



## RELATIONSHIP MARKETING

<b>Course code</b>	<i>MNG153</i>
<b>Course title</b>	<i>Relationship marketing</i>
<b>Type of course</b>	<i>Main/Elective</i>
<b>Year of study</b>	<i>3<sup>rd</sup></i>
<b>Semester</b>	<i>Fall</i>
<b>ECTS</b>	<i>6 credits: 48 hrs. class work hours, 112 individual work hours, 2 hours consultation</i>
<b>Coordinating lecturer</b>	<i>Prof. dr. Vida Skudiene, e-mail: <a href="mailto:vidsku@ism.lt">vidsku@ism.lt</a></i>
<b>Study form</b>	<i>Full-time classes</i>
<b>Course prerequisites</b>	-
<b>Language of instruction</b>	<i>English</i>

### Annotation

Students will acquire, apply and, on reflection, critically evaluate the usefulness of relationship marketing theory to organizations. As a result of this they may contribute to the development of such theory. Participants will be encouraged to critically assess relationship marketing theories and, in discussion with their peers, consider the application of such theories to organization through case analysis. They will be required to prepare an article PP presentation, a case analysis paper and PP presentation to demonstrate their ability to apply theory to the analyzed organization and critically review the relevance and validity of such theory to the situation.

### Aim

This module is concerned with the understanding of marketing strategies aimed at delivering quality, securing repeat business and generating customer loyalty. All these elements form the foundations for successful customer relationship marketing.

### Teaching and learning methods

The module, based on an interactive approach to lecture and seminar sessions, will draw upon the directed learning undertaken and participants' own experiences. Throughout, the emphasis will be on high levels of participant participation, both individually and within small groups or teams. Participants can therefore expect the reflective-practitioner approach to learning to be embedded in all seminar sessions through undertaking activities which facilitate them to apply theory to 'real-life' situations, critically analyzing and making recommendations for appropriate ways. Directed learning will center upon a range of activities including pre-reading, preparation for interactive presentations, case analyses, extended reading, reflection and research.

### Learning outcomes

<b>Subject learning outcomes (SLO) At the end of the course the students will be able:</b>	<b>Study methods</b>	<b>Assessment methods</b>
SLO1. <b>Knowledge and its application.</b> Describe the main organizational behavior theories and apply them to the practical issues.	Interactive discussions, seminars, case analysis, independent studies.	Midterm, case analysis paper and presentation, examination.
SLO2. <b>Analysis.</b> Analyze a company and select appropriate relationship marketing tools to solve the situational problems	Seminars, interactive discussions, case analysis, independent studies.	Midterm, case analysis paper and presentation, examination.
SLO3. <b>Research skills.</b> Conduct the analysis of a company internal and external situation by employing data analysis frameworks: SWOT, PESTEL.	Seminars, discussions, case analysis, independent studies.	Midterm, case analysis paper and presentation, examination.
SLO4. <b>Special abilities.</b> Apply a systematic, critical and constructive thinking in relationship	Seminars, discussions, case analysis, independent studies.	Midterm, case analysis paper and presentation, examination.



marketing problem identification and use a cognitive theoretical framework		
SLO5. <b>Social abilities.</b> Communicate and work effectively in an intercultural and interdisciplinary group.	Seminar, discussions, case analysis preparation in work groups and presentation.	Case analysis paper and presentation.
SLO6. <b>Personal abilities.</b> Demonstrate independent learning skills necessary to continue studies on a higher level.	Seminar, case analysis, independent studies.	Midterm, case paper and presentation, examination.

**Students' academic integrity**

In the study process each student must:

- participate actively in both preparation, discussion, and presentation;
- avoid to provide a free-ride for your team/group members and to cover up their negligence and/or to seek a free-ride for yourself;
- study all assigned chapters in the textbook before the workshops and case analyses;
- know all the material discussed during classes, even if it is not in the texts;
- work cooperatively and effectively within a group investigating an issue and presenting the result to the class during the workshops;
- present the results of the group work and reflections cogently with others;
- discuss openly and deeply in workshops and case analyses;
- stimulate class participants to be involved in the case analyses and workshop discussions;
- participate in all the workshops and case analyses;
- prepare the assignments on time.

**Quality assurance**

Interactive teaching methods, interim knowledge assessment and self-evaluation, case study and workshop discussions, individual and group work assignment will be employed to enhance the quality of studies.

**Cheating prevention**

Teaching and evaluation methods of the course favor learning and creativity as opposed to cheating. All submitted materials are expected to be the product of the one's own thought process. Information from other sources may be used; however credit must be given, by using in-text citations or footnotes. If the work of someone else (whether it is quoted or paraphrased) is not properly cited (or footnoted) in the assignment, that is plagiarism.

In cases of cheating and plagiarism, the student(s) will be subject to the consequences outlined in the The Code of Ethics of the university ([http://www.ism.it/uploads/files/dir302/dir15/8\\_0.php](http://www.ism.it/uploads/files/dir302/dir15/8_0.php)).

**Plagiarism.** Plagiarism is considered a breach of academic integrity. In case of plagiarism incident a student/group will result in an automatic Failure in this course.

**Course content**

Date	Topic	Class hours	
		Theory	Practice
	<b><u>Topic 1: Introduction to RM. Definition &amp; context</u></b> Lesson 1. Introduction. Course requirements Lesson 2. Mind-mapping project. Group work. <b><u>Topic 2. Lesson 3. The quiz. Rethinking marketing.</u></b>	2	4
	<b><u>Topic 3: TM vs RM.</u></b> Lesson 1. TM vs RM Lesson 2. Case 1. Starbucks: Delivering Customer Service (Team 1 presenters, Team 10 - experts.) Lesson 3. Case 2. Disney Resort Paris (Team 2 presenters, Team 9 – experts)	2	4



Date	Topic	Class hours	
		Theory	Practice
	<u><b>Topic 4: Relationships</b></u> Lesson 1. Relationships Lesson 2. Case 3. EMC: Delivering customer centricity (Team 3 presenters –Team 8 experts) Lesson 3. Case 4. The Pepsi Refresh Project: A Thirst for Change (Team 4 presenters –Team 7 experts)	2	4
	Midterm Topics 1-4 & Cases 1-4 Consultation		6
	Lesson 1. Guest speaker TBA. Lesson 2. Case 5. Olympics: loyalty battles (Team 5 presenters - Team 1 experts) Lesson 3. Case 6. Cabo San Viejo: Rewarding Loyalty (Team 6 presenters -Team 2 experts)	2	4
	<u><b>Topic 5. Relationship economics</b></u> Lesson 1. Relationship economics Lesson 2. Case 7. Customer Profitability & CRM at RBC (Team 7 presenters –Team 3 experts) Lesson 3. Case 8. From theme park to resort: Customer information management at Port Aventura (Team 8 presenters –Team 4 experts)	2	4
	<u><b>Topic 6. Core partnerships</b></u> Lesson 1. Managing the relationships Lesson 1. Case 9. LEGO® Products: Building Customer Communities Through Technology (Team 9 presenters – Team 5 experts) Lesson 2. Case10. Filene’s basement (Team 10 presenters – Team 6 experts)	2	4
	<u><b>Topic 7. RM strategy</b></u> <u><b>Topic 8. RM implementation &amp; take away</b></u> Guest speaker TBA	4	2
<b>Total</b>		<b>16</b>	<b>32</b>

#### Self-study and assessment

Assignment	Number of self-study hours	Percentage of the total grade,%
Case analysis presentation (2 case analysis PPP)	35	30 (15 + 15)
Midterm	35	30
Final exam	40	30
Attendance	-	10
Consultations	2	-
<b>Total</b>	<b>112</b>	<b>100</b>

#### Assignments

- **Case study analysis.** In case study analysis you seek to explain “why” certain behaviors happened, using appropriate theory, and supplement it with your common sense and scientific articles. The case study analysis counts 30% of the final grade. **Students work in groups to prepare the assigned 2 Case Analyses PPP (15%, each).** The PP presentation of a case analysis should be prepared and delivered on the assigned day. Both teams (presenters and experts) should prepare 10min. Power Point presentation of the assigned cases. Two groups will analyze each case: presenting team and experts’ team. After the presentation of the presenting team, the experts will have to cross-examine (at least 4 questions) the presenting group and then present their case analysis of the same case. After the teams presentation the whole class discussion is welcome.

**The case analysis (presentation) should include these main parts:**

1. **Introduction.** The introduction should include a brief discussion of the relevance and the significance of the case main discussion topic from organizational behavior aspect. The analysis problem, aim and objectives should be clearly defined. The introductory part may also include the description of the sequence in which the intended case analysis has been carried out and provide an overview of the key structural parts of the analysis.
2. **Situation analysis and problem identification. Company background:** Here you describe the background information about the company: its history, size, founders, mission and vision, overall business strategy, the position in the market, offering in the market, and how the company create and capture value for the employees. **Marketing management challenges:** Describe the marketing challenges in the company. What are the main marketing challenges this company is facing? What the company has done to tackle these challenges? Here you present and analyze many aspects of the relationship marketing issues of this company in both merits and shortcomings. Provide the SWOT analysis as a conclusion of this analysis. Provide the MIND-MAP of the main issue under discussion/problem to be analyzed.
3. **Theoretical survey relevant to the situation.** Provide possible theoretical framework (using relationship marketing theories) that will lead to appropriate solutions. Typically it is suggested to organize this part around answering the main marketing area question. Here you reflect on your thoughts on to what extent you find marketing theories or theoretical framework useful for analyzing the problem and in which cases you find the applicability and generalizability of theories and theoretical frameworks are limited or even questionable.
4. **Evaluation of the alternatives.** Provide 2-3 alternative recommendations based on the theoretical survey. For each alternative, list positive and negative consequences. By evaluating costs and benefits, you can possibly modify a potential solution to overcome the negative consequences. It is helpful to look for several consequences. You can employ 4-6 assessment criteria (time, money, human resources, technology and material resources, etc.).
5. **Suggested solution.** Make a decision and provide rationale for it. Making a decision is an important part of the analysis. Tell what your decision is, the possible consequences, and why you selected the decision. In this part you provide the concrete suggestions how to solve the challenges that the company is facing regarding that particular issue (loyalty, value creation, satisfaction, service quality, etc.). Provide the preliminary plan how to implement the solution (time and financial evaluation). Tell the possible consequences of the solution, and why you selected the decision.
6. **Conclusion.** What are your "lessons learned" from the case? What did you learn by analyzing the case? What theoretical concepts were supported or refuted, and why? Are there any new concepts that are suggested by your analysis?

**Midterm** counts 30% of the final grade. The midterm is based on the required readings. The midterm will cover 1-4 topics presented in the syllabus and 1-4 cases analyses discussed in the classes.

**Exam.** The final examination counts 30% of the final grade. The exam is based on the required readings. The exam will cover 5-6 topics presented in the syllabus and 5-10 cases analyses discussed in the classes.

**Re-take of the exam.** Students who receive a failing final grade shall have the right to re-take the exam during the re-sit week, which will comprise 70% of the final grade. Case analysis cannot be retaken at a later time, unless a student has been granted a special permission from the study department.

#### Textbook

Egan, John (2008). Relationship Marketing. Exploring relational strategies in marketing. 3rd ed. Financial Times/Prentice Hall Stone

#### Additional books

1. Gamble, P. R., Stone, M., Woodcock, N., & Foss, B. (2006). Up close & personal? Customer Relationship marketing at work. Kogan Page. London & Philadelphia
2. Shajahan, S. (2004). Relationship Marketing. McGraw-Hill Offices
3. Little, E. & Marandi, E.E. (2003). Relationship Marketing Management. Thomson
4. Hougard, S. & Bjerre, M. (2003). Strategic Relationship Marketing. Springer

#### Articles

1. Gummesson, E. (2002). Relationship Marketing in the New Economy. Journal of Relationship Marketing, Vol. 1(1)
2. Rao, S. & Perry, Ch. (2002). Thinking about relationship marketing: where are we now? Journal of Business & Industrial Marketing, Vol. 17, No. 7, pp. 598-614.
3. Anderson, J.C., Narus, J.A., and Van Rossum, W. (2006). Customer value propositions in business markets. Harvard Business Review
4. Gounaris, S.P., Tzempelikos, N.A., Chatzipanagiotou, K. (2007). The Relationships of Customer-Perceived Value, Satisfaction, Loyalty and Behavioral Intentions Journal of Relationship Marketing, Vol. 6(1)
5. Kumar, V. & Rajan, B. (2009). Profitable customer management: measuring and maximizing customer lifetime value. Management Accounting Quarterly, Vol. 10, No. 3.

6. Leverin, A. & Liljander, V. (2006). Does relationship marketing improve customer relationship satisfaction and loyalty? *International Journal of Bank Marketing*. Vol. 24, No. 4, pp. 232-251.
7. Payne, A., Ballantyne, D., Christopher, M. (2005). A stakeholder approach to relationship marketing strategy. The development and use of the "six markets" model. *European Journal of Marketing*. Vol. 39, No.7/8, pp. 855-871.
8. Palmatier, R.W., Scheer, L.K., and Steenkamp, Jan-Benedict, E.M. (2007). Customer Loyalty to Whom? Managing the Benefits and Risks of Salesperson-Owned Loyalty. *Journal of Marketing Research* 185 Vol. XLIV (May 2007), 185–199
9. Morgan, R.M. & Hunt, S.D. (1994). The Commitment-Trust Theory of Relationship Marketing. *Journal of Marketing*, Vol. 58, No. 3, pp. 20-38.
10. Pedron, C.D., Saccol, A.Z. (2009). What Lies behind the Concept of Customer Relationship Management? Discussing the Essence of CRM through a Phenomenological Approach. *Brazilian Administration Review*.
11. Rust, R.T., Moorman, Ch., and Bhalla G. (2010). Rethinking Marketing. *Harvard Business Review*, January-February
12. Bush, Robert, P., Underwood III, James H., Sherrell, Daniel L. (2007). Examining the Relationship Marketing, Marketing Productivity Paradigm: Establishing an Agenda for Current and Future Research. *Journal of Relationship Marketing*, Vol. 6(2)