

**CLIENT RELATIONSHIP MARKETING PRACTICES:
AN EXPLORATORY STUDY OF SMEs BUSINESS**



**A THEMATIC PAPER SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTER OF MANAGEMENT
COLLEGE OF MANAGEMENT
MAHIDOL UNIVERSITY
2015**

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Thematic paper
entitled
**CLIENT RELATIONSHIP MARKETING PRACTICES:
AN EXPLORATORY STUDY OF SMEs BUSINESS**

was submitted to the College of Management, Mahidol University
for the degree of Master of Management

on
December 13, 2015



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ACKNOWLEDGEMENTS

I, Saowaluk Rungpittayathon, would like to express my appreciation to my adviser, Dr. Kannika Leelapanyalert, for her willing support, encouragement, supervision and suggestions throughout this research study. Her moral and continue guidance enabled me to complete this research successfully.

I am greatly indebted to the ten participants that sacrificed, contributed, and provided essential information from their marketing perspective regarding how to build and maintain client relationship in their businesses.

I am also thankful to my family for the support, moral, and guidance when I feel blind. And thanks for my boss, Miss Chitraporn Kanogsirima, who gave me an opportunity to study and support in every aspect of my work and also my studies. Beyond this, I would like to express my pleasure to all of my friends at the College of Management, Mahidol University for sharing good experience, motivation and fantastic friendship.

Final thanks are reserved for my husband for his love and care, understanding, inspiration and unconditional support of my life as always.

Saowaluk Rungpittayathon

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ABSTRACT

The objective of this study is to compare and contrast activities during client relationship process between different types of SMEs business in Thailand. A conceptual framework is proposed to analyze two case studies in this research. The relationship marketing practices of B2B and B2C businesses were examined through ten in-depth semi-structured interviews with key authority persons in both companies also all selected participants had to engage with the customer and used client relationship marketing practices. Six client relationship marketing practices were identified in this study. Whereas B2B and B2C Company found service recovery, social bond and other small little gestures similar to activities with Claycomb and Martin (2002) and K.M. Woo & Kannika (2014). On the other hand, B2B found different marketing practices: engagement & introducing and trustworthy & consistency while B2C found attractive & service impression that was different from Claycomb and Martin (2002) and K.M. Woo & Kannika (2014). Although, the ten participants presented client relationship as contributing success to the business but the study remains limited and further researches are needed to examine the effects of each practice, activities in different business area, quality of the client relationship and also the number of participants. This study demonstrates that in order to succeed in the highly competitive market, SMEs need to understand not only potential outcomes of each relationship marketing practice but also how to practice it systematically and effectively. A new relationship development process model incorporating the essence of the customer relationship life cycle was developed and its practicality was confirmed by the research findings.

KEY WORDS: Client Relationship Marketing / Relationship Development Process /
Smes / Thailand

48 pages

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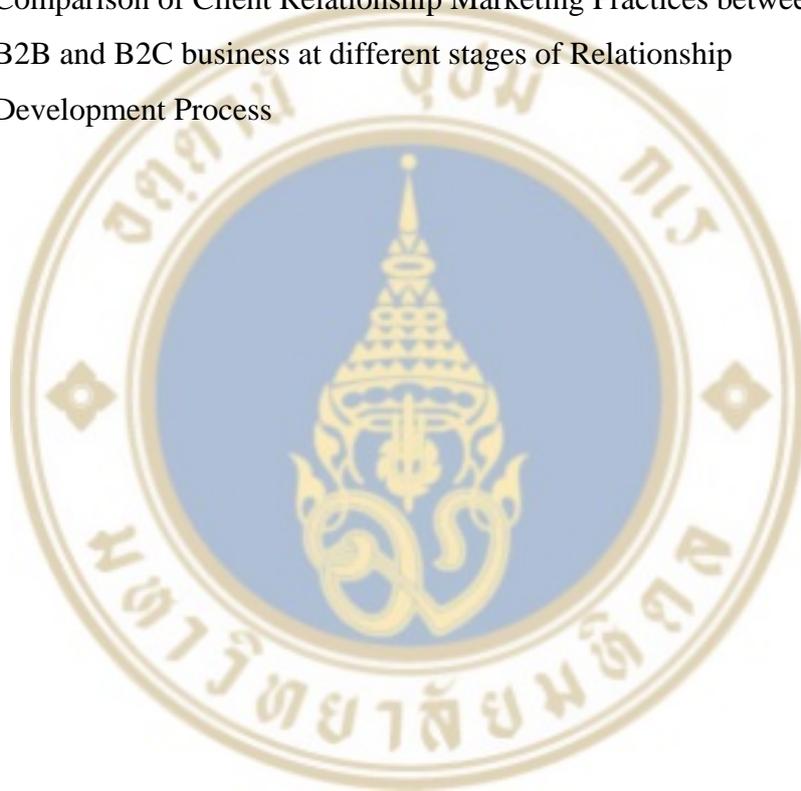
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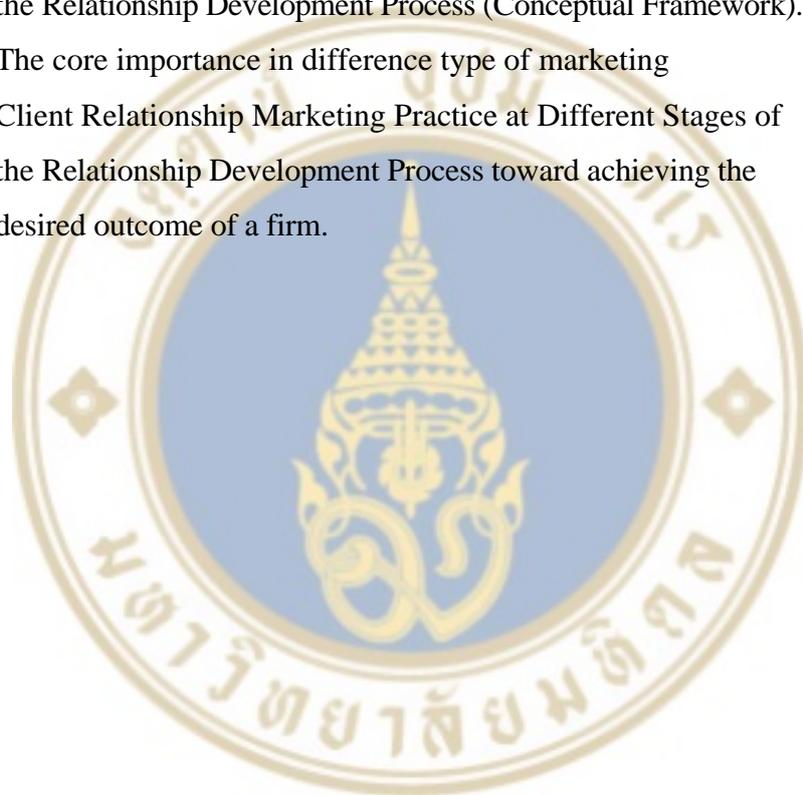
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CHAPTER I

INTRODUCTION

Many studies have researched about the relation building process (e.g. Ford, 1980; Dwyer, 1987) and established models to show structure and practice of the relationship marketing development process which each research shows a different model such as Anderson shows 3 main phases; pre-relationship phase, negotiation phase and relationship development phase (Andersen, 2001); Ford shows pre-relationship stage, exploratory stage, developing stage and stable stage (Ford et al.; 1998) and Grönroos shows customer relationship life cycle; initial phase, purchasing phase and consumption phase (Grönroos; 2000). Those studies hence show the building of long-term relationship and Grönroos also studies about creating relationship with communication marketing and creating 4 stages of relationship: communication, interaction, dialogue and value (Grönroos, 2004). Most studies agree in the same direction that relationship marketing is better than traditional marketing, on the other hand, some of the studies find different aspects; Du Plessis's study shows relationship marketing is not profitable as the relational oriented customer has higher attributable lifetime costs (Du Plessis et al., 2005) than his other studies on transactional marketing but emphasize on repeat purchasing customers.

However, relationships between buyer-seller are dynamic; the practices always change (Dwyer, 1987). However, many studies could identify 5 phases; Awareness, Exploration, Expansion, Commitment and Dissolution to establish relationship (Buttle; 2004, Dwyer; 1987). Either short-term or long-term relationship also has the same objectives which are to increase revenue, maximize profit and reduce operational cost. Thus, the better understanding of client relationship is the better advantage to the firm; customer insight, serving the right needs to the customer, improving customer value propositions, and finally customer repurchasing intention (Anderson, 1994).

Anderson has created a compelling logic model called “Satisfaction-Profit Chain” as shown in figure below,

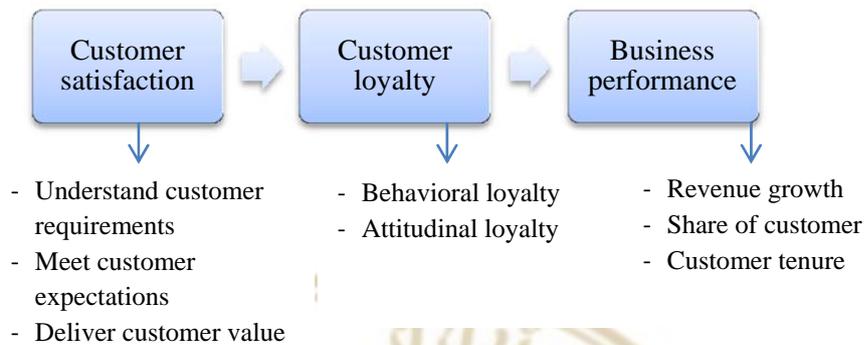


Figure 1.1 Customer satisfaction, loyalty and business performance

Source: Anderson; 2000

While this researcher was reviewing many international resources; online information, journals, and academic textbooks concerning the process of creating relationship between buyer and seller, the researcher ignited some questions about the relationship between buyer and seller in Thailand due to Thailand’s different culture so the practices of client relationship might not be the same as previous studies. The most populate ratio of business in Thailand is SMEs (Small and Medium Enterprises) firms as referring to the information from TCG (Thai Credit Guarantee Corporation). SMEs firms in Thailand consist of more than 90% of overall businesses and also making more than 50% of total revenue in Thailand (TCG, 2015). With high competition in the SMEs market, then client relationship development and management should be an important factor affecting SMEs firm to survive or go bankrupt.

The aim of this study was to compare and contrast SMEs firms in Thailand in term of Client Relationship Marketing Practices in different types of business and identified activities which created and maintained relationship between the buyer and the seller, based on Dwyer et al. (1987) and Grönroos (2000) model. This study should be advantages for people who decide to be SMEs owners in the future. This study identified different practices during creating and maintaining the client relationship process between B2B and B2C firms.

This study combines the original 2 models from Dwyer and Grönroos which came from Stages of the Relationship Development and Customer Relationship Life Cycle. (K.M. Woo & Kannika, 2014)

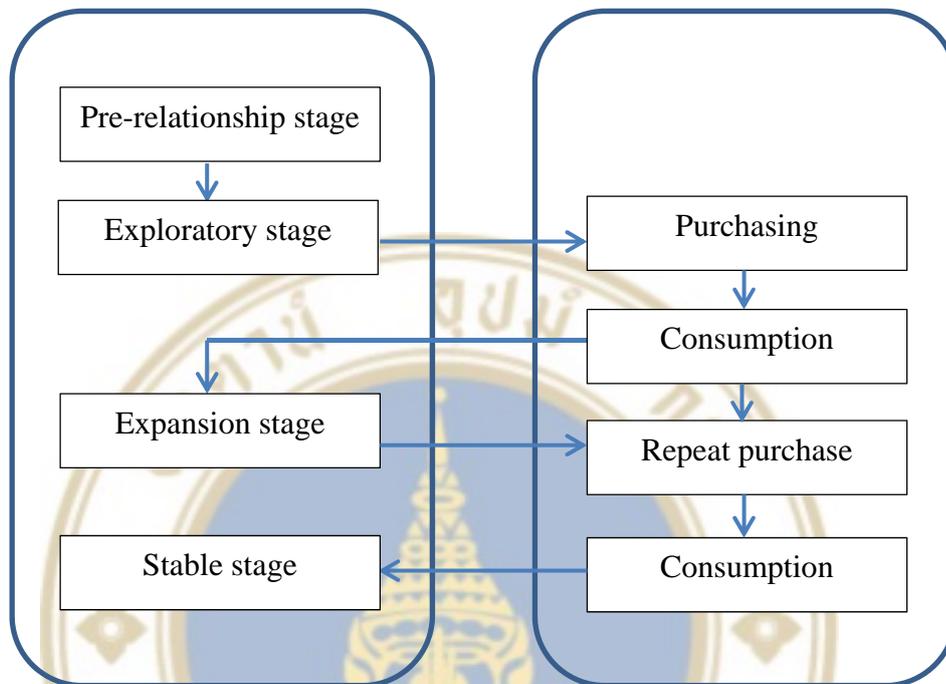


Figure 1.2 Client Relationship Marketing Process at Different Stages of the Relationship Development Process (Conceptual Framework).

Source: Based on Dwyer et al. (1987), Grönroos (2000).

1.1 Definition

1. SMEs, abbreviation of Small and Medium Enterprises, generally use a number of workers or size of investment to define and depended on country regulation. However, this study conducts in ASIA; Thailand market then researcher uses reference from ASIA market; “SMEs are a source of employment, competition, economic dynamism, and innovation; they stimulate the entrepreneurial spirit and diffusion of skills. Because they enjoy a wider geographical presence than big companies, SMEs also contribute to better income distribution”. (Panitchpakdi; 2006). SMEs business has covered 3 main sectors which are manufacturing sector, trading sector and service sector.

2. B2B or Business-to-Business “describes commerce transactions between businesses, such as between a manufacturer and a wholesaler, or between a wholesaler and a retailer. Contrasting terms are Business-to-Consumer (B2C) and Business-to-Government (B2G). This typically occurs when business is sourcing materials for their production process or a business needs the services of another business for their operational reasons or business re-sells goods and services produced by others”. (Law Dictionary)

3. B2C or “Business-to-Consumer is the business conducted between companies and individual consumers, rather than between two companies. In general B2C firm has small amount of transaction than B2B firm”. (Law Dictionary)

4. Awareness stage defines as “buyer and seller is independently considering the other as an exchange partner. Supplier provides their own information and at the same time supplier collects information from perspective of customer as well. This stage may last indefinitely because they cannot find a mutually satisfy point, or both parties move to next stage of the process”. (John Egan, 2008)

5. Exploration stage defines as “stage that both parties probing and testing each other, even the initial purchase can take in this stage, it is a part of a trial stage. At this stage the relationship between buyer-seller is very fragile and association is easily terminated. On this stage is enabling 5 processes to support; Attraction, Communication/ Bargaining, Power and Justice, Norm development and last Expectation”. (John Egan, 2008)

6. Expansion stage; “is the stage that move apart from exploratory to enlarge the exchanging between both parties (Buyer-Seller), it is included account development, cross-selling and up-selling”. (John Egan, 2008)

7. Commitment stage; “is the last desire stage to maintain and preserve a valuable, important relationship. The Commitment stage is characterized by the parties exchanging significant resource”. (John Egan, 2008)

8. Dissolution stage defines as “a walk away stage or either ends relationship stage which this stage could occur at early stage or terminated in the advanced relationship”. (John Egan, 2008)

9. Customer Satisfaction means; “a person’s feeling of pleasure or disappointment resulting from comparing a product’s perceived performance or outcome in relation to his or her expectations” (Kotler, 2000). According to Hansemark and Albinsson, 2004 “satisfaction is an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some need, goal or desire”.



CHAPTER II

LITERATURE REVIEW

Nowadays SMEs business has been highly competitive in Thailand market, so the relationship marketing strategy between buyer and seller is the important factor and also can create relationship sustainability between them. In recent years the marketing field has emphasized on relationship in both B2B and B2C thus many researchers have launched enormous studies on this area and most of the studies have aligned in the same direction that is the relationship is the one of the important factor to create business success (Aaker, 1991; Andreas, 2007; Grönroos, 2000; Jill Dyché, 2002; Rolf, 2009; Sang-Lin, 1997). The Transaction Marketing strategy might not be suitable or sufficient for current business approach. In short, future Relationship Marketing applies to all businesses, furthermore, some studies found that even employees who were not sales persons also had to understand and apply Relationship Marketing approach as well (Grönroos, 2000).

The Relationship Marketing strategy is the way to engage buyer and seller to make mutually exchange that both parties get benefits from the relationship (Gounaris, 2005). Benefits or objectives for firms are to increase sales revenue or volumes of selling product, decrease operational costs and lastly retain customers who continue purchasing. Some articles explain about 80-20 rules; 80% of revenue is generated by 20% of loyalty customers or long-term customers (Jill, 2003). Thus, many of marketers emphasize on the loyalty and try to find out the practices which could manage customer demand, increase sales revenue, decrease cost and lastly create mutual satisfaction.

A framework that supports Relationship Marketing is the framework by Grönroos, 2000; this framework introduces a customer relationship life cycle which contained 3 phases: initial phase, purchasing phase and consumption or usage phase. Arguments from reviewing previous studies mentioned about the cost of customer retention is lower than building relationship with new customers, and it is also cheaper to maintain the customers to stay in the 3rd phase; purchasing or consumption phase to

make profit in long-term. Another model that could support relationship development process is from Dwyer et al. The model shows 5 stages to explain relationship development which are awareness, exploration, expansion, commitment, and dissolution (Dwyer et al., 1984). Grönroos also says the quality of service depends on 2 variables: expected service and perceived service (Grönroos, 1984).

2.1 Advantages and Disadvantages of the Models

Although the models from Dwyer and Grönroos are clearly explained, however they still lack of some points such as all studies and models covered overall business but not specified in-depth on each business individually so those models could explain only the main stages and phases. The objective of this research is to find out different activities during client relationship development stages between 2 SMEs businesses by interviewing 2 difference companies in term of business type, B2B and B2C, then compare and contrast the business practices of creating, retaining customer relationship.

Table 2.1 Theoretical Underpinnings of the Conceptual Framework

Characteristic	Model of the relationship Development process (Dwyer et al., 1987)	The customer relationship Life cycle (Grönroos, 2000)
Stages/ Phases	Awareness, Exploration, Expansion, Commitment and Dissolution	Initial, Purchasing and Consumption/ Usage
Focal Area applied	Buyer-Seller relationship industrial and consumer relationships	Buyer-Seller relationship Service industry
Concept	The model highlight on the general stages of the relationship creation	The highlight is emphasizing on interactive marketing in each phase of creating and enhancing buyer-seller relationship

CHAPTER III

RESEARCH METHODOLOGY

This section describes research methodology used in the current study, study location, research design, sample size, data collection and analysis.

3.1 Research Design

The qualitative design was selected in this study because the advantages of Qualitative research matched with the objectives of this study; it could describe and clarify these research questions clearer than a Quantitative design. This design could refer to live experiences, behaviors, and emotions, feeling and also was able to observe working lifestyle even a cultural phenomena, and interactions during interview (Strauss & Juliet, 1998). Moreover, qualitative method could reduce relationship gap between researcher and respondents as the circumstance during interviewing was less formal because researcher interviewed participants at their own environment then it was more likely that respondents were comfortable to answer and more familiar with their own places than interviewing at other places. Moreover, it was advantages for the researcher to ask elaborate and get useful answers from participants also obtain in-depth answers for every aspect of the research objective.

Furthermore, the researcher could observe participants during their working period and arrange sequence of the interviewing questions depending on the circumstance; the researcher did “Semi-Structure interviews” and selected open-ended questions to ask participants to collect in-depth information as much as possible. Even more, during interview periods, the researcher could discuss with interviewees informally so the information received was very in-depth and very useful.

3.2 Population and Sampling

Total target population comprised 10 employees from 2 companies; company A and company B, who were willing to cooperate in this research however as they gave the in-depth information so the name of the companies and participants were not allowed to reveal in the paper. Both companies were SMEs businesses, the B2B firm was established in 2004 by 2 founders which were relatives and the B2C firm was established in 2010 by 4 founders who were friends so most of the interviewees were the owners or founders then the information was very insightful and useful. The rest of the interviewees were employees that had worked with the companies since the businesses started so the researcher obtained the information from both aspects of founder and performer. The differences between the 2 companies in term of business type; company A was a B2B (business to business) firm producing of wooden palettes and delivering to factories in Ayutthaya and nearby area while company B was a B2C (business to customer) firm: a food and beverage business mostly served directly to the customers.

Both companies were a small size business then the population of this study was limited to selecting interviewees from company A; 1 Assistant Manager, 2 Middle Managers and 2 CEOs; total 5 respondents and selected interviewees from Company B consisted of 1 Manager and 4 Partners who shared ownership; some of them joined since the company opened while some just joined later; total 5 respondents from Company B. The total participants were 10 respondents for this project. The criteria for selecting participants was prioritized to the persons who contacted with clients and were able to describe the process and practices in depth in each stage of client relationship, and the last was the ones who most recommended when asking employees who took responsibility of the client relationship development and maintenance.

Qualitative research relies on 4 main methods to collect information; participation in the setting, direct observation, in-depth interview and analyzing document and material (Marshall & B. Rossman, 2006). This study interviewed all 10 participants based on those 4 methods to gather information, first of all the researcher was the person who engaged and asked for approval to interview from all founders of both companies and the researcher used face-to-face in-depth interview for all participants, each interviewing period averaged 45 - 60 minutes in length and also asked permission to record the

conversations during interviewing periods before starting the interviews. However all the records were not allowed to reveal to the public thus some of the record was transcribed (see in appendix B) anonymously. Overall pattern of interviewing was informal and emphasized on respondents' answers more than questions from the interviewer, lastly the interviewer mostly used opened-end questions to encourage the interviewees to answer as much as they could. The interviewer only asked for additional points for more explanation and clarification in their answers.



CHAPTER IV

FINDINGS AND DISCUSSION

This research intended to find different marketing practices of client relationship between B2B and B2C firms in Thailand by using client relationship development process to implement and answer all queries of researching objective. In order to identify practices and summarize findings, the researcher gathered and analyzed only the information that the interviewees had mentioned and the marketing practices represented to facilitate the analysis, to prevent confidential practices of the company from revealing to the public and also reduce intricate of over information.

The analysis referred to qualitative and in-depth interviews from selected 10 participants, and divided the participants into 2 groups; first group was 5 participants from B2B firm (Company A; Manufacturing business) and the second group was the 5 participants from B2C firm (Company B; Food and Beverage Service) business when compared characteristics between the 2 businesses to see the similarities and differences as followed:

Table 4.1 Comparison of B2B to B2C Marketing Characteristics Based on Pfoertsch et.al., 2007

B2B	B2C
PUSH marketing	PULL marketing
Aimed at intermediate value provider	Aimed at the end-user
Two way relationship	Transaction or one directional “relationship”
Small focused market, Small number of customers	Mass market, large number of consumers
Never on impulse	Purchase can be impulse
Marketing is about education	Marketing is about convincing

According to the information from the ten interviewees, some of the same points were found such as not one single person held accountability on client relationship because everybody was part of the company that could make either good or bad impression to customers, all employees must pay attention to the customers and take accountability as their own and another practices was keeping current customers and also finding new customers at the same time. And many interviewees said “Relationship can enhance customers to repurchase more frequently”.

From the interviews, B2B business used visiting strategy to engage with customers; sometimes face-to-face visit or making a call. From this point, the researcher inferred that B2B company was categorized using PUSH marketing as they depended on a number of visiting and started relationship by giving information and creating awareness to the company itself; an activity such as presenting to differentiate their product from other companies was primacy. On the other hand, B2C interviewees said at the initial stage (pre-relationship), the activities that were able to attract customers were sales promotion or marketing activities to gain awareness from customers and impulse customers to make a trial purchase so in this case the researcher inferred that the B2C company used PULL marketing more than PUSH marketing.

With the different characteristics and perspectives between B2B and B2C companies, they led to companies’ different practices of building and maintenance their customers. Referring to Company A (B2B firm) using PUSH marketing to expand its market, then the relationship with client was the key factor to give chances for selling its products. Most owners and managers were responsible for the first stage and were the engagement persons due to their having more experiences and knowledge of the products and market insight. Beside they had the authority to make decisions in urgent cases e.g. clients needed price or in-depth information immediately to make decisions to buy or not to buy. In the middle of the relationship stage, they maintained the relationship by visiting, making phone calls and having social activities such as playing golf, watching football, and massage-spa or meals together; these activities could enhance and strengthen their buyer-seller relationship and also shift relationship to be a longer-term.

On the other hand, Company B (B2C business) used PULL marketing to increase sales and incomes then the first stage of the relationship was different from Company A. They did not have any customer information then the only key factor that Company B could provide was service to impress their new customers and make them satisfied (e.g. shop decoration, service of waiters and sales promotion). Waiters and waitresses were the persons who first engaged with the customers; small little actions or gestures could make a good impression to the customers;

“Our waiters can recognize customer’s names almost 60-70% of all customers, they know how to make a warm greeting or even remember preferable seats” (Participant 9)

Marketing campaign was also the attractive activity that affected customer awareness such as Costume contest on special day (e.g. Halloween, Christmas, New Year, etc.) or mini-concerts from popular singers and celebrities.

“When we have parties and contests on special days, customers come and pay attention a lot, sometimes our income goes up 2-3 times from normal day” (Participant 7)

The key success factor for Company B was building an intimate environment to make customers enjoy and feel like home. All the employees and partners played an important role in creating and maintaining client relationship.

Although marketing practices between B2B and B2C were different but the ultimate outcomes were likely the same for both companies which were increasing sales revenue, volumes of selling products or services, long-term profitability, customer satisfaction and retaining customers that had potential to repurchase.

4.1 The Activities That Discovered From B2B Interviewing

4.1.1 Engagement and Introducing

“Make appointment with procurement to present company profile, product catalog and wooden quality is a normal practice for my company to open a new account” (Participant 4)

From this quote, it could be inferred that Company A used PUSH strategy because the initial stage (pre-relationship) company had to make appointments with procurement, manager level or authority persons for introducing their company profile and product catalog, this activity was most important for the firm to create impression and was the first step to introduce themselves, differentiate and create an outstanding position apart from other companies. In this stage, the company had to collect information and capture perspective of customers to find out mutual agreement between buyer and seller. Generally, first meeting should be a formal meeting which could be one-on-one meeting or group meeting. When the customer was satisfied with the company profile and product specifications, the next stage was product testing and evaluating that the company had to provide a better service and quality to impress customers and also exchange buyer-seller information to make mutual agreement. Engineers would take responsibility to process at this stage in order to defend and negotiate product specifications.

“Before the product evaluation happens, I will find out who is the authority person to check the quality of my product and if I’ve already known him, it would be easier to make relationship and ask him to help” (Participant 5)

From this quote, if the engineer already had relationship, it would be an advantage to the company to get a contract. And Participant 5 also gave the information that the persons in the quality control department mostly were educated from the same institute in Ayutthaya area so they had some relationship before and the negotiation would be easier than negotiating with someone he did not know. When the company get a contract and passed the qualification test then the owners or managers would make a visit to thank and bring some token of appreciation, and treat a meal to related departments that supported the company to pass the process (e.g. Procurement, Q.C. Department). The objective was to strengthen their relationship and engage customer to think of them first when considering a purchase. This activity was creating a chance to sell products and making relationship between buyer and seller. With highly competitive market, it was “the faster the better” to get customers because the competitors also tried to be the first company to sell products as well. If the company could make relationship faster than its competitors, it would be difficult for the competitors to steal shares from the company A. In some cases, the competitors tried to cut the prices or

offer cheaper products but if Company A had a good relationship with the procurement, they will help to obstruct or prolong the process or even disclose the price and specification to Company A to prepare and defend in advance.

At awareness and exploratory stage, this company used this activity to engage and enhance the relationship which was different from Claycomb and Martin's (2002) because the business area and marketing strategy were different. Referring the Dwyer (1987), the objective of the pre-relationship stage (the initial stage before purchasing stage) was to engage customers, building trust and differentiating company itself. In term of key success factor for Company A was the quality of the products, pricing and relationship. Thus, the company has to address the most concern points which were the product quality and pricing then continued to create and strengthen relationship for the further stage.

4.1.2 Trustworthy and Consistency

Participant 3 said *“every business has to create trustworthy because WOM (Word of mouth) is the most powerful marketing strategy which could make company stay or leave business”*. Ayutthaya province is a small market compare to the capital in term of wooden palette business; good and bad news spread very fast if some companies created negative word of mouth, not too long, every company in the business area would know. Most of negative issues were related to financial status, service quality and product quality. Even though Company A had qualified but it still had to maintain its product quality and standard as a priority to keep and prolong the relationship between buyer and seller. The service quality was one of the key factors that supported buyer-seller relationship most of their partnership companies were foreign companies that mainly exported goods overseas by flights or shipments then the commitment of delivery was important and could be used to evaluate company performance because delay delivery meant their partnerships missed a flight or a ship and it would become a loss as the consequence. So Company A had to keep its service quality, product quality to be zero defect or nearly zero. However, the defect could occur in real situation but a good relationship can engage customer to forgive them for their occasional mistakes such as the product is not 100% quality not severe mistake (99%) the customers could over-look this mistake. This marketing practice could support and prolong relationship

between buyer and seller due to the business was not the fast moving product so retaining existing customers was better than finding new customers. The cost of finding new customers was higher than maintaining existing customers so Company A had to consider all actions sophisticatedly and prevents negative word of mouth, affecting the company's long-term reputation. Moreover, creating positive word of mouth would make a powerful marketing and attract new customers to trial purchasing with Company A.

“I have experiences about WOM e.g. procurement move to other company and she offers my company and products to her new company, and I can get order from that account without doing anything. And another case, my current company recommends my company to their friend which these company still being my customers.”
(Participant 1)

Thus, quality of service and product are the keys success factors for the company, and also is trying to create positive word of mouth to keep positive reputation in market. And other companies in this business know their good reputation and feel comfortable to do business with Company A.

This marketing activity was found in expansion and commitment stages which this study found different marketing practices from Claycomb and Martin (2002) because the different source of research, as this study research was from an ASIAN culture which highly concerned with trustworthy and consistence to do business together. The objectives for those 2 stages are to encourage customer to buy more frequently and in greater volume without considering buying from competitors. These objectives could happen when the customers feel trusting in a partner company. Moreover trustworthy and consistence can create strong and long term relationship with clients and the practice that could create strong and long term relationship is keeping good service and standard with consistency then the customer will add more value and give beyond buyer-seller relationship which is a friend and long term relationship.

4.1.3 Service Recovery

Service Recovery is not just part of service but it is a reputation of the company. In case company A has damaged product, product defect or invoicing mistake, the first thing that company would do is to apologize on the mistake and immediately correct the mistake regardless of the size of the mistake and follow up again by the

owner or manager because the company wants to show performance to their clients and make customers feel they are valuable to Company A and they cannot lose them to the competitors because it means company lose money and profit as well. This activity shows a highly degree of responsibility and immediate response to create positive word of mouth and it significantly entices other companies to do business with Company A and also stimulates profit both directly and indirectly to company A as well.

“If our company make some critical mistake, the first thing that I do is apologize and show sincerity that I will not let the problem occur again no matter mistake is big or small” (Participant 4)

This finding activity is the basic element that every company should have because it shows the responsibility of the company itself and also infers how much the company value the buyer-seller relationship. WOM (Word of mouth) is the powerful factor in every market, then creating positive word of mouth is the good strategy to gain new customers and make existing customer re-purchase more frequently. The service recovery should not be overlooked in whatever stage, even the client or relationship has reached the stable stage (Dwyer, 1987) because this point could create serious problem and the customer might walk away or in other word is go through dissolution stage. Service Recovery is the practice that this study found the same with Claycomb and Martin (2002) and K.M. Woo & Kannika (2014) findings.

4.1.4 Social bond

The activities could support and strengthen relationship between buyer and seller because this activity could create inter-personal relationship between owner/manager and clients. Normal activities to create social bond are incentive trip, New Year's party, playing golf together and etc. All activities could create inter-personal relationship even women talks or man talks could help to build long-term relationship. Interviewees mentioned about kids, beauty, and favorites football team; are the most popular topics to discuss and create relationship between them.

“When Ayutthaya FC team has football match playing at Ayutthaya stadium, I will invite customers to see the game together and it always make a good relationship with me and customers, we can do men talk and frank talk” (Participant 5)

Sometimes the company provides activities to clients by referring to his/her interesting activities. It is not only building a good relationship but it is also creating good impression because the clients feel like being a key figure to the company and he/ she is important to company. Social bond could create advantages beyond other companies because when they have closely relationship, company A could ask its clients to increase orders or even reveal the competitors information as well. Social bond is the part that is not less important than others, Company A cannot overlook this activity, not just only the owner or managers but including the driver and controller of delivery. They can know the competitors' information a lot because the operation levels are easy to talk with and remuneration like cigarettes, liquor can help to create relationship easier.

“I always bring liquor and cigarette to my customers which being engineer or even workers, because they help my work a lot and also facilitate all processes to make my work smooth and I have to thank them for their kindness” (Participant 5)

Personal relationship performed a significantly role to secure business and increase customers commitment to the company but the personal relationship is like a two-edged sword to the company as well because too close relationship might create adverse effect such as customers ask a lot of additional profit but not return to sales revenue (Du Plessis et al., 2005). So the company has to control the relationship in the right track and at a proper level to prevent adverse effect. This finding practice is also found in Claycomb and Martin (2002) study, so at this point, every company should have social bond to be a tool to engage clients.

4.1.5 Other Small Little Gestures

“All employees have to learn how to contact and engage customers because when customers feedback, it will refer to our company service and reputation” (Participant 3)

Many interviewees mentioned about gestures of employees' e.g. being humble, good manner and polite talk to clients were the points that the company had to focus because their driver and workers were not highly educated and they might not know how to use the proper words so the managers had to train employees before letting them on-board. This activity is a common practice which could prolong and

enhance sales revenue both directly and indirectly. Company A provided internal training in term of wording, gestures and how to manage trouble shooting in urgent cases, also these activities included other practices which were a norm of Thai culture such as bringing fruit basket, food or snack when visiting, recognizing client's special date and giving some gifts e.g. Birthday gift, New Year gift, Chinese New Year red envelopes (Ang-Pao), Bouquet for Job Promoting and etc. All those special events provide the opportunity to make positive impression to enhance existing customer to have stronger relationship.

This finding revealed that the activity could enhance sales revenue indirectly. Therefore Company A was concerned about this issue so they had a meeting with the employee every month to train and create SOP (Standard Operation Process) to contact customers even the customers in operation role or top management role because it made a good reputation for Company A and create positive word of mouth to the company which is one of a company's goal. This marketing activity was found in many stages of the relationship e.g. awareness, expansion and commitment stage and this practice also was the same as Claycomb & Martin (2002) and K.M. Woo & Kannika (2014) findings even in different business area.

4.2 The Activities That Found From B2C Interviewing

4.2.1 Attractive and Service impression

As Company B is a B2C firm doing a service business (food and beverage) and first engagement with their customers was done by using PULL marketing such as sales promotion, good environment, best location and decoration to attract customers to make a trial purchasing for the first time (this case was for unknown customers). But most of the interviewees mentioned that at the opening period they invited their friends to visit their restaurant and created positive impression.

“One of our partnership has known a lot of celebrities because he studied with many celebrities then we always invite popular persons to come to our place, and this activity could attract teenager and fan club to our place as well” (Participant 7)

Partnerships (P6, P7, P9 and P10) tried to create chain reaction by using their friends to create positive WOM (Word of mouth). After the customers came into their restaurant, all employees and partnership come to take care of the customers themselves and created intimately environment, and made customers feel relax; be comfortable like home.

“We sell not only a service but we also add value of our relationship, we change relationship from buyer to seller to be friend to friend and make customers feel like home, and our place is their hanging out place” (Participant 7)

The most important factors for the restaurant was service (e.g. taste of food and beverage, freshness of the raw materials, entertaining environment, good service providing and also affordable price). Every activity was to create initial customer relationship, engage, and impress customers to repurchase, in another word, customers come back more frequently and bring their friends to visit so it is beyond re-purchasing but also creating positive WOM as well.

This marketing activity was found in every stage of the client relationship so the researcher inferred that this practice was the most important to service companies such as Company B. When customers feel impressed with the service and relations between buyer and seller, it means the customers will make a repurchasing then sales revenue of the company will increase because the number of new customers visiting increases, it means higher income for the restaurant. The customers tend to have a first visit because of attractive promotion and other external factors (e.g. Promotion Girls, big screen to watch football match and etc.). In other word, those factors are impulse marketing to build customers awareness, while company get customers from first trial after this depends on service factors to keep customers to be a long-term customer. Therefore the company still has to be consistent in finding new customers because even more number means more income to the company as well. Some of the interviewees said only in some periods of customer life that they could come and hang out frequently when the customers reach end of teenage; timing and duty might not allow them to hang out anymore then company has to keep doing activity to continue finding new customers all the time.

These activity is the point that differs from Claycomb and Martin (2002) even for the same kind of business; service business, but the way of activities is not the same because the company selected in this project was the food and beverage service so the activity that able to engage customers was attraction by marketing promotion and providing the best service to impress clients and create intention of repurchasing.

4.2.2 Social Bond

The social bonding is the normal activity mentioned by all of interviewees. The activities included party night, theme night and happy hour, etc. All activities could increase sales revenue, create or prolong client relationship as well. Some of their customers become friends or part of company's family because of this activity could make their relationship stronger and closer.

“All customers feel relax when they hang out here with their friends and mostly come every Friday night” (Participant 9)

This activity is the one of the key success factors and the objective for this activity was to maintain customers and the ultimate outcome was to maintain their business in a highly competitive market. All employees and partners served their customers as best as they could to make their customer feel satisfied, valuable and comfortable to repurchase with them again.

“Creating social activity with our clients is very successful and popular; it could engage and strengthen relationship between buyer and seller very well. The activities not only build relationship in term of partnership but it could make a friendship as well” (Participant 8)

One of the interviewees gave information that trendy activities were popular and attracted their customers. Normal practices for creating and prolonging their relationship was creating social community for VIP customers such as social network and membership, creating meet and greet event with celebrities, creating competition in special event (e.g. Fancy night on Halloween). The interviewee said special theme gained a lot of interest from new and existing customers. This activity affected directly to sales revenue as the interviewee said on the day that they had special event; the revenue would increase 2-3 times more than normal.

This information has shown that service business does not only provide good product and service but it also provides a good relationship as well. Activity is a reason that attracts customer to visit more frequently and relationship is a factor that makes customer feel proud and valuable when they visit some places that respect and treat them well. According to Claycomb and Martin (2002), they found the same practice even in different business area so it can be inferred that “Social Bond” activity is the important practice to engage and maintain customer relationship.

4.2.3 Service Recovery

“Even we want service and product to be perfect but in reality, anything could happen, it is not 100 percent perfect. Sometimes co-incident and accident can occur, the first person that takes responsibility is anyone who see a problem and does not hesitate to apologize to our customers and then report to upper level to make apology again to make our customers feel that we do not overlook the problem even for small or big issues” (Participant 7)

All interviewees answered almost in the same direction that they would not treat their customers in different way. Both new and existing customers deserve to receive equally. Customers have many alternative choices to select other places then service might not be enough for competitively market. The relationship is the one of factor that supports service business in term of preserving existing customers and making consistent profit for the company. Customers are the persons who bring money, profit and other customers to the restaurant then company has to treat them like kings.

Service business was likely an exchange business more than relationship business in the past, but at present the marketing paradigm has shifted to relationship business more than exchange business. Now relationship is one of the important factors to keep and preserve existing customers. When the company makes a mistake, it will not hesitate to apologize and fix it right away. The quick action shows how responsible they are and how much they are concerned about their clients. Some firms overlook a little mistake because they see that mistake as small but on the other hand the customers might not see it small and they might be concerned about that point a lot which means that firms already have lost those customers.

Waiters and waitresses are the persons who contact and engage customers a lot then service business such as restaurants should emphasize on service skill training of their employees by conducting internal training (e.g. welcome skill, recommendation skill also include manner and how to take care of customers) On this point, the company could not overlook little things because they could affect the image and reputation of the brand.

Finding of service recovery, while customers get proper service, they feel satisfied and when they receive beyond their perception they feel more valuable and be important person from this point on, a firm can keep existing customers and also create the positive word of mouth of the company which is the most powerful marketing tool for service business. Word of Mouth can attract new customers to make a trial purchasing in the future. Finally, it is the continuous looping action that makes company get new customers without losing existing customers. The same activity has been found in Claycomb and Martin (2002) and also explained in the same aspect like this study.

4.2.4 Other Small Little Gestures

“Gimmicks and rewards are the marketing tools that make customers feel enjoy. Our shop has created member’s card that our customer can keep it for reminding and some rewards they feel like they want to collect our collections e.g. pillows, key-chains and glasses. They not only reminding things but they also show the privilege they are” (Participant 7)

The aim of this activity is to maintain customers and create good impression; normal practices such as Birthday gifts, creating special events on special days, meet and greet for VIP customers. All practices make customers feel excited and impressed and the final outcome is customer satisfaction. The finding for this activity is a little issue can create a great impression to clients, and the small points could be enlarged to big points to make customers trust in company quality of service and relationship and creating good reputation comes later.

Table 4.2 Comparison of Client Relationship Marketing Practices between B2B and B2C business at different stages of Relationship Development Process

Stages	B2B (Company A)	B2C (Company B)
Awareness	<ul style="list-style-type: none"> • Engagement and Introducing • Other Small Little Gesture 	<ul style="list-style-type: none"> • Attractive and Service Impression • Social Bond
Exploration	<ul style="list-style-type: none"> • Engagement and Introducing 	<ul style="list-style-type: none"> • Attractive and Service Impression • Social Bond
Expansion	<ul style="list-style-type: none"> • Trustworthy and Consistency • Service Recovery • Social bond • Other Small Little Gesture 	<ul style="list-style-type: none"> • Attractive and Service Impression • Social Bond • Service Recovery • Other Small Little Gesture
Commitment	<ul style="list-style-type: none"> • Trustworthy and Consistency • Service Recovery • Social bond • Other Small Little Gesture 	<ul style="list-style-type: none"> • Attractive and Service • Social Bond • Service Recovery • Other Small Little Gesture
Dissolution	-	-

4.3 Discussion

The overall picture of client relationship development stages, this study found that relationship was one of the most important factors. Each stage of client relationship practice is to strengthen relationship between buyer and seller in SMEs business in Thailand. The ultimate goal to create the relationship is to obtain more sales revenue, maintain growth and create the positive WOM (Work of mouth) to build trust between buyer and seller and lastly keep their business to stay in market. Moreover, when combining Thai's norms in this study, it can be seen that the small little gestures and social bonding are important in most of the stages. Then if a foreign company desires to expand its business to ASIA market, this is the small point but very important and cannot be overlooked.

Finding Summary: type of business affects practices of the client relationship development process, even though steps of process are the same but the activities are different and also the strength of relationship is different as well. Referring to Grönroos core important table, it divides the type of marketing into 2 types; Traditional marketing and Relationship marketing focusing on different aspects, as show in figure 4.1.

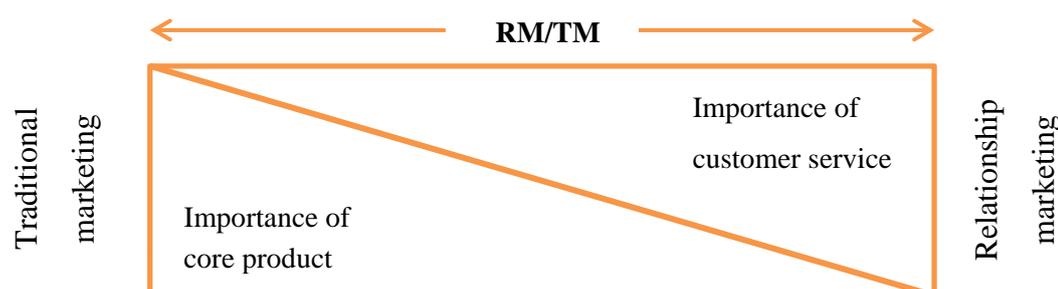


Figure 4.1 The core importance in difference type of marketing

Source: Based on Grönroos (1995) and Barnes (1994)

Although, B2B and B2C firm are different marketing but they create relationship with their clients using the same process but different in activity details in each stage. For B2B business initial stage, B2B business used traditional marketing but when business became more stable, it shifted to relationship marketing. In term of B2C business initial stage, they started with relationship marketing and continued to stay in the same marketing for all of the life cycle stages.

Awareness stage found different activities between B2B and B2C business as initial activities of creating relationship for B2B, it used engagement and introducing activity to exchange information between buyer and seller and combined with other small little gesture activity to perform humble action according to Thai norms giving a gift to greet and welcome for first visiting. On the other hand, for B2C business, it used attractive and service impression to gain clients awareness to make a trial purchase and combined with social bond to strengthen and create intimately environment in the first visiting. By the way, the different in this stage could occur as different of strategy of marketing; PUSH and PULL strategies, affected to activities of the initial stages.

Next to Exploratory stage, both B2B and B2C business did the same activities in the Awareness stage but different in term of strength of relationship. At this stage it was still making the information exchange and finding the mutual agreement and making customers impressed with the company and letting the company perform outstanding attributes. This stage could assess the relationship between the buyer and the seller to be short or long term because they compromised a mutual satisfaction for both buyer and seller if some party felt like they lost or dissatisfied so this would be a short term relationship rather than a long term one.

Development to expansion stage, the B2B firm used many activities to create trustworthiness for the company in terms of service recovery: the activities that supported trustworthiness and they had to keep actions and maintain quality of service and product consistency. The activities such as social bonding and other small little gestures were the activities that enhanced stronger relationship and created inter-personal relationship. The B2C company used almost the same activities but adding service recovery and other small little gestures to strengthen the relationship and build trust between the buyer and the seller.

Commitment stage: on this stage the researcher found contrasting activities between B2B and B2C business but the activities used were the same in Expansion stage as the main purpose of the stage could assess the length of relationship so the main activities of this stage were to continue. The company tries to prolong and create relationship, build trust between the buyer and the seller and the last was building WOM (Word of mouth)

From the interviewing, all the interviewees did not mention about the actual last stage which is dissolution stage due to the SMEs business trying to avoid this stage to keep relationship with their customers and maintaining the projection of sales growth.

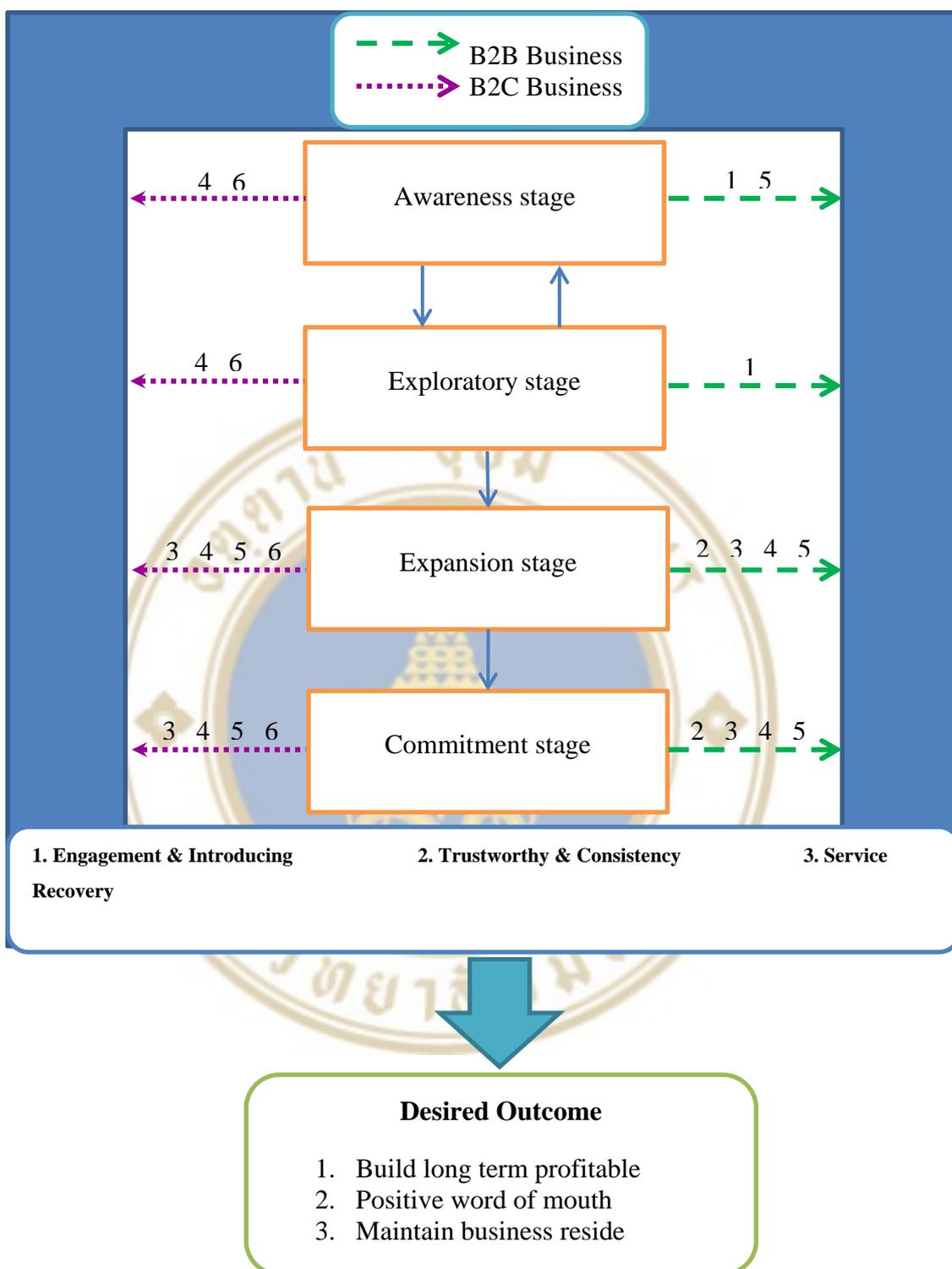


Figure 4.2 Client Relationship Marketing Practice at Different Stages of the Relationship Development Process toward achieving the desired outcome of a firm.

Source: K.M. Woo & Kannika (2014).

CHAPTER V

RECOMMENDATIONS

In conclusion, this research makes a positive recommendation to similar business area in term of client relationship marketing practices that should be undertaken by everybody in the company and select different practice in each stage of relationship development process. The findings affirmed 3 important client relationship marketing practices that matched with former paper (Claycomb and Martin, 2002). In addition, a conceptual framework introduces different practices in each business type; B2B (Manufacturing firm) found additional practices; engagement and introducing activity and trustworthy and consistency practice to build relationship at the pre-relationship stage. On the other hand, B2C (Service; Food and Beverage firm) found attractive and service impression to create client relationship at the initial stage. Other SMEs in Thailand with similar sizes and business areas could get benefits from these findings, to define their own client relationship marketing practice. Client relationship marketing has been discovered as the important management philosophy in building, enhancing, and maintaining long term relationship. Marketing practices should continuously be revisited, and improved in order to ensure their relationship still primacy and competitively in SMEs market in Thailand.

5.1 Managerial Implications

The confirmation of the research model has potential to help SMEs business better understand which activities are proper in each stage of client relationship development in B2B and B2C firms in Thailand. The result suggests that B2B should initiate relationship by using knowledge and quality of product first and develop to relationship in advance stage. The core business of B2B is product quality to gain revenue but relationship is the factor to create additional factor to increase more revenue. B2C business recommends the creation of relationship between the company and the customers,

and continue building relationship to shift to be a long-term relationship and continue finding new customers according to the 80-20 rule of customers: 80% of sales revenue comes from 20% of existing customers and 20% of sales revenue comes from 80% of new customers then the business bottom line will keep growth momentum in every year.

5.2 Limitation and Recommendation

The study has some limitation due to the information are from SMEs firms and most are the family businesses. The processes of building relationship with clients might not be a solid stage, it could be more or less flexible in different cases. Furthermore the information is collected from Manufacturing Company and Service (food and beverage) Company then the information might not represent all activities and practices in other business areas. However, this study could be adapted to do further research in other business areas and study more details for related or similar businesses.

The conceptual framework that the research refers to might not be exactly the same in details because this study was conducted in Thailand business which the culture is different from from the culture of the original framework.

Some parts of the interviews were recorded in order to interpret by transcribing in appendices chapter. All the records were permitted to record during the interviews but not allowed to reveal in public. The transcripts were translated only the related part to the topic and objectives. Moreover, the interviewer did additional interviews via phones for the missing topics from the first interviewing which this part could not be recorded as privacy restriction from mobile phone.

In addition to study further in this topic, the researcher recommends to make more interviews in other business areas and increase the number of interviewees to represent general practice of client relationship stages and activities. Although, the research has some limitation in many aspects, it makes positive contribution to this research area and explains in detail of how to create client relationship marketing practices as undertaken by SMEs businesses in Thailand. The findings found contrasting practices between B2B and B2C in many stages. The eventual desired outcomes for both businesses

were to create long-term profit, maintain business, create good impression and build positive WOM to keep company image.



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APPENDICES

Appendix A: Key Interview Questions

Introduction

1. How long have you been establishing/ working for this firm?

Part 1: Explore individual perception of the client relationship marketing

2. In your opinion, is it important for your firm to practice client relationship marketing?
3. How important are building and retaining relationship with your clients?

Part 2: To understand client relationship marketing practices

4. How do you build relationship with your clients? Can you please give some examples?
5. How do you retain relationships with your clients? Can you please give some examples?
6. What kind of practice or activities would you normally do to build relationships with clients? Can you explain in detail?
7. What kind of practice or activities would you normally do to maintain relationships with clients? Can you explain in detail?
8. Why do you think the practice or activities should be the same/different between existing customers and new customers?
9. Who is involved in building and maintaining relationships with clients? Can you please give some examples?
10. Can you tell me about the scope of your roles and responsibilities in the firm?
11. Is there any support or encouragement from the firm to build and retain relationships with clients? Why do you think the firm is doing that?
12. Is there any other information you would like to add to our discussion about the client relationship aspect?

Appendix B: Interviewing Transcript

Participant 1 (Company A)

Question	Answer
Please introduce yourself and identify your position in the company?	My name is P1 (cannot reveal in public), I am the owner of the company.
How many years of service of this company?	Almost 11 years since 2004.
In your opinion “Client Relationship” is important to your company or not and how?	Yes, it is very important. In my opinion customers like a god; they always on my top of priority and always come first because they bring money to a company, if customers show their need, I will try my best to serve their demand.
How much impact of the client relationship to company?	From my experience, I will create relationship by treating them as a friend and talk to customers not too formal, and make friendship with them.
And relationship will affect to your revenue or not?	Yes, it is. Good relationship effect to revenue both direct and indirect. First, I will make relationship and building trust between me and customer by visiting them as least 2 times a month. If customer be women I will buy cosmetics and beauty vouchers to them, try to use women talk tactic to enhance relation.
So, yours relationship have both business and personally?	Mostly, I will contact with procurement and each company I have contacted at least 5-6 years and still maintain a relationship in long term even we don't have any business among us but still contact by social network e.g. Line, Facebook because in the future my company might serve their need and sell goods to them again.

Question	Answer
In term of building and maintaining relationship with customers, which part is the most important to company and which aspect?	Actually the relationship is the most important to business because it is related to income of company. However, it also has other factors that important as well such as product quality and price. My partnerships mostly are the foreign companies so contact point would be procurement or officers in Thailand, which is the first gate to disclose our company is Quality of product, Price even we have relationship but the quality and price not qualified then we cannot get a deal from that company.
Thus, in your definition client relationship also included after sales service, is it correct?	Yes, correct.
Could you please explain the practice of building relationship at the first stage?	Firstly, I will make an appointment with procurement, as Thai culture I have to pay respect and keep good manner, I cannot go and meet them without appointment. Secondly, find another way to engage customer such as recommended by friend, it would be the easier way to engage more than unknown person.
In case of you have already known person, how do you build or maintain relationship to be long term relation?	Normally, I use technology to support e.g. make a call, Line, little gift and in case they have to check production quality at my factory when finished work I will treat them a meal.
In term of building relationship in operation level should be fine and how about relation with top management?	Normally, I will contact only operational level which stays in Thailand because top management will stay oversea only when product has a problem then I will see them. Mostly, procurement take responsibility to coordinate and report to their manager in oversea and the relationship will effect on this case such as they will not report the defect case to

Question	Answer
	<p>their manager and send damaged products back to me to repair. Every year foreign company has policy of cost down (negotiation price) at the end of year which I will use the relationship to ask them to maintain the same price not to decrease more or even competitor offers lower price they will obstruct and delay the process to help me and inform me when someone offer special deal to make me prepare readiness to negotiation in advance which is being an advantages for me a lot. The procurement performance is evaluated by buying the lowest price in market so if I don't have any relationship with them they might not continue buying with my company and try to find the lowest price for their own performance.</p>
<p>What is the usual practice for making relationship in initial stage?</p>	<p>My company has a company profile to introduce my company, products and I will open new account by presenting company profile by myself if they accept all those things, they will send drawing of specification to me to prepare quotation, make product sample and send wooden sample to them to assess and if all processes are passed then I will receive sales order. So the most important activity is presenting company, products and me.</p>
<p>What is the normal practice for maintaining relationship to be long term relation?</p>	<p>Every year I have to support some gifts, lucky draw, and vouchers for new year party and send some liquor to QC department, this is help us in term of our products is not 100% qualified e.g. 80-90% they will accept products without rejected. I think the way to keep relation is take care every level that my company</p>

Question	Answer
	has to contact with and do not overlook the lower level in the company such as security, worker and receiver.
Did you make a difference practice between new customers and old customers?	Actually I do the same practices because they both are my customers that bring money to company. The most important practice that I have to maintain is product quality, On-time delivery and supports them in case of urgent case. Sometimes other company will close at 4 PM. But they have some urgent order have to deliver at night, every time I will make over-time payment to my sub-ordinate to deliver goods to them.
Do you have any experience about Word of Mouth?	Yes, I do. I have experiences e.g. procurement move to other company and she offers my company and products to her new company, and I can get order from that account without doing anything. And another case, my current company recommends my company to their friend which these company still being my customers.
Who is the major take care in client relationship part in your company?	Actually myself. I take this responsibility because the final decision will depend on my thought so even marketing manager or others cannot close the deal, the final decision will be me to offer special deal or even apologize customer in case my company or my sub-ordinate did something wrong, I will take accountability on it.
Have the company support employee to build or maintain relationship with customers?	Sometime I do marketing promotion to enhance sales number and clearance products but it is not common practice to my company. The common practice in my company is making frequent contact and make customer feels important.

Question	Answer
Do you have any additional recommendation on client relationship?	I have to say that current practice of company is right or wrong, I don't know. But it would be fine for now, the sale revenue much or less might not depend on only relationship but other factors such as price for some company is a big issue, they will not concern even quality they just only select the cheapest goods which this condition I could not offer at that price because my company is just a small company so the cost is not worth competing.

Participant 2 (Company A)

Question	Answer
Please introduce yourself and identify your position in the company?	My name is P2 (cannot reveal in public), I am a "Head of Accounting department"
How long have you been work at this company?	Almost 5 years.
In general, do you meet any customers in daily practical?	Mainly, I met customers only when company receives cash and payment. Which the company also being both creditor and debtor.
In your opinion, the client relationship is important to company or not?	In term of accounting department will emphasize on relationship between accounting department of the partner company and supplier due to Thailand economic status is not good, sometime my company met problem that our partner company cannot pay on-time or even my company cannot pay on-time. Then if we have good relationship with them it will be easier to negotiate both ways such as extension payment period if we know each other it will make advantage on negotiation of payment period.

Question	Answer
<p>From your answer that means you can extend payment period longer if you have a relationship with partner company?</p>	<p>Yes, it is correct. Sometime I cannot prepare document on-time because I have to wait owner's signature and it could effect to delay payment but I have to show that I out my all afford to do it on-time as you know the money is the sensitive issue, so how to selective and use the words carefully.</p>
<p>What do you think the building or maintaining relationship is more important?</p>	<p>I think both are important but the way of practice is difficult in difference way such as you don't know someone it hard to impress them and know their mind, so the psychology could help to building relationship with customers. But in term of keeping relationship the difficult is how to maintain good relationship in long term, like know you know me will be easier to be a partner. So in my opinion, heart of the relation is first impress and maintains good relation.</p>
<p>What is the usual practice to create client relationship?</p>	<p>I will separate into 2 ways; First condition when we be creditor, the word for follow up should be soft not too aggressive because they might not pay or even not buy goods from our company. Second when we be debtor, if the payment has delayed because our boss goes to upcountry or oversea or even effect from delay payment of our partner it will effect to us to delay payment to our creditor as well, so we have to negotiate and ask for understanding from them and we try my best afford, if we denied to pay aggressively, our partner might not sell product to us again. On the other hand if we have a good relationship they might extend the payment period to us because they trust in our relation and I will be advantage to company as well.</p>

Question	Answer
Do you have any practices or activities to create relationship with customer?	As I said earlier I have not the direct duty to contact with customers so it is not special practices but every year in Thai culture we have to give them a gift or basket on new year celebration or when they extend the deal of payment I might have to send some remuneration to them to thank you.
Did you make a difference practice between new customers and old customers?	I think it is the same but as I mentioned earlier the start point is the most important such as our company has a new supplier, at the first they might not 100% trust on our credit so they will give us a short credit term but we have to be punctual on our payment. At the beginning of the relation between new suppliers we have to keep on-time payment, sincerely, humble and keep our word to be priority.
Which position or department will take major responsibility in client relationship duty?	Absolutely, sales and marketing is the first contact point with the customers both creating and maintaining relationship but for myself is the last contact point but not the least because if we have a good relation throughout steps, we able to continue business like a loop and make repurchasing, so my step is not the end but also the start of the new deal as well.
Does the company have any additional support to build and maintain customer relation?	In my company does not have exact policy but depend on situation such as our customer has promoted then we will ask approval from my boss to buy flower or basket to congratulation etc.
Do you have any additional recommendation on client relationship?	I think client relationship is a heart of the business because selling-buying is not only reason, it also included emotion. Some companies buy from products even the price is a bit higher than competitors

Question	Answer
	but they are comfortable to buy with us because of relationship and trustworthy beside the product quality that competes in the market, the relationship is one of the factors to gain more income.

Participant 3; Company B

Question	Answer
Please introduce yourself and identify your position in the company?	My name is P6 (cannot reveal in public), I am one of the partners of the food and beverage business. My business established since 2010 but I've just joined this business for 3-4 years.
Do you enjoy with your business?	Yes, I do. I love to know and see a lot of people hang out together, it makes me feel happy. At the first customers are our friends and then they recommend to their friends, it kinds of other marketing strategy; word of mouth. The objective that I do this business is I want to see my customers receive something more than just food and drink but they have to feel happy and relax like home, feel like this place is the hang out place with their friends.
In your opinion, is customer relationship important to your business?	I have to say very important. If you assume that you go to dinner some places, the food and drink was good but the service is not qualified and not impress, you might want to try some new place more than back to the same place, on the other hand compare to my place, we serve you like you are the priority person, our waiter can recognize even your name you'll feel important, pride and you prefer to come back again.

Question	Answer
Do you think building or maintaining is more important?	In my opinion, maintaining relationship is more important due to our business is normally attract new customers to trial purchase so it is not difficult to build relationship by service and etc. but in term of maintaining is you have to know how to keep them with us and repurchase more frequent. So I think maintaining is more important. Our business emphasize on maintain current customers but we are not abandon to find new customer.
Can you please explain how to build relationship with your customer?	The first attribute that we focus on is our waiters, they have to train some basic of service; how to welcome customers, gesture, wording, and how to serve and observe customer not too close but not too loose. Second is the sales promotion that we create have to be right target and right strategy, even the event that we create for special day, it should be resonance and be memorized to our customers such as Decoration Theme, Contest and Celebrity meeting, etc.
Can you please explain how to maintain relationship with your customer?	Mostly, I used membership strategy to encourage current customers to come back and repurchase. Privilege of membership beyond normal customers have to be the promotion that attractive such as Surprise birthday party (1 free bottle of wine), Special discount, collect points for gimmick and privilege for booking table on Mini-concert or special event, and etc.
Did you make a difference practice between new customers and old customers?	Actually, activity is not different, I used same activity to engage both groups (current and new customers) but the different point is the level of familiarity and priority in each group.

Question	Answer
Do you have any session to train your employee how to make client relationship?	Yes, absolutely. We always set up a short meeting among partnership and employees every week to update news and promotion, create guideline; how to serve customers and etc. which this duty will be general manager take care off. We create anonymously feedback session, this activity encourage employee to make a good service to customers when employee gets praise from customers they will get additional tips for being reward.
Do you have any tip & trick to keep relationship with your customers?	The most point that we emphasize is our service, and nowadays social network being a part of our life then we adapt social network to be a tools for marketing and promote ourselves such as post our upcoming event on Facebook, post photos of the event on Instagram and creating community for our members, they will receive news and events before normal customers and also get a chance to book table in advance when we have live concert from singers or band and also celebrities meet and greet.
Who is taking responsibility on social network?	Some of our partnership takes care of social network and event because she used to work with organizer company so she is very experience on this duty. Every time that she has some ideas on event or special event she has to propose her idea into partnership meeting for voting and give feedback because the cost in each event is not cheap so we have to think carefully and also we have evaluate the successfulness of the event as well.
Could you please explain a job role for each partnership?	In term of client relationship, all of partners have to work by ourselves in term of welcome customers, greeting,

Question	Answer
	<p>recognize customers as the same as our waiters do because we want our customers to feel warm welcome and relax like home. But the main accountability would be General Manager, in case anything happen or anything wrong he will be the first accountability. For the partnership role; for me (P6) will take responsibility on take care customers and promotion, P7 will take care about event and social network, P10 take care about food and beverage, inventory and accounting, P9 take care on staff training and service customers and lastly P8 take care of customer service and invite friends e.g. celebrities and singers to attract fun club.</p>
<p>Could you please tell me the practice of promotion that usually use in your business?</p>	<p>The promotion and event that we always do mostly hold on special day; Our anniversary, Halloween, Valentine, New Year and etc. Our target groups are first jobber, student (university) and white collar then if we won't do something new, it might bore customers so we have to follow the fashion and differentiate ourselves from other food and beverage business.</p>
<p>Do you have any additional budget to support customer relationship?</p>	<p>Absolutely, it is a marketing budget to attract new customers and maintain current customers. Mainly of marketing budget is spend on event, decorate, promotion and contest. Those activities are gaining a lot of traffic to our business.</p>
<p>Do you have any additional recommendation on client relationship?</p>	<p>The reason that my business stay for 5-6 years is because of we are not steady, we try to adopt ourselves follow fashion trend and new things, treat our customers as a priority and find answer what they</p>

Question	Answer
	need and make a good service as much as we could, create familiarity to all customers. Lastly internal relationship between employees and partnerships is also important cannot overlook.

