

Relationship Marketing

We are told that mass marketing is dead and that the Great New Thing is relationship marketing, and true to form, countless MBA-Joe's immediately charge off in pursuit of the latest promised land. However, as usual in our profession, the reality is rather less black and white than that. Reports of the death of mass marketing have been greatly exaggerated; and relationship marketing, far from being new, is older than the wheel.

Firstly, on the apparent death of mass. Most marketers, and especially ad-guys, make the mistake of equating mass media with mass marketing. While mass media is clearly losing its fizz, most companies still remain wedded to all the other components of mass marketing. As long as you have mass production (one product for all), mass distribution (available to all), and mass pricing (one price point for all), then you are still in the mass marketing game, no matter how you choose to get your message out.

So the question for most businesses is as follows: given the decline in efficacy of mass advertising and the plethora of information-age new technologies, are we better off trying to sell our mass product or service with a mass message or by building individual customer relationships?

There is nothing new about selling through one-on-one relationships. Any artisan or merchant from the dawn of civilization down to the Industrial Revolution would have been stupefied to learn that it could ever be any different. Even the inventors of mass advertising – the American Patent Medicines industry – saw their advertising efforts as mere adjuncts to a relationship route to market. Their fortunes were built on a vast army

of general store owners, cork-cutters, buggy whip makers and so on who pushed the elixirs onto their existing customer relationships, one at a time.

And it's not as though relationships ever went away. The greatest mystery of the mass marketing phenomenon is that mass advertising of undifferentiated products and services could build deep and enduring relationships at the individual level. Our grandfathers and grandmothers had relationships with their Chevys and Maytags that we can only dream about. But even in the heyday of the mass message, relationship marketing was creating fortunes for the Tupperware company and many others. What has changed today is that technology now permits the creation of one-to-one relationships directly between the product or service provider and the end consumer, rather than through intermediaries. But as we all know from PowerPoint's multitude of slide transitions, technical feasibility in itself can make things worse. Companies need to be very, very wary of treading this path because the implications are huge.

Relationships by definition are a two-way street, yet marketers have never listened to individual consumers. With your mass message, if I don't like it, I will just ignore it. Money down the drain, but no harm done. However, start trying to build a relationship with me, and if I don't like it, I will wreak a terrible vengeance. If you ask me what are my preferences and then you either don't listen or don't hear, as I will judge by how you respond to me and by your ability to deliver to me EXACTLY what I asked for, WHEN I want it, at a good price, I will be extremely pissed at you.

If you are not prepared to converse with me as an individual and then to customize your product or service to my unique specifications, don't bother trying to build a relationship with me as you have nothing to offer but disappointment.