

Editorial: In a time of deepening crisis, remaining in the game for customers thanks to the “relationship culture” necessary to the resilient organization

Peter. F. Druker, “The Father of Management” has argued that: << the best way to predict the future is to create it; the purpose of a business is to create a *customer*; business has only two functions, marketing and innovation, all the rest being costs; the entrepreneur always searches for change, responds to it, and exploits it as an opportunity; the aim of marketing is to know and understand the *customer* so well the product or service fits him and sells itself. >> Indeed, there is no doubt that customer relationship is the company’s most important asset that needs to be managed. Building a healthy relationship with customers involves understanding the importance of the “relationship culture” which is helping all parties concerned to interact and to ensure proper alignment between those parties.

Two years ago we showed that in today’s business climate there is *a real need for having an informed approach to marketing based on facts and goals*, a framework as Quaero’s “Six Dimensions” (actionable strategies, organizational alignment, appropriate measures, effective processes, information assets and analytics, enabling technologies - aligned strategies, processes, and organization driving the technology decisions) offering a solid understanding of marketing effectiveness and a clear roadmap for improving it¹. We also underlined the opinion that *customer marketing is becoming more central to brand building*, customer marketing and brand marketing coming together, within organization structures lagging behind and silo fighting rage on.²

We also signaled that beginning with 2008 there were interesting opinions expressed by David Armano who has insisted on the followings: there is a problem with marketing, because many times it doesn’t allow marketers to gain an intimate understanding of human behavior³, and we have to take into account that “the real action happens in the comments”⁴; “unconventional times call for unconventional tactics”⁵ (speaking on his personal blog experience as one of the most effective manifestations of “marketing”) and we have to consider the so-called “*marketing spiral*” (introduced during his conversation with Gary Cohen and Jay Ehret⁶): awareness - interaction, engagement, participation, conversation, affinity - community. Two years later, during the spring of 2010, Tim Parker⁷ began to underline the importance of “*the new rules of thought leadership marketing*” (<< the customer has become the hunter, the marketer the hunted; an author’s admirers now do the promoting; influencers have become critical marketing targets; online columns are potential new channels etc. >>), arguing that: marketers can’t control the new channels (influencers and quality online publications, viewed by readers as more credible); buyers are moving from biased to unbiased channels, the major cost in working the unbiased channels being the time. It has been observed that the new marketing reality implies a growing engagement in accepting the creative thinking challenge, progressing through knowledge and understanding towards mutual confidence, converting emotions into agreements and *the relation* based on these agreements into a loyal and emotionally connected one, for a certain period of time.

<< *Never have I seen such a convergence of my two professional “sweet spots” – crisis*

¹ Your blueprint for success, http://quaero.csgsystems.com/six_dimensions/

² Does Brand Marketing still matter?, February, 8, 2010, available at: http://quaero.csgsystems.com/blog/196-does_brand_marketing_still_matter

³ David Armano - When marketing feels shallow, go deep, Sunday, July 13, 2008, <http://darmano.typepad.com>

⁴ David Armano - Digital marketing needs a reboot, Friday, July 25, 2008, <http://darmano.typepad.com/logic>

⁵ David Armano - Unconventional marketing, Sunday, October 12, 2008, <http://darmano.typepad.com>

⁶ David Armano - Accidental marketers: The podcast, Sunday, October 23, 2008, <http://darmano.typepad.com>

⁷ Tim Parker - The new rules of thought leadership marketing, April 16, 2010, <http://www.socialmediatoday.com/SMC/>

management and marketing/reputation strategy. And where they overlap is in mission critical marketing – for business and organizational survival >>... clearly pointed out Davia B. Temin (Temin and Company is a reputation and crisis management, strategic marketing, media strategy, and coaching consultancy),⁸ waiting for our reactions and comments at six observations on mission critical marketing, communications, and reputation management in 2009: marketing in a time of crisis (a massive reevaluation well beyond focus on marketing ROI, redefining marketing best practices day by day, both through technology and through resource scarcity); crisis thinking (it is necessary to understand what research tells us - “A staunch acceptance of reality” is crucial to resiliency and crisis management - and to consciously cultivate a better grasp of crisis planning, judgment, and management); the ultimate Rorschach Test⁹ (crisis being the ultimate Rorschach test, beyond survival being necessary to evaluate who remains focused on mission and sales, keeping his cool and quickly figuring out new ways to adjust, acting out, being compassionate throughout the process, putting the anxieties aside and working tirelessly for the organization, as well as to help the less-fortunate colleagues and communities); what we can learn from science (fiction; by using, in crisis planning, a dose of scientific imagination in order to help envision what might happen, and how we can guard against those eventualities, as well as react to them or others, should they unfold); “Caveat Lector” (“let the reader beware”; growing misinformation during the crisis on the Web, erroneous posting fueling irrational thinking and destructive consumer behavior, which is calling into question the reliance on the Web for accurate information); resilience in times of crisis (considering the three attributes of a truly resilient organization revealed by Diane Coutu¹⁰: a staunch acceptance of reality; a deep belief, often buttressed by strongly held values, that life is meaningful; an uncanny ability to improvise). It is also worth mentioning a few more recent comments¹¹ to Coutu approach that there is also a need for both, a sense of precision of routine which can be employed during stressful times, and of considering the disadvantage of a resilient person who might rather sacrifice the company than himself in times of trouble.

Analyzing the observed phenomena in social media today within the context of the “attention economy” (created by individuals with different tie strength, the individuals competing constantly for our attention, a scarce and limited resource for everyone), Michael Wu (the principal scientist of analytics at Lithium Technologies, and voted as a 2010 Influential Leader by CRM Magazine¹²) underlined *our difficult time thinking in terms of relationships*: time, intensity, trust, and reciprocity contribute directly to the strength of a relationship, from a sociologist’s perspective; the weak ties and the strong ones are relative to our engagement circle which consists of the people that we can engage with easily; the strongest tie will win over the others when all things are equal, but due to contextual and extrinsic factors weaker ties may occasionally win some small amount of attention.

At the beginning of February last year, Thomas H. Davenport¹³ has argued *the necessity for companies to develop a strategy for knowledge work* that “not only provides a clearer view of the types of information that workers need to do their jobs but also recognizes that the application of

⁸ Davia B. Temin - Crisis and Marketing Strategies for 2009: Swimming Naked with the Black Swans, Temin and Company, Crisis_Marketing_Strategies_2009.pdf

⁹ <http://www.rorschachinkblotest.com/>

¹⁰ Diane L. Coutu - How Resilience Works, Harvard Business Review, May 01, 2002

¹¹ Daniel Dumke - Resilience from a Psychological Perspective, 2011-09-28, <http://scrmblog.com/review/resilience-from-a-psychological-perspective>

¹² Michael Wu - The relativity and attention economics of customer relationships, Social CRM on Fri, 30/09/2011, http://www.mycustomer.com/topic/social-crm/relativity-and-attention-economics-customer-relationships/131550?mkt_tok

¹³ Thomas H. Davenport - Rethinking knowledge work: A strategic approach, McKinsey Quarterly, 2 February 2011

technology across the organization must vary considerably, according to the tasks different knowledge workers perform.” He underlined that in order to improve access to the information that lies at the core of knowledge work there are two approaches (“free-access”; “structured-provisioning”) in wide use, but making radically different assumptions about how this knowledge work should be performed and its productivity improved. Here we see a very strong link with the need for more data rich and analytically intense, for marketing accountability considered being tough intellectually and spiritually, considering all related interactions with customers that make up the customer experience as we showed in another Editorial, within the reality that the buying process has become collaborative, and must ensure critical touch points that drive engagement.

As all marketing expenses are related to the “health” of the customer relationship, we conclude with the opinion expressed by us in September 2011¹⁴, namely that the economic recovery of the customer relationship affected by the current crisis requires the introduction of a functional culture of the relationship marketing, a culture based on a stated commitment of the company and a detailed implementation program of this „relational culture.” Within this context, we assumed the following definition: *„Relationship marketing is the art of strategic building of relationships between key stakeholders brands in a organization, for the benefit of all relational landscape that stimulates the organization performance and profitability improvement, the quality and the depth of customer relationship.”*

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¹⁴ Theodor Purcărea – Marketingul relațiilor cu clienții, Editura Universitară Carol Davila, București, 2011