

The Role of Customer Behavior and Relationship Management in Modern Enterprise Marketing

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ABSTRACT

With the rapid development of economy, the competition among enterprises is becoming more and more fierce. Customer relationship management plays an important role in marketing. Customer behavior management is a new business model which takes customer as the center, information sharing and communication as the main purpose. This paper will start with the analysis of customer behavior in modern enterprises. This paper firstly expounds the theoretical basis of customer behavior management and the influencing factors under the modern market economy environment; secondly, it makes a systematic study on the present situation and problems of customer behavior and relationship management and puts forward corresponding strategic suggestions to help the company better implement customer behavior management and maximize its own value; last, it expounds the case of Shanghai automobile industry and analyzes the use of its customer behavior management mode.

Keywords: Customer Behavior, Relationship Management, Modern Business, Marketing

1. INTRODUCTION

A successful company must face the factors brought about by the market. The relationship between enterprises and customers plays an important role in the survival and development of enterprises, but there are many problems in the existing systems and business processes. For example, business people are unable to keep up with many complex and long sales cycles; because of the lack of personnel or functional division of labor, the exchange of information with customers is not smooth or inconsistent; because of the loss of business personnel, enterprises have lost important customer information and sales information. The above reasons can be seen that the enterprise demand for customer behavior and relationship management is increasing [1-2].

Some scholars believe that the customer relationship system market of small and medium-sized enterprises is becoming more and more mature, and the market of customer relationship management of large enterprises has been saturated. The software of small and medium-sized enterprises will develop rapidly in the fields of sales automation, order management and so on. The market competition is becoming increasingly fierce. More and more software developers provide small and medium-sized enterprises with the best commercial

service software systems. In addition, some scholars believe that domestic and foreign suppliers of customer relationship management system are optimistic about the market prospect of customer relationship management system of small and medium-sized enterprises. Small and medium-sized enterprises and many small and medium-sized enterprises have also said that they want to introduce customer care system to improve their competitiveness [3-4].

This paper uses the combination of theory and case study to explain the role and implementation of customer behavior and relationship management in marketing management. It is hoped that readers can have a deeper understanding of customer behavior and relationship management through this paper, and in practical work, combined with the characteristics of our unit, popularize and use customer behavior and relationship management, take "customer demand" as the center, strengthen the competitiveness of enterprises, and make more reasonable use of resources [5-6].

2. RESEARCH ON CUSTOMER BEHAVIOR AND RELATIONSHIP MANAGEMENT IN MODERN ENTERPRISE MARKETING

2.1. Overview of Customer Behavior and Relationship Management

In the increasingly competitive market environment, great changes have taken place in the interaction between enterprises and customers, and many factors have increased the complexity of customer relations. For example, shortening the transaction cycle gives customers more opportunities to choose. Enterprises must constantly improve the interests of customers and meet the new needs of customers as much as possible, otherwise customers will turn to others. There is also an increase in transaction costs, as well as increased printing, transport and service costs, which make it more difficult for businesses to operate. In addition, there are other greedy competitors in the market. As the saying goes, the best customers are also the first choice for corporate competitors. Competitors are always looking for the profitable part of the company's market share and trying to maintain the market share of their own business [7-8].

2.2. An Analysis of Customer Behavior in Modern Enterprise Marketing

2.2.1. Data sources for customer behaviour

Customer behavior data usually come from the transaction log of the internal trading system, customer service and the company's customer contact records, which are often collected as part of the marketing campaign customer response data, as well as data collected by other suppliers and service agents. Customer data collected or purchased outside the company may also contain a large amount of customer behavior data [9-10].

2.2.2. The role of customer behavior and relationship in Modern Enterprise Marketing

(1)The advantages of customer behavior and relationship in Modern Enterprise Marketing

The marketing activities of modern enterprises cannot be separated from the analysis of customer behavior. Under the environment of network marketing, the consumption behavior of Chinese customers has been affected by network marketing, and great changes have taken place. For modern enterprises, it is necessary to understand customer psychology and behavior patterns in real time and in time, and to make corresponding changes in marketing methods. Understanding customer behavior can provide decision makers with consumer

behavior in line with customer behavior, strengthen the interaction with consumers, and make a series of strategies such as products, pricing, channels, promotion and so on in a timely manner. It can help enterprises to maximize the ability to improve marketing positioning, targeted to meet the personalized needs of customers.

(2)The influence of customer behavior and relationship on Modern Enterprises

It is an important part of modern enterprise management to correctly analyze customer demand, formulate scientific management and marketing strategy, produce marketable products and provide customer service, which has high market value and research value. Receive real customer information and understand customer needs in order to improve the relationship between enterprises and customers. Customer relationship management is the process of effectively integrating human resources, business processes and expertise to maximize customer satisfaction and loyalty, compensate customer turnover and retain existing customers [11-12].

2.3. Research on Association Technology of Marketing data Mining in Modern Enterprises

The content of association rule research is to explore hidden correlation relationships from the sets of items of the data. After the introduction of the association rules in the 1990 s, it attracted wide attention and was quickly promoted. The most successful representative of the field of related rules analysis is the "supermarket shopping basket" effect. The main research here is customer purchase information. Through research and tracking of customer purchase information, so as to draw user preferences and habits, so that we can conduct precise marketing, and finally enable the decision-making subjects to promote activities more conducive to sales.

The basic concepts of association rules are:

(1) The association rule is data mining for transactional databases, generally remember the collection of databases as P, P is a concept of data combination, the composition of each item in the collection, we call a specific thing, remember as W. Then, please note the collection of items as R. Then each subproject in the project R constitutes the collection G, while any subset of R can be remembered as B. Here give everything a signifier that is unique and noted as GRW.

(2) Things and projects together constitute the project. However, things are more inclined to entity, and if they are distinguished by solidified substances, they can be regarded as a piece of data in the structure of the data table. On the contrary, the project can play a role in data analysis, according to the needs of data analysis,

flexible and changeable, like a column of elements in a data table structure.

(3) The number of things in set G that contains set B is called the number of support for set B, and it is recorded as δ

Then the support of B is defined as:

$$\text{Support}(B) = \frac{\delta}{|G|} * 100\% \quad (1)$$

In real-world computing, the minimum support is usually assigned, and if the value is greater than or equal to a given support, the B set satisfies the frequent item sets.

(4) If two project collections B,C intersect empty, the project collection has association rules as:

$$B \Rightarrow C \quad (2)$$

$$\text{Support}(B \Rightarrow C) \quad (3)$$

$$R(B \cup C) \quad (4)$$

(5) If the association rule and the confidence level are greater than the given minimum standard at the same time, then the association rule is defined as the strong association rule.

The essence of using association rules to analyze the data is to find the value of support and confidence, and the value is greater than the specified minimum support and confidence.

3. EXAMPLE STUDY OF CUSTOMER BEHAVIOR AND RELATIONSHIP MANAGEMENT IN MODERN ENTERPRISE MARKETING

3.1. Case of Customer Behavior and Relationship Management

Shanghai GM is a joint venture between Shanghai Automotive Industry (Group) Corporation and General Motors. Shanghai GM relies on IBM to implement customer behavior engineering and relationship management, and IBM provides a solution for realizing customer behavior and relationship management: unified planning and gradual implementation. Customer Behavior and Relationship Management plans are based on being customer centric. Although the customer faces the dealer, the customer behavior and relationship management plan are always "customer-centric" after the purchase process is completed.

3.2. Implementation Steps for Customer Behavior and Relationship Management Cases

Step 1: centralized management of customer information. Only by having an in-depth understanding of the car, can we provide more targeted services for customers. Automobile is a kind of high quality and durable product. In the dynamic process of automobile production, automobile information is more important than purchasing information.

Step 2: improve the efficiency of cooperation within the organization, mainly aimed at Shanghai General Motors customer service center, major customer buyers, dealers, marketing activities and after-sales service stations.

Step 3: develop new customer contact channels.

Step 4: subdivide the customer. Through the use of data warehouse and data mining tools to subdivide customer information, analyze customer response to products and services, analyze customer satisfaction, loyalty and profit contribution, in order to win customers and retain customers more effectively. This is the stage where customer behavior and relationship management can really play a role.

4. ANALYSIS OF CUSTOMER BEHAVIOR AND RELATIONSHIP MANAGEMENT IN MODERN ENTERPRISE MARKETING

4.1. Development Analysis of Potential Customers

The company sees two categories of people as potential customers of its own(table 1): the first is people or units who have never bought a car and are now planning to buy a car. They may buy a GM, and the second is a person or unit who has bought GM. By doing the job, they can try to choose GM again when they buy a new car.

Table1.Lead Classification

Potential customer	Car intent
Person or unit that has never bought a car	Now planning to buy a car, they may buy a GM
People or units that have bought a GM	By doing the work, you can try to choose GM again when they buy a new car

The analysis of the data in Figure 1 shows that car exhibitions are an important way to obtain potential customers. 40% of customers know GM this way, 25% through the official website, 24% through short video ads and 20% through TV ads.

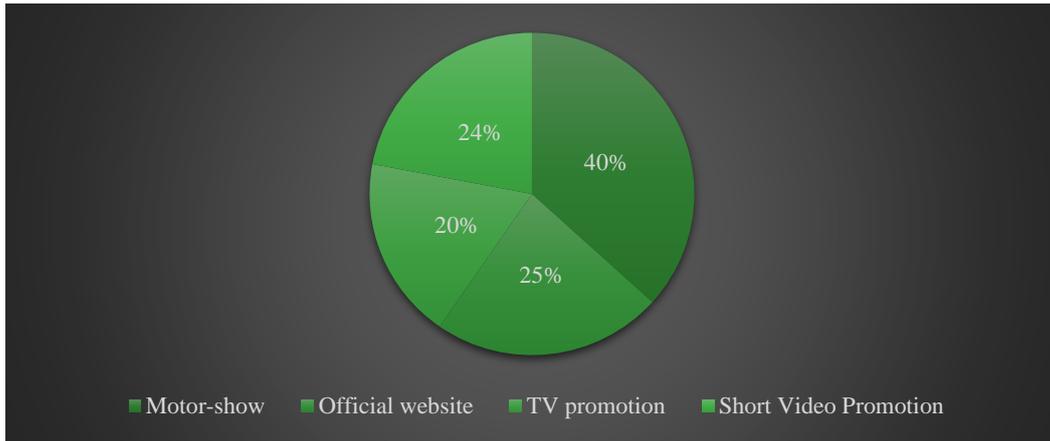


Figure1.Customer car Understanding channel

4.2. Analysis of Potential Customer Management

Increasing customer traffic is only the first step. Potential customer management is the key to the successful transformation of potential customers into real customers. The company divides customer purchase time into immediate purchase, three months purchase, six months purchase and one year purchase. According to the time determined by the customer, the system transmits the customer's immediate procurement information directly to the sales staff in different ways and provides tracking service in a timely manner; for customers who purchase within three months, the system prompts the sales staff to convert the customer to immediate purchase in order to shorten the purchase time; for the purchase time of 6 months to the customer, the system provides more detailed procurement information to the customer. For customers who buy for one year, only general information is provided.

1	Buy immediately
2	3 months to buy
3	6 months to buy
4	Purchase within 1 year

Table2.Purchase time type for prospects

Serial number	Customer purchase time type
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4.3. Analysis of Customer Loyalty Management

Figure 2 shows that customers who can buy GM can buy again within an average of one year 65%. In the customer behavior and relationship management system, it will communicate with customers, listen to customer opinions, record visits and communication in detail. The system will continue to invite sales and service personnel to communicate with customers, provide a variety of services and care, so that customers can continue to choose Shanghai General Motors products when purchasing the next car.

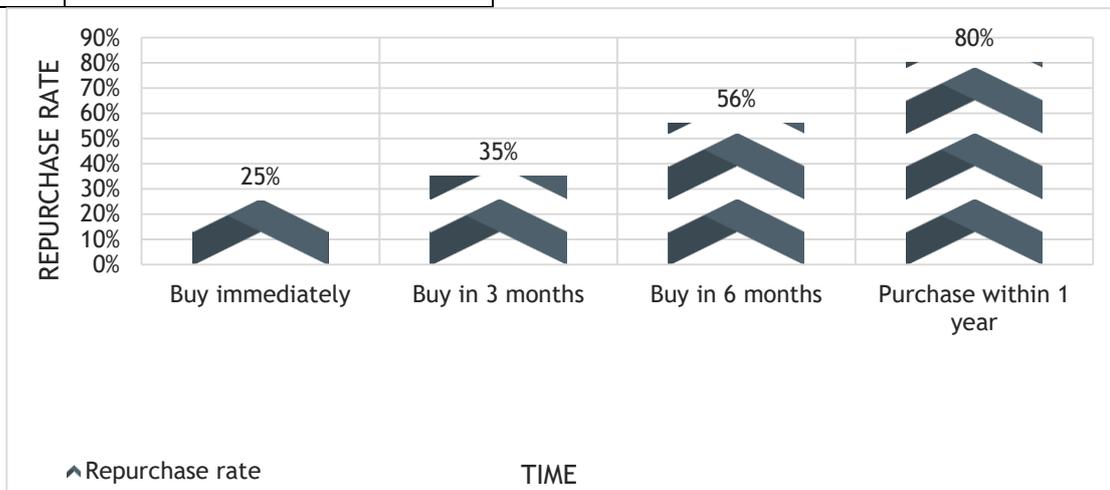


Figure2.Customer car repurchase rate

5. CONCLUSION

With the rapid development of e-commerce and network marketing, enterprises must actively participate in the design and application of customer behavior and relationship management, therefore, customer behavior and relationship management can become the tool of modern marketing management, otherwise have to wait. Customer behavior and relationship management helps enterprises to collect customer information, provide data mining tools, analyze customer information, timely respond to market changes, and realize information sharing and business intelligence. The knowledge generated from analytical tools for customer behavior and relationship management will enhance the effectiveness of corporate sales and marketing activities and prevent the loss of knowledge due to personnel changes. The combination of customer behavior, relationship management and the network enables companies to compete and win at a higher level. The integration of customer behavior and relationship management has created a complete customer-centered electronic supply chain for the enterprise, so that the enterprise can maximize profit with reasonable business process, economic distribution and limited resources. Enterprises are more and more integrated with customers and achieve their goals together. Enterprises for the sake of customers, customers bring profits to the enterprise, to achieve a "win-win".

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