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Retail marketing strategy

The role of marketing intelligence, relationship marketing and trust

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Abstract

Purpose – To show why retail marketing strategists and planners need to develop long-term relationships capable of building business partnerships based on mutual trust. To show how the relationship marketing principle underpins the implementation of retailing strategy.

Design/methodology/approach – A detailed review of the relevant literature, with commentary on the application of principles in practice.

Findings – A successful retailing strategy will be embedded within a customer-driven general business strategy. Marketing managers should plan to develop and sustain long-term trust-based working relationships, which take into account organizational and national values. Successful partnership arrangements depend on mutuality and resilience, as well as trust. Marketing intelligence is a vital ingredient in the formulation and implementation of plans to achieve these goals. The "organizational resilience value system" framework proposed here can be used by marketing planners to link organization learning to relationship marketing, and thereby establish a customer relationship management policy that provides the organization with a sustainable competitive advantage.

Research limitations/implications – Next, cross-industry and cross-cultural studies might be undertaken, to examine the similarities and differences in retailing strategy formulation and implementation across national boundaries.

Practical implications – Practitioners and academics must collaborate closely, with the aim of developing new insights into procedures and practices for linking organizational learning policy firmly and formally with the development of customer-driven retail marketing strategies.

Originality/value – A synoptic view of role of marketing intelligence and relationship marketing in the building of trust-based relationships and partnerships in international retailing, backed by more than 100 references to relevant published literature.

Keywords Retailing, Work place, Partnership, Relationship marketing, Trust

Paper type General review

Note on citations

Because this article is a "general review" citations of other works indicate the relevant page numbers, whenever interested, readers might otherwise have to undertake a personal search of the cited text to find the specific passage in support of the topic under discussion.

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Introduction

Marketing managers in retail organizations typically devote time and effort to analyzing the internal and external operating environments, in order that the organization can be properly positioned in the market place (McGoldrick, 1990; Harris and Walters, 1992; Alexander, 1996, pp. 24-6; Trim, 1999). Occasionally, they need to take the initiative by lobbying government and trade bodies as community issues surface and new challenges present themselves. This means that strategy formulation and implementation can be viewed as a social practice (Whittington, 2004, p. 64), and that certain issues relating to corporate social responsibility are placed within the same strategic context as, for example, pricing and continuity of supply.

In the years ahead, retail strategists are likely to focus increased attention on the selection of appropriate partner organizations (Wrigley, 1994, pp. 6-7; Lowe and Wrigley, 1996; Morganosky, 1997, p. 369; Martin *et al.*, 1998, p. 14) and put in place appropriate leadership models to ensure that interaction between individuals throughout the partnership manifests itself in business decisions which in turn result in a sustainable competitive advantage being achieved and maintained. This means that managers need to:

- identify, recruit and retain talented individuals;
- design and implement what might be called "all-embracing management information technology systems" that reinforce the marketing intelligence process;
- and formulate and implement customer service programmes that contribute to customer retention; and
- put in place an organizational resilience value system.

As regards customer retention in particular, staff in each of the partner organizations will in future need to be more pro-active in promoting the concept of customer relationship management, which is underpinned by a clearly defined set of organizational values. A well crafted relationship marketing strategy will help to ensure that long-term, quality-based relationships are developed with staff in partner organizations throughout the marketing channel (Grant, 1991, p. 45; Juttner and Peck, 1998). The adoption of this approach will link marketing policy to human resource management policy, and attention will be focused on the co-ordination and flow of information among staff, between functions and facilitates, and on the promotion of inter-organizational interaction (Cespedes, 1995, pp. 251-2; Platts and Yeung, 2000).

Furthermore, retail marketing planners and managers need to adopt a reflective approach to marketing decision-making, and this means engaging more with marketing academics in order that a critical evaluation can be made of marketing policy and strategy related decisions. The result should be the development of marketing knowledge. New insights generated can be converted into new theoretical approaches (Burton, 2005, p. 11). The outcome should prove beneficial by advancing marketing theory, linking it to practice, and explaining developments in current areas of study such as customer relationship management (Baker, 2003). That said, it is a question worthy of close consideration whether or not all this can be achieved without a more holistic appreciation of what marketing intelligence represents. An answer will be offered during the course of the paper.

First, however, attention will be turned to what constitutes a customer-driven international strategy, to the matter of developing long-term relationships, and to the building of long-term partnership arrangements. These are considered to be the key factors to be considered when devising a retailing strategy.

Customer-driven international strategies

The focus on international strategy is not intended to exclude consideration of domestic strategy, but rather reflects the reality of twenty-first century retailing and the focus of many of the other authors whose work is reviewed. That increasingly dynamic business environment forces managers to implement change, possibly through incremental adaptation and, when necessary, experimentation. Marketing managers therefore need to be aware of how intelligence gathered from the external and internal environments can be used in a strategic context. Data relating to the external environment would refer to, *inter alia*, customer needs, economic indices, political indicators, developments in technology, and national cultural traits and socio-cultural factors; for the internal environment, they might, for example, throw light on the capability and commitment of the people in the organization.

If the external and internal dimensions are in balance, then the decision-making process should provide adequate support to existing partnership arrangements, and mutuality should be evident. It can be argued that marketing managers will better understand, through the application of increased marketing intelligence, how the external factors both influence and shape industry dynamics. By taking the view that business relationships are long-term, it is possible to identify synergistic business activities (Aaker, 1992; Day, 1994, pp. 41-3; Doyle, 1994; Baker, 1996) which result in "fitness" (Porter, 1996) and the development of long-term, mutually-oriented partnership arrangements. As a consequence, short-term marketing strategies will be devised and embedded in the organization's corporate strategy.

Returning to the question of a more holistic interpretation of "marketing intelligence" it is worth noting that Chaffee (1985) suggests that senior managers developing a "customer focused" market-oriented strategy can choose among three models – linear, adaptive and interpretative – and thinks in terms of devising and implementing a hybrid strategy that takes into account existing and sometimes different factors. It might also be suggested that they should reflect on how the retailing industry is structured and which factors produce the common business characteristics that exist. The term "strategy" is useful for defining matters in broad terms, but managers and planners concerned with marketing will in practice be constrained by marketing priorities, resources, issues and skills. These are key influences on the creation and implementation of strategies aimed at satisfying unmet consumer needs (Aaker, 1992).

Cutting-edge marketing thought has focused on customer-driven, marketing-oriented strategy throughout the past decade (Doyle, 1994; Baker, 1996; Hooley *et al.*, 1998; Tunks, cited in McElwee and Warren, 2000). The premise is that this logic forces marketing managers to develop a customer-focused strategy that takes into account the organization's competitive situation, and ultimately builds on the need for strategic differentiation (Porter, 1996, pp. 62-75).

Strategists may choose to deploy a low-cost strategy (Porter, 1985, pp. 12-14; Aaker, 1992; Bhuian, 1998; Han *et al.*, 1998; Sheth and Sisodia, 1999), but need to take account of customer perceptions and expectations, and how they change over time. This is especially so, given the ability of new competitors – often-based overseas – to distort and disrupt existing business relationships, and the considerable difficulties involved in implementing recovery strategies, especially in a recession.

Thinking strategically requires retailers to use marketing tools and techniques effectively and expertly. The framework proposed by Aaker (1992) is useful in this respect, in that it can help them to audit the situation, appraise the options and devise alternative strategies. By embracing strategic marketing management frameworks, they can devise and implement a marketing intelligence and information planning process. Marketing intelligence specialists will devote time to ensuring that decision-makers obtain accurate information from the market place, and to devising high-level customer service policies and programmes.

Weitz *et al.* (1995) have suggested that customers are inherently different from one another, especially large industrial customers, and attention, therefore, needs to be paid to how they judge value added. In overseas markets, planners need to develop a deeper understanding of how purchasing behaviour is influenced by national cultural value systems (Luce *et al.*, 1999, p. 143; Varadarajan and Jayachandran, 1999, p. 120). This is particularly so if the aim is to exploit the opportunities presented by electronic marketing. Rich (2000, p. 175) notes that the internet allows marketing intelligence specialists to acquire and interpret feedback from customers. Thus, the process of customer relationship development can be enhanced by linking their inputs more closely with those from "pure" market researchers, to yield strategy and planning support to the organization's senior management as necessary.

If customers do vary significantly from one another around the world, there is an obvious challenge in applying the principles of relationship marketing in practice, and translating them into a viable customer relationship management policy. The problem is exacerbated by the fact that there is no single, agreed definition of relationship marketing (Stone *et al.*, 1996, p. 675; Morris *et al.*, 1998, pp. 359-60). However, Grönroos (1994, p. 13), Christopher *et al.* (1994), Payne (1994, pp. 29-31), Stone *et al.* (1996, p. 676), Buttle (1998), Price and Arnould (1999, p. 50) and Hennig-Thurau (2000, p. 55) suggest that its key purpose is to offer an organization a logical and structured process that can retain existing customers and provide customer satisfaction. In other words, relationship marketing can be viewed as a means of developing customer loyalty, which in turn is linked with organizational profitability (Tanner, 1996, p. 125). This is the potential that managers throughout a partnership arrangement need to acknowledge if a mutually-oriented business relationship is to be developed.

Developing long-term relationships

In order that customer loyalty is established, marketing managers need to focus on ways in which internal marketing activities can result in a balanced relationship between the organization and its target market. Achrol (1997) and Achrol and Kotler (1999) emphasise that the concept of relationship marketing needs to be placed within an institutional framework. By encouraging employees to think in terms of creating customer uniqueness and added value, it should be possible to deliver customer satisfaction that results in customer loyalty. However, the market will have to be accurately segmented in such a way that effort can be concentrated on establishing loyalty among both existing customers and potential customers

(Copulinsky and Wolf, 1990, pp. 16-19; Grönroos, 1994, pp. 10-13; Christopher *et al.*, 1994, pp. 6, 30-1; O'Malley *et al.*, 1997, p. 541; Gilmore and Pine, 1997, pp. 96, 100). In doing so, planners should develop new theoretical insights (Burton, 2005) and understand the consequences associated with changes in manufacturer-retailer relationships (Baker, 2003, p. 40). Issues that surface include policy to prioritize customer offerings and the linkage between new forms of distribution, price incentives and additional promotional campaigns. The aim will be fine tuning of the marketing mix and a more robust approach to the auditing of marketing activities.

Such an approach builds on work of Grönroos (1994) in that it focuses on interaction (between buyer and seller, and supplier and retailer), and allows marketers to manage customer demand in a pro-active manner. It should furthermore enable marketers to enhance the channel relationship process in order for each organization's common objectives to be met: a necessity if each organization in the partnership arrangement is to survive in the competitive international marketplace by developing mutually-oriented business relationships. Furthermore, Berry (1995) and Garbarino and Johnson (1999, p. 82) point out that the traditional transactional marketing mix approach and the relationship marketing approach need to be managed in tandem in order for marketers to achieve customer loyalty based on long-term mutual relationships. Implementation will be subject to historical precedent, the way a particular sector of the industry is structured, the way deals are generally negotiated, and the operating systems and procedures in place within the organization.

A further consequence of accepting that customers are inherently different in terms of how they view and judge the value provided (Anderson and Narus, 1991, pp. 99-101; Weitz *et al.*, 1995; Grönroos, 1997, pp. 401-13), based, for example, on the price charged (Trim, 1994, p. 85), is that customer expectation must be treated as a variable. In that case, need-based segmentation can be used to group customers and an organization can apply mass customisation to ensure that its strategic objectives are satisfied, even in a rapidly changing market place (Porter, 1985, pp. 12-14; Aaker, 1992; Spekman *et al.*, 1994, p. 79; Rubin, 1995, pp. 27, 30; Trim, 1999).

To build long-term relationships with their customers, marketing managers must also develop strong internal relationships (George, 1990; Lings and Brooks, 1998, p. 325; Piercy, 1995, pp. 26-7; Singh, 1998, p. 19). They thereby foster a strong organizational culture, which makes explicit the shared value system and beliefs and can be reinterpreted as the organization's *resilience value system*. The term "resilience" according to Sutcliffe and Vogus (2003, p. 95) relates to "*how* organizations continually achieve desirable outcomes amid adversity, strain, and significant barriers to adaptation or development". This may require senior management to establish an organizational structure that permits employees to identify clearly with the organizational learning concept, and thus links organizational learning with the relationship building process (Lee, 2004, p. 652).

With respect to partnership arrangements across national boundaries, managers need to be aware of cultural differences and of how they can affect the ability to communicate effectively and the process of building relationships based on mutual trust. This means that they must share information (Coyne and Dye, 1998; Hosking, 1999) and solve problems which may result as changing market conditions force senior management to restructure the company. Conflict may result from frustration or a lack of confidence in leadership, or both (Hodson, 2004, p. 437). Thus, marketing managers in particular need to be skilled at anticipating potential conflict and confident enough to take initiatives to reduce the frequency of occurrence. Bearing this in mind, Wensley (1995) has asserted that marketing managers should pay more attention to issues such as market networks and inter-firm relationships. It is clear that any programme of restructuring must be based on strengthening partnerships and providing the necessary leadership, if marketing opportunities are to be exploited.

A proactive stance should help marketing managers to identify the most appropriate way to enter a new market, formulate a new strategy that reduces the level of risk, and develop competitive advantage in terms of product quality and positioning (Porter, 1980; Kumar, 1996; Kotler, 1997; Bradley, 1999). Managing the process of change requires management to monitor the cost of employees (Bradley, 1999; Burt, 1999), and ensure that a fair and sustainable reward system is in place.

Building long-term partnerships

If long-term partnership arrangements are to be established with key channel partners, the retailing strategy needs to incorporate a clearly defined customer service policy. This should ensure that the relationship building approach is perceived to be harmonious and continuous (Beckett-Camarata *et al.*, 1998, p. 78), and that each partner builds on the knowledge base and resources available. This is crucial for the achievement of a sustainable competitive advantage, for example, by being able to deliver reliable and appropriate products, helpful and persuasive product information, good after sales services and a positive corporate image. The need to build and sustain strong partnerships has been widely recognised by academics and practitioners alike (Buzzell and Ortmeyer, 1995; Cespedes, 1995, pp. 244-5; Kumar *et al.*, 1995; Weitz *et al.*, 1995, pp. 43-9, 382-511; Arthur and Co., cited in Siguaw *et al.*, 1998, p. 99; Fazier and Antin, cited in Siguaw *et al.*, 1998, p. 9; Christopher and Juttner, 2000, p. 117). Support is also provided by Hines (1996, pp. 4635-6), Lewsion (1997, pp. 627-8), Baker *et al.* (1999, p. 50) and McIvor and McHugh (2000, p. 13).

If a retailer develops a strong and positive long-term relationship with its key suppliers, sharing sensitive information and communicating effectively, management can reduce the organization's total supply-chain costs, improve the quality of products, and innovate. Strong partnerships facilitate the elimination of defective goods, because the retailer and suppliers are involved in joint projects such as the improvement of technological systems or the development of the skill base via training programmes (Krause and Ellram, 1997, p. 21; Juttner and Peck, 1998; Christopher and Juttner, 2000, p. 117; Dobler and Burt, cited in McIvor and McHugh, 2000). It can be deduced that partnership development needs to be supported by good management and leadership skills, a strong organizational culture, shared value systems, and strongly held beliefs, backed by staff commitment and loyalty. Thus, if the decision is made to restructure an organization, the main focus becomes organizational design underpinned by organizational learning (Germain and Droge, 1997). The objective, as always, is to ensure that customer needs are satisfied (Krause and Ellram, 1997, p. 21).

To protect a partnership against external environmental influences, the scope of the marketing intelligence operation needs to extend to the actions of governments, public policy advisors, regulators, and ultimately legislation. Such influences and controls come in many different forms internationally, in some instances militating against foreign companies entering a market. Marketing managers must be given the necessary information to be able to negotiate successfully with such bodies, and need to develop the requisite skills (O'Conner, 1999, p. 17; Trim, 1999), if they are to secure favourable business deals.

A number of researchers have studied market entry mechanisms in Japan and other East Asian countries (Burt, 1993; Choi *et al.*, 1995; Alexander and Myers, 1999, p. 102; Davies, 2000, pp. 230-1), and have found that franchising and joint-venture arrangements are the main entry strategies deployed by foreign companies in this region of the world, principally on account of the perceived low risk. By developing an appreciation of government-industry relationships, marketing managers can assess the level of risk adequately. The work on strategic market management by Aaker (1992) and on the placing of marketing in the context of strategic management by Wensley (1995) provide managers with a market-industry-country focus that should allow them to develop strong, long-term partnerships based on mutual trust with key channel partners that do not exhibit opportunistic behaviour, and are prepared to exchange information to help adaptive decision-making in partner organizations (Ganesan, 1994, p. 6; Cannon *et al.*, 2000).

Such strong partnerships demand the establishment of a common culture that is acceptable to each partner, and a clear organizational structure that facilitates communication and enhances coordination between the retailer and the various supplier organizations (Lamming, 1993, p. 252; Buzzell and Ortmeyer, 1995, p. 93; Hines, 1996, p. 4636; McIvor and McHugh, 2000, pp. 12-13). Ellram (1991, p. 2), Lamming (1993), Hines (1996, pp. 4634-5), Joshi and Stump (1999, p. 291) and Christopher and Juttner (2000, p. 120) observe that, if a retail organization can develop a strong partnership culture, the organization will be flexible, able to respond proactively to rapidly changing environmental conditions, and prepared to respond to fluctuating customer demand. In other words, the aim is to develop a learning organization (Lincoln *et al.*, 1998; Morgan *et al.*, 1998), which identifies with the norms and business goals of its partners. Ritter (2000, p. 318) has highlighted the importance of relationships based on commitment, openness, honesty, sharing of information, and sharing of risks and rewards, reinforcing the core idea that the relationship marketing concept can underpin customer service, at the strategic marketing level.

Juttner and Peck (1998, p. 22) and Christopher and Juttner (2000) suggest that, in reality, it is difficult for retail organizations to form continuous long-term, mutuality-based partnerships with their suppliers because many select their suppliers on the price criterion only. Therefore, neither may be willing to develop a close working relationship that could put their own strategy at risk. However, such a partnership is a virtual prerequisite for the maintenance of an efficient inventory management process (Buzzell and Ortmeyer, 1995), since retailers have limited space, need to reduce lead-times, and must be able to provide accurate information to customers.

Juttner and Peck (1998) and Christopher and Juttner (2000) have also argued that a new form of governance mechanism is required to facilitate long-term positive partnerships. This should incorporate restrictions on opportunistic behaviour (Joshi and Stump, 1999). However, research by Siguaw *et al.* (1998), suggests that, if a supplier is committed to adopting a market orientation (rather than "marketing orientation") in order to develop a relationship with its distributors, it can influence their commitment and satisfaction by helping it to gain financial benefits.

Likewise, Baker *et al.* (1999) see commitment as essential, and include central issues such as perception and co-operative norms in their analysis.

The contributions of Juttner and Peck (1998), and Siguaw *et al.* (1998) demand clarification with respect to certain key points. First, their argument relating to the adoption of a new form of governance mechanism is based on the relationship between a retailer and its suppliers whereas the argument for adoption of a market orientation is based on that between a supplier and its distributors. It can also be argued that when senior marketing managers are engaged in devising an international retailing strategy, they pay particular attention to such factors such as site location, product assortment, opening hours and level of customer service. These are in fact key determinants of the level of customer loyalty and the extent to which the retailer is perceived as community oriented.

Key factors influencing relationships and partnerships

Trust

The role of trust is a crucial factor in the development of strong and positive working relationships based on mutuality between an organization and its channel partners. Managers involved in the process must understand it, and learn how the context of trust differs from one cultural setting to another (Doney *et al.*, 1998; Wicks *et al.*, 1999, p. 100), in order to be able to build a trustworthy relationship (Jones and George, 1998, pp. 532-5, 543). They must furthermore be committed to creating an environment in which mutual trust can be developed over time.

According to Rousseau *et al.* (1998, p. 394), there is "no universally accepted scholarly definition of trust" which means that the attribute can be interpreted in various ways in practice. The same authors distinguish "deterrence-based" "calculus-based" and "relational" varieties (pp. 398-403), among which they single out relational trust as a basis for long-term relationships in particular (p. 394). In this view, trust derives from repeated interactions over time; perceptions of reliability and dependability are the most important elements, though emotion is not discounted. A study by Nooteboom *et al.* (1997, pp. 311-15) found that different types and dimensions of trust exist, and concluded that relational trust is a key factor in financially based relationships (pp. 329-32). Thus, reliability and dependability are vital elements in the development and maintenance of a retailing partnership. Other researchers have identified confidence and "reality" as key elements of trust (Morgan and Hunt, 1994, pp. 22-3; Berry, 1995, p. 242; Tax *et al.*, 1998, pp. 60-2; Argyle and Henderson, cited in Fournier *et al.*, 1998, p. 48). Defining trust for our present purpose demands recognition that the phenomenon is embedded within national cultural value systems (Doney *et al.*, 1998; Wicks *et al.*, 1999, p. 100). Building trustworthy relationships also requires an understanding of how the individuals involved in the relationship themselves interpret the word (Fournier *et al.*, 1998, p. 44). A further complication is that trust, commitment and satisfaction have different impacts on long-term positive relationships (Garbarino and Johnson, 1999, pp. 82-3). In short, a trust-based relationship is a two way process. These are complex, interrelated issues which need to be given much thought by marketing managers operating internationally, because they will affect both the continuity of a partnership and its sustainability.

Clearly, retailers entering into partnerships must ensure that their staff behaves in a trustworthy manner, and they must also be able to explain the meaning of trust and integrate trustworthiness into the organization's value system. In other words, trust should be treated as a core value. Perceptions of its meaning differ from one individual cultural setting to another (Sako, cited in Blois, 1999, p. 207), so managers operating abroad need to know how they can establish appropriate forms of trust and how to communicate in a trustworthy way with the various local client groups and stakeholders.

Research by Krause and Ellram (1997, p. 30) found that a high level of trust was critical to the establishment and maintenance of a long-term positive relationship. It was manifested in training, educational programmes, technological improvements, a commitment to research and development, and joint projects with key suppliers (Krause and Ellram, 1997; Joshi and Stump, 1999, pp. 295-301).

In short, trust is a pivotal element in achieving the long-term mutual benefits of relationships (Doney and Cannon, 1997, p. 46; Wicks *et al.*, 1999, p. 100) because there is an ongoing need to share sensitive information. However, marketers need to determine how trust relates to issues such as improving the performance of existing products, improving the innovation and new product development processes, reducing costs, minimising risk and eliminating opportunistic behaviour (if indeed it does exist).

Resilience

Doney and Cannon (1997, p. 45) observe that trust is not the main issue if a retailer selects suppliers on the basis of their delivery performance and relative price or cost advantage. However, if their companies are to survive in the international market place, retailing planners need to establish exactly what the term "value" means, and relate it to the "fitness" concept. This is another aspect of the need to locate relationship-building strategy within a specific cultural and industrial context.

It can also be argued that the concept of *resilience* is applicable, defined by Sutcliffe and Vogus (2003, p. 95) as "the maintenance of positive adjustment under changing conditions". Marketing managers can, therefore, locate the partnership development process in the context of an organization's resilience value system. However, both parties need to be aware of variations in ethical practice from nation to nation (Dunfee *et al.*, 1999, p. 23), and how organizational culture is influenced by national cultural value systems (Hofstede, 1997).

Siguaw *et al.* (1998, pp. 101-2) and Baker *et al.* (1999, p. 57) argue that the key components of mutuality are credibility, the ability to perform a given task satisfactorily, benevolence, willingness to give up short-term benefits for a long-term relationship, and benefit, based on mutual confidence. This view is supported by Doney and Cannon (1997, p. 36), building on the work of Ganesan (1994) and Kumar *et al.* (1995).

Meanwhile, suppliers are required to demonstrate their commitment to improving skills and knowledge (Ganesan, 1994, p. 13; Doney and Cannon, 1997, p. 47), which can be viewed as a form of mutual dependence (Joshi and Stump, 1999, pp. 300-2).

A conceptual framework

Figure 1 shows a model intended to act as a conceptual framework for retailing strategists working towards the establishment of a long-term, mutually beneficial

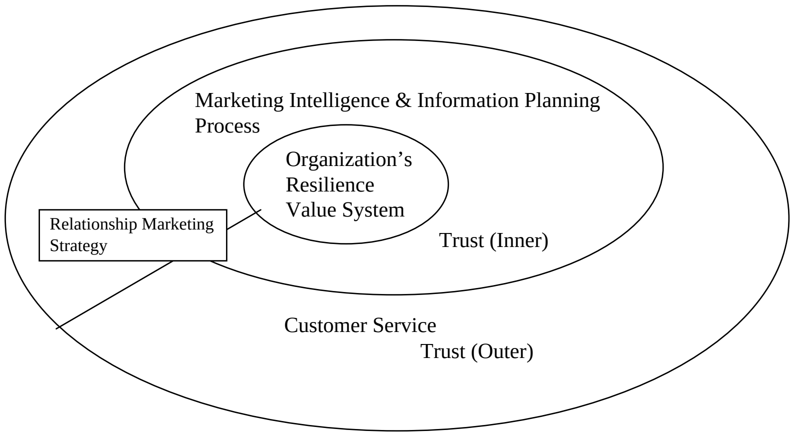

Figure 1. Organizational resilience value system

working relationship or formal partnership. It rests on the assumption that senior managers will provide the vision and leadership that enables others to monitor the organization's level of vulnerability, and ensure that the relationship marketing concept is adopted as an integrating mechanism. This should in turn ensure that the vital quality of trust permeates the organization and facilitates the establishment of a mutually-oriented business relationship or the maintenance and strengthening of pre-existing relationships. Trust (inner) refers to working relationships among the organization's own staff, Trust (outer) to staff-customer interaction and what happens at the interface between the organization, its partners and its customers.

Key staff are responsible for such inputs to the system as marketing intelligence and market research and such outputs as customer service or public relations, while others deploy strategic marketing tools and concepts to identify unmet customer needs and devise marketing strategies accordingly. The net outcome is a customer relationship management policy that embraces a holistic appreciation of what marketing intelligence represents.

Conclusion

Working relationships between members of the marketing channel are the key feature of retailing. Trust is a crucial element in the development and maintenance of productive relationships. In devising a retail marketing strategy, planners should give adequate attention to such issues as understanding the motivations of the members of the marketing channel and working with them towards achievement of their objectives, especially when cultural differences intervene in the international environment. They need to take equal care over devising and implementing customer service policies that ensure that the expectations of customers are met. The relationship marketing approach should be viewed as an integrating force, easing the task of implementing a marketing strategy and gaining a sustainable competitive advantage for the organization.

The organizational resilience value system framework can be used by marketing managers to link the organizational learning concept to relationship marketing, and is a step towards an effective customer relationship management policy. By reducing the level of organizational vulnerability, planners can devise marketing policies capable of maintaining the organization's standing in the market.

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