THE STUDY OF RELATIONSHIP OF STRATEGIES RELATED TO CUSTOMER
RELATIONSHIP MANAGEMENT (CRM) ON BRAND LOYALTY
TOWARD THE CURRENT USERS OF ADVANCED INFO SERVICE (AIS), BANGKOK

By

KANGSADAN YANYONGKASEMSUK

A Thesis Submitted in Partial Fulfillment
of the Requirements for the Degree of

Master of Business Administration

Graduate School of Business
Assumption University
Bangkok Thailand

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ABSTRACT

The overall objective of this study was to examine the relationship of CRM (or relationship marketing approach) toward brand loyalty by dividing CRM's strategy into 4 strategies, core service strategy, relationship customization strategy, service augmentation strategy and relationship pricing strategy. CRM or relationship marketing approach has come into a consideration of the marketers since 1983 and it's widely accepted that this is a paradigm shifted. It is the future trend which all firms should pay special attention to and adopt the concept into their organization. It has been realized that the ultimate purposes of CRM is to fasten relationship and to create customer's loyalty.

The theoretical framework comprised of four strategies related to CRM as an independent variables and brand loyalty of the current users of AIS as a dependent variable. The questionnaires have been prepared in two versions, English and Thai language. The objective of the questionnaire was to acquire the AIS' users perspective on the relationship of four strategies related to CRM toward their brand loyalty. The questionnaire consisted of nineteen questions which has been designed accordance with the conceptual framework. The respondents are AIS' users in AIS shops in 6 department stores in Bangkok. Three hundred and eighty four sets of questionnaires were distributed to respondents in the sampling frame.

Research methodology used for this research was descriptive research while Spearman ranking has been used in analyzing the relationship between four strategies and brand loyalty. Alpha coefficient has been used to analyze the reliability for all independent variables and dependent variable. Finally, all research hypotheses were tested at 0.05 level of confidence.

The result of this research was manifestly reflected that all four strategies have relationship with brand loyalty in different level but overall relationship is considered weak. The highest relationship strategy is *core service strategy*, 0.366, while *relationship pricing strategy* has the lowest relationship, 0.206. This mean that the firm should pay more attention to *core service strategy* due to it has the higher

relationship than other strategies. However, due to overall relationship is considered low, 0.2595, hence, in order to make best use of this result, AIS should develop the further study to see whether it is because the users are not care on relationship marketing or the firm did not provide the programs that match to the customer's mind.

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CHAPTER I
GENERALITIES OF THE STUDY

The purpose of this chapter is to provide an overview of the topic and the problem of this research. The first part explains about the background of the study, Thai mobile phone's operator market and Advanced Info Service Company Ltd. The second part concerns the statement of problem relating to the research topic. The third part explains the research objectives. It focuses on the relationship of strategies related to Customer Relationship Management (CRM) on brand loyalty of AIS users in Bangkok area. The forth part informs the reader about the scope that the researcher intended to study. The fifth part provides the limitation of this research. The sixth part concerns the significance of this study. In the last part, the researcher provides the definition of terms that used in this research. It can help the reader to clearly understand this research.

1.1 BACKGROUND OF THE STUDY

More than ever, businesses are subjected to stronger, more rapidly changing forces: globalization, deregulation, and convergence of industries. These changes have been with us for quite a while, but now a well-established newcomer is providing even more fuel to this bonfire of change: e-business, the internet and the web and electronic commerce are the new kids that are causing more disruptive changes on the business block. This signifies that those business organizations that fail to change with the changing environment will face threat for survival. Therefore, in the third millennium every business organization needs to make systematic and organized efforts to win loyalty of its customers (Brown, 2000).

New entrants invade old industries. Entirely new industries are created. With all of these changes, businesses have rediscovered that, more than ever, in the face of increasing competition, mature markets, and the ever-demanding customers, treating existing customers well is the best source of profitable and sustainable revenue growth. In other words, once we have a customer, we must do everything we can to keep the existing customers and develop our business with them. It is a lot cheaper

than trying to look for some new ones-by a ratio of one to three in terms of marketing and sales expenditures (Brown, 2000).

The market and market environment have become very complicated and fragmented. The traditional approach to manage customers and their ever-changing behavior has now become obsolete. In other words, traditional mass media marketing technique is no more considered as useful and significant. Similarly the old practices related to communicating with customers and society has also dramatically undergone significant changes. Today, the survivors in highly competitive global business environment basically need to win loyalty of existing customers along with expansion of its customer base.

The key to success in the times to come will be organization's ability to clearly understand its customers' personal background, needs, and required efforts to satisfy them in order to win over their strong loyalty. In turn, it will require them to gain ability to develop close and meaningful relationship with customers. Keeping this viewpoint in active consideration, several successful marketing organizations have begun to encounter typical customer behavior by using the technique of customer relation management.

Business is entering a new era, "the information economy," This lead to the concept of CRM - Customer Relationship Management. The advent of CRM techniques- not new, in concept, but new in their form of execution- has lifted the veil of helplessness from many marketer's eyes, by showing them how, at last, marketing in a true one-to-one sense can actually be achieved. And not through loyalty schemes and the like, but through real one-to-one relationship, where each customer is treated differently, by using IT (Temporal & Trott, 2001).

CRM, is a strategy, all about collaborating with each customer being able to create the classic win-win situation, add value to each customers'daily life and they give loyalty in return.(Egan, 2001), gaining popularity as a technique to position the organization in a win-win situation by collaborating with each customer. It attempts to

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clearly understand customers from several marketing viewpoints. It significantly focuses on providing additional value on products and services offered to customers. When customers' remain satisfied with products and services offered by the marketers then in return they are motivated to offer their loyalty. In contrary to the traditional viewpoint that all customers are equal, the CRM technique explains that all customers are not equal. It will be further elaborated with the following observation.

Traditionally, marketing textbooks have suggested, "All customers are equal." But that old adage no longer makes sense. We all know about the Pareto's principle (The 80:20 rule). So, if 20% of your customers represent 80% of your revenue, or 10% of your customer represent 90% of your profits, it is clear that all customers are not equal. CRM recognizes this-different customers represent a different value to the organization. But CRM takes it one step further by suggesting that if this is a case, they should not be treated equally (Temporal & Trott, 2001).

The CRM programs concentrate on developing close relationships with existing customers and then make organized efforts to promote their loyalty. This is an attempt to keep customers satisfied by closely understanding their needs. It leaves no stone unturned to meet expectations of existing customers and making their lives more comfortable. In other words, it attempts to create an emotional bond with customers.

CRM is about capturing "share of heart" not "share of wallet" and emphasizes on "share of life" not "market share". CRM is trying to create an emotional bond with customers such that they pledge allegiance to the brand. If organizations achieve this allegiance, "share of wallet" will be a natural by-product. This is the same with "share of life" and "market share". Customer Relationship Management (CRM) has been particularly influential in triggering this shift of thought and action (Temporal & Trott, 2001).

Customer Relationship Management has several advantages over the traditional marketing (Brown, 2000):

- Reduces advertising cost

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- Makes it easier to target specific customers by focusing on their needs
- Makes it easier to track the effectiveness of a given campaign
- Allows organizations to compete for customers based on service, not price.
- Prevents overspending on low-value clients or under-spending on high-value ones.
- Improves use of the customer channel, thus making the most of each contact with a customer.

One of the most important benefits of implementing CRM is building Brand Loyalty (Barton, 1999). Actually, CRM has been embraced with the world of branding, and the strategic role of CRM is to build brands. Brands are relationship, experience. When done well, Customer Relationship Management (CRM) programs can significantly help customers to be more loyal to the brand. The most powerful brands are those that consistently delight customers, and CRM-as a package of knowledge and techniques is aimed precisely at establishing customer delight (Berry, 1991).

There are 5 strategies related to CRM (Berry, 1983)

1. **Core Service Strategy**: service that attracts new customers through needs meeting character, cements the business through its quality, multiple parts and long-term nature, and provides a base for the selling of additional services over time.

2. **Relationship Customization** : learning about the specific characteristics and requirements of individual customers and then capturing these data for use as needed, consequently , firms can more precisely tailor service to the situation at hand

3. **Service Augmentation**: Service augmentation involves building 'extra' into the service to differentiate it from competitive offerings.

4. **Relationship Pricing** : pricing services to encourage relationships or a better price for better customers

5. **Internal Marketing**: Communicate with internal staff to focus on customer-

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Centric.

Customer Relationship Management (CRM) in Thailand can be considered in the early stages when comparing with Europe or USA. Many organizations have started to implement CRM by trying to build good relationship with consumers but very few can claim that they are the real CRM organizations, mostly merely using loyalty program to retain customers (Manager Newspaper December 29,2002). However, one of the most successful organizations on CRM in Thailand is AIS (The Nation Newspaper April 20, 2003) and this research will study AIS' current users. AIS has been implementing CRM for 3 years and its success is very outstanding. They can retain their rank as a leader in both telecommunication industry with sharply increase new users and retain in a high number of users that continue using AIS. AIS' users have increased from 1.3 million users in 2000 to 11.5 millions in April, of 2003. AIS is now the largest mobile phone operator in Thailand with market share 60%. Being a leader in the market, the utmost important task for AIS is retaining the current users, that's why AIS now emphasizes both technology and service to sustain their users base. However, this research will focus on the service part only.

Figure 1.1 Thai Mobile Phone Operator's Market Share in 2002
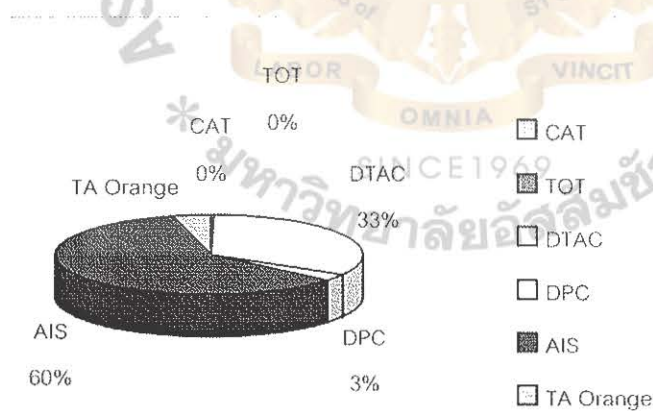
Source: Bangkok Post, Year-end Economic Review 2002 and from web site www.shipcorp.com, retrieved on April 15, 2003.

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Mobile Phone Operator Market Situation in 2002

In 2002, the advent of TA Orange has a huge impact on mobile's market. Especially in the first quarter of 2002, many strategies and tactics have been employed but most focused on pricing in order to get the highest market share. Price war is inevitable, followed by unlocking IMEI from DTAC, resulting in any handset which can be used with DTAC network. Moreover, many competing promotions are given among the incumbent operators, AIS and DTAC, and the new comer, TA Orange, also have significant impact on the arising number of mobile users. From the fierce competition, mobile's price has been dropped dramatically in year 2003 from 7,000-10,000 baht to 3,000-4,000 baht (Bangkok Post January 27, 2003)..

However, the mobile operators have realized the negative impact from the cut-throat competition, not only dramatically reducting in pricing and profit but the users will become the price-sensitive users that can switch when the others provide the better promotion. Therefore, after the third quarter of 2002, all big players in mobile phone industry have changed their strategy to emphasize on non-price competition i.e. provide the best service, technology.

BACKGROUND OF AIS (www.shincorp.com)

Advanced Info service (AIS) was established in 1986 to operate a computer business. In 1990, the company was awarded 20-years BTO (Build-Transfer-Operate) concession from the Telephone Organization of Thailand(TOT) to operate the nationwide mobile phone services by introducing Nordic Mobile Telephone (NMT) 900 MHz and the digital GSM (Global System for Mobile Communications). Later, in 1996, TOT extended the concession period from 20 years to 25 years. AIS is the first private company participating in this industry and has become the leader in this market.

Under the concession with TOT, AIS has to share its revenue on a percentage basis. The company has to pay a revenue sharing of 15% of its gross service revenue of airtime revenue to TOT in the first 5 years. The rate shall be increased by 5% every

subsequent 5 years throughout the 25 years concession period, with the maximum amount of 30%or as stipulated in the agreement for years 16-25

AIS launched its first service with the introduction of Cellular 900 in October 1990. It is Thailand's premier system that has the most subscribers at that time. Cellular 900 utilized the Nordic Mobile Telephone system (NMT) at 900 MHz, which is an analogue system. It is a technological development of the NMT 450 system prevalent in Scandinavian and other countries such as Sweden, Finland, Switzerland and France. Cellular 900 is an excellent communications system that has enjoyed continual development. It is also the first system in Thailand to cover 76 provinces, enabling customers to communicate with each other easily. However, the result in the introduction of digital technology, indicates that Cellular 900 has fallen into the declining stage. Many Cellular 900 subscribers have been switching to the digital system.

In 1994, AIS introduced the new service of digital Global System for Mobile Communication (GSM) under the commercial name GSM 2 Watts. It is a digital mobile telephone system developed from the Nordic Mobile Telephone system (NMT) system. It offers the widest service coverage area in Thailand and is still expanding to serve all the subscribers the best it could. GSM networks cover more than any other digital networks in Thailand. Customers can use it in populated area and along highway in 76 provinces. Therefore, it is the leader service in the mobile telecommunication market. This system is based on the European digital system standard, which are operated over 140 countries worldwide and has resulted in a more efficient mobile telephone service for the consumers. There are approximately 100 million GSM users worldwide. GSM is a truly global system for users, consumers can make a call and can be reached at their own phone number within any of the countries where the system is available. In addition, GSM is the digital system that are ensured by the Crystal Clear Voice Quality and able users to automatically hop frequency, helping to maintain a constant signal. GSM mobile phones may be used abroad with International Roaming facilities in over 60 countries. Automatic International Roaming can be used immediately without having to change handset and having to waste time and money.

The company's operations commence with the import of cellular phones, moving on to marketing, sales support and distribution. Complete after sales service is offered through a franchise scheme as part of the nationwide Telewiz network and other representative. In addition, the company has also offered more than 40 value-added services e.g. voice mail, short message, conference call and call waiting to increase communication's efficiency

Advanced Info Service Plc (AIS) is the leading mobile phone operator in Thailand with a 60% market share. The core business of AIS and its subsidiaries is the operation of cellular network in 900MHz and 1800MHz frequency spectrum under the Build-Transfer-Operate (BTO) concession agreements and the import and distribution of cellular phones and accessories. The company continues to benefit from its strong brand name, highest accessories, highest network quality among all operators in Thailand and efficient marketing efforts. During 2002, AIS experienced a substantial growth in its subscriber base. The combined subscribers of both the 900MHz and 1800MHz networks, as of December 31, 2002, totaled 10,662,500 mobile phone subscribers, comprising of 2,526,300 GSM Advance and GSM 1800 subscribers and 8,136,200 1-2-call subscribers. Of this amount, about 5.46 million subscribers had signed up in 2002, equivalent to approximately 105% growth in only one year.

Product: Mobile phone can be divided into 2 types i.e. Post paid and Pre paid.

1. Post-paid (GSM Advance) : Post paid is considered an old market. The size is smaller than prepaid (90% of new user choose prepaid while only 10% postpaid). The users are business people and high income users. This market is near saturating due to the low growth and small market size. Firms in the market are competing by trying to retain the current users than attract new users.

2. Pre-paid (1-2-Call) : Pre-paid is considered a new market. The size is much bigger than pre-paid. The growth is very high as well as the level of competition. With such a high expansion, the switching cost is gradually lower,therefore, CRM is more important.

In the first edge, AIS positions themselves as a market leader, AIS is the first

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operator to announce that their network covers 795 amphurs. Then,2nd stage, AIS focuses on the service and the call center. And currently, AIS emphasizes on Customer Relation

For Thailand, in 2001, there are only 8 million users but in 2002, the number is upto 16 millions, prepaid 11 millions and postpaid 5 millions.

Figure 1.2 Thailand prepaid vs postpaid in 2002
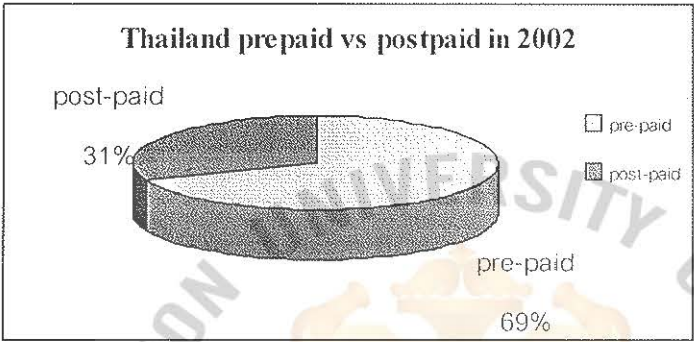
source: www.ais900.com extracted on May 16,2003

AIS strategy does not focus only on CRM but also brand Relationship. The current strategy of AIS can be prioritised into. 1. Network 2. Branding 3.CRM

Figure 1.3 AIS cumulative subscriber for period January 2002 - April 2003.
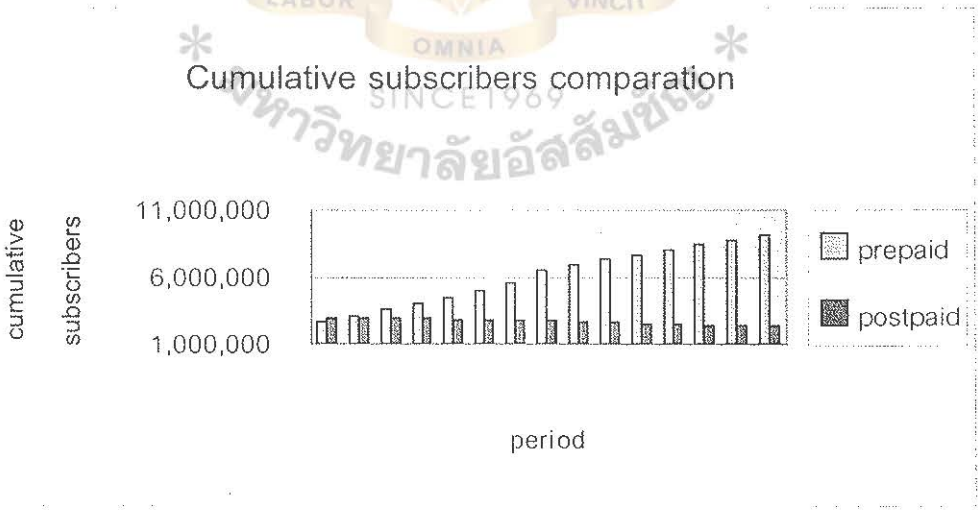
Source: www.shipcorp.com extracted on May 16,2003

AIS's CRM (Productivity Magazine January-February, 2003)

Khun Arunporn Limsakul, Customer Service's Marketing Manager of AIS, said that AIS, Thailand's largest mobile operator, has started implementing CRM in 2000 while they have only 1.3 million users. This is due to AIS having foreseen that CRM will play a very important role in the future. AIS has hired management consultant and IT consultant for setting up CRM. They have invested a huge amount of money for initiating CRM. Up to 2002, AIS has even more so realized CRM's vital importance and would like to equip the company with the higher technology which is more advanced and more efficient. AIS has decided to set up with the new CRM program, C-CARE, which costs them 2.8 billion baht on 2003.

The reasons for AIS to decid to implement CRM

1. Higher cost to acquire new customers, 5-6 times higher than retaining the old customers.
2. It's harder to work with the new target of whom AIS has no information nor profile.
3. AIS prefers to have higher customer share than higher market share. This is due to AIS not emphasizing only the number of users but also how much they spend on AIS and the customer share.
4. AIS 'strategy is not to be the price leader but to provide better service for the higher price.

From AIS' perspective, keeping old customers is more valuable to AIS due to:

1. Cross selling: AIS can sell other products or services to their current users more than to the new users.
2. Operation cost : AIS can save cost and time on service, education with the old users and fewer error or problems.
3. Word of mouth: Old users can assist to do an indirect advertising for AIS.
4. Price premium: AIS can charge higher price for the old users.

5. Brand Relationship: AIS users will get more relationship with AIS brand.

AIS divided CRM into 2 definitions :

1. <u>Customer Relationship</u> : AIS starts to build relationship with their customers since the first day customers buy AIS's products. AIS has customers contact point which will perform proactive i.e. telephone, direct mail, short message, and reactive i.e. provide service when customers call to the call center.

2. <u>Customer Retention</u>: This is about after-sales service and retention programs, to retain customer after the customers have bought AIS products.

AIS's CRM Process

1. <u>Customer Insight</u> : Understand customers and users by
   1. Marketing research
   2. Set event, invite customers and users to join then receive comments or suggestions from the customers.

2. <u>Pareto</u> : Every customer is important to AIS but in different levels. AIS considers important from customer's life time value. With this approach, they will know who have high value to AIS that AIS should try their best to keep.

3. <u>Segmentation</u> : AIS classify a customer's want, need , life style, character into segments, then matching with their value and design the appropriate products or programs for each specific groups.

4. <u>Tool</u> : Tool for doing customer insight is Data mining tools (Productive Modeling Tools). The purpose is to personalize.

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AIS's tool for implementing CRM.

1. 360 degree brand activity
2. Event Marketings for allowing customers to involve with the product company.

Due to the users in Bangkok and other provinces have different life style,also the volume usage, AIS uses localize marketing strategy to set up regional office, and provide higher empowerment in order that each regional offices can have more flexibility to serve the customers in different specific areas.

For Channel, AIS currently has 400 Telewiz franchises, 3,000 dealers and 6,500 1-2-call shops.

Since every channel is consumer touch point that customers will have experience with AIS's brand, every channel must also implement CRM.

This research is aimed to study the effect of strategies related to CRM strategies toward brand loyalty. Below are 4 strategies and activity of each strategy (adapted from Productivity Magazine January-Feruary,2003, interviewed from AIS customer service marketing manager) .

Strategy	Activity
1. Core Service	- Widest Network coverage (Nationwide)
	- Clear voice quality without interference
	- After sales service
2. Relationship Customization	- Program/package for each specific group i.e. free movie, free golf, free concert, free party.
3. Service Augmentation	- Promptly fix when finding the area that not in AIS network coverage.
	- Thank you party
	- Social activity / programs
4. Relationship Pricing	- Minute Plus : every 100 baht that customer pay on time will get the score which varied

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from how long that customer has used AIS.

- The longer the customers stay with AIS, the higher the score they will get. Customers who used AIS for 2 years will get a campaign call free of 100 minutes and free 200 short message while those who use AIS for 4 years will get 200 minutes call free and 200 short messages.

1.2 STATEMENT OF PROBLEM

Nowadays, CRM is a very important strategy that many producers use to build brand loyalty because it can be used to set the appropriate programs or promotions to individual customers.

It is an opportunity for manufactures, producers and sellers to understand customers and gain market share if they understand about the relationship of the CRM and brand loyalty in customers' perception.

Therefore, the problem in this research is to find out. "What is the relationship of strategies related to Customer Relationship Management on brand loyalty toward Advanced Info Service among the users of AIS in Bangkok area?"

1.3 RESEARCH OBJECTIVES

There is no question that CRM can boost brand loyalty (Egan,2001) but to understand the relationship of each strategy is also very important. Therefore, this research will study this point and below are the research objectives.

1. To study the relationship of each CRM's strategies on brand loyalty of the current users of AIS in Bangkok.

2. To measure the level of overall relationship of CRM's strategies on brand loyalty among the current users of AIS.

1.4 SCOPE OF THE STUDY

This study will specifically focus on investing the effect of strategies related to CRM on brand loyalty of current users of AIS in Bangkok. This study attempted to achieve its objective by conducting a survey of 384 respondents.

1.5 LIMITATION OF THE STUDY

1. The present research will focus attention on investigating the level of effectiveness of CRM strategies on brand loyalty of current users of AIS in Bangkok area. Therefore, its finding may not be generalized for current users not located in Bangkok area.

2. The present research will focus attention on investigating the level of effectiveness of CRM strategies on brand loyalty of current users of AIS in Bangkok area, hence its finding may not be generalized for the users of other services.

3. The present research will focus attention on investigating the level of effectiveness of CRM strategies on brand loyalty of current users of AIS in Bangkok area, therefore, its finding may not be generalized to assess brand loyalty where CRM strategies are not applied.

4. The present research will focus on investigating brand loyalty of current users of AIS, therefore the variable of internal marketing is not included in the research Framework because it is not directly concerned with AIS users.

5. The present research will be conducted in a specific time frame, therefore its finding may not be generalized for all time frames.

1.6 SIGNIFICANCE OF THE STUDY

This study pertains to a critical area of marketing which has recently come into popularity. The customer relationship management is gaining significant interest among successful marketing organizations. It is expected that this research will be able to unfold very useful information related to customer relationship management.

More specific researches can be developed by using this research as a base in order to go deeply in detail in any specific part.

This study will also provide basic knowledge regarding brand loyalty and Customer Relationship Management to both marketing scholar and consumer behavior scholars.

This study will be useful for Customer Relationship Management (CRM) software's seller or producer to understand the relationship of Customer Relationship Management (CRM) and Brand loyalty so that they can create more efficient software to match the need of buyers.

1.7 DEFINITION OF TERMS

Brand Loyalty : The commitment that customer feels to a brand and effect the repeated continuously purchasing behavior to that brands (Aaker, 1991).

Cross-selling : getting more business from current customer of one product or service by selling them additional offering (Dyche, 2002).

Customer Database : An organized collection of comprehensive data about individual customers or prospects, including geographic, demographic, psychographic, and behavioral data (Goldenberg, 1999).

Customer Relationship Management (CRM) : is ,a strategy, all about

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collaborating with each customer being able to create the classic win-win situation, add value to each customer's daily life and they giving loyalty in return(Egan,2001).

Loyal Customer : Customers who re-bought a brand, considered only that brand and have no brand related information seeking (Jacoby&Chestnut,1998).

Loyalty : Deeply held commitment to re-buy or re-patronize a preferred or same brand-set purchasing, despite situational influence and marketing efforts having the potential to cause switching behavior (Jacoby & Chestnut, 1998).

Mass customization : The notion that by leveraging certain technologies, companies can provide customer with customized product while retaining the economic advantage of mass production (Storbacka, 2002).

Pareto principle (The 80:20 rule) : 80% of company profit comes from only 20% of customers (Goldenberg, 1999).

Retention : Company's ability to keep customers by offering products and services (Jacoby & Chestnut, 1978).

Touch point : Point of interaction when the company communicates with a customer, or vice versa (Dyche, 2002).

CHAPTER II
LITERATURE REVIEW

2.1 Introduction

In this chapter, some general concepts are described in order to provide the readers of CRM, marketing evolution, key success factor of CRM, benefit and peril of CRM, relationship between CRM and brand loyalty. Review literatures relevant to the topic of the study to build up a research framework are also described in second part. In the third part, all relevant theories are included, which are related to the independent variables and dependent variables of this study. The last part deals with other previous empirical researches.

2.2. Concept of CRM

Definition

Relationship marketing has been defined in several ways. Berry (1983) defined relationship marketing as attracting, maintaining and – in multi-service organizations – enhancing customer relationships. Similarly, Jackson (1985) referred to industrial relationship marketing as an efforts oriented towards strong, lasting relationship marketing is the view that buyer-seller encounters accumulate over time, and opportunities exist to transform individual and discrete transactions into relational partnerships (Czepiel, 1990). This view supports the notion that a relationship exists when an individual exchange is assessed not in isolation, but as a continuation of past exchanges likely to continue into the future. Perceived in this way, customer acquisition is only an intermediate step in the marketing process, with the ultimate goal being to strengthen already strong relationships, and to convert indifferent customers into loyal ones (Berry & Parasuraman, 1991). Today, relationship marketing may be used to describe a plethora of marketing relationships, such as those between a firm and its buyers, suppliers, employees and regulators (Morgan & Hunt, 1994).

Marketing is no longer regarded as a series of independent transactions, but as a dynamic process of establishing and maintaining relationships. The transactional framework, in fact, seems to fail in describing many buyer-seller transactions (Morgan & Hunt, 1994; Payne, 1995). In the literature it is possible to observe a gradual shift from the transactional theory of marketing toward the new paradigm "relationship marketing"

The thrust toward this new marketing approach moves from many actors. More intense competition in many markets obliges companies to find more effective and innovative sources of competitive advantage (Ferrero, 1992; Gronroos, 1993; Buttle,1996). The dominant paradigm in marketing, as defined by "classic" marketing management theorist (among others Kotler, 1967), seems to fail when applied to the service and business-to-business marketing contexts because it is tailored on consumer goods markets. However, the increasing level of fragmentation of markets represents an important drive toward offering differentiated value to customers in order to obtain their satisfaction. Related to this factor, more demanding customers and the rapid change of their expectations an buying patterns forces companies to improve their innovation and marketing processes. Companies are obliged to seek in a systematic way new sources of competitive advantages by reconsidering their business in a "service" perspective and re-shaping internal value chains through process-oriented activities.(Ferrero,1996; Valdani,1995). In this framework enduring relationships with customers can not be duplicated by competitors and therefore provide for a unique and sustained competitive advantage (Buttle,1996; Porter,1996).

Kotler (2001) has defined Relationship Marketing as *"The process of creating maintaining and enhancing strong, value-laden relationship with customers and other stakeholders.*

Temporal (2001) has defined Customer Relationship Management as "all about building a stong brand it does so by creating the right blend of organization, system, and processes that allow your people to understand your customer as processes that allow

Company to understand customers as individual, and potentially to tailor every interaction with a customer to their specific needs . The detailed information your

people have about each customer also means that they are going to be best placed to identify sales opportunities from existing customers and therefore to maximize revenues for the company.

Marketing concept and evolution

As Peter Drucker said in 1979 "The business of business is getting and keeping customers". Relationship marketing is not new. The principles that underlie it represent the essence of marketing, with its focus on concepts like trust and commitment. It predates the mid-20th century view of marketing as a set of tools pertaining to product, price, distribution, and promotion. If we accept that this satisfaction is achieved through the creation of value for the customer, then many small firms have been practicing "relationship marketing" for centuries without realizing that was what they were doing (Barnes, 2001).

Building solid, long-term relationships with customers requires a concentrated effort on the part of all employees and management to get to know what satisfies the customer and what the customer values. To build genuine, close, long-lasting relationships with customers require more than a frequent-shopper program; more than a database that allows company to send regular mails that are targeted to the customer's interests as reflected in their most recent purchases; more than locking the customer in with a service agreement that gives them no choice but to comeback to company. None of these approaches to building customer "relationships" is sufficient, as none addresses the fundamental question of what constitutes a relationship in the customer's mind. What is missing is the emotional content that one normally associates with a relationship.

The evolution of "marketing management" philosophy (Kotler, 2001)

1. **The production concept**: The philosophy that consumers will favor products that are available and highly affordable and that management should therefore focus on improving production and distribution efficiency.

2. **The product concept**: The idea that consumers will favor products that offer the most quality, performance and features and that the organization should therefore

devote its energy to making continuous product improvements. A detailed version of the new-product idea stated in meaningful consumer terms.

3. **The Selling concept:** The idea that consumers will not buy enough of the organization's products unless the organization undertakes a large-scale selling and promotion effort.

4. **The Marketing concept:** The marketing management philosophy that holds that achieving organization goals depends on determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors do.

5. **The Social marketing concept**: The idea that the organization should determine the needs wants, and interests of target markets and deliver the desired satisfactions more effectively and efficiently than do competitors in a way that maintains or improves the consumer's and society's well being.

Emerging focus on relationship (Barnes, 2001)

Relationship marketing has been receiving increasing attention in recent years as more and more organization focused their attention on retaining existing customers rather than attracting new ones. Berry first introduced the concept of relationship marketing,

In a service context, to describe a longer-term approach to marketing, a similar idea emerged in what has been called 'The Nordic School of Service' , which emphasizes interactive marketing and building interactive relationships in industrial and services markets. Research undertaken in the Nordic School over the past decade, in the area of industrial and services marketing, has concluded that the most important issue in marketing is to establish, strengthen and develop customer relationships:- where this can be done at a profit and -- where individual and organizational objectives are met.

Barnes defines the relationship marketing concept and considers the conditions under which the practice of relationship marketing is most applicable. Berry goes on to outline five specific relationship marketing strategies available to

service organizations which should be considered when developing a relationship marketing plan. These are: core service marketing; relationship customization; service augmentation; relationship pricing; and internal marketing

The marketing concept as reflected in the four P's of the marketing mix was prominent in marketing practice and thinking until the mid-1980s, when reference to customer relationship and relationship building began to appear in the literature and became the focus of much research. The marketing concept, although still relevant, was expanded to include the dimension of relationships. The number of factors together served to increase the awareness of relationship focus.

First, information systems in many firms were being refined to the point that managers, many for the first time, were able to calculate at least a rough estimate of the value of a customer and therefore of the cost of losing that customer. Suddenly , the economics of customer "churn" became obvious. The revolving-door view of the customers, which saw a firm working very hard and spending lots of money to attract new customers who were merely replacing those who were leaving, became very unattractive. The cost of replacing defecting customers became obvious. As a result, many firms began to focus for the first time on strategies to satisfy and retain existing customers, as well as on trying to attract new ones. For many of them, it was the first time they had been able to treat the customer as an asset or an investment to be managed.

Secondly, with the growing emphasis on the rapidly expanding service sector and on services in business in general marketers began to pay a great deal more attention to the "softer" side of their interaction with customers. Many came to realize that having a great product and a great price may not be enough; that maybe a large part of a customer's decision to continue to deal with a firm is related to how he or she is treated or even to know how he or she is made to feel in dealing with that business. With advances in services marketing thinking came a realization that many factors contribute to whether or not a customer comes back. A much more holistic view developed as to what marketing is all about and of the factors that contribute to customer satisfaction.

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Thirdly, the nature of competition has changed so much in most industries that firms simply need to be able to compete at a completely different level than they did in the past. Not only has competition become global, it has been raised to a new plane. Some years ago, those firms that were able to deliver products of high quality gained an advantage over their competitors. Today, in most manufacturing industries production standards and advance in technology mean that products rarely fail. Similarly, in many service industries the delegation of service provision to technology and generally increased service standard mean that service provision is often accomplished without error.

Most companies are able to "get it right" when it come to the provision of their core products and services. Companies that now compete by trying to develop genuine relationship with their customers realize that getting it right is no longer enough.

Long term customer satisfaction should be the goal of all marketing activities, indeed of all organizations. The focus of a relationship-based approach to dong business is an understanding of what the customer wants and needs and a view of the customer as a long-term asset who will provide a stream of earnings as long as they are satisfied. The view that successful marketing meant having a great product and a great price was no longer seen to be sufficient. That is not to say that product and price are not important –they are-but rather that having them is not sufficient to guarantee marketing success in the form of customer loyalty and long-term mutually beneficial relationship.

From Transaction to Relationship (Barnes, 2001)

Marketers in the early years of the 21st century accept the principle that customers are long-term assets of a company. It is necessary to invest in them and to manage that investment to ensure their repeat business. Getting customer to come back again and again is a challenge for business that operates in a competitive environment. Customers exercise their freedom to do business with whomever they want. In an age when many products and services can easily be duplicated by

competitors, companies must find way to differentiate themselves from the competition so that customers will choose them over and over.

Customer turnover is expensive because of the cost associated with the attraction of new customers and the employee time spent setting up new customer accounts and files and in getting to know them. It is so costly in a different way if dissatisfied customers leave and tell their friends and family members.

Relationship marketing as a paradigm shift? (Gummesson,1999)

A paradigm shift implies that a science or discipline is given a new foundation, with new values, new assumptions, or new methods. The accepted and established must be set aside. It either disappears completely, succumbs to the new, or takes the role of one of several co-existing paradigms. An established paradigm can be springboard, but it can also be a mental prison. Some claim that Relationship Marketing (RM) is just a marginal variant of established marketing management with one or two odd-ones. With such a view, Relationship Marketing is brutally forced into the old and will never be allowed to display its qualities. Paradigm shifts break existing patterns. They based on different concepts and obey different laws. In the same spirit, Gummesson see Relationship Marketing as a paradigm shift in marketing. The table below sums up the total Relationship Marketing and how it contributes to the paradigm shift in this area.

Table 2.1 Relationship Marketing as a paradigm shift in marketing(Gummesson,1999)

Definition	RM is marketing seen as relationships, networks and interaction.
Characteristics	Value for the parties involved – of which the customer is one-is Created through interaction between suppliers, customers, competitors and other; the parties in a network of relationships are co-producers, creating value for each other
Making RM tangible	Specification of both operational market relationships and non-market relationships.
Relationship portfolio	As part of the marketing planning process, a selection of focal relationship is made for the planning period.
Value	Collaboration in focus; more win-win and less win-lose; more equal parties; all parties carry a responsibility to be

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	active in the relationship; long term relationship; each customer is an individual or a member of a community of like-minded people.
Theoretical and – Practical foundation.	Built on a synthesis between traditional marketing management, marketing mix (the 4Ps) and sales management; services marketing; the network approach to industrial marketing; quality management; imaginary organization; new accounting principles; and experience of reflective practitioners.
Link to management	RM is more than marketing management, it is rather marketing- oriented management-an aspect of the total management of the firm – and not limited to marketing or sales departments; the marketing plan becomes part of the business plan.
Link to accounting	The balanced scorecard and intellectual capital provide tools for measuring return on relationships.
Link to organization- Structure	RM is the marketing manifestation of the imaginary organization and vice versa.
Advantage to a firm	Increased customer retention and duration; increased marketing productivity and thus increased profitability; and increased stability and security.
Advantage to the- Market economy	RM adds collaboration to competition and regulations/ institution; the symbioses between these three contributes in the Direction of a dynamic marketing equilibrium.
Advantages to Society, citizen - and customers	RM is the marketing of the value society and the postmodern society; increased focus on customized production and one-to-one marketing, diminished focus on standardized mass manufacturing and anonymous mass marketing
Validity	By focusing on relationships, network and interaction, RM offer a more realistic approach to marketing than is currently prevailing in marketing education. In practice, business is largely conducted through networks of relationships.
Generalizability	RM can be applied to all kinds of organizations and offerings, but the relationship portfolio and the application is always specific to a given situation.

The paradigm shift has partially taken place in the real world of marketing, but the shift is not properly echoed in theories, textbooks and education.

From Market Share to Customer Share

The transition from market share to customer share (share of pocket or share of wallet is a prevalent term in the CRM debate about customer loyalty and lifetime value. One result is that a large market share can be gone tomorrow, if the customers

are not locked in or dependent(Brown, 2000). In the fiercely competition, market share is somewhat very hard to achieve, then getting higher sales from the current users is more possible by using both cross-selling and up-selling.

One of the best ways to increase customer share is through cross-selling. Cross-selling means getting more business from current customers of one product or service by selling them additional offering(Kotler,2001).

From Product differentiation to Relationship Process differentiation (Stockbata, 2002)

CRM views products as processes. Consequently, the customer does not receive value from the purchase itself, but from each exchange between customer and provider. A product bought for a low price may lead customer and provider. A product bought for a low price may lead to unanticipated consequences, perhaps making product usage more complicated. Products are also an integral part of relationship. Relationships encompass goods, services and exchange in general. It is thus irrelevant to define products in isolation; they should rather be seen as pertaining to the relationship. Rather than focusing on product development, companies should focus on relationship development.

CRM adds new dimensions to product differentiation. Product differentiation is thus no longer simply about how to differentiate product feature from competing products or how to create price differentiation. Instead, managing relationship related to processes is a core competence. When the product is a process, product differentiation of course becomes process differentiation. Thus, the entire process relate to the customer relationship should be examined, and how this process can be differentiated to achieve competitive advantage should be evaluated. CRM opens up limitless possibilities for building different customer relationships. Even commodities can be differentiated by changing customer relationship process.

From Share of Wallet to Share of life (Brown, 2000)

In a complex world, where we do not function exclusively as individuals, many roles and diverse needs depend on the situations. Depending on their role, the customers can have numerous relationships and deal through may different channels. This situation makes it more difficult for enterprises to sustain a good overview of the customers. This complexity highlights the need for CRM systems to ensure integration, knowledge-sharing and a good overview across channels.

From Customer Acquisition to Customer Loyalty (Dyche,2002)

In the book Why We Buy, self described retail anthropologist Paco Underhill noted that if the consumers purchased only what they really needed, the economy would collapsed. Indeed, one argue that heady mixture of good times and popular fad from protein bars to same-sex fragrance to sport utility vehicles has created a veritable buying frenzy. But consumers are fickle, and more cynical than ever before, We no longer believe what we read and see, and for large purchases we're more inclined to do our own research. Consumers are also busier than ever and have consequently placed a premium on their leisure time. After all, why tramp through aisle upon aisle of merchandise when I can order groceries off the web and spend more money with the kid or others ?

In a recent Information Week survey of the companies actively implementing CRM, 93 percent claimed increased loyalty and customer satisfaction would justify their CRM investment. The second-highest percentage,83 percent, stated the need to demonstrate increased revenue. The implied mandate for most of these early adopters seems to be "customer loyalty at any cost-even if we do not see a return on investment." But just as loyalty is becoming the mantra on every executive's lips, customer satisfaction rates are plummeting. It is practically routines these days for consumers to vow never to do business with a particular merchant. The goal of CRM is to recognize and treat each customer as an individual. That said, if one individual is dissatisfied, odds are he will tell collection of other individuals-one widely accepted marketing rule of thumb claims the average unhappy customer tells eight other potential customers about his negative experience. Such spreading of consumer

disapproval turns the world of viral marketing, which depend on word-of-mouth from the true believers, upside down.

From Mass Marketing to One-to-one marketing (Jagdish,2003)

Mass marketers have typically sought to reach masses of buyers with a single product and a standard message delivered through the mass media. Under this mass-marketing model, most marketing involved one-way connections aimed at consumers, not two-way interactions with them.

In contrast, direct marketing consists of direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships. Direct marketers communicate directly with customers, often on a one-to-one, interactive basis. Using detailed databases, they tailor their marketing offers and communications to the needs of narrowly defined segments or even individual buyers. Beyond brand and image building, they usually seek a direct, immediate, and measurable consumer response.

Table 2.2: Transactional versus relationship marketing (Egan,2001)

Transactional marketing	Relationship Marketing
1.Do the deal and disappear	1. Negotiate a "win-win" sale situation and stay around being a resource for better results.
2.Push price	2. Promotion value
3. Short-term thinking and acting	3. Long-term thinking and acting
4. build the business on deals	4.Build the business on relationship
5. Getting new customers	5. Keeping customers
6. No structure for on-going business	6. Structure created to support relationship
7. Selling focused	7. Relationship focused
8. Short-term empathy	8. Long-term empathy and rapport
9. Incentive for "doing the deal"	9. Incentive for long-term relationship and revenue.
10.Foundation of sale telling and selling	10.Foundation of revenue trust
11. After-sales service at additional cost	11. After-sales service as investment in-relationship.
12.Product service focused	12. People expectations and perception-focused.

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| 13. Rewards incentives for "doing deal" | 13. Rewards incentives for maintaining and growing relationships and revenue. |
| 14. The deal is the end | 14. The sale is the beginning. |

Table 2.3 Marketing connections in transition(Kotler,2001)

The Old Marketing Thinking	The New Marketing Thinking
Connection with Customer	
Be sales and product centered	Be market and customer centered
Practice mass marketing	Target selected market segments or individuals
Focus on products and sales	Focus on customer relationships
Make sales to customers	Develop customer relationships
Get new customers	Keep old customers
Grow share of market	Grow share of customer
Serve any customer	Serve profitable customers, "fire" losing ones
Communicate through mass media	Connect with customers directly
Make standardized products	Develop customized products
Connection with Marketing Partners	
Leave customer satisfaction and customer-	Enlist all departments in the cause of value
To sales and marketing	satisfaction and value
Go it alone	Partner with other firms
Connections with the world	
Market locally	Market locally and globally
Assume profit responsibility	Assume social and environmental responsibility
Market for profits	Market for nonprofit
Conduct Commerce in marketplace	Conduce E-Commerce in marketplace

The new Direct-Marketing Model and the effect from Internet (Anton,1996)

Early direct marketers-catalog companies, direct mailers, and telemarketers-gathered customer names and sold goods mainly through the mail and by telephone. Today, however, fired by rapid advances in database technologies and new marketing media-especially the Internet and other electronic channels-direct marketing has undergone a dramatic transformation. Most companies still use direct marketing as a supplementary channel or medium for marketing their goods. However, for many companies today, direct marketing is much more than just a supplementary channel or medium. The Internet is the foundation for a new industrial order. It will change the relationship between consumers and producers in ways more profound than you can yet imagine. Direct Marketing via the Internet and other electronic channels yields additional advantage, such as reducing costs and increasing speed and efficiency.

Customer Database and Direct Marketing (Gronroos,2000)

A customer database is an organized collection of comprehensive data about individual customers or prospects, including geographic, demographic, psychographic, and behavioral data. The database can be used to locate good potential customers, tailor products and services to the special needs of targeted consumers and maintain long-term customer relationship. Database marketing is the process of building, maintaining, and using customer databases and other databases for the purpose of contacting and transacting with customers. To success in today's fiercely competitive marketplace, companies will have to move from a product and selling philosophy to a customre and marketing philosophy.

Customer Relationship Marketing (Kotler,2001)

Traditional marketing theory and practice have focused on attracting new customers rather than retaining existing ones. Today, however, although attracting new customer remains an important marketing task, the emphasis has shifted toward relationship marketing- creating, maintaining and enhancing strong relationship with customers and other stakeholders. Beyond designing strategies to attract new

customers and create transaction with them, companies are going all out to retain current customers and build profitable, long-term relationship with them. The new view is that marketing is the science and art of finding, retaining and growing profitable customers.

In the past, many companies took their customers for granted. Facing an expanding economy and rapidly growing markets, companies could practice a "leaky bucket" approach to marketing. Growing markets meant a plentiful supply with new customers without worrying about losing old customers through holds in the bottom of the bucket. However, companies today are facing some new marketing realities. Changing demographics, more sophisticated competitors, and over-capacity in many industries-all of these factors mean that there are fewer customers to go around. Many companies are now fighting for shares of flat or fading markets. Thus the costs of attracting new consumers are rising. In fact it costs five times as much to attract a new customer as it does to keep a current customer satisfied.

Companies are also realizing that losing customer means losing more than a single sale: It mean losing the entire stream of purchase that the customer would make over a lifetime of patronage.

Three approaches to build lasting Customer Relationship(Kotler,2001).

Today, more and more companies are developing customer loyalty and Retention program. Beyond offering consistently high value and satisfaction, marketers can use a number of specific marketing tools to develop stronger bonds with consumer. The company can also use three approach below to build value and satisfaction;

1. Adding financial benefit to the customer relationship. For example, offer frequency marketing program that reward customer who by frequently or in large amounts.
2. Add social benefit: Increase social bonds with customers by learning individual customers' needs and want and then personalizing its products and services.

3. Add structural ties: For example, a business marketer might supply customers with special equipment or computer linkage that help them manage their order, payroll, or inventory.

Relationship marketing means that marketers must focus on managing their customers as well as their products. Ultimately, marketing involves attracting, keeping, and growing profitable customers. Thus, in addition to assessing value that it delivers to customers, a firm should actively measure the value of individual customer to the firm. Once it has identified profitable customers, it can create attractive offers and special handling to bind these customers to the company for a lifetime. But what should the company do with unprofitable customer ? If it can't turn them into profitable ones, it may even want to "fire" customers that are too unreasonable or that cost more to serve than they are worth.

How to identify good customers (Brown,2000)

No matter where the enterprise is on its CRM journey, it needs to know about customer loyalty and profitability. Based on this, the enterprise can target its dialog and further the development of loyalty and lifetime value for individual customer as well as for the whole customer relationship:

There are four basic situations in a customer relationship:

1. The customer is loyal and profitable – the enterprise focuses on deepening the relationship, strengthening loyalty and optimizing profitability through cross-and up-selling.

2. The customer is loyal but unprofitable-the enterprise should maintain the relationship and secure loyalty because the customer may still become profitable through cross-selling and up-selling. If not, the customer should be dropped.

3. The customer is profitable but not loyal- in this case the enterprise should focus completely on strengthening the relationship and building loyalty.

4. The customer is not loyal – and unprofitable-here it is probable worth considering giving the customers to the competitor

Three cornerstones of CRM (Storbacka, 2002)

A central concept in CRM is customer value creation. The aim is not to maximize the revenue from single transactions but rather to build a lasting relationship with the customer. The development of customer relationships demands a thorough familiarity with the process by which customer create value for themselves. When considering the entire process, the significance of single transaction diminishes. Instead, both parties adapt their processes to each other in a way that creates value for both. According to this approach, competitive advantage is not based exclusively on price, but also on the ability of the provider to help the customers create value for themselves.

The second cornerstone of CRM is viewing the product as a process. In this context, the traditional distinction between goods and services is meaningless. The product is seen as an entity involving an exchange between the provider's and the customer's processes. Through this exchange, the provider's competence is partly transformed into customer value creation. Thus, product differentiation becomes process differentiation and opens up limitless opportunities building different kinds of relationships. Even commodities can be differentiated by changing relationship process.

The third cornerstone of CRM relates to the provider's responsibilities. It is not sufficient for a company to merely satisfy customer needs. Nor is it enough that the customer is satisfied. The company can build stronger relationships only if it take the responsibility for developing these relationships and offers it customers possibilities to create value for themselves.

COMPONENT OF CRM (Goldenberg, 1999)

Time Management : This component includes single user and group calendar / scheduling as well as e-mail

Sales/Sales Management: This component includes management of contact profiles and history, management of account information.

Telemarketing / Telesales: This component includes classical functionality such as a call list assembly. While traditionally this had been an count bound function.

Customer Contact Center: This component includes customer service function such as incident assignment/escalation/report/tracking/problem management.

E-Marketing: The marketing component continues to receive considerable attention within the CRM software industry.

Business Intelligence: This component includes extensive and easy-to-use reporting capabilities.

Field Service Support : While field service has not received a lot of attention in the past, increasingly CRM software vendors acknowledge that this is a large and growing market segment.

E-Business : This is primarily focused component on functionality for the exchange of products/ service via the web has become increasingly important given the growth of Web-based business-to-business(B2B) and business-to-customer(B2C) e-commerce applications

Multimodal Access: The component allow customers to reach your company via mail, phone, fax, email and the Web. This is means to CRM system must support multiple mode of access from your customer while simultaneously giving the impression that regardless of which mode, company maintain one holistic view of the customers at all times.

Key Success Factors for CRM(Brown,2000)

1. Business Model transformation: More money, time and organization change will be required to make the needed transition from product to a truly customer-
    centric.

2. Using real-time information enterprise-wide: The realm of information management is a particular concern. Segment marketing managers should have access to real time information that allows them to understand individual needs, predict behavior and design profitable promotion.

3.Moving beyond data mining: Besides building model of consumer segment profitability and behavior that help company target direct-marketing campaigns at the right group of customer, company should analyzing and classifying consumer needs,

assessing the risk of loss and trying to predict demand and delivery methods for various types of customers. Then leverage information for cross-selling and for enhancing the effectiveness of new customers marketing campaigns.

4. Creating the customer centric enterprise : There are 3 stages to create:

- Stage I : Broad Customer Segments Identified
- Stage II: Customer Needs, Behaviors and Value clarified
- Stage III: Virtual Intimacy with individuals achieved.

5. Understand Micro-segment: Tie the various types of data together and leverage that combination to segment its customers base in dynamic and multidimensional ways.

1. Analyzing profitability drivers: In-depth segmentation can produce surprises when it comes to profitability.

2. Intelligent data mining: The goal is to move from segmentation o virtual customers intimacy; to get beyond groups of customers to develop a relationship with each one individual and the intelligent data-mining companies are going to build incredible capacity to do that.

3. Supporting sales and service staff with advance technology: It's most crucial that sales and service staff to have sophisticated systems that enable detailed analysis of customer information so that they can conceivably offer the customer great insight into the customer's personal balance sheet.

4. The role of sales incentive: Incentive programs are another vexing subject that become more complex the sales person run the risk of losing their effectiveness, because they have trouble figuring out exactly what behavior will benefit them most.

5. Innovations in recruitment, training and development the staff to focus on customers centric

6. Enhance brand value with superior service

7. Strategic imperative: Strategy is crucial issues, it will, to the large extent, be defined by situation factors. Its present and potential customer base and its competitive position.

8. Overcome obstacles that impede progress

Data Sharing Tools: The process of relationship development. (Caroline, 1997)

The relationship development process as described by Dwyer et al.(1987) evolve through five general phases. There is a transition in how the parties view each other, Awareness, exploration, Expansion, Commitment, Dissolution

Table 2.4: Relationship development

Dwyer et al.(1987)	Ford(1980)	Wilson(1995)	After Levitt (1983)
Awareness	Pre-relationship stage	Search and selection	Meeting
Exploration	Early stage	Defining purpose	Going Out
Expansion	Development Stage	Boundary Definition	Going Steady
Commitment	Long-term stage	Creating relationship value	Marriage
Dissolution	Final stage	Hybrid stability	Divorce

The benefit of CRM (Temporal & Trott ,2001)
- Helping firm to build brand image
- Attracting new customers
- Selling more to the current customers
- Shielding customers from approaches by competitors
- Increase returns on brand investment
- Stronger and cheaper customer acquisition rates.
- Increased customer referrals
- Lower rates of brand defection
- Expressing brand personality
- Increasing staff loyalty
- More effective use of advertising and promotion budget
- Better understanding of the business cost drivers
- More effective, relevant product design
- Reduced research needs
- Increased profit and brand value
- Adding value to investor relation
- (Stanley,2000) Reduces advertising cost

- Make it easier to target specific customer by focusing on their needs
- Make it easier to track the effectiveness of a given campaign
- Allow organizations to compete for customers based on service not price.
- Prevent overspending on low-value clients or under-spending on high value ones.
- Speed the times it takes to develop and market a product(the marketing cycle)

Improves use of the customer channel, thus making the most of each contact with a customer.

PROFIT CHAIN

Many Relationship Marketing authors have visualized the benefit of RM customer-supplier partnership through the medium of 'customer relationship life cycles' or 'profit chains' (Gummesson,1999,p.184). The model may be inherently flawed as it is based on an over simplification that, in many industries, creates problems(Storbacka et al,1994, p.23). Customer satisfaction does not always lead to retention, nor does retention always lead to profitability (Gemmesson, 1999 p.184) describes a broader model that suggests that building good internal quality operations leads to happy and content employees producing quality product, which in turn results in customer satisfaction, retention and profitability. This model stems from what Gummesson calls the 'indisputable logic' that when everybody is happy the company will do well. Simple logic should ,however , always be treated with a degree of skepticism. As Gummesson himself admit, the general validity of such an argument can be questioned as 'market logic' sometimes follows other patterns.

Simple return on relationship model

| Customer satisfaction | → | Customer retention | → | Company profitability |
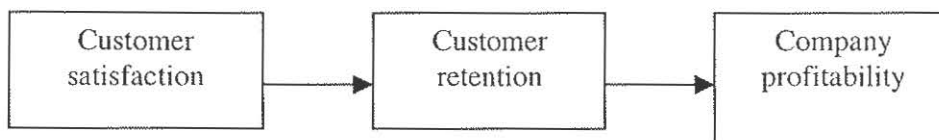
Source: Adapted from Storbacka et.al., 1994, p.20

Figure 2.1 Profit Chain

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Storbacka et al(1994,p.23) too challenge the basic assumption that improving quality leads directly to customer satisfaction and that this necessarily drives profitability. Instead they put forward their own model that reflects some of the many complexity associated with relational strategy development. This model implies that ,although a linkage of sorts can be make between the basic component, there are so many intermediary stages that any direct association is tenuous. As the old saying goes, 'there's many a slip twix cup and lip'.

The storbacka et al. model shows a much more complex route to profitability fraught with dangers for the relationship marketers.
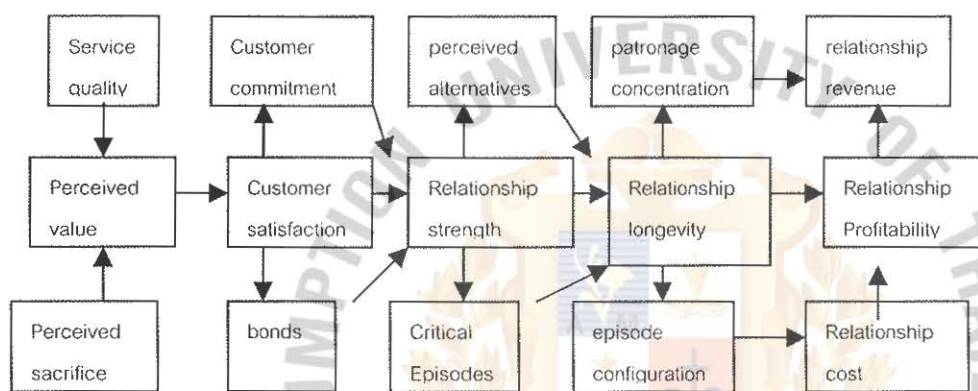
Figure 2.2: Complex return on relationship model
(Source: Adapted from Storbacka et.al., 1994, p.23)

Peril of CRM (Morgan, 2003)

The promise of customer relationship management is captivating, cut in practice it can be perilous. When it works, CRM allows companies to gather customer data swiftly, identify the most valuable customers over time, and increase customer loyalty by providing customized products and services. It also reduces the costs of serving these customers and makes it easier to acquire similar customers down the road. But when CRM doesn't work – which is often-it can lead to Monster-like debacles. 55% of all CRM projects do not produce results, according to Gartnr Group, a research and advisory firm, one in every five users reported that their CRM initiatives not only had failed to deliver profitable growth but also had damaged long-standing customer relationship. The peril can be classified in to 4 pitfalls:

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Peril 1 : Implementing CRM before creating customer strategy

Any new management tool can be seductive but something particularly captivating about software that promises to make a perennial problem go away. Many CRM products do just that , claim they will automate the delicate and sometimes mysterious process of repelling low-margin customer and luring high-margin ones. CRM can indeed do that, but only after and we repeat, only after-a traditional customer acquisition and retention startegy has been conceived of and implemented. The reason is effective customer relationship management is based on good old fashioned segmentation analysis. Moreover, it is designed to acieve specific marketing goals. To implement CRM without conducting segmentation analyses and determining marketing goals would be like trying to build a house without engineering measures . Still, most executives mistake CRM technology for a marketing strategy. That is they allow software vendors to drive their approach to customer management. Or reprofit a customre strategy to match the CRM technology they have just purchased.

Peril 2: Rolling out CRM before changing your organization to match.

Installing CRM technology before creating a customer-focused organization is perhaps the most dangerous pitfall. If a company want to develop better relationships with its more profitable cutomer, it needs to first revamp the key business processes that relate to customers, from customer srvice to order fulfillment. Having a strategy is not enough. A CRM succeed only after the organization and its process-job descriptions, performance measures, compensation system, training programs, and so on- have been restructured in order to better meet customers' needs. It is also important to evaluate existing departmental,product, or geographic structures. Believing that CRM affects only customer-facing processes, however, executives often do not see the need for changes to internal structures and system before investing in CRM technology. But that is like trying to repaint a house without sanding the walls first; it is bound to look worse than before.

Peril 3 : Assuming that more CRM technology is better

Many executives automatically assume that CRM has to be technology intensive but actually it is not. Customer relationships can be managed in many ways, and the objectives of CRM can be fulfilled without huge investment in technology simply by motivating employees to be more aware of customer needs. Merely relying on a technological solution, or assuming that a high-tech solution is better than a low-tech one, is a costly pitfall. Infact, ocmpanies with well-functioning CRM program dot all points of the technology spectrum:low-tech,mid-tech, and high-tech

Peril 4: Stalking, not wooing customers

Relationship are two-way streets. Firm may want to forge more relationship with affluent customers but do they want them with firm ? Fail to build relationships with customer who value them, and the firms are bound to lose these people to a competitor. The firm should try to build relationships with disinterested customer, and you will be perceived as a stalker, annoying potential customers and turning them into vociferous critics.

Consequence of Relationship Marketing (Jagdish, 1998)

It is believed that relationship marketing will lead to greater marketing productivity by making marketing more effective and efficient. This in turn will lead to a greater willingness and ability among marketers to engage in and maintain long term relationship with consumers. It is also believed that these partnering relationship will be judged favorably by public policy and social critics as long as marketers or consumers do not abuse the relationship.

1.Improvement in marketing productivity

Marketing productivity has come under critical scrutiny by the chief executives of companies and other business experts (Sullivan,1991).The major

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criticisms has centered on the unnecessary marketing expenditures, ill focus, and overindulgence of the competitive pricing and advertising wars, as well as on the lack of innovative marketing practices (Sheth & Sisodia, 1995). Relationship marketing has the potential to improve marketing productivity by making marketing more effective and efficient. With one-to-one marketing practices and an increase in customer involvement in the organizational functions of design, development, and sales, relationship marketing will be more effective than other forms of marketing in meeting consumer needs. Similarly, by reducing some of the wasteful marketing practices associated with competitive mass marketing, and by letting the consumers become partial producer, relationship marketing will help achieve greater marketing efficiency.

2. Achieving Marketing Effectiveness

The focus of relationship marketing is on establishing and enhancing a long-term, mutual beneficial relationship between the consumer and the marketer. Such a relationship assumes that the marketer is oriented toward customer retention and the development of a unique relationship with each individual customer, and is interested in involving the customer in the design, development, and marketing processes of the company (see Mckenna,1991; Peppers&Rogers,1993;Sheth&Parvatiyar,1993). Consequencely, relationship marketing is likely to make marketing practices more effective because, on the other hand, the individual customer's needs are better addressed, and, on the other, consumer involvement in the development of marketing processes and practices leads to greater consumer commitment to the marketer's program.

3. Individual Marketing

Marketing effectiveness is accomplished through the appropriate direction of marketing resources toward those areas that provide the greatest value to consumers. Implicit in the idea of relationship marketing are consumer focus and consumer selectivity-that is, all consumers do not need to be served the same way. In fact, it may not be feasible or worthwhile to develop long-term relationship with all

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consumers. Anticipation and recognition of different customer values, and appropriate company response to service them individually, will make marketing more effective(Sheth&Mittal,1995). <Ass marketing is incapable of accommodating the diversify of consumers.

To large extent, such individualized marketing is being facilitated by "mass customization" processes and their enabling technological advances. The most relevant of these advance are information technology and flexible manufacturing. Information technology now allows for interactive integration of customers with the business firm. With the interactive information technology available today, marketers can create and maintain organizational memory on each individual consumer, his or her preferences, behavior patterns, and many other characteristics (Sheth&Sisodia,1993). Similarly, flexible manufacturing system permit mass customization on mass-scale customized production of items to suit each individual consumer's specific requirement without significantly affecting economies of scale.

4. Consumer Involvement

A second reason relationship marketing leads to increased marketing effectiveness is consumer involvement in the design, development, and marketing processes of the company. With relationship marketing strategies that promote the early involvement of consumers in new product design and development process, in training and compensation of employees, and in reviewing marketing or sales strategies, marketers can build rewarding relationship with consumers who not only provide invaluable information to the company but are themselves more committed to the company's market offerings. Thus customer involvement will increase marketing effectiveness.

5. Minimization of negative image of marketing

Finally, marketing effectiveness is also achieved through relationship marketing's minimization of the side effects or the negative public image of marketing practices. Many public policy and opinion leader think that marketing

practices are designed to manipulate consumer and ,therefore, that consumer protection and vigilance are critical to balance the abusive powers of marketers. Similarly, many unenlightened marketers think of consumers as a "bloody nuisance" with an "entitlement" mind-set who are not willing to pay for the value offered by marketers. Indeed, many marketers fear that bogus lawsuits and allegations are put forward, especially in health care, as a way to exploit the underdog's right and privileges. This acrimonious and non-trusting relationship and its costs to society can be mitigated by relational market behavior. In

relationship marketing, instead of negotiations centered only on price, consumer are treated more like partners in business, and their role changes from passive recipient of marketing practices to interactive co-producer of marketing practices. This should remove some of the negative images of marketing and thereby enhance marketing effectiveness.

6. Achieving Marketing efficiency

Three important aspects of relationship marketing lead to greater marketing efficiency. First, "customer retention economics" suggests that when marketers direct greater efforts toward retaining customers, it should be less expensive to do business. Second, with cooperative and efficient consumer response, marketers will be able to reduce many unproductive marketing resources that are wasted in the system. And third, as cooperation develops between the consumer and the marketers, the consumer will be willing to undertake some of the value-creation activities currently being performed by the marketer, such as self-service, self-ordering and co-production..

The future of relationship marketing (Copulsky & Wolf, 1990).

Relationship marketing practices in consumer markets will grow in the future. Consumers have always been interested in relationships with marketer. In the future, marketer-initiated approaches to relationship marketing will become more prevalent and their frequency will rise sharply. Technological advances are making it possible and affordable for marketers to engage in and maintain relationships with customers

Marketers now have both willingness and the ability to engage in relational marketing. The willing ness has come from enlightened self-interest and the understanding that customer retention is economically more advantageous than constantly seeking new customers. The ability to engage in relationship marketing has developed primarily because of technological advances that are facilitating the process of engaging in and managing relationships with individual consumers.

Marketers are also likely to undertake efforts to institutionalize relationship with consumers-that is, create corporate bonding instead of bonding between a frontline salesperson and consumer alone.

There will also be some fundamental changes in relationship marketing as a consequence of information technology will not only assist in relationship formation, it will help in the enhancement, and even termination, of relationship. Through the use of information technology, consumers can enhance relationships with marketing organization. Consumers may not only conduct transactions and other business over these interactive network, they may provide and obtain additional information form the marketers. Similarly, using such interactive system, consumer's can terminate their relationships with marketers if they so desire. It will become easier for consumers to leave membership programs when they can simply inform the marketers by emails.

Technologies will facilitate group and institutional influence on consumers to engage in or terminate certain relationships. Recently in marketing, the focus has shifted from creating brand and store loyalties through mass advertising and sales promotion programs toward developing direct one-to-one relationships. These relationship marketing programs include frequent-user incentives, customer referral benefits, preferred customer programs after-market support, use of relational database, mass customization, and consumer involvement in company decision. In most cases, consumers are also willing to accept such relationships with marketers. Evidence for this is found in the growth of membership in airline and hotel frequent the use of store membership cards, direct inquiries and registration with customer service hotline established by manufacturers t-user program,

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The more marketers are try to develop relationship directly with their consumers, the better will be the response and commitment from consumers. This is because middlemen do not have the same emotional bonds to what they offer as do manufacturers or service creator. Middleman tend to be more transaction oriented. They derive their profits from transactions and not from production of products or services. In fact, one of the reasons marketing became more transaction oriented in the industrial era was the advent and later prevalence of middlemen (Sheth & Parvatiyar ,1993). As our society has become more service oriented, the relationship approach to market behavior will become increasingly prevalent

2.3 Relationship strategies (Independent Variable)

Leonard Berry (1983) was the first person to use the term relationship marketing in the services literature (Biner, 1995). The heart of his contribution is in his identification of emerging perspectives and trends in the field of service relationship marketing: targeting profitable customers, multiple levels of relationship marketing, marketing to employees and other stakeholders, and trust as a marketing tool. Berry defined relationship marketing as "attracting, maintaining and in multi-service organizations-enhancing customer relationships"(p.25). Berry also stressed that the attraction of new customers should be viewed only as an intermediate step in the marketing process. Solidifying the relationship, transforming indifferent customers into loyal ones, and serving customers, as clients also should be considered as marketing.

Berry(1983) outlined five strategy elements for practicing relationship marketing: developing a core service around which to build a customer relationship, customizing the relationship to the individual customer, augmenting the core service with extra benefits, pricing services to encourage customer loyalty, and marketing to employees so that they, in turn, will perform well for customers.

1.Core Service Strategy

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A key strategy in relationship is the design and marketing of a "core service" around which a customer relationship can be established. The ideal core service is ne that attracts new customers through is needs meeting character, cements the business through its quality, multiple parts and long-term nature, and provides a base for the selling of additional services over time. Core services are directed toward central rather than peripheral target market needs.

2. Relationship Customization

The nature of services affords many service firms the opportunity to customize the relationship. By learning about the specific characteristics and requirements of individual customers and then capturing these data for use as needed, service firms can more precisely tailor service to the situation at hand. In so doing, they provide their customers with an incentive to remain as customer rather than "starting over" with other suppliers. The possibilities for relationship customization are considerable especially when personal service capabilities are combined with electronic data processing capabilities. Whereas goods are manufactured, services are performed. Frequently they are performed by people who are in the position to custom-fit the service to the customer's particular requirement. If the customer receives custom service from company A but not from company B – and if receiving custom service's valued by the customer- then the customer is less likely to leave company A for B than would otherwise be the case.

3. Service Augmentation

Another relationship marketing strategy is service augmentation. Service augmentation involves building 'extra' into the service to differentiate it from competitive offerings. For meaningful service differentiation to occur, the extras must be genuine extras – that is, not readily available from competitors – that are valued by customers. When this is the case, customer loyalty is encouraged. As Levitt writes (1974, pp. 9-10): 'Having been offered these extras, the customer finds them beneficial and therefore prefers doing business with the company that supplies them.

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4.Relationship Pricing

An old marketing idea – a better price for better customers - forms the basis of relationship pricing, another strategy option available to service companies pursuing customer loyalty. Relationship pricing means pricing services to encourage relationships. In effect, customers are given a price incentive to consolidate much of allof their business with one supplier.

Although the concept of quantity discounts is not new, some service companies are applying the concept in innovative way. The 'frequent flyer' program of various airlines, which offer travelers upgrades to first class seating and free trips if the fly a certain number of miles on a given carrier, an attempt to build brand loyalty in what many regards as a commodity business. An April 1982 poll of more than 6,000 frequent flyers indicated that 77% of the respondent were participating in an airline frequent flyer incentive program(Frequent Flyer 1982)

5.Internal Marketing

A pivotal relationship marketing strategy for many service firms is internal marketing. There are several forms of internal marketing. What all forms have in common is the 'customer' is inside the organization. The people who buy goods and services in the role of consumer are the same people who buy jobs. What is known in marketing about selling and reselling them goods and services can also be used in selling and reselling them jobs. The stress placed on customer satisfaction in external marketing is just as appropriate, just as necessary, in internal marketing.

Internal marketing is relevant to virtually all organization. It is especially important, however, for labor-intensive service organizations. In these organizations, the quality of services sold is determined in large measure by the skills and work attitudes of the personal producing the service. To the extent that labor-intensive service firms can use marketing to attract, keep, and motivate quality personnel, they improve their capability to offer quality services. Offering services that consistently meet the quality requirement of target markets is clearly an important factor in building strong customer relationship in many service industries.

In essence, internal marketing involves creating an organisational climate in general, and job-products in particular, that lead to the right service personnel performing the service in the right way. In consumption circumstances in which the performance of people is what is being sold, the marketing task is not only that of encouraging external customers to buy but also that of encouraging internal customers to perform. When internal customers performs, the likelihood of external customers continuing to buy is increased.

These strategies are not totally independent of one another and can be used in combination. A firm might use all five simultaneously. According to Copulsky et al.(1990), relationship marketing combines elements of general advertising, sales promotion, public relations, and direct marketing to create more effective and more efficient ways of reaching customer. It centers on developing a continuous relationship.

2.4 Relevant theories which related to independent and dependent variables of this study.

CRM mainly contributes to the following dimensions of brand building (Temporal & Trott, 2001).

Brands are relationship: People do not buy product; they buy brand for the reasons described below.

Brands are experience: As with every relationship, it is the experience that makes the difference. A good experience with anything or anyone fuels the desire for more, while a poor experience kills the appetite. Similarly, friendship and intimacy while inconsistent experiences lead to doubts and distancing. Power brands generate consistently good experiences, whether they originate from companies, products or services. CRM makes customer have good experience with brand.

Brands are very personal: People make friends with brands because they give them the opportunity for a relationship and good experience. It is the very nature of the relationship and experience as interpreted by each consumer that makes the brand

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special and personal to each. Brands give exclusivity of feeling and association. And CRM is emphasized on 1-1 marketing.

Brands evoke emotion: Perhaps one of the most amazing facts about brands is that they can evoke emotion in people. Sometimes, this emotion is so strong it can influence people's behavior. Emotion is often at the very heart of power brand strategies, aiming to capture both the rational and emotional aspects of the target consumer. CRM make customer impress or happy.

Brands live and evolve: Brands are very much like people. Many of the world's strongest brands have their own distinctive personalities,. They have their own values and beliefs that guide their basic behavior. They act consistently, and yet adapt to new surroundings and situations, showing the ability to grow, learn, and develop. They have longevity, where products do not, and can continue to be relevant to changing times.

Brands communicate: Like people, brands listen, receive feedback, and send messages. They even talk to different people in different ways. Brand that are successful tend to be those that achieve a dialogue with consumer and ,as in our human world, those that can communicate well are respected and valued by society.

Brands create equity and loyalty: It is the strength of brand associations, feelings and emotions that tend to provide brands with the equity they acquire. It is the way in which brands interact, and the friendship they give, that engenders loyalty and a long-lasting relationship. It is a combination of all the above strengths that also adds financial value to the brand.

Brands, above all, add friendship and romance: It is true to say that brands, as shown by the above, really do become friends with the people who buy them. The greater the friendship and loyalty that result. Some people have a lifelong love for their brands, an unsatisfied desire always to be with them and near them, to talk about them and relate to them. Brands can add romance to their lives of he most ordinary of people.

The eight points set out above make a formidable and powerful list of branding benefits. Getting brands to achieve these results is not easy, but CRM can

help to accelerate the process. The world's most powerful brands are those that consistently delight customer, and CRM- as a package of knowledge and techniques-is aimed precisely at establishing customer delight.(Paul & Martin, 2001)

2.6 Concept of Brand Loyalty

Prior to understanding about the brand loyalty, it's important to knowing about the concept and meaning of brand. Brand is a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors (Kotler, 1994). Murphy (1987) gave a short definition that brand is a product or service of a producer that different in term of name and image. Every attributes of brand is synchronized under the brand name. Finally, in order to give the reason to the consumer why they should buy the company product not the competitors' brand not only comprises the suitable attributes, but also differentiates itself from competitors.

As a result, we can see that brand comprise of two factors i.e. Intrinsic factors and Extrinsic factors. Intrinsic factors mean that if there is a change incurred, it will affect to the producer in term of product physical component. Extrinsic factors mean any components that are not the product physical components, such as brand name, brand value, and brand image (Murphy, 1987)

Therefore, we can say that brand comprises of both tangible and intangible components together, including the component maintenance. Every component relates to the consumer and will differentiate the company from competitors in terms of meaning and consumer satisfaction (Murphy, 1987)

Definition of Brand Loyalty

One important of brand is help creating brand loyalty that make much more benefit to the brand owner (Keller, 1998) and brand loyalty is an important component of brand equity (Aaker, 1991). Also brand loyalty is important for effective marketing plan. Brand loyalty is the important concept especially in the highly competitive situation. In order to keep the existing loyal customer is more

important for company to survive and it is the more effective plan than try to attract the new customer (Peter & Olesen, 1996) There are two concepts of brand loyalty. First concepts called Instrumental Conditioning Approach that consider that long time purchase a same brand is the determinant of repeat purchase behavior and also it shows the reinforcement and stimulus-to-response (Assael,1994)

The first concept applies stochastic model that if the consumer need is satisfied in the same and suitable way, the consumer will retain the same behavior forever (Assael, 1994). The tucker research (1964, cited in Assael, 1994) supports the first concept that the research notices that in order to study about the brand loyalty, we should not consider what the person is thinking or what is related to his/her cognitive process. Only behavior can give definition of brand loyalty.Also, Mowen (1993) proposed that using only repeat purchase behavior in studying brand loyalty is not enough since there will problem thereafter. A problem is we do not know the real reason/factor of purchasing, if a factor changed a behavior may change too.

The second concepts is created by many marketers and consumer behavior researchers, they think that consider only behavior is not enough in studying about brand loyalty. They believe that cognitive approach is suitable for study the brand loyalty. Since brand loyalty has the intrinsic meaning as commitment to the brand that can not always show the repeat purchase behavior, so it is necessary to use both attitudinal aspects and behavioral aspect to study the real brand loyalty (Assael, 1994) From Day's research (1969, cited in Assael, 1994) found that the brand loyalty is comprised of both attitude and behavior and the consumer must has the positive attitude toward brand. Day added that there are many factors that make consumer repeat their purchase such as there is no other products, discount price, or convenience, if the consumer repeat his/her purchase because of this reason it is not the real brand loyalty, it is the spurious loyalty. Because the consumer show no commitment to the brand. Jacoby research (1971, cited in Jacoby & Chestnut, 1978) explained about the brand loyalty by concerning with the cognitive process that the consumer shows the loyal to the brand by repurchasing based on cognitive, affective and evaluative. These three factors are the component of attitude. The next Jacoby's research about corporate with Kyner (Jacoby & Kyner, 1973) also support this concept that the brand loyalty is the psychological process comprises of determination

and evaluation. Moreover, brand loyalty significant means about psychological commitment such as belief, feeling, and intention that result in the repeat purchase behavior (Jacoby & Chestnut, 1978)

From the previous researches we can see that the concept of brand loyalty comprised of both attitude and behavior is widely accepted. Jacoby and Chestnut (1978) whose brand loyalty meaning is mostly accepted explained the meaning of brand loyalty as:

Brand loyalty comprises of six components
1. The biased Nonrandom
2. Behavioral Response Purchase
3. Expressed Over Time
4. By Some Decision-making Unit
5. With Respect to One or More Alternative Brands our of A Set of Such Brands
6. Function of Psychological Processes : Decision-making, Evaluative

Jacoby and Chestnut (1978) explained that brand loyalty is occurred from bias that is if the band loyalty is the random situation or not bias, there is no objective to perform any behavior. Sometimes the bias sentences or words such as like or prefer is not enough to explain the biased purchasing behavior. In addition the biased purchasing behavior should not occur only one time it should expressed over time. The word loyalty significantly means about the times, so it is necessary that the behavior should occur at least two times in the different period.

Brand loyalty should respect to one or more alternative brands out of set of such brands. Generally, a person can loyal to various brands in the same product category. In addition, brand loyalty is the relationship that explains the satisfaction behavior toward a brand or more differentiate such brand(s) from others. The last condition shows that the brand loyalty is the function of psychological decision-making, evaluative-processes). This process shows about the decision making process in term of psychological when there are many comparable brands and the result is identified by using the exact standard.

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After all processes have been done, the consumer will develop their commitment of the brand. Understand about the commitment will differentiate between brand loyalty and any forms of repeat purchase behavior. In addition this commitment is the determinant of brand loyalty level. Assael (1994) added the brand commitment classify the brand loyalty repeat purchase behavior from inertia repeat purchase behavior. Inertia repeat purchase behavior is occurred without any commitments. The inertial repeat-purchase behavior the consumer has no any comments or feelings about brand. The inertia repeat-purchase behavior shows no commitment only shows the acceptance.

So we can conclude that the brand loyalty is the sequential of attitude and behavior (Baldinger & Rubinson, 1996) and showing the relationship between any factors and attitude that influence the behavior, including the prediction of behavior from such the factor.

Loyalty is a primary goal of relationship marketing and sometimes even equated with the relationship marketing itself. The key to the successful adoption of relationship marketing lies in the building of client loyalty in dynamic business environments (Morris, Barnes, & Lynch, 1999). Mcroy and Barnett(2000) stated that the basis of relationship marketing is customer loyalty because retaining customers over their life will contribute to enhanced profitability. In a business context loyalty has come to describe a customer's commitment to do business with a particular organization, purchasing their goods and services repeatedly, and recommending the services and products to friends and associates.

Sheth, Mittal, and Newman (1999) defined behavioral loyalty as customer's consistent repurchase of a brand. Marketers can measure behavioral loyalty in many ways such as proportion of purchase, sequence of purchase, and probability of purchase.

Certain behaviors signal that customers are forging bonds with a company. Most of the research operationalizes behavioral intentions in a unidimensional way rather than delineate specific types of behavior. According to Zeithaml et al.(1996), behavioral intentions especially loyalty can be manifested by various customer behaviors such as expressing preference for a particular service provider, doing more

business with service firm, generating positive word of mouth, or recommendation service firm to others. This broader conceptualization of loyalty s also consistent with relationship marketing. As Gronroos (2000) stated, the goal of the relationship marketing process is to increase future purchases and to spread positive word of mouth recommendations.

2.6 Previous empirical researches

Loyalty is a primary goal of relationship marketing and sometimes even equated with the relationship marketing concept itself (Sheth, 1996). Berry (1995), advised that customer loyalty has positively influence profitability through cost reduction effects and increased revenues per customer. With regard to cost reduction effects, it is widely reported that retaining loyal customers is less cost intensive than gaining the new ones and that expenses for customer care decrease during later phases of the relationship life cycle due to the growing expertise of experienced customers. Customer loyalty is also reported to contribute to increased revenues along the relationship life cycle because of crossselling activities and increased customer penetration rate(e.g.,Dwyer, Schurr, and Oh 1987).

Surprisingly, despite the growing body of literature on relationship marketing issues, little empirical research has been conducted on the link between relationship marketing and customer loyalty Souchon & Thirkell & Too(2000).

Souchon & Thirkell & Too(2000) have studied on how much relationship marketing increase customer loyalty. They described that customer loyalty is increasingly seen to be crucial to the success of business organizations, with the growing realization that attracting new customers is far more expensive than retaining existing ones. A way of increasing customer retention is through secure relationships. They attempted to address the link between relationship marketing and customer loyalty by presenting and testing a conceptual model of the process by which the implementation of relationship marketing can enhance such loyalty. A dyadic exploratory study of clothing store managers and their customers was conducted, and a response rate of 695 obtained. Finding reveal that customers' perceptions of clothing stores' relationship marketing efforts are crucial to enhanced commitment and loyalty.

Thurau & Gwinner & Gremler (2002), have performed a study which focuses on the overall nature of the relationship, represented two approaches to understanding customer loyalty and word of mouth. The purpose of this article is to integrate the research streams on relational benefits and relationship quality in the development of a comprehensive model. Specifically, they proposed and tested a model in which satisfaction and commitment are conceived as mediating the relationship between the three relational benefits (confidence/trust, social, and special treatment) and the two outcome variables of customer loyalty and word-of-mouth communication. The testing result is very obvious that it has relatively strong influence on loyalty through relationship marketing. They also recommended that service firms should consider the creation of confidence relationship and benefit as an important tactic in building customer loyalty.

Bolton(1998) studied a dynamic model of the duration of the provider customer relationship by focusing on the role of satisfaction in cellular telephone industry. He found the positive association between relationship satisfaction and the duration of the customer's relationship with an organization, which implies that the customers stay loyal to the provider. Gabarino and Johnson (1999) studied the role of satisfaction, trust, and commitment in predicting the future intentions of customers with different relational bonds. The results show that future intentions of high relational customers is determined by trust and commitment, on the other hand satisfaction determines future intentions for low relational customers. With respect to commitment as a dimension of relationship quality, Pritchard, Havitz, and Howard(1999) analyzed the linkage between commitment and loyalty in service contexts, they found strong support for commitment as an important direct antecedent of customer loyalty for hotel and airline services.

Table 2.5 Selected Approaches Explaining Long-term Relational Outcomes.

Name	Description	Key Construct	Illustrative Research
Satisfaction Approach	Customer satisfaction as antecedent of relational outcomes(i.e.,customer loyalty and positive Word of mouth Communication).	Customer satisfaction with the service provider's performance	Anderson (1998); Anderson and Sullivan (1993); Fornell(1992); Hallowell(1996
Service Quality Approach	Service quality as antecedent of relational outcomes.	Perceived quality of service delivered by the Provider.	Boulding, Kalra, and Staelin(1993); Zeith Aml et al .(1996)
Trust Approach	Trust as antecedent to relational outcomes	Customer trust in the relationship partner (i.e. The service provider).	Bendaudi and Berry (1997); Moorman et.al (1992)
Commitment Approach	Commitment and trust of real relational outcomes	Customer commitment to the relationship	Pritchard et al(1999)
Commitment-Trust theory	Commitment and trust as key mediating variables Between antecedents and Relational outcomes	Customer commitment and trust	Morgan and Hunt (1994)
Service profit	Customer loyalty as Antecedent to firm Profitability in a casual Chain of service loyalty-Determining constructs.	Service quality, satisfaction employee loyalty, employee satisfaction, internal service quality	Heskett et al.(1994); Loveman (1998)
Value-situation model	Perceived value and situational variables predict repeat purchase behavior	Value of the service as perceived by the customer and the customer's individual situation.	Blackwell, Szeinbach, Barnes, Garner, and Bush (1999)
Relationship Quality Approach	Customer evaluation of transactions and the relationship as a whole Predict relational outcomes	Satisfaction, trust, commitment, various other construct	Crosby et al.(1990); Hennig-Thrau and Klee(1997); Smith(1998)
Relational Benefit Approach	Relational outcomes for the firm are dependent upon the customer's receiving certain Relational benefits	Different types of relational benefits include confidence benefit, social benefits, and special treatment benefits	Gwinner et al.(1998); Reynolds and Beatty(1999)

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Source: Adapted from Hennig-Thurau, Gwinner, and Gremler (2002), "Understanding relationship marketing outcomes: An integration of Relational benefits and relationship quality", Journal of Service research, 4(3), 230-247.

CHAPTER III

RESEARCH FRAMEWORK

This chapter firstly encompasses the framework of this research along with the theoretical framework. It describes the proposed variables to be studied. The section two part shows the conceptual framework of this research study. The section three discusses all hypothesis statements, which have been tested for this study. In section four, the information of operationalization of independent and dependent variables is explained.

3.1. Theoretical Framework

A theoretical framework is a conceptual model of how one theorizes the relationship among several factors that have been identified as important to the problems. It discusses the relationship among the variables that are deemed to be integral to the dynamics of the situation being investigated (Sekaran, 1992). Models are used representations of theoretical systems so that they can be tested, examined, and generally analyzed.

After reviewing many literatures of authors and theorists from several sources, the researcher has drawn the theoretical framework to represent a conception related to research's study. The researcher related the concept of CRM, relationship marketing concept and brand loyalty to customer attitude, in order to develop the conceptual framework. The independent variables of this research were strategies related to CRM (Core service, relationship customization, service augmentation and relationship pricing). The dependent variable of this research is brand loyalty of current users of AIS in Bangkok area.

3. 2. Conceptual Framework

The research paradigm indicates following variables as the focus of this study. The first will be CRM strategy that consists of core service, relationship customization, service augmentation and relationship pricing. The second will be brand loyalty of current users of AIS. The models are used as representations of

theoretical systems that the researcher will test, examine and generally analyze. The conceptual framework of this study is presented in Figure 3.1

Figure 3.1 Conceptual framework

Independent Variable $^{(X)}$ **Dependent Variable** $^{(Y)}$

CRM strategy	
• Core Service	
• Relationship Customization	
• Service Augmentation	
• Relationship Pricing	

Brand loyalty of the current users of AIS
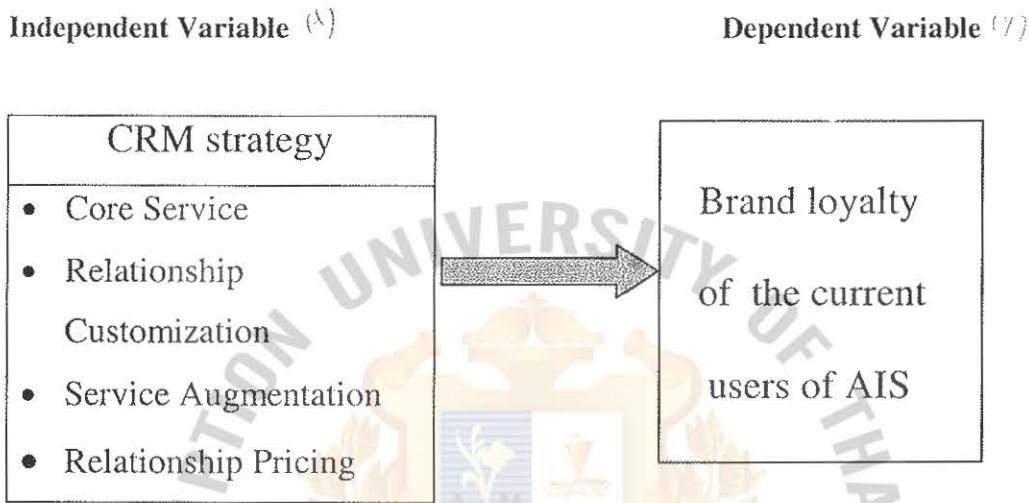
CRM Strategy

One of the most important objectives of CRM is to create brand loyalty (Egan, 2001). There are 4 strategies in this study, core service, relationship customization, service augmentation, relationship pricing (Berry, 1983).

1. **Core Service Strategy**: service that attracts new customers through needs meeting character, cements the business through its quality, multiple parts and long-term nature, and provides a base for the selling of additional services over time.

2. **Relationship Customization** : learning about the specific characteristics and requirements of individual customers and then capturing these data for use as needed, consequence, firms can more precisely tailor service to the situation at hand

3. **Service Augmentation**: Service augmentation involves building 'extra' into the service to differentiate it from competitive offerings.

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4. **Relationship Pricing** : pricing services to encourage relationships or a better price for better customers

3.3 Research Hypothesis

Hypothesis are conjectural statements of the relationship between two or more variables that carry clear implications for testing the stated relations (Davis 1996) According to Zikmund (1997), a hypothesis is defined as an unproven proposition or supposition that tentatively explains certain facts or phenomena; a probable answer to a research question. Hypothetical statements assert probable answers to research questions. In this section of the research study, the hypothesis of the study are stated in a testable form: the null and alternative hypothesis. It also predicts a particular relationship between two or more variables. Hypothesis is used in the deductive research approach where the conceptual developments are focused on first prior to the empirical testing.

After the identification of the proper variables, the network of association among the variables needs to be elaborated so that relevant hypothesis can be developed and subsequently tested.

H1o : There is no relationship of core service on the level of brand loyalty of current users of AIS.

H1a : There is relationship of core service on the level of brand loyalty of current users of AIS.

H2o : There is no relationship of relationship customization on the level of brand loyalty of current users of AIS..

H2a : There is relationship of relationship customization on the level of brand loyalty of current users of AIS

H3o : There is no relationship of service augmentation on the level of brand loyalty of current users of AIS..

H3a : There is relationship of service augmentation on the level of brand loyalty of current users of AIS.

H4o : There is no relationship of relationship pricing on the level of brand loyalty of current users of AIS.

H4a : There is relationship of relationship pricing on the level of brand

loyalty of current users of AIS.

3. 4. Concepts and Variables Operationalisation

Concept is defined as a generalized idea about a class of objects, attributes, occurrences, or processes (Zikmund, 1997). In addition, concepts can be defined as abstract ideas generalized from particular facts. Without concept, there can be no theory (Davis and Cosenza, 1993). In this research the concepts will be made operational so that they can be measurable. Operational definition refers to an explanation that gives meaning to a concept by specifying the activities or operations necessary to measure it (Zikmund, 1997). Operational definitions put empirical meaning to constitutive by specifying the means by which the concept will be measured in reality. Since, and operational definition gives meaning to a concept by specifying the activities or operations necessary to be measured. Hence, the operational definition specifics what must be done to measure the concept under investigation .

This part describes the measurement that will be used to operational the variables in this study, which are the dependent variables (brand loyalty of current users of AIS) and independent variables (core service, relationship customization, service augmentation, relationship pricing) operational definition of the variables is as follows:

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Table 3.1 Operational component of independent variables or influencing variables.

TABLE OF OPERATIONAL DEFINITION				
Table 3-1 Operational Definition of Influencing Variables.				
Concept	Conceptual Definition	Operation Component	Type of measure-ment	Independent/ Dependent
1. Core Service	Service that attracts new customers through needs meeting character, cements the business through its quality, multiple parts and long-term nature, and provides a base for the selling of additional services over time.	- Network coverage - Clear Voice quality - After sales Service	Ordinal	Independent question 2,3,4
2. Relationship Customiza-tion	The nature of services to customize the relationship by learning about the specific characteristics and requirement of individual customers and capturing these data for use as needed.	- Free movie - Free golf trip - Free party - Free concert - Special discount in Exclusive shops	Ordinal	Independent question 5,6,7,8,9
3. Service Augmenta-tion	Involve building "extra" into the service to differen-Tiate it from competitive.	- Promptly fix when found area not in AIS network coverage. - Thank you party for long-term users.	Ordinal	Independent question 10,11,12

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		- Social Activity		
4. Relationship Pricing	Pricing services to encourage the relationship.	- Minute Plus - Special price for long-term users.	Ordinal	Independent question 13,14
5. Brand Loyalty	The commitment that customer feels to a brand and effect the repeated Continuously purchasing behavior to that brand	- Continue, Discontinue Using AIS.	Ordinal	Dependent question 16

Types of measurement scales

Data for analysis result from the measurement of one or more variables. It is important to know which type of scale is represented by the data since each type adds special characteristics to the study, and also different statistics are appropriate for the different scales of measurement. There are four types of measurement scales: nominal scales, ordinal scales, interval scales, and ratio scales. In this research, the research uses only one type of measurement scales (ordinal scales). They are described as follow:

Ordinal Scales

Ordinal scales not only classify subjects but also rank them in terms of the degree to which they possess a characteristic of interest. In other word, an ordinal scale puts the subjects in order from highest to lowest, from most to least. Although ordinal scales do indicate that some subjects are higher, or better, than others, they do not indicate how much higher or how much better (Gay and Diehl, 1996).

From table 3.1, it shows that core service, relationship customization, service augmentation and relationship pricing are measured by ordinal scales.

CHAPTER IV
RESEARCH METHODOLOGY

The purpose of this chapter is to provide an overview of the research methodology that will be employed in this research. In the first part, it explains the method to be used in this research. In the second part, it includes the selection of respondents of this research, sample size and sampling procedure. In the third part, it discusses about the research instrument/questionnaires to be used. In the forth part, it summarizes the collection of data to be used in this research study. In the fifth part, explains the proposed statistical treatment of data of this research study.

4.1 Research Method Used

The research method be used in this study is **sample survey**. Sample survey is used as a research technique for this study based on face-to-face communication with a representative sample of individuals. Zikmund (2000) stated that questionnaire is used to gather information from a sample of people. Survey provides quick, inexpensive, efficient, and accurate means of assessing information about a population.

Research Instrument : Structured Questionnaire

The researcher used questionnaires for finding and obtaining the information from the respondents. This research uses a survey technique in order to collect primary data. The researcher sent the questionnaire to the people who are in AIS shop by assuming that they are the current users of AIS.

4. 2 Respondents and Sampling Procedures.

In this research study, there is no sampling frame. Since, there is no list of the target population available from where the target respondents are chosen and the target population is the individual.

Non-Probability Sampling

In this research study, non-probability sampling is used. Non-probability sampling is defined as a sampling technique in which units of the sample are selected on the basis of personal judgement or convenience; the probability of any particular member of the population being chosen is unknown (Zikmund, 1997). In non-probability sampling, the elements do not have a known or predetermined chance of being selected subjects, the elements in the population do not have any probabilities attached to their being chosen as sample objects. This means that the findings from the study of the sample cannot be confidently generalized to the population (Sekaran. 1992).

This research study is employed **convenience-sampling** technique, which is defined as the sampling procedure of obtaining those people or units that are most conveniently available (Zikmund, 1997). Convenience sampling involves collecting information from members of the population who are conveniently available to provide this information (Sekaran, 1992). Convenience sampling is appropriated because it seems simple and meets all necessary requirements of a non-probability sample. The primary reason for using this approach is that it is less time consuming, and is possible to accomplish with a limited budget.

Sampling Plan

Target Population

Davis and Cosenza (1993) mentioned that a population is defined as the complete set of units of analysis that are under investigation. The target population is a specific complete group relevant to the research project.

Sekaran (1992) mentioned that population refers to the entire group of people, events or things of interest that the researcher wishes to investigate. Zikmund (1997) stated that population is defined as any complete group of entities that share some common set of characteristics. Davis and Cosenza (1993) mentioned that population refers to the complete set of unit of analysis under investigation.

The target populations of this research are the current users of AIS and live in Bangkok area.

Sampling Unit

The sampling unit of this research is AIS shop in department store in Bangkok. The researcher have contacted with the respondents at AIS shop. Below are the location of six branches of AIS shop that researcher collected data from:

MaboonKrong(MBK)	64 respondents
Seacon Square	64 respondents
Central Bangna	64 respondents
Central Latprao	64 respondents
Central Pinklao	64 respondents
World Trade Center	64 respondents
Total	384 respondents

Sampling Element

The population element in this research was current users of AIS who live in Bangkok area.

The reason for selecting AIS shop was it easily to find the target respondents, convenience and save times.

Sample Size

From Bangkok Post Jan 27,2003, AIS has users in Bangkok more than 2 millions, therefore, it would be included in the category of 1,000,000 according to the table below The population and the size of the sample of respondents are aimed at 384 samples. Hence, the researcher has distributed 384 units of questionnaire.

Table 4.1: Theoretical Sample Size for Different Size of Population and a 95 percent

level of certainty

Population	Required Sample for Tolerable Error of			
	5%	4%	3%	2%
100	79	85	91	96
500	217	272	340	413
1,000	277	375	516	705
5,000	356	535	879	1622
50,000	381	593	1,044	2,290
100,000	382	596	1,065	2,344
1,000,000	384	599	1,065	2,344
25000000	384	600	1,067	2,400

Source: Gary Anderson, Fundamentals of Educational Research, 1996, pp.202.

Time Frame for launching and collecting questionnaires

June 2003. Saturday-Sunday 9:00-17:00.

4.3 Research Instruments/Questionnaire

Structured Questionnaire

Structured questionnaires is a list of questions that have pre-specified answer choice (Burns and Bush, 2000). The questionnaire that was used here has been designed purposely to serve this research topic by the researcher.

All of the questions are close-ended questions for the ease of answering by the respondent and analyzing by the researcher. Questions will be presented with exactly the same wording and in exactly the same in order to all respondents to ensure that all respondents are replying to the same questions. This study developed questionnaires by dividing them into four parts as shown in Appendix A.

The first part consisted of "General information about the current mobile phone operator that respondent uses. This is a screening question to test whether they are the current users of AIS

The second part consisted of "strategies related to CRM toward brand loyalty, asking the effect of each strategy toward the decision making of the current users of AIS to continue using AIS". The questions were rated on a scale 1-5, 1 is no effect and 5 is extremely high effect.

The third part consisted of "Overall customer loyalty toward AIS, asking them whether they will decide to continue using AIS or not". This question was rate on scale 1-5, 1 is not continue and 5 is definitely continue.

The fourth part consisted of "Demographic of respondents" this part asked for the gender, age and personal income of respondents.

In last part, the researcher include recommendation in order to get the comment from AIS' current users.

Before distributing the questionnaires, the researcher have translated all questions into the Thai language for respondents' ease of understanding to answer all items in a short period.

Pretest

Churchill (1996) claimed that the questionnaire pretest is vital. It is the use of questionnaire on a trial basis in a small pilot study to determine how reliable and valid the questionnaire is. In the pretest, the interviewer can see whether some questions seem confusing or produce resistance or hesitancy among respondents for one reason or another.

Zikmund (2000) stated that pretests are trial runs with a group of respondents for the purpose of detecting problems in the questionnaire instructions or design. In a pretest, the researcher looks for evidence of ambiguous questions and respondent misunderstanding, whether the questions mean the same thing to all respondents, the point at which respondent's fatigue sets in, places in the questionnaire where a respondent is likely to terminate, and other considerations. Editing the questionnaires during the pretest stage can prove very valuable. Therefore, this study is necessary to do the pretest, which is conducted among respondents similar to those who will be used in the actual study.

Donald and Pamela (2001) stated a pilot test is conducted to detect weaknesses in design and instrument and to provide proxy data for selection of a probability sample. It should therefore, draw subjects form the target population and simulate the

procedures and protocols that have been designated for data collection. The size of the pilot group may range from 25 to 100 subjects, depending on the method to be tested, but the respondents do not have to be statistically selected. Vanichbuncha (2001) mentioned that in order to conduct the pilot survey or pretest, the number of respondents should be at least 25 samples. Therefore, the researcher examined this questionnaire by trying out the questionnaire with 30 respondents. After pre-testing the questionnaire, for some questions' wordings improved, some that do not provide adequate information were eliminated and some that caused problems were revised.

The researcher has pre-tested the data collection tool in order to test the reliability of questionnaires. There were 30 respondents who participated in the pretest for this research by randomly at AIS' shop in Central Bangna. After launching the questionnaire, there were some questions that ambiguous in meaning and misunderstanding, so the researcher reviewed and developed all those questions. Mistake were corrected and adjusted in term of sequencing, wording, and structuring, so that communication between the researcher and the respondent is not biases. The data was processed by SPSS program to find out the value of the reliability by using Cronbach's Coefficient Alpha to determine internal consistency of the questionnaire.

For the reliability of the pre-testing questionnaire, the researcher chose the two main parts in the questionnaires that are the second and the third part. As a result, it showed that all five main parts of the study, starting with the alpha value are equal to 0.8162 and 0.8792 respectively, as shown in table 4.2

Table 4.2 Reliability coefficients Alpha of Questionnaire Part II and III

Criteria	Alpha
- Core Service	0.8576
- Relationship Customization	0.8162
- Service Augmentation	0.8171
- Relationship Pricing	0.8792
- Brand Loyalty	0.8184

Sekaran (1992) stated that if the reliability value is at least 0.6, it is considered reliable. As the result of reliability analysis from the study, the coefficient alpha scores are higher than 0.6 in all parts of the questionnaire so it is considered reliable. The reliability analysis resulting from the pilot study of the questionnaire indicates that this research is sufficient for examining this research's hypothesis.

4.4 Collection of Data/Gathering Process

The primary data was collected from the questionnaires that distributed to the respondents to complete. After collecting of 384 units of questionnaires, The researcher used SPSS program in order to analyze and interpret the data. The collection of secondary data is from several sources: academic journals, magazine newspapers, Internet, previous research papers as well as academic textbooks via Internet and libraries.

4.5 Statistical Treatment of Data

After completion of data collection work, the data will be interpreted by Statistical Package for Social Sciences (SPSS program). The researcher will applied appropriated statistical treatment to each question.

Hypothesis	Statistic
Hypothesis 1	Spearman Rank Correlation
Hypothesis 2	Spearman Rank Correlation
Hypothesis 3	Spearman Rank Correlation
Hypothesis 4	Spearman Rank Correlation

Table 4.3 Statistical treatment

Spearman Rank-Order Correlation Coefficient

Spearman Rank-Order Correlation Coefficient is a measure of **association** between two variables, which requires that both variables be measured in a least an ordinal scale so that the objects or individuals under study may be ranked in two order series.

In this research the Spearman Rank –order Correlation Coefficient will be applied for testing the relationship between some marketing mix and attitude of consumers. Zikmund (2000) stated that the correlation coefficient ranges from 1.0 to – 1.0. If the value of r is 1.0, there is a perfect positive linear relationship. If the value or r is –1.0, a perfect negative linear relationship is indicated. No correlation is indicated if r =0. A correlation coefficient indicates both the magnitude of the linear relationship and the direction of the relationship.

In order to judge whether the hypothesis is to be accepted or rejected, the significance value will be used. Observed significance level, which is often called as the p-value the basis for deciding whether or not reject the null hypothesis (Ho). It is the probability that a statistical result as extreme as the one observed would occur if the null hypothesis were true. If the observed significance level is small enough, usually less than 0.05 or 0.01, the null hypothesis will be rejected.

How to interpret Spearman Rank-Order Correlation Coefficient (Sharp,1979)
Gauge for interpreting coefficient of correlation
- (a)   0.85 to 1.0 = High
- (b)   0.50 to 0.84 = Moderate
- (c)   0   to 0.49 = Low

The stronger the relationship between the two variables, the closer the coefficient is to +1.00 or –1.00. A correlation of zero is considered to indicate no relationship between the two variables.

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CHAPTER V

DATA ANALYSIS

This chapter examines the analysis of data collected based on the sample size of 384 samples. However, the researcher can use only 367 questionnaires due to 17 respondents are not the current users of AIS.

In order to analyze and evaluate, the researcher computed by using Statistical Package for the Social Sciences for Window (SPSS program). In order to determine the existence of statistical relationships among the variables used in this study, a significant level at least of 0.05 has been used as the criterion for significant analysis. The data analyses part can be divided into two sections, which are descriptive statistics (demographic factors) and hypothesis testing. In total there are 4 hypothesis included in this study.

5. 1 Descriptive Statistics

Zikmund (1997) mentioned that descriptive analyses refers to the transformation of the raw data into a form that will make them easy to understand and interpret. Describing responses or observations is typically the first form of analyze, which is commonly done by calculating averages, frequency distributions and percentage distributions.

Frequencies of Demographic Characteristics

In this study, the demographic characteristics of all respondents include gender, age and income. As the research uses the quota sampling method to collect data, the demographic characteristics of all respondents are shown below:

Respondent analyses

Table 5.1 Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	129	35.1	35.1	35.1
	Female	238	64.9	64.9	100.0
	Total	367	100		

Table 5.1 shows that the highest age group of respondents is female (64.9 percent) while male is 33.6 percent

Table 5.2   Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 20 years	18	4.7	4.9	4.9
	20-29 years	217	56.5	59.1	64.0
	30-39 years	114	29.7	31.1	95.1
	More than 39 years	18	4.7	4.9	100
	Total	367	95.6	100.0	

Table 5.2 shows that the majority age of total respondents is 20-29 years (59.1%), the second group is 29-29 years (31.1%) while less than 20 years and more than 39 years have the same percentage(4.9%).

Table 5.3 Income per month

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 10,000 baht	15	3.9	4.1	4.1
	10,000-20,000 baht	143	37.2	39.0	43.1
	20,001-30,000 baht	101	26.3	27.5	70.6
	More than 30,000 baht	108	28.1	29.4	100
	Total	367	95.6	100.0	

Table 5.5 shows the income levels of respondents. The highest number of respondents has monthly income between 10,000-20,000 baht (39.0 %). The second

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group has monthly income more than 30,000 baht (29.4 %). The third group has monthly income between 20,001-30,000 baht (27.5 %). The rest have monthly income less than 10,000 baht (4.1 %).

5. 2 Hypothesis Testing

Hypothesis 1. *Core Service*

H1o : There is no relationship of core service on the level of brand loyalty of current users of AIS.

H1a : There is relationship of core service on the level of brand loyalty of current users of AIS.

Table 5.4 Spearman's rank correlation test for two variables between core service and level of brand loyalty of current users of AIS.

Correlations

			Will you continue using AIS?	Core service
Spearman's rho	Will you continue using AIS?	Correlation Coefficient	1.000	.366*
		Sig. (2-tailed)	.	.000
		N	367	366
	Core service	Correlation Coefficient	.366*	1.000
		Sig. (2-tailed)	.000	.
		N	366	366

· Correlation is significant at the .01 level (2-tailed).

There was a statistically significant in correlation between core service and brand loyalty of current users of AIS with a 2-tailed significance of .000 which less than .01. Therefore, there is a relationship between core service strategy of AIS and brand loyalty of current users of AIS at .01significant level. In addition, the value of Spearman-rank correlation is positive and equal to 0.366, which means the relationship is low.

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Hypothesis 2. *Relationship Customization*

H2o   :   There is no relationship of relationship customization on the level of
                  brand loyalty of current users of AIS.

H2a   :   There is relationship of relationship customization on the level of
                  brand loyalty of current users of AIS.

Table 5.5 Spearman's rank correlation test for two variables between relationship customization and level of brand loyalty of current users of AIS.

Correlations

			Will you continue using AIS?	Relationship customization
Spearman's rho	Will you continue using AIS?	Correlation Coefficient	1.000	.230*
		Sig. (2-tailed)	.	.000
		N	367	366
	Relationship customization	Correlation Coefficient	.230*	1.000
		Sig. (2-tailed)	.000	.
		N	366	366

**. Correlation is significant at the .01 level (2-tailed).

There was a statistically significant in correlation between relationship customization and brand loyalty of current users of AIS with a 2-tailed significance of .000 which less than .01. Therefore, there is a relationship of relationship customization strategy on brand loyalty of current customer of AIS at .01 significant level. In addition, the value of Spearman-rank correlation is positive and equal to 0.230, which means the relationship is low.

Hypothesis 3. *Service Augmentation*

H3o   :   There is no relationship of service augmentation on the level of
                  brand loyalty of current users of AIS.

H3a   :   There is relationship of service augmentation on the level of
                  brand loyalty of current users of AIS.

Table 5.6 Spearman's rank correlation test for two variables between service augmentation and the level of brand loyalty of current users of AIS.

Correlations

			Will you continue using AIS?	Service augmentation
Spearman's rho	Will you continue using AIS?	Correlation Coefficient	1.000	.236*
		Sig. (2-tailed)	.	.000
		N	367	367
	Service augmentation	Correlation Coefficient	.236**	1.000
		Sig. (2-tailed)	.000	.
		N	367	367

**. Correlation is significant at the .01 level (2-tailed).

There was a statistically significant in correlation between Service Augmentation and brand loyalty of current users of AIS with a 2-tailed significance of .000 which less than .01. Therefore, there is a relationship of Service Augmentation strategy on brand loyalty of current users of AIS at .01significant level. In addition, the value of Spearman-rank correlation is positive and equal to 0.236, which means the relationship is low.

Hypothesis 4. *Relationship Pricing*

H4o : There is no relationship of relationship pricing on the level of brand loyalty of current users of AIS

H4a : There is relationship of relationship pricing on the level of brand loyalty of current users of AIS

Table 5.7 Spearman's rank correlation test for two variables between relationship pricing and the level of brand loyalty of current users of AIS.

Correlations

			Will you continue using AIS?	Relationship Pricing
Spearman's rho	Will you continue using AIS?	Correlation Coefficient	1.000	.206*
		Sig. (2-tailed)	.	.000
		N	367	367
	Relationship Pricing	Correlation Coefficient	.206*	1.000
		Sig. (2-tailed)	.000	.
		N	367	367

**. Correlation is significant at the .01 level (2-tailed).

There was a statistically significant in correlation between Relationship pricing and brand loyalty of current users of AIS with a 2-tailed significance of .000 which less than

.01. Therefore, there is a relationship between Relationship pricing and brand loyalty of

current users of AIS at .01 significant level. In addition, the value of spearman-rank correlation is positive and equal to 0.206, which means the relationship is low..

CHAPTER VI

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter consists of four sections. The first section is the interpretation of the results or summary of the result of hypothesis test. The second section is the conclusion drawn against the research problem. The third section contains recommendation and suggestion. The last part is further study that should be investigated in the future.

6.1 Summary of the result of hypothesis test

Table 6.1 Spearman's rank correlation test for two variables : Strategies related to CRM and the level of brand loyalty of the current users of AIS.

Hypothesis	Statistic Test	Sig. Value	Correlation Coefficient	Result
H1a: There is no relationship of *Core service* on the level of brand loyalty of current users of AIS	Spearman rank-order	0.00	0.366**	Reject Ho
H2a: There is no relationship of *Relationship Customization* on the Level of brand loyalty of current users of AIS	Spearman rank-order	0.342	0.230**	Reject Ho
H3a: There is no relationship of *Service Augmentation* on the level of brand loyalty of current users of AIS.	Spearman rank-order	0.000	0.236**	Reject Ho

Hypothesis	Statistic Test	Sig. Value	Correlation Coefficient	Result
H4a : There is no relationship of *Relationship pricing* on the level of brand loyalty of current users of AIS.	Spearman rank-order	0.000	0.206**	Reject Ho

**. Correlation Significant at the 0.01 level under 2-tailed test

The results of the test in Table 6.1 suggest that four hypotheses should be rejected. With this, it can be concluded that all four strategies (*core service , relationship customization, service augmentation and relationship pricing*) have relationship with the level of brand loyalty of the current users of AIS in Bangkok area.

The research findings highlight that the majority of the respondents are female aged 21-29 years old and male respondents aged under 20 years old and over 39 years old represented the minority. The majority of the respondents have monthly incomes between 10,000-20,000 baht and the minority of the respondents have monthly income less than 10,000 baht.

It is also found that respondents age 21-29 years old mostly have opinion that *relationship customization* has relationship with their brand loyalty more than other age. While respondents age 30-39 and more than 39 pay attention to core service.

Most of the respondents who are males are concerned with *core service* (network coverage and clear voice quality) while females are concerned with *relationship customization* (free movie, free concert, discount in exclusive shop). However, respondents for all levels of income agreed that core service has the highest relationshipt on them to continue using AIS service.

6.2 Conclusion

Overall summary and conclusion of the result of finding will be shown as below:

Hypothesis 1

There is a relationship of *Core service strategy* on the level of brand loyalty of current users of AIS. This means that the network coverage, clear voice quality and after sales service have a high relationship on brand loyalty.

Hypothesis 2

There is a relationship of *Relationship Customization strategy* on the level of brand loyalty of current users of AIS. This means that users aware and perceive on AIS' customized programs and accepted that it has relationship on their loyalty on brand AIS.

Hypothesis 3

There is a relationship of *Service Augmentation* on the level of brand loyalty of current users of AIS. This means that AIS users realize the special services apart from normal services and agree that they have relationship on their loyalty.

Hypothesis 4

There is a relationship of *Relationship Pricing* on the level of brand loyalty of current users of AIS. This means that AIS users consider that special price or lower price has relationship with decision making to continue using AIS.

In order to provide clearer result per item of each strategy, complete figure has been illustrated as shown below:

Table 6.2 Correlation coefficient per item

Concept	Item	Spearman-rank correlation	Sig.	conclusion
Core service		.366	.000	Reject Ho
	Network coverage	.339	.010	Reject Ho

	Clear voice quality	.298	.001	Reject Ho
	After sales service	.360	.000	Reject Ho
relationship customization		.230	.000	Reject Ho
	Free movie for 1-2 call users	.266	.000	Reject Ho
	Free golf trip for GSM advance	.169	.001	Reject Ho
	Free party for AIS users	.156	.003	Reject Ho
	Free concert for AIS users	.269	.000	Reject Ho
	Special discount/Campaign in some exclusive shop	.160	.002	Reject Ho
Service Augmentation		.236	.000	Reject Ho
	Promptly fix when finding area under network coverage.	.259	.000	Reject Ho
	Thank you party for longer users	.230	.000	Reject Ho
	Social activities/ Social program	.255	.000	Reject Ho
Relationship pricing		.206	.000	Reject Ho
	Minute pulse gets for on-time payment for exchanging the reward	.198	.000	Reject Ho
	Special prices for long-term users	.184	.000	Reject Ho

Overall relationship   .260

From table 6.1, it is evident that the users perceived that core service is the most important item that has relationship their brand loyalty and to continue using AIS. After sales service has the highest effect followed by network coverage (0.339) and clear voice quality (0.298) respectively.

For relationship customization strategy, the two items that have highest relationship are free concert (0.269) and free movie (0.266) while free party for AIS users has the least effect (0.156). One reason for this result is free concert and free movie have been set up more often than free party and more users have a chance to participate in these activities. Therefore, the users are aware of free movie and free concert more than free party.

For Service augmentation, the users considered that *promptly fix when they have been informed about the weak network area* is more important than *thank you party and social activity* as this has the direct effect on them.

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For relationship pricing, this is the strategy that current users considered having less effect on their brand loyalty to continue using AIS service. This is due to the fact that everyone is aware that AIS focuses on the widest network coverage and service quality, not on pricing. Therefore, AIS' promotions or campaigns regarding price are rather not attractive to the users. This strategy then has not a high relationship on brand loyalty.

Even though all four strategies have relationship on brand loyalty but the relationships are low that is overall relationship equal 0.26. However, due to *core service* has highest relationship, this means the current users consider these three strategies not as effective much when they make decision to continue using AIS. This is accordance with the concept of AIS to focus on network coverage and after sales service.

6.3 Recommendation

Table 6.3 The Results of Hypothesis testing (Continue)

Hypothesis	Result (Conclusion)	Operational Components	Recommendation
H1o: There is **no** relationship of **Core service** on the level of brand loyalty of current users of AIS **H1a :** There is relationship of **Core service** on the level of brand loyalty of current users of AIS.	**Reject Ho** There is relationship of Core service on the level of brand loyalty of the current users of AIS. The average opinion of respondents about network coverage, clear voice quality and after sales service is in Rank 3. **It means that all three items of this strategy has low relationship with**	☐ network coverage ☐ clear voice quality ☐ after sales service	AIS should create, maintain, protect, and enhance the quality of its core service due to this part has the highest relationship with the brand loyalty of the current users. Moreover, AIS should develop and differentiate its strength to outpace its competitors due to this is an evidence strength in the users'

	their brand loyalty.		perception and it take more resources, capitals and times for competitors to imitate.
H2o : There is a relationship of **Relationship Customization** on the level of brand loyalty of current users of AIS **H2a:** There is a relationshipt of Relationship customization on the level of brand loyalty of current users of AIS.	**Reject Ho** There is a relationship of relationship customization on the level of brand loyal of the current users of AIS. The average opinion of the respondent of free movie, free concert and discount in some exclusive shops is in Rank 3 while average score on free party and free golf trip is in Rank 1. **It means that 3 out of 5 items have low effect while another two item no effect.**	☐ Free Movie ☐ Free Golf trip ☐ Free Party ☐ Free Concert ☐ Special discount in some exclusive shops	The users aware and consider that these programs have relationship to their loyalty but only free movie, free concert and special discount in some exclusive shop has been ranked as 3. However, it does not mean that free golf and free party should be terminated. This is due to the majority of respondents are female who interesting in golf less than male while golf trip is pertain to male. Hence, if we increase male's respondent, the relationship may not be the lowest.
H3o : There is **no** relationship of **Service augmentation** on the level of brand loyalty of current users of AIS **H3a:** There is relationship of **Service augmentation** on the	**Reject Ho** There is a relationship of service augmentation on brand loyalty of the current users of AIS. The average opinion of respondents about place is easily available in Rank 3.	☐ Promptly fix when found area that network non-coverage ☐ Thank you party for long-term users. ☐ Social Activity	In this part consist of service that extra from the competitors, the average rank show that users accepted that these services have relationship with their loyalty. The item that has highest

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level of brand loyalty of current users of AIS	**It means all items in service augmentation has low relationship on brand loyalty.**	.	relationship is promptly fix when AIS has been informed on the area that not in its service coverage. This is the strength of AIS, hence AIS perform a promptly action to ensure network coverage to all users.
H4o : There is **no** relationship of **Relationship pricing** on the level of brand loyalty of current users of AIS. H4a : There is a relationship of **Relationship pricing** on the level of brand loyalty of current users of AIS.	**Reject Ho** There is a relationship of relationship pricing on the level of brand loyalty of current users of AIS. The average opinion of respondents about relationship pricing is in Rank 3. **It means relationship pricing has low relationship to the brand loyalty.**	☐ Minute Plus ☐ Special price for long-term users.	This is a strategy that has least effect on brand loyalty hence, AIS should not emphasize on reducing the price or provide special price only due to it is not have much effect on brand loyalty of the current users. AIS should put more effort to emphasize to the parts that have more effect to customer's loyalty instead.

From the research result, to create brand loyalty to the current users of AIS in Bangkok, even though all four strategies provide positive effect with brand loyalty but the overall relationship is considered low. AIS should pay attention to its core service since it provides the highest level of relationship. It is important to know this, otherwise, AIS may fail in their programs or they do not match with the users. If the reason is the first one, AIS should re-think and make a study on all the weak points and correct them but if the reason is the last one, AIS should be aware and focus on the most effective program to attract the users. In this study, the least effective strategy is relationship pricing. If AIS is able to confirm that its users are non-price

sensitive but focusing on service quality and network that AIS should put more effort on both areas rather than use all strategies, especially some do not work.

When implementing CRM's strategy, it is very important to understand the result and the effect of the brand loyalty on the users. To improve the level of brand loyalty by using CRM strategies, the researcher has some recommendations as follows;

Core Service

Core service is a key strategy in relationship marketing. The ideal core service will attract new customers along with retaining the current ones. AIS has a very strong service in the users' perception, widest network coverage, clear voice quality and after sales service. What AIS should do is retain such a high quality and develop it. This strength will help AIS to be able to set a higher price and to avoid price war. The researcher believes that AIS is well aware of its strength and tries to provide better service , as we can see that AIS has initiated C-CARE program, by investing 2.8 billions bath. This C-CARE program will replace the current service operation system and which will enhance flexibility and the users will enjoy the convenience and responsiveness in every service. However, from the questionnaire's result some users complained about the wrong billing and long time waiting for the call center. AIS should make a prompt correction of these points since it will affect the overall service quality and will finally reduce customer loyalty.

Relationship Customization

AIS is the market leader who started this strategy of learning about the specific characteristics and requirements of individual customers, then capturing these data to more precisely tailor the services or programs to match individual customers. Their success is a clear evidence from the significantly higher number of users during 2001 to 2003 from 2 millions to 11.5 millions. Examples of this program are free movie for 1-2-call whose the targets are teenagers, golf trip for GSM advance users who mostly are working people who have rather high income. However, due to the limited rewards, many users were never able to reach the rewards or prizes for example for free movie which the users have to call to the specific telephone number

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for reservation but the lines are always busy and very hard to get, resulting in the users feeling that this program is unreachable for them and finally ended up with not being happy with this program.

As this type of strategy is quite easy to copy, if AIS fail to make users happy with this programs, other competitors may do it. In July, 2003 DTAC, the main competitor of AIS has launched "MY" campaign which exactly the same steps as AIS' customization programs but to fill up AIS' weak points. DTAC not only has free concerts, free movie but DTAC also is able to schedule all activities for the entire year in advance with the regulation details, which are much easier for the users than AIS', and has more tickets so that the users who want to get the tickets know how to get them and can submit the request by themselves. This campaign is very successful and may cause AIS users to be unhappy. Consequence, AIS should review their process, if AIS intends to emphasize on this strategy, AIS should make it more possible to the users' perception and win back the users' satisfaction.

Service Augmentation

Service Augmentation involves building extra into the service to differentiate it from competitive offering. This strategy will be effective only when that service is really extra and match as with the customer's need. When customers find them beneficial, this strategy can create competitive advantage to the firm. Actually, how to create service augmentation is not difficult but to keep it differentiated permanently is very hard. As if competitors see that it's a good program and imitate, this service will no longer consider service augmentation. This require the firm to always develop themselves and create different things to its customers.

Relationship Pricing

During 2001-2002, mobile phone's market was a high competitive market, price war was inevitable. However, in 2003, all operators have changed their strategy to compete with service and special programs instead but definitely, the special price for heavy users program still exists but not similar to that of price war. Relationship pricing can encourage relationship and sales at the same time. Nevertheless, from

relationship marketing's view point, marketers should no longer reduce price by setting the same program to all users anymore but should use relationship pricing strategy along with relationship customization. Offer better price for price-sensitive users or emphasize special price to long term users to retain their loyalty, not to treat all customers equal.

As Berry (1983) advised that all strategies can be used together or the firm can select only the most efficient strategies to attract and retain the customers. Using all strategies could not guarantee the best result, hence, the firms should know the strength and weakness of itself and market then select the most appropriate strategy for them. The key word of relationship marketing is to know customers and make the best use of that knowledge to create the programs and strategy to make them satisfied and happy.

CRM is not merely a trend or fashioned strategy that come and go but it is a long term strategy that the firms should be aware of and take continuous steps to ensure customers satisfaction and customers loyalty.

6.4 Further implications for the research

The following are some considerations to be made in order to forward this research.

- As this study is limited to collecting the data in the Bangkok areas only, the researcher would like to suggest that the future researcher may make a comparison research by setting the target population as the AIS' users in the region of Thailand such as Southern area, Northern area etc. This research can be furthered in several directions in order to encompass a wider vicinity to compare the effect of strategies related to CRM between Bangkok area and other regions in Thailand.

- The researcher hopes that the results from this research will be useful for the researches and the person who would like to study this topic in a more detailed manner. The finding from this research may be the driving force for further study

on some topics especially about Internal marketing strategy due to the fact that it is especially important for labor-intensive service organizations. To the extent that labor-intensive service firms can use marketing to attract, keep, and motivate quality personnel, they improve their capability to offer quality services. Offering services that consistently meet the quality requirements of target markets is clearly an important factor in building strong customer relationships in many service industries.

- Moreover for further study, some parts of the model, such as demographic factors and strategies for this research, can be applied to study a similar topic.

- The specific research that performs the insight study on the effect of Customer Relationship Management on customer's perception or attitude which can classified by demographic is an interesting issue in order to provide the idea of customer awareness.
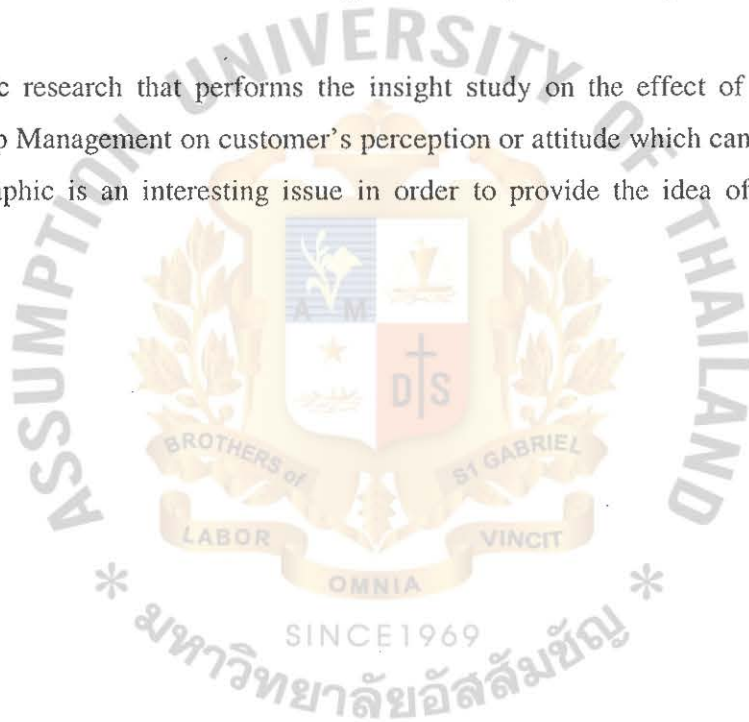
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APPENDIX A:

Questionnaire (English Version)

QUESTIONNAIRE

I am Miss Kangsadan Yanyongkasemsuk, a student of MBA in the Graduate School of Business, Assumption University, Bangkok. I am conducting a research on the topic: The effect of strategies related to customer relationship management on brand loyalty toward the current users of Advanced Info Service, Bangkok as a part of partial fulfillment for obtaining MBA degree.

Your cooperation is requested for filling this questionnaire. All information will be kept confidential and exclusively used for academic purpose.

Part I:

1. Are you a current user of AIS?

1. Yes. ☐   2. No. ☐

Part II: (Q2-Q14) Please mark (X) the answer that meets your opinion based on the degree of your satisfaction.

No relationship at all	:	1
Little relationship	:	2
Medium relationship	:	3
Great relationship	:	4
The greatest relationship	:	5

Factor Affecting Current User's Decision to Continue with AIS Service	1	2	3	4	5
2. Widest Network coverage (Nationwide)					
3. Clear voice quality without interference					
4. After sales service					
5. Free movie for 1-2-call users					
6. Free golf trip for GSM Advance users					
7. Free party for AIS users					
8. Free concert for AIS users					
9. Special discount /campaign in some exclusive shops					
10. Promptly fix when finding the area that not in AIS network coverage.					
11. Thank you party to longer users e.g.5 years,12 years around Thailand.					

12. Social activities / Social programs					
13. Minute Plus: get score for on time payment for exchanging the reward.					
14. Special price for long term users.					

Part III:

15. How long have you been using AIS?

1. 0-1 year ☐ 2. 1-2 years ☐ 3. 2-3 years ☐ 4. More than 3 years ☐

16. Will you continue to use AIS when you want to buy a new mobile phone?.

1. No ☐ 2. Maybe no ☐ 3. Not sure ☐ 4. High possibility to use ☐ 5. Definitely ☐

Part IV: Personal Data

17. Gender

1. Male ☐   2. Female ☐

18. Age

1. lower than 20 ☐   2. 20-29 ☐   3. 30-39 ☐   4. More than 39 ☐

19. Income

1. lower than 10,000 baht ☐

2. 10,000-20,000 ☐

3. 20,001-30,000 ☐

4. more than 30,000 ☐

Any other suggestions for AIS : _____

_____

_____

_____

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_____

APPENDIX B:

Questionnaire (Thai Version)

แบบสอบถาม

เรียน ท่านผู้ตอบแบบสอบถาม

       แบบสอบถามชุดนี้จัดทำขึ้นเพื่อใช้เป็นส่วนประกอบในการศึกษาและทำวิทยานิพนธ์ของนักศึกษาปริญ
ญาโท มหาวิทยาลัยอัสสัมชัญ ในหัวข้อ "ผลกระทบของกลยุทธ์ที่เกี่ยวข้องกับการจัดการความสัมพันธ์กับลูกค้า
ที่มีต่อความภักดีในตราสินค้าของบริษัทเอไอเอส" ผู้จัดทำขอความกรุณาท่านผู้ตอบแบบสอบถามทุกท่าน
โปรดตอบแบบสอบถามชุดนี้ทุกข้อ เพื่อนำข้อมูลที่ได้ไปใช้ประโยชน์ต่อการศึกษา รวมทั้งผู้ที่สนใจในหัวข้อนี้
ขอขอบคุณทุกท่านที่ให้ความร่วมมือเป็นอย่างดีในการทำแบบสอบถามชุดนี้มา ณ ที่นี้.

ส่วนที่ 1:

1. ขณะนี้คุณใช้โทรศัพท์เคลื่อนที่ในระบบเครือข่ายของ AIS?

      1. ใช่ ☐   2. ไม่ใช่ (จบแบบสอบถาม) ☐

ส่วนที่ 2: (คำถามที่ 2-14) กรุณาทำเครื่องหมาย (X) หน้าข้อที่ตรงกับระดับผลกระทบของคุณมากที่สุด

ไม่มีความ สัมพันธ์เลย 1	มีความสัมพันธ์ เล็กน้อย 2	มีความสัมพันธ์ ปานกลาง 3	มีความสัมพันธ์มาก 4	มีผลกระทบ มากที่สุด 5

ปัจจัยทางด้านบริการที่มีความสัมพันธ์กับการตัดสินใจที่จะ ใช้บริการของ AIS ต่อไป	1	2	3	4	5
3. พื้นที่ที่ให้บริการครอบคลุมทุกจุดทั่วประเทศไทย					
4. ความคมชัด และ ความแรงของสัญญาณ					
5. บริการหลังการขาย					
6. บริการดูหนังฟรีสำหรับผู้ใช้ 1-2-call					
7. บริการเล่นกอล์ฟฟรีสำหรับผู้ใช้ GSM Advance					
8. การจัดงานเลี้ยงสังสรรค์สำหรับผู้ที่เข้าเครือข่ายของ AIS (Fun and Fair Festival) ทั่วประเทศไทย					
9. การจัดฟรีคอนเสิร์ตสำหรับผู้ใช้เครือข่ายของ AIS					
10. การร่วมมือกับห้างร้านต่างๆ จัดกิจกรรมลดราคา และ โปรโมชั่นต่างๆ สำหรับผู้ที่ใช้เครือข่ายของ AIS					
11. ทำการแก้ไขอย่างรวดเร็วเมื่อได้รับการแจ้งพื้นที่ที่ไม่มี สัญญาณ.					
12. การจัดงานเลี้ยงขอบคุณผู้ใช้บริการเครือข่ายของ AIS มาเป็นเวลายาวนาน เช่น 5 ปี, 10 ปี, 12 ปี.โดยมีการจัดงานนี้ในทุกๆ ภูมิภาคต่างๆ ทั่วประเทศไทย.					
13. กิจกรรมและโครงการเพื่อสังคมต่างๆ เช่น AIS					

ยิ้มหวานวันเด็ก AIS ช่วยเหลือผู้ประสบภัยน้ำท่วม คอนเสิร์ตการกุศล				
14. การแลกของรางวัลสำหรับผู้ใช้บริการกับเครือข่าย AIS ที่ชำระค่าบริการตรงเวลา (Minute Plus) โดยทุกๆ 100 บาทที่ชำระค่าบริการตรงเวลาจะได้ 1 คะแนน และเมื่อสะสมครบตามจำนวนจะสามารถนำไปแลกของรางวัลได้				
15.การคิดราคาพิเศษหรือมอบสิทธิประโยชน์พิเศษสำหรับผู้ที่ใช้ บริการ AIS เป็นเวลานาน เช่น ในโครงการ Minute Plus สำหรับทุกๆ 100 บาทที่ชำระค่าบริการตรงเวลา ผู้ใช้บริการ 0-2 ปีจะได้ 1 คะแนน ผู้ที่ใช้บริการ 2 ปีขึ้นไปจะได้ 2 คะแนน และสำหรับผู้ใช้บริการ 5 ปีขึ้นไปจะได้รับคะแนนเพิ่มเป็น 3 คะแนน				

ส่วนที่ 3:

16. ระยะเวลาที่ใช้บริการของ AIS?

    1. 0-2 ปี ☐   2. ☐ ปี   ☐ -8 ปี   ☐ มากกว่า 9 ปี

17. ถ้าคุณจะซื้อโทรศัพท์เคลื่อนที่เครื่องใหม่ คุณจะยังใช้บริการของ AIS ต่อหรือไม่ ?

1. ไม่ใช้ ☐   2. คาดว่าจะไม่ใช้ ☐   3. ไม่แน่ใจ ☐   4.น่าจะใช้ต่อ ☐   5.ใช้ต่อแน่นอน ☐

ส่วนที่ 4: ข้อมูลส่วนตัว

18. เพศ

    1. ชาย ☐   2. หญิง ☐

19. อายุ

    1. ต่ำกว่า 20 ปี ☐   2. 20-29 ☐   3. 3 9 ☐   4. มากกว่า 40 ปีขึ้ ☐

20. ระดับรายได้โดยเฉลี่ยต่อเดือน

    1. ต่ำกว่า 10,000 บาท ☐   2. 10,001-20,000 บาท ☐

    3. 20,001-30,000 บาท ☐   มากกว่า 40,000 บาท ☐

คำแนะนำอื่นๆสำหรับบริการของ AIS : _____

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