the marketing relationship management concept, lets to emphasize the company's attention to the essential corporate customer's needs, improve the technical and consumer characteristics of the product range. It's important for the target segment to guarantee the products availability in stock, its fast delivery, to develop the personal relations system, which can considerably increase the company competitiveness's level and the loyalty of the significant companies customers will be the fundamental source for the long-term mutual beneficial relationships. The subsequent company management goal is the data fulfillment for all the tools of developed marketing complex in order to achieve the success.

#### 4. Conclusion

The scheme of the data inflows, designed by the authors and targeted to the further relationship marketing management strategy development with the target segments of the industrial company, is the prior direction of LLC «Adeplast» company development and it is implementing at the current time. Proposed the metrics for data inflows, the «4R» model tools permit the company to collect and systemize only the data, which is really important for the managerial making a decision within the relationship marketing strategy. This marketing strategy allows company to save the marketing budget. This fact is particularly significant in conditions of difficult economic situation in the company and high competition level in the market. The efficient marketing relationship management information system will allow maintaining the long-term relations with partners due to creation and support of the close relevance between the enterprise and clients, the obligation performance, the creation of mutual value that as a result leads to obtaining considerable advantages in the industrial market with the high competition level.

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