

'Marketing today is dramatically different. It's no longer just market share and how much you can sell. It's also owning the customer relationship.' John Sculley, US businessman

OVERVIEW

LISTENING AND DISCUSSION

Customer relationship management

READING AND LANGUAGE

Is the customer always right? Yes, she is.

What women really want!

Defining and non-defining clauses

BUSINESS SKILLS

Making an impact in presentations

Writing: presentation slides

CASE STUDY

Relaunching Home2u



LISTENING AND DISCUSSION

Customer relationship management



Jonathan Reynolds

A Which of these opinions about marketing methods do you agree or disagree with? Interview your partner about their views and give reasons for your answers.

- 1 Cold-calling (randomly phoning prospective customers) can serve a useful purpose.
- 2 Mailshots (bulk advertising sent by post) should be banned.
- 3 Social media marketing (via YouTube, Facebook, etc.) will soon replace print and television marketing.
- 4 Text messaging is an acceptable way to market to customers.
- 5 I don't mind pop-up adverts on my favourite websites if it helps to keep them free.
- 6 Catalogues are a thing of the past. Most people want to consult websites now.
- 7 I'm happy to receive e-mails about special promotions.
- 8 Word-of-mouth referral is a powerful form of marketing.

B  CD1.28 Listen to the first part of an interview with Dr Jonathan Reynolds, Academic Director of the Oxford Institute of Retail Management and lecturer at the Saïd Business School. Complete this information with no more than three words in each gap.

Customer relationship management, CRM for short, refers to the systems and processes that companies use to¹. Some people associate CRM with the software used to manage interactions, such as e-mails and².

CRM is a way for organisations to create more³ businesses where the customer experience is⁴ of everything that the company thinks and feels about its market. Although CRM software seems systematic and mechanical, in a mass market it can help to record personal⁵. At the same time, it helps to manage interactions efficiently and provide a⁶ to the customer.

C Complete the extract below about customer-centric marketing with the expressions in the box.

customer experience customer loyalty direct mail multichannel relationship
long-term customers market share word-of-mouth referrals intrusive marketing

CUSTOMER-CENTRIC MARKETING


Most retailers cling to product-focused and promotion-centric models. However, there is increased consumer resistance to¹, such as unsolicited e-mails and². In response, some retailers are beginning to pay more attention to the³ and have adjusted their marketing practices so that they are delivering fewer, more relevant messages that reflect the⁴ they have with the customer, e.g. retail stores, website, and catalogs, or "brick, click, and flip".

Switching to a customer-centric marketing approach helps to increase⁵ and as a result, customers will buy more from you over a longer period of time. Research by Bain and Harvard Business School shows that the longer a customer stays with you, the greater the annual profit generated from that customer. These increased profits come from a combination of increased purchases, cost savings in marketing, and⁶.

The majority of multichannel retailers do not design their marketing programs around acquiring new customers that have the best potential to become⁷ and rewarding existing high-value, loyal customers with special treatment in order to retain them. Instead, they wrongly focus on⁸ as the key measure of success.

D Discuss these questions.

- 1 Do you think being more customer-centric leads to greater business success? Why? / Why not?
- 2 Which of the following do you think make a business more customer-centric? Are there any drawbacks to any of these?
 - E-mailing customers with personalised special offers
 - Using marketing intelligence to figure out the best time to phone customers
 - Sending customers a discount voucher or gift as a gesture of goodwill when resolving a complaint
- 3 What other examples of customer-centric business do you know of that work well?

E  CD1.29 Listen to the second part of the interview. What methods are retailers using to retain customers? Which does Jonathan Reynolds feel is the best, and which has the biggest drawbacks? Why?

F  CD1.30 Listen to the third part of the interview and answer these questions.

- 1 What exactly is 'the glass consumer'?
- 2 What does Jonathan Reynolds say about the different attitudes to privacy?
- 3 Which attitude best describes you?

G Discuss these questions.

- 1 To what extent do you think you are a 'glass consumer'? Which companies do you think probably have the most information about you?
- 2 Which channels do companies most often use to contact you? Which do you think are the most effective? Which are the most annoying?
- 3 What do retailers do in your country to retain customers? Do you have any shop loyalty cards? What advantages do they give you?

Watch the interview on the DVD-ROM.



READING AND LANGUAGE

A Work in pairs. Student A, read Article 1, and Student B, read Article 2 on the opposite page. Then discuss these questions and compare your answers with the information from both articles.

- 1 What percentage of consumer spending would you say is controlled by women?
- 2 Do you think the difference in salaries between men and women will narrow or widen?
- 3 Which retail sectors would you consider traditionally 'male'?
- 4 Why might a business run by a woman be more/less risky than one run by a man?
- 5 Can you name two companies that have successfully marketed their products for women?

B Read the article you didn't read in Exercise A and complete these marketing

Article 1

- 1 c..... spending
- 2 make stores more a..... to women
- 3 L..... a range of home products
- 4 based on a market s.....

Article 2

- 5 women are less likely to be i..... by a.....
- 6 ways of communicating such as w.....-of-m..... marketing and v..... marketing
- 7 a marketing h..... to t..... women
- 8 accommodate the i..... r..... of each customer

expressions from both articles.

C Discuss these questions.

- 1 Who is in charge of consumer spending in a household you know well?
- 2 Do you think female consumers behave differently from male consumers? How?
- 3 How could you make stores appeal across genders, e.g. car showrooms?

D Identify four examples of defining and/or non-defining clauses in the articles. When do we use these kinds of clause?

➡ Language reference: Defining and non-defining clauses page 130

E What are the missing word(s) in these sentences from the articles? Why have they been left out?

- 1 *Women want more* is the latest title from Michael Silverstein,..... a senior partner at Boston Consulting Group. (Article 1, lines 1–3)
- 2 ... the number of women being educated grows at a faster rate than men. (Article 1, lines 11–13)
- 3 Silverstein and Sayre offer an ambitious and systematic view of the opportunities, based on a study of 12,000 women in 21 countries... (Article 1, lines 38–42)
- 4 ... the book argues that consumer companies, still predominantly run by men, need to listen to female customers... (Article 1, lines 55–58)
- 5 Harley-Davidson, long a symbol of male pride, has added a section on its website dedicated to women motorcyclists... (Article 2, lines 34–37)
- 6 Women now buy 10 per cent of all Harleys sold... (Article 2, lines 38–39)
- 7 What we do *not* do is provide specific financial products aimed at women only... (Article 2, lines 58–60)

F Think of a friend who feels differently about shopping than you. What would their 'dream day' consist of? What would they (not) buy? How else would they spend their money in one day? Discuss your answers in small groups.

Article 1

Is the customer always right? Yes, she is.

by Jonathan Birchall

Women want more is the latest title from Michael Silverstein, a senior partner at Boston Consulting Group. According to Silverstein and his BCG co-author Kate Sayre, women control 72 per cent of purchasing and consumer spending in the US and about \$20,000bn of consumer spending globally. And the earnings gap with men is expected to narrow further as the number of women being educated grows at a faster rate than men.

Many retailers and consumer-goods companies already theoretically acknowledge that women are in charge of shopping and households: executives at Wal-Mart, Tesco and Procter & Gamble talk about customers as 'she', rather than 'he'. But the top management ranks of the consumer industry remain predominantly male, even amid signs that some companies have worked out where the money is.

Ikea, the Swedish home furnishing retailer, provides a child-minding room. Best Buy, which is a seller of electronic toys for children, has been



promoting more female staff and trying to make stores more appealing to women and girls. Home Depot, the US home improvement retailer, also seems to agree. As it strives to increase sales, the über-male DIY store has launched a range of home products by a woman designer.

Silverstein and Sayre offer an ambitious and systematic view of the opportunities, based on a market study of 12,000 women in 21 countries from the US and Sweden to Saudi Arabia via China, Mexico and India. The research also asked the open question of what a 'dream day' would

comprise, delivering some insight into the needs of female consumers.

Some interesting statistics emerge. 'Demands on time' is the top challenge for 47 per cent of respondents; 72 per cent say their mother is the dominant person in their lives; 42 per cent are made extremely happy by pets but only 27 per cent by sex.

Overall, the book argues that consumer companies, still predominantly run by men, need to listen to female customers, and that politicians might be well served by listening too.

Article 2

What women really want!

by Robert Craven, Kiki Maurey and John Davis

It is time to design products and marketing campaigns that actually appeal to the buying needs and habits of women. Women do buy differently from men – they like to research more and are less likely to be influenced by ads. So, one lesson is that less direct/print/traditional advertising will be effective and subtler ways of communicating, such as word-of-mouth marketing and viral marketing, might work.

In the States, women are dramatically changing how products are designed and marketed. It is only a question of time before this theme reaches across the Atlantic. In 2001, 3.6% of all new products were specifically tailored to women. That number more than doubled to 7.9% by 2005, according to Datamonitor's Productscan Online. Some were just a marketing hook to target women, but others fare better.

In 2006, 80% of women planned on



doing some home-improvement project, and 75% of them did it themselves. Barbara K's 30-piece tool kit is designed to help. These tools are not only better looking but are also made for a woman's hand and strength, and weigh a little less than regular tools.

Harley-Davidson, long a symbol of male pride, has added a section on its website dedicated to women motorcyclists, with tips on how to ride a bike safely with the right gear. Women now buy 10% of all Harleys sold, which is a stark contrast to a mere 2% in 1985.

Barclays' market research suggests

that the majority of women do not want woman-specific products. Female business owners have a continued desire to be treated as equals with their male contemporaries. Marketing Director at Barclays Local Business, John Davis, comments: 'We know that women small business customers are less risky and more profitable for us, so it makes business sense to attract women to buy from us. We do put effort into communicating specifically with women. Examples are sponsoring "Women In Business Awards" and running marketing seminars. What we do not do is provide specific financial products aimed at women only; our range of products has been designed to be flexible enough to accommodate the individual requirements of each customer.'

from *Critical Eye*

BUSINESS SKILLS

Making an impact in presentations



- A** How would you adapt your presentation style if you were a) giving a talk at a conference, and b) giving a presentation to a group of colleagues? Why?
- B** CD1.31, 1.32 Listen to two speakers talking about marketing. Identify the presenter and the kind of presentation they are giving.
- C** CD1.31, 1.32 Look at these sentences. Who says what at the start of their talk, Presenter 1 or 2? Listen again if necessary.
 - 1 As you probably know, I'm ... , and today I'm going to be talking about ...
 - 2 You know, a funny thing happened to me the other day.
 - 3 What is *unseen* is the extensive market research and development of products, ...
 - 4 Have you seen this coat?
 - 5 But what is marketing?
 - 6 According to marketing guru Philip Kotler, there are five key processes in marketing. First, ...
 - 7 Anyway, I'm not here to tell you about ...
 - 8 Did you know that China's fashion market will probably grow to around US\$12.4 billion over the next two years?
 - 9 I bet you didn't know that, did you?
 - 10 Now, you're probably wondering, what's the significance of all of this?

D CD1.33, 1.34 What do you think are the missing words in these expressions for staging and signposting? Listen to two more extracts and check your answers.

Presenter 1

- 1 So, to go back to earlier, ...
- 2 Right, to that slide.
- 3 So, to sum , ...
- 4 Sorry, folks, but time for today.

Presenter 2

- 5 Right then, let's those figures, shall we?
- 6 I'd like to a journalist from the *FT* here: ...
- 7 If there's just you all to remember, it's ...
- 8 And reveal our new marketing strapline.

USEFUL LANGUAGE

REFERRING TO SURPRISING FACTS OR FIGURES

Marketing is too often confused with selling.
You'll see we're talking about over five billion euros.

QUOTING SOMEONE

I'd like to quote the words of ... here.
According to the marketing guru, ...
Kotler would argue ...

EMPHASISING KEY WORDS

What is *unseen* is the extensive market investigation ...
And that's what I'd like you to do for your next assignment.

CALLING FOR ACTION

And that's what I'd like you to do.
If there's just one thing I'd like you all to remember, it's ...

BUILDING RAPPORT WITH THE AUDIENCE

Houston, we have an innovation problem. (*using humour*)
Clearly, we've got to do something different here. (*involving the audience*)
You know, a funny thing happened to me the other day. (*telling an anecdote*)
That's a huge increase in growth, isn't it? (*inviting agreement*)

E Categorise the expressions in Exercise D (1–8) according to their function (a–d). Some can go under more than one function.

- A) referring to visuals B) changing topic C) quoting someone D) closing remarks

F Which of the techniques below did each presenter use?

Student A: Look at the audio scripts for Presenter 1 on page 171 (Tracks 31 and 33).

Student B: Look at the audio scripts for Presenter 2 on pages 171–172 (Tracks 32 and 34).

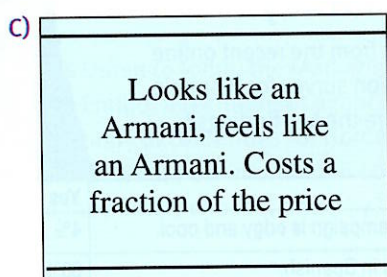
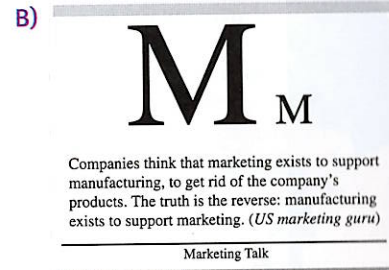
Techniques for making an impact

- | | |
|--|---|
| 1 Use of repetition | 6 Building rapport with the audience, e.g. telling an anecdote, referring to a news story, using humour, etc. |
| 2 Referring to a surprising fact or figure | 7 Listing points in threes or fives |
| 3 Asking 'real' or rhetorical questions | 8 Calling for action, e.g. asking the audience to reflect on or do something |
| 4 Quoting someone | |
| 5 Emphasising key words or figures | |

G Which of the expressions in the Useful language box on the previous page would you use for a) a formal presentation at a conference, and b) an in-house talk?

Writing: presentation slides

H Consider the visual impact of these slides. If you were giving a presentation, which of the slides would/wouldn't you use? Why?



I Match the errors in the slides in Exercise H to these tips.

Tips for writing presentation slides

- 1 Don't use too much text. Avoid using type sizes, colours and fonts that are hard to read.
- 2 Check spelling and punctuation.
- 3 Use bullet points or lists of three or five.
- 4 Make an impact with your first and final slides.

J What other tips do you have for using visuals in presentations?

K Give a brief presentation to your partner on the topic of *Tips for successful presentations*. Use anecdotes of presentations you have seen or given. Think of a way to start that will create an impact, and end on a high note.