

## 7.5: Customer Database

### Learning Objectives

- List the types of data stored in a customer database

One of the most powerful aspects of a CRM system is the analysis that can be generated leading to good business decisions. Having detailed information about individual customers and their activities is essential to being able to foster a deeper relationship with them. For retailers, CRM systems store three primary categories of information:

1. Customer profiles
2. Customer activities
3. Customer management



Since CRM systems evolved from contact information applications from the 1960s and 1970s, customer profile data would include customer's names, contact information, birthdays, etc.

Customer activity would include purchase history data: what is being purchased, how much is being spent, and how frequently the customer is purchasing.

Customer management data allows the retailer to keep track of automated outreach programs, loyalty programs, and cross-marketing ties to other stores and sites.

CRM systems can also aggregate customers into groups based on location, spend amount, and other factors so that retailers can measure overall impact of marketing activities.

For example, in 2012 Mercedes Benz (MB) identified a major business objective to improve their overall customer experience. MB developed a CRM project aimed at customers in various stages of the relationship lifecycle. They created the "RFID Tap to Like" program for the Canadian auto show utilizing Facebook and RFID technology. At the auto show, attendees could interact with the exhibits by simply tapping to like selected vehicles. With this simple process, attendees would receive uploaded pictures and customized e-brochures of their favorites and MB would receive valuable customer information, including their preferences of the new auto models.

### Video - Optimize Customer Data in Real Time with Extreme Applications for Retail



### Practice Questions

<https://assessments.lumenlearning.co...sessments/9210>

### Contributors and Attributions

CC licensed content, Original

- Customer Database. **Authored by:** Bob Danielson. **Provided by:** Lumen Learning. **License:** [CC BY: Attribution](#)

CC licensed content, Shared previously

- Woman out shopping in a city. **Authored by:** rawpixel.com. **Provided by:** rawpixel.com. **Located at:** <https://pxhere.com/en/photo/1435417>. **License:** [CC0: No Rights Reserved](#)

---

7.5: Customer Database is shared under a [not declared](#) license and was authored, remixed, and/or curated by LibreTexts.