

7.9: Identifying Best Customers

Learning Objectives

- Explain how retailers use CRM to identify their best customers

We have seen how the development of powerful CRM systems can provide valuable information to retailers. The more any business knows about their customers, the better they can meet their needs. This is even more crucial for retailers as they must anticipate demand in advance and invest in goods prior to demand.

Using data analyzed from their CRM system, retailers can drill down to find their best customers. The definition of “best customers” may vary from company to company, but in general businesses look for purchase frequency, average purchase amount, lack of returns, response to survey requests, positive reviews on surveys, and posting positive opinions on social media. Further, retailers can learn even more about their best customers by engaging with them using “Relationship Marketing” techniques.

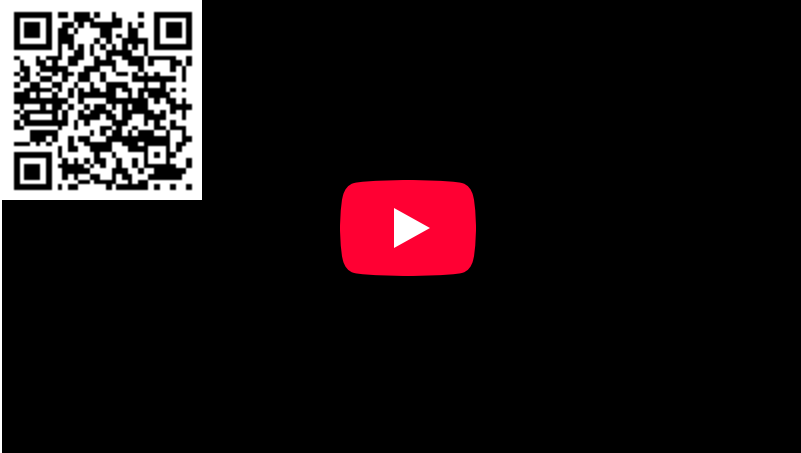
Relationship marketing is a facet of customer relationship management (CRM) that focuses on customer loyalty and long-term customer engagement rather than shorter-term goals like customer acquisition and individual sales.

One-to-one marketing is a CRM strategy where service is personalized for every customer in order to foster customer loyalty. One-to-one marketing has become even more prevalent with the increase in online shopping. Companies like Netflix, eBay, iTunes and Amazon record every single customer click and categorize every purchase in order to construct a detailed customer profile. With that data, these online retailers are able to construct individual marketing plans for each customer

Practice Questions

<https://assessments.lumenlearning.co...sessments/9213>

Video - Sneaky Ways Walmart Gets You To Spend Money



Funny Video - Customers Every Retail Worker Dreads



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