**ASSIGNMENT**

**ON**

**E-COMMERCE**

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**B2B and B2C E-commerce Marketing and Branding Strategies**

Marketing strategy is used by different companies to collaborate with their consumers. It is also employed to aware the customers about the features, specifications and benefits of company’s products. It is basically focused on encouraging target population to buy those specific products and services.  **Points to ponder for marketing**

There are different types of marketing strategies available. You have to pick one as per your business requirement. Before choosing the right marketing strategy for your business, consider following points.

## 1. Define the target population-Defining target population is main and necessary step in choosing your marketing strategy. It gives the proper demographics which help in selecting the most appropriate marketing plan for your business.

## 2. Test your audience-Create a hypothetical process of buying to test your audience. Once you know the buying behavior of your target audience, you can select more appropriate marketing strategy.

## 3. Consider marketing strategies-Once you know the demographics; their knowledge, attitudes and behaviors. You can select more appropriate marketing strategy.

## 4. Evaluate those strategies-Once you have considered the marketing strategies and found the applicable ones. Asses them, apply them and evaluate them. This process must be for testing purposes and the most suitable and productive strategy must be applied.

## 5.Types of marketing strategies-There are different types of marketing strategies available. Picking up a marketing strategy includes analyzing the needs of your business, your target audience and specifications of your products. The two main types of marketing strategy are:

* 1. Business to business (B2B) marketing
* 2. Business to consumer (B2C) marketing

The most common form of marketing is business to consumer (B2C) marketing. **Following are the different types of marketing strategies available.**

## 1. Paid advertising -This includes multiple approaches for marketing. It includes traditional approaches like TVCs and print media advertising. Also, one of the most well-known marketing approach is internet marketing. It includes various methods like PPC (Pay per click) and paid advertising.

## 2. Cause marketing -Cause marketing links the services and products of a company to a social cause or issue. It is also well known as cause related marketing.

## 3. Relationship marketing-This type of marketing is basically focused on customer building. Enhancing existing relationships with customers and improving customer loyalty.

## 4. Undercover marketing-This type of marketing strategy focuses on marketing the product while customers remain unaware of the marketing strategy. It is also known as stealth marketing.

## 5. Word of mouth-It totally relies on what impression you leave on people. It is traditionally the most important type of marketing strategy. Being heard is important in business world. When you give quality services to customers, it is likely that they’d promote you.

## 6. Internet marketing -It is also known as cloud marketing. It usually happens over the internet. All the marketing items are shared on the internet and promoted on various platforms via multiple approaches.

## 7. Transactional marketing-Sales is particularly the most challenging work. Even for the largest retailers, selling is always tough especially when there are high volume targets. However with the new marketing strategies, selling isn’t as difficult as it was. In transactional marketing the retailers encourage customers to buy with shopping coupons, discounts and huge events. It enhances the chances of sales and motivates the target audience to buy the promoted products.

## 8. Diversity marketing-It caters diverse audience by customizing and integrating different marketing strategies. It covers different aspects like cultural, beliefs, attitudes, views and other specific needs.

**B2B marketing**

**B2B (business-to-business) marketing** is marketing of products to businesses or other organizations for use in production of goods, for use in general business operations (such as office supplies), or for resale to other consumers, such as a wholesaler selling to a retailer.

There are at least three major differences between marketing to consumers and marketing to businesses.

1. Offers and complex pricing: the pricing strategy is complex and finer than B2C, with price levels, batch sliding scale depending on the amount and customer tariff classification, requiring a dual display and without VAT.
2. A long and expensive customer acquisition: business customers stand to end consumers by a particularly rational purchasing behavior requiring the agreement of several makers. The processing window extends in time, the channels used to know the product before buying multiplied and the more complex conversion path. Moreover, the effort of acquisition is higher than B2C and the seller promises to be particularly competitive and reliable to allow customers to pick up the pros.
3. A lasting customer relationships: the relationship with business customers is part time. These seek a long-term relationship with their suppliers, which implies for e-tailers strong negotiation skills, flexibility and customer satisfaction. The B2B e-retailers have the opportunity to establish a stable customer base, with a customer relationship - strong provider.
4. B2B customers expectations focused on the quality of products and services, expertise and the conditions of sale, rather than on price.

**B2C marketing**

**Business to consumer**, or **B2C**, marketing is a common term companies use when referring to the type of business they operate. B2C companies focus on selling to individuals and market their products for personal use. They also offer packaging options that are appropriate for individual consumption.

While many companies sell to both businesses and consumers, the focus of selling to consumers alone is drastically different than selling to other companies. Let's look at grocery stores, for instance. You probably go to the grocery store to stock up on food and items for your house. These stores package food in small containers that are appropriate to take home. Promotions and sales are targeted to you, the individual consumer. For example, your local grocery store may offer a small price discount or free product when several other similar items are purchased. They are acting like a B2C company.

But let's say you're not just an individual consumer looking to cook dinner for your family. Let's say you own your own business, a restaurant, and you want to purchase food. Going to the grocery store and purchasing four or five small cans of corn will not go very far to feed your restaurant full of hungry customers. It wouldn't make sense to purchase all of your food at a regular grocery store because they don't have the bulk quantities you need to stock your restaurant. There are stores that focus on business to business sales and offer food in large quantities, a more appropriate option for purchasing food for your restaurant.

## How does B2C Marketing Work?

When a business is focused on B2C marketing, they must keep their customer in mind. They need to know the needs, wants, problems, and challenges of their consumers. When they understand their customer, they can create the marketing messages that answer their customers' needs.

Returning to the example of the grocery store, the company sends out weekly ads that highlight the sales and discounts offered to customers. There may be rebates or refunds available that are explained to consumers. Some grocery stores even place ads on their receipts and shopping carts. These are all efforts to market their business to individual consumers.

**Marketing Entry Strategy**

A **market entry strategy** is the planned method of delivering goods or services to a new [target market](https://en.wikipedia.org/wiki/Target_market) and distributing them there. When importing or exporting services, it refers to establishing and managing contracts in a foreign country. There are a variety of ways in which a company can enter a foreign market. No one market entry strategy works for all international markets. Direct exporting may be the most appropriate strategy in one market while in another you may need to set up a joint venture and in another you may well license your manufacturing. There will be a number of factors that will influence your choice of strategy, including, but not limited to, tariff rates, the degree of adaptation of your product required, marketing and transportation costs. While these factors may well increase your costs it is expected the increase in sales will offset these costs. The following strategies are the main entry options open to you.

## Direct Exporting

Direct exporting is selling directly into the market you have chosen using in the first instance you own resources. Many companies, once they have established a sales program turn to agents and/or distributors to represent them further in that market. Agents and distributors work closely with you in representing your interests. They become the face of your company and thus it is important that your choice of agents and distributors is handled in much the same way you would hire a key staff person.

## Licensing

Licensing is a relatively sophisticated arrangement where a firm transfers the rights to the use of a product or service to another firm. It is a particularly useful strategy if the purchaser of the license has a relatively large market share in the market you want to enter. Licenses can be for marketing or production. licensing).

## Franchising

Franchising is a typical North American process for rapid market expansion but it is gaining traction in other parts of the world. Franchising works well for firms that have a repeatable business model (eg. food outlets) that can be easily transferred into other markets. Two caveats are required when considering using the franchise model. The first is that your business model should either be very unique or have strong brand recognition that can be utilized internationally and secondly you may be creating your future competition in your franchisee.

## Partnering

Partnering is almost a necessity when entering foreign markets and in some parts of the world (e.g. Asia) it may be required. Partnering can take a variety of forms from a simple co-marketing arrangement to a sophisticated strategic alliance for manufacturing. Partnering is a particularly useful strategy in those markets where the culture, both business and social, is substantively different than your own as local partners bring local market knowledge, contacts and if chosen wisely customers.

## Joint Ventures

Joint ventures are a particular form of partnership that involves the creation of a third independently managed company. It is the 1+1=3 process. Two companies agree to work together in a particular market, either geographic or product, and create a third company to undertake this. Risks and profits are normally shared equally. The best example of a joint venture is Sony/Ericsson Cell Phone.

## Buying a Company

In some markets buying an existing local company may be the most appropriate entry strategy. This may be because the company has substantial market share, are a direct competitor to you or due to government regulations this is the only option for your firm to enter the market. It is certainly the most costly and determining the true value of a firm in a foreign market will require substantial due diligence. On the plus side this entry strategy will immediately provide you the status of being a local company and you will receive the benefits of local market knowledge, an established customer base and be treated by the local government as a local firm.

## Piggybacking

Piggybacking is a particularly unique way of entering the international arena. If you have a particularly interesting and unique product or service that you sell to large domestic firms that are currently involved in foreign markets you may want to approach them to see if your product or service can be included in their inventory for international markets. This reduces your risk and costs because you are essentially selling domestically and the larger firm is marketing your product or service for you internationally.

## Turnkey Projects

Turnkey projects are particular to companies that provide services such as environmental consulting, architecture, construction and engineering. A turnkey project is where the facility is built from the ground up and turned over to the client ready to go – turn the key and the plant is operational. This is a very good way to enter foreign markets as the client is normally a government and often the project is being financed by an international financial agency such as the World Bank so the risk of not being paid is eliminated.

## Greenfield Investments

Greenfield investments require the greatest involvement in international business. A greenfield investment is where you buy the land, build the facility and operate the business on an ongoing basis in a foreign market. It is certainly the most costly and holds the highest risk but some markets may require you to undertake the cost and risk due to government regulations, transportation costs, and the ability to access technology or skilled labour.

**Establishing Customer Relationship**

**Customer relationship management** (**CRM**) is an approach to managing a company's interaction with current and potential [customers](https://en.wikipedia.org/wiki/Customers). It uses [data analysis](https://en.wikipedia.org/wiki/Data_analysis) about customers' history with a company and to improve business relationships with customers, specifically focusing on [customer retention](https://en.wikipedia.org/wiki/Customer_retention) and ultimately driving sales growth.

One important aspect of the CRM approach is the systems of CRM that compile [data](https://en.wikipedia.org/wiki/Data) from a range of different [communication channels](https://en.wikipedia.org/wiki/Channel_(communications)), including a company's website, telephone, email, live chat, marketing materials, and more recently, social media. Through the CRM approach and the systems used to facilitate it, businesses learn more about their target audiences and how to best cater to their needs. However, adopting the CRM approach may also occasionally lead to favoritism within an audience of consumers, resulting in dissatisfaction among customers and defeating the purpose of CRM.

Strategic CRM is focused upon the development of a customer-centric business culture.

### **Operational**

The primary goal of customer relationship management systems is to integrate and automate sales, marketing, and customer support. Therefore, these systems typically have a dashboard that gives an overall view of the three functions on a [single customer view](https://en.wikipedia.org/wiki/Single_customer_view), a single page for each customer that a company may have. The dashboard may provide client information, past sales, previous marketing efforts, and more, summarizing all of the relationships between the customer and the firm. Operational CRM is made up of 3 main components: sales force automation, marketing automation, and service automation.

* [Sales force automation](https://en.wikipedia.org/wiki/Sales_force_management_system) works with all stages in the sales cycle, from initially entering contact information to converting a prospective client into an actual client. It implements [sales promotion](https://en.wikipedia.org/wiki/Sales_promotion) analysis, automates the tracking of a client's account history for repeated sales or future sales and coordinates sales, marketing, call centers, and retail outlets. It prevents duplicate efforts between a salesperson and a customer and also automatically tracks all contacts and follow-ups between both parties.
* [Marketing automation](https://en.wikipedia.org/wiki/Marketing_automation) focuses on easing the overall marketing process to make it more effective and efficient. CRM tools with marketing automation capabilities can automate repeated tasks, for example, sending out automated marketing emails at certain times to customers, or posting marketing information on social media. The goal with marketing automation is to turn a sales lead into a full customer. CRM systems today also work on [customer engagement](https://en.wikipedia.org/wiki/Customer_engagement) through social media.
* Service automation is the part of the CRM system that focuses on direct customer service technology. Through service automation, customers are supported through multiple channels such as phone, email, knowledge bases, ticketing portals, FAQs, and more.

### **Analytical**

The role of analytical CRM systems is to analyze customer data collected through multiple sources, and present it so that business managers can make more informed decisions. Analytical CRM systems use techniques such as data mining, correlation, and pattern recognition to analyze the customer data. These analytics help improve customer service by finding small problems which can be solved, perhaps, by marketing to different parts of a consumer audience differently. For example, through the analysis of a customer base's buying behavior, a company might see that this customer base has not been buying a lot of products recently. After scanning through this data, the company might think to market to this subset of consumers differently, in order to best communicate how this company's products might benefit this group specifically.

### **Collaborative**

The third primary aim of CRM systems is to incorporate external stakeholders such as suppliers, vendors, and distributors, and share customer information across organizations. For example, feedback can be collected from technical support call, which could help provide direction for marketing products and services to that particular customer in the future.

## Components

## Components in the different types of CRM

The main components of CRM are building and managing customer relationships through marketing, observing relationships as they mature through distinct phases, managing these relationships at each stage and recognizing that the distribution of value of a relationship to the firm is not homogenous. When building and managing customer relationships through marketing, firms might benefit from using a variety of tools to help organizational design, incentive schemes, customer structures, and more to optimize the reach of its marketing campaigns. Through the acknowledgement of the distinct phases of CRM, businesses will be able to benefit from seeing the interaction of multiple relationships as connected transactions. The final factor of CRM highlights the importance of CRM through accounting for the profitability of customer relationships. Through studying the particular spending habits of customers, a firm may be able to dedicate different resources and amounts of attention to different types of consumers.

CRM systems include:

* [Data warehouse](https://en.wikipedia.org/wiki/Data_warehouse) technology, used to aggregate transaction information, to merge the information with CRM products, and to provide key performance indicators.
* [Opportunity management](https://en.wikipedia.org/wiki/Opportunity_management) which helps the company to manage unpredictable growth and demand, and implement a good forecasting model to integrate sales history with sales projections.
* CRM systems that track and measure marketing campaigns over multiple networks, tracking customer analysis by customer clicks and sales.
* Some CRM software is available as a [software as a service](https://en.wikipedia.org/wiki/Software_as_a_service) (SaaS), delivered via the internet and accessed via a web browser instead of being installed on a local computer.
* CRM systems for [eCommerce](https://en.wikipedia.org/wiki/ECommerce), focused on marketing automation tasks, like: cart rescue, re-engage users with email, personalisation.
* Customer-centric relationship management (CCRM) is a nascent sub-discipline that focuses on customer preferences instead of customer leverage. CCRM aims to add value by engaging customers in individual, interactive relationships.
* Systems for non-profit and membership-based organizations help track constituents, fundraising, sponsors' demographics, membership levels, membership directories, volunteering and communication with individuals.

**Advertising Network**

An advertising network, or ad network, connects businesses that want to run advertisements with websites that wish to host them. The principle attribute of an ad network is the gathering of ad space and matching it with the advertiser's needs.The term ad network is media neutral, but is often used to imply "online ad network" since the marketplace of aggregated publisher ad space and advertisers is increasingly found on the Internet. The crucial difference between traditional and online ad networks is that online ones deliver advertisements to the public through an ad server. Delivering ads through one central hub allows the business owner to use various methods of targeting, tracking and reporting that don't exist with traditional media alternatives.

#### **How do they work?**

Ad networks work with publishers all over the Web, helping anyone who has unsold inventory, or ad space, and wishes to monetize their offerings. The networks then aggregate this inventory, package it and sell it to advertisers .

#### **Pros and cons**

The benefits of using ad networks are numerous for both content providers and advertisers. Content providers find them an easy and reliable way to sell inventory, although the revenue is typically less than what they could earn selling the space themselves. Advertisers also like the ease of use. With minimal effort, they can purchase a campaign that targets a specific group of consumers on websites throughout the world. Ad networks are also known for flexible payment models and cost efficiencies.

The downside to advertisers is limited control over ad placements. The possibility exists that ads could appear next to inappropriate content. Many advertisers have also complained that their own campaign analytics often do not match up with the metrics provided by the networks . Despite these downfalls, many businesses find ad networks to be an affordable and efficient way of reaching consumers.

**Permission Marketing**

Permission marketing is a marketing technique that allows consumers to receive marketing and other promotional offers upon their consent rather than being pushed to them. The term was first coined by Seth Godin in his book with the same name, and is used in Internet marketing tactics.

Permission marketing is the opposite of interruption marketing, which pushes offers to consumers without their consent, deliberation or permission. The former, in contrast, delivers product/service offers to consumers or end users only if they explicitly agree to receive them. Permission marketing helps advertisers or businesses save on marketing costs by not engaging in marketing processes or activities that customers are not interested in.

A classic example of permission marketing is opt-in email subscriptions, wherein individuals explicitly register to receive marketing or other promotional offers in their email inbox.

Permission marketing is an approach to selling goods and services in which a prospect explicitly agrees in advance to receive marketing information. Opt-in e-mail, where Internet users sign up in advance for information about certain product categories, is a good example of permission marketing.

**Benefits**

* Cost Efficient: Permission marketing employs low cost online tools – social media, search engine optimization, e-mails, etc. Furthermore, by only marketing to consumers who have expressed an interest, businesses can lower their marketing costs.
* High Conversion Rate: As the targeting audience are those who have expressed an interest to the product, it is easier to convert the leads into sales.
* Personalization: Permission marketing allows businesses to run personalized campaigns; it allows them to target specific audiences according to their age, gender, geographical location, etc.
* Establish Long-Term Relationships with the Customer: Through the usage of social media and e-mails, businesses can interact and build long-term relationships with the customers.
* Maintains Marketing Reputation: Unlike Interruption marketing where consumers are bombarded with marketing messages, Permission marketing only sends information to those who are anticipating the information. Therefore, prospects who receive the information do not feel discomfort.

**Affiliate Marketing**

Affiliate marketing is a hybrid advertising and referral channel by which third parties promote another company’s product or service and receive a commission for any sales generated. Affiliates can be a major revenue driver for ecommerce stores, translating their visibility into brand awareness and sales.

Affiliate marketing is a grey area between advertising and organic referrals. An affiliate marketer's greatest asset is its audience: they are able to command a revenue share because of their relevant visitors and the highly-qualified traffic they drive to online businesses.

#### **Why Affiliate Marketing Works**

Affiliate marketers become successful by cultivating an audience and developing a rapport with them. Affiliates often excel at driving organic traffic for informational search queries about a brand or industry. For example, they may rank high for "best [product]" or "[brand] vs. [brand]" searches. Many affiliates excel at generating [traffic from long tail searches](https://www.bigcommerce.com/ecommerce-answers/what-are-long-tail-keywords-how-to-target-in-organic-paid-search), using traditional content mediums such as blogs or reviews.

While some affiliates primarily drive new visitors to their website via [new users from organic and paid traffic](http://www.bigcommerce.com/ecommerce-answers/what-is-sem-search-engine-marketing), others earn a substantial following by providing engaging content and developing a rapport with their audience. These affiliates earn the trust of their readers and can act as a type of spokesman or brand advocate for an online business.

#### **Types of Affiliate Marketing**

Successful affiliates often employ one or more of the following tactics:

* **Establish themselves as an expert** in their industry
* **Share their own stories**, telling how the products or services they’ve used have been helpful to them
* **Provide reviews** of products or services
* **Develop in-depth buying guides** that compare several products or services
* **Offer special discounts** to their audience members for the products or services they promote

Affiliate marketers often use the Internet to promote products and services via methods such as:

* Creating a website
* Running a blog
* Sending out email newsletters
* Creating an app

#### **Managing Affiliate Marketing Risk**

While businesses, including ecommerce businesses, can benefit from affiliate marketing as a way of driving additional sales without upfront costs, there are risks to the process. These can include an affiliate misrepresenting a business as well as fraudulent affiliate behavior. The following steps are suggested for successful affiliate management:

* **Check affiliate sites regularly**: Verify that they are representing the product being sold properly, without making wild or unsupported claims.
* **Verify IP/Address correspondence**: If an affiliate's orders commonly feature IPs that are not located near the shipping address used for the orders (for instance, international IPs used to place orders shipped domestically or to a different country than the order was placed in), this can be an indication of fraud.
* **Monitor conversion rates**: Excessively high conversion rates from an affiliate site can be a sign that an affiliate is using incentives to generate orders or placing them fraudulently to generate commissions. A very low rate may signal that the affiliate is placing your link in a "banner farm" of some sort.

**Viral Marketing**

Viral marketing describes the technique and natural occurence of web users effectively marketing on behalf of a business by sharing a campaign or any form of online media. Successful viral marketing campaigns are often extremely cost effective and can vault an online business into prominence.

#### **How online stores successfully execute viral marketing campaigns**

Successful viral marketing focuses on psychology over selling. Knowing why people share information is more valuable than trying to convince them to buy a product. It's also important to have an understanding of how and why users are communicating with each other.In order to devise a successful viral marketing campaign, an ecommerce company must:

* **Know their audience:** Understanding what the audiences cares about will tell companies what content to create; users will be more likely to share something related to their interests.
* **Engage viewer emotions:**Users are most likely to share content associated with positive emotions, such as joy and awe. Users were least likely to share things that inspired sadness, but this doesn't mean that every piece of marketing has to be uplifting. The strength of an emotion is the key factor, Berger said in a separate conversation with Entrepreneur.
* **Make content easy to share:** Hotmail nailed this technique. Its message went out every time a user sent an email, something they had already planned to do. If the content is posted on the company site, use code or plugins to allow people to post the information directly to their social media profiles.

Viral marketing refers to marketing techniques that try to achieve a marketing objective through self-replicating viral processes, analogous to the spread of human/computer viruses.Viral marketing can be compared to word of mouth and free public relations promotion. Families, friends and (business) relations are forwarding a marketing message to others because they are very much intrigued by the message (makes them laugh, cry or furious, for instance) or because they think the message is extremely relevant. The video below shows several examples of viral marketing campaigns.

**Blog Marketing**

A business blog is a standalone website, or section of an existing business' domain, devoted to writing about subject matter related to their company's industry and its sub-fields. Business blogs have become a fundamental component of successful web marketing and utilized by most online businesses.

A blog is the name for an online publication or journal that will include shorts posts and articles. These posts will be organized by the date they were published, and normally you will find that you have the opportunity to comment on the posts. The term blog came about from combining the words log and web, the primary use of blogs having been for personal publication.

However, the use of blogs is now far more widespread and they are now widely used as a social media strategy for clever online marketing. With almost the entire population owning at least one social media account, social media has enjoyed a transition from a place to connect with old friends to a way to sell your product or service on a global scale.

A blog, or weblog, is often a mixture of what is happening in a person’s life and what is happening on the Web, a kind of hybrid diary/guide site, although there are as many unique types of blogs as there are people.

People maintained blogs long before the term was coined, but the trend gained momentum with the introduction of automated published systems, most notably Blogger at blogger.com. Thousands of people use services such as Blogger to simplify and accelerate the publishing process.

#### **How blogs help spur ecommerce growth**

Blogs help online businesses engage more customers and build up topical authority for SEO. The following considerations apply when attempting to maximize the utility of company blogs:

* **Blogs containing highly relevant keywords** within unique pieces of content will be rewarded with a higher ranking on search engine results. The higher a company's search engine result, the more potential customers it will attract.
* **If a company can provide compelling blog content**that generates significant customer interest, it will likely prove to be a legitimate customer recruiting tool.
* **Today's blogs are more engaging than ever**thanks to the ease of integrating media and the number of educated writers with a unique voice. [Videos, images, and links](http://www.bigcommerce.com/ecommerce-answers/what-is-embedding/) to other media can be embedded into a blog to make it a truly helpful and well-rounded. Mobile-friendly blogs further their reach by making their content easily accessible to users on any type of web-friendly device .

**Social Network Marketing**

**Social networks are one of the fastest growing industries in the world’’.** Socialcommerceis a subset of [electronic commerce](https://en.wikipedia.org/wiki/Electronic_commerce) that involves [social media](https://en.wikipedia.org/wiki/Social_media), online media that supports social interaction, and user contributions to assist online buying and selling of products and services.More succinctly, social commerce is the use of [social network](https://en.wikipedia.org/wiki/Social_network)(s) in the context of e-commerce transactions.

The term social commerce was introduced by Yahoo! in November 2005 which describes a set of online collaborative shopping tools such as shared pick lists, user ratings and other [user-generated content](https://en.wikipedia.org/wiki/User-generated_content)-sharing of online product information and advice.

The concept of social commerce was developed by David Beisel to denote user-generated [advertorial](https://en.wikipedia.org/wiki/Advertorial) content on e-commerce sites, and by [Steve Rubel](https://en.wikipedia.org/wiki/Steve_Rubel) to include collaborative e-commerce tools that enable shoppers "to get advice from trusted individuals, find goods and services and then purchase them". The social networks that spread this advice have been found[[5]](https://en.wikipedia.org/wiki/Social_commerce#cite_note-5) to increase the customer's trust in one retailer over another.

Social commerce aims to assist companies in achieving the following purposes. Firstly, social commerce helps companies engage customers with their brands according to the customers' social behaviors. Secondly, it provides an incentive for customers to return to their website. Thirdly, it provides customers with a platform to talk about their brand on their website. Fourthly, it provides all the information customers need to research, compare, and ultimately choose you over your competitor, thus purchasing from you and not others.

**Leveraging Brands**

**A brand leveraging strategy uses the power of an existing brand name to support a company’s entry into a new, but related, product category. E.g. Brooke Bond coming with different  coffee products under its brand name.**

A brand leveraging strategy uses the power of an existing brand name to support a company’s entry into a new, but related, product category. For example, the manufacturer of Mr. Coffee™ coffee makers used its brand name strength to launch Mr. Coffee™ brand coffee. While coffee machines and coffee beans are in different product categories, there is a strong enough correlation between the two items that the brand name has a powerful impact on consumers of both categories.

Brand leveraging communicates valuable product information to consumers about new products. Consumers enter retail outlets equipped with pre-existing knowledge of a brand’s level of quality and consistently relate this knowledge to new products carrying the familiar brand. Generally, consumers maintain a consistent brand perception until disappointed – creating a risky advantage for established brands.

## Why is Brand Leveraging Important?

Brand leveraging is an important form of new product introduction because it provides consumers with a sense of familiarity by carrying positive brand characteristics and attitudes into a new product category. Instant recognition of the brand is established, and consumers with a favorable brand opinion likely will try a new product they perceive to have a similar quality level and attributes as their original favorite. Additionally, because the products are in different categories, they will not compete for market share – the crux of a successful branding strategy.

For example, Bic™ is a strong brand name with years of experience in marketing low-cost disposable plastic products such as the Bic™ pen. Thus, Bic™ is positioned well to introduce products that capitalize on these same basic strengths – products such as disposable razors and cigarette lighters.

Additional advantages of brand leveraging include:

* More products mean greater shelf space for the brand and more opportunities to make a sale.
* The cost of introducing a brand-leveraged product is less than introducing an independent new product due to a much smaller investment in brand development and advertising designed to gain brand recognition.
* A full line permits coordination of product offerings, such as bagels and cream cheese, potato chips and ranch dip, peanut butter and jelly, etc.
* A greater number of products increase efficiency of manufacturing facilities and raw materials.

**Customer Retention**

Customer retention refers to the activities and actions companies and organizations take to reduce the number of customer defections. The goal of customer retention programs is to help companies retain as many customers as possible, often through customer loyalty and brand loyalty initiatives. It is important to remember that customer retention begins with the first contact a customer has with a company and continues throughout the entire lifetime of the relationship.Customer retention is the ability of a business to retain customers. It is both a measure of customer loyalty and the capacity of the business to keep customers satisfied by good service and quality of the product sold.

The best customer for any business is the returning one. It shows that the customer is happy with both the service and the product but there are other benefits too. A returning customer is cheaper to the business, as they will need to spend less on advertising or inducements such as price cutting and giveaways. A happy customer will also tell other potential customers of a product and service; doing a job of marketing for the store.

**Improving Customer Retention**

Research indicates that returning customers tend to spend more. So along with the other benefits it is in a store’s interest to spend time and money on customer retention. There are many ways for the store to achieve this:

* **Stock** – by selling quality product the customer will be happy and likely to return for more.
* **Pricing** – in pricing a product at a reasonable one for the market the customer will consider returning to purchase more in the future.
* **Customer Service** – good customer service from the minute the client enters a store will help sales and the memory will stay with the customer. Good after sales customer service in the case of an issue, helps offset further problems and assures the customer of the store’s good intentions.
* **Appealing Shop Layout** – making a store easy to navigate, warm in the cold months, cool in the summer ones and customer friendly decor can help hugely in retaining a customer. Nobody will want to return to a cold store where product is difficult to find and the paint is peeling off the walls.

By keeping an eye on customers habits and seeing how many are returning, a storeowner can see where improvements are necessary. If the store has high customer retention they need to see why and ensure that they keep doing what they are doing well to maintain standards. The opposite is also true. If customer retention is low, items such as product, pricing and customer service need examining so as to retain that all important returning customer.

**Personalization and One to One Marketing**

Personalization is the process of tailoring pages to individual users' characteristics or preferences. Commonly used to enhance customer service or e-commerce sales, personalization is sometimes referred to as *one-to-one marketing*, because the enterprise's Web page is tailored to specifically target each individual consumer. Personalization is a means of meeting the customer's needs more effectively and efficiently, making interactions faster and easier and, consequently, increasing customer satisfaction and the likelihood of repeat visits. There are a number of personalization software products available, including those from [Broadvision](http://searchcio.techtarget.com/definition/Broadvision), ResponseLogic, and Autonomy.

Personalization in some ways harkens back to an earlier day, by making consumer relationships more closely tailored to the individual. If you've ever bought a book from Amazon, for example, the next time you visit they will - like a friendly and helpful sales clerk - greet you by name and tell you about products in stock that they think you might like (such as more books by the same author, or books purchased by other people who also bought the book that you purchased). Many [portal](http://searchcio-midmarket.techtarget.com/definition/portal) sites, such as Yahoo allow site visitors to customize the page with selected news categories, local weather reports, and other features.

In addition to use of the [cookie](http://searchsoftwarequality.techtarget.com/definition/cookie), the technologies behind personalization include:

* **Collaborative filtering**, in which a [filter](http://whatis.techtarget.com/definition/filter) is applied to information from different sites to select relevant data that may apply to the specific e-commerce experience of a customer or specific group of customers
* **User profiling**, using data collected from a number of different sites, which can result in the creation a personalized Web page before the user has been formally
* [Data analysis](http://searchsqlserver.techtarget.com/definition/data-mining) tools used to predict likely future interactions

Because personalization depends on the gathering and use of personal user information, [privacy](http://searchdatamanagement.techtarget.com/definition/privacy) issues are a major concern. The Personalization Consortium is an international advocacy group organized to promote and guide the development of responsible one-to-one marketing practices. Founding members include Pricewaterhouse Coopers, American Airlines, and DoubleClick. The consortium has established *ethical information and privacy management objectives*; these include, for example, the suggestion that enterprises should inform users about the information being gathered, and the purposes for which it is sought. According to a March 2000 Consortium survey of over 4,500 Web users, 73% of respondents find it helpful to have Web sites retain their personal information, while only 15% refuse to supply personal information online. 63% of respondents disliked having to reenter information that they had already supplied.

**Customization and Co-Production**

**Customization**, according to Merriam-Webster, is a method of “changing something in order to fit the needs or requirements of a person, business, etc.” It deals with making changes to a product or service to satisfy a given consumer group. The changes could be as small as a variety of different flavors or colors or as complex as developing a completely new product for a particular client-base. Mass customization combines the personalization and flexibility of custom-made business manufacturing and takes it to another level of mass production, which offers a lower unit cost. Therefore, different mass consumer groups are targeted in mass customization rather than targeting a single client. This concept is utilized in numerous business types for instance in software that allow users to change or add certain functionalities according to their requirement. Similarly, Macbooks are available in different RAM sizes, hard disk capacities and the outer finish to provide users exactly what they are looking for. Mass customization is also known as “build to order” or “made to order”.

## Collaborative Customization

Collaborative customizers talk to the clients to help them recognize what they need, to recognize factors that will fulfill those needs and to create customized products following those guidelines. This approach falls under mass customization and is primarily meant for businesses with highly-customization-centric clientele.

## Adaptive Customization

Businesses that follow the approach of adaptive customization offer one standard product to the customers along with a few customization options. This approach makes sure that the product is designed in a manner that it can be customized by the end client with absolute ease.

This approach is ideal for a client-base that has different expectations from the product in different situations and occasions. With the availability of technology, clients can easily customize the products on their own.

## Cosmetic Customization

Cosmetic customizers advertize a standard product differently to different groups of clients. This approach works well when clients use the same product but want them to be presented differently. Such products are not customized but instead they are packaged differently to suit different kinds of customers.

## Transparent Customization

Transparent Customization deals with providing customized products to individual clients without telling them that the products are exclusively produced for them.This approach work in cases where the customer does not want to repeat what she/he needs incessantly or when client needs are predictable or obvious.Businesses that deal in a transparent customization examine client’s behavior without direct communication with them and then discreetly customize their products for them.

**Co-production** is a practice in the delivery of [public services](https://en.wikipedia.org/wiki/Public_services) in which citizens are involved in the creation of public policies and services. It is contrasted with a transaction based method of service delivery in which citizens consume public services which are conceived of and provided by governments. Co-production is possible in the private and non-profit sectors in addition to the public sector. In contrast with traditional citizen involvement, citizens are not only consulted, but are part of the conception, design, steering, and management of services.

“Co-production is a process that involves people in the design and, crucially, in the delivery of the services they enjoy.

**Co-creation** is a management initiative, or form of [economic strategy](https://en.wikipedia.org/wiki/Economic_policy), that brings different parties together (for instance, a company and a group of customers), in order to jointly produce a mutually valued outcome. Co-creation brings the unique blend of ideas from direct customers or viewers (who are not the direct users of the product) which in turn gives a plethora of new ideas to the organization.

**Customer ServicesEcommerce customer service** (sometimes spelled e-Customer service is a role within a business dedicated to helping buyers or prospects regarding the purchase or use of the business’s products and services. Many companies have a customer service department dedicated to ensuring customers are satisfied, but smart businesses make it a company-wide responsibility to provide their customers with superior service.The more customer service-oriented a company is, the greater the lengths to which it is willing to go to satisfy its customers’ needs before, during, and after a sale.

Good Customer Service

Businesses that empower their employees to do whatever it takes to make a customer happy typically develop a reputation for customer service excellence. For example, there are stories about one retailer that refunded a customer for a pair of automobile tires that the customer was sure had been purchased there, when, in fact, the department store has never sold tires. Or the fact that an online retailer was pleased that one of its customer service representatives stayed on the phone for 10 hours and 29 minutes with one customer, who ended up placing only a single order. They considered that long conversation to be a success, because they had the opportunity to show that customer how important she is to the company.

Companies that consider it their mission to provide whatever their customers need become known for going above-and-beyond in the pursuit of customer satisfaction. Specifically, some of the ways organizations provide good customer service involve one or more of the following traits:

* **Attention**. Giving customers the customer service representative’s undivided attention, as demonstrated through active listening and discussion, helps customers feel heard and valued.
* **Courtesy**. Being polite shows respect and appreciation for a customer’s business.
* **Empathy**. When a customer calls to complain about a problem, the best course of action is to express empathy, or an understanding of why feel the way they do. Don’t belittle their frustration or the issue they’re having and don’t argue or explain why they’re wrong or at fault.
* **Prompt**. The best customer service happens almost immediately after a customer makes contact asking for help. The longer the time between the customer making contact and the issue being resolved, the less happy the customer will be.
* **Simple**. Making it easy for customers to find a customer service rep is critical, as is making the process they have to go through to resolve a problem as painless as possible.
* **Follow-up**. Companies that circle back to confirm that their customer got what they ordered and are happy with it are perceived to be more customer service-oriented than companies that assume no new is good news.Even if you sell a superior product or service, how your approach customer service can make the difference between having a successful business or not.

**How to Offer Great Customer Service**

Once you can visualize great customer service, it’s fairly easy to implement. If you want to make it easy for customers to reach out to you, you want employees empowered to satisfy customer requests, and you want to be able to deal immediately with any complaints that arise, some of the steps you’ll likely want to take include:

* Placing the customer service email address front-and-center on your website
* Publicizing a toll-free number for customers to call with questions or issues
* Offering live chat as a way for buyers to reach out while online
* Clearly stating your company’s customer service policy – 100% satisfaction
* Offering a product or service guarantee

The more confident buyers are that they won’t have any problems with products or services you sell, and the more sure they are that if a problem does arise, your company will do everything in its power to correct it, the better your customer service reputation. Generally, the better your reputation for customer service, the better your sales.

vice) is a strategy for providing customer service to customers on online stores. When retailers invest in improving their ecommerce customer service, delivered via a call center, live chat, or other channels, they tend to be rewarded with more loyal customers, better conversion rates, and an advantage over their competitors. 