### SESSION PLAN

**COURSE:** ABE Level 6 Strategic Marketing Relationships

**ELEMENT:** Element 1 - Relationship marketing

## **LEARNING OUTCOME 1**

**1. Critically review relationship marketing as a strategic marketing approach (Weighting 25%)**

1.1 Critically review the development of relationship marketing

1.2 Critically discuss the scope of relationship marketing

1.3 Evaluate the application of relationship marketing orientation

1.4 Compare and contrast the benefits of relationship marketing with transactional marketing

**NUMBER OF SESSIONS:** Four - approximately twelve to sixteen hours in total, plus self-study.

**SESSION TOPICS:**

Session 1: The development of relationship marketing

Session 2: The scope of relationship marketing

Session 3: The application of relationship marketing orientation

Session 4: Comparison of the benefits of relationship marketing with transactional marketing

**Note to tutors: this is the recommended session plan for learning outcome 1, element 1 of ABE Level 6 Strategic Marketing Relationships. You should follow the plan, using the resources (referenced as ‘slides’ here) and activities provided. It is important to enhance all sessions with local examples and case studies, involving the learners ACTIVELY wherever possible.**

### SESSION 1: The development of relationship marketing

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 4-5 hours | Introduction to session and assessment criterion | Use file: **6USMR Tutor Presentation E1.pptx**  Assessment criterion 1.1 | 1-4 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Definition of marketing | * What is marketing? * Definition of marketing * Facilitate **Class discussion**, taking feedback from each pair. Draw discussion together by showing the Chartered Institute of Marketing definition of marketing and comparing it to the learners’ definitions. | 5-6 | Contribute to **Class discussion**  Why do companies market their products and services?  What is the main purpose of marketing? |  |
| Development of relationship marketing | Development of relationship marketing (RM) – industrial revolution, production era, product era, marketing era, relationship marketing era.  Refer to Study Guide to expand on RM’s development stages. | 7 | Listen, make notes and ask questions as necessary. |  |
| 4 Ps of the marketing mix | Explain the four variables of the marketing mix – the product (or service), the place – these are the distribution channels for the product, the price, the promotion – how the product or service is advertised and communicated to customers.  Facilitate **Activity 1.**  Debrief the activity, taking examples from each small group. | 8 | **6USMR E1 LO1 Activity 1** – Small group activity  Take a product that is well known in your country and describe how the four variables of the marketing mix apply to this | **6USMR E1 LO1 Activity 1 – 4 Ps of the marketing mix** |
| Relationship marketing | Definition of relationship marketing.  Facilitate **Class discussion.**  Stress the difference between one-off sales (transactional marketing) and long-term relationships (RM). | 9 | Contribute to **Class discussion**.  What is the difference between transactional marketing and relationship marketing? |  |
| 7 Ps of the marketing mix | Explain the three additional variables of the extended marketing mix – the physical evidence, the people and the process.  Facilitate **Activity 2.**  Debrief the activity, taking examples from each small group.  Stress the importance of the additional 3 Ps in the marketing mix, particularly in relation to the marketing of services. | 10 | **6USMR E1 LO1 Activity 2** – Small group activity.  Watch the video: <https://www.youtube.com/watch?v=ys7zx1Vc9po>  Take notes about each of the seven elements of the extended marketing mix.  Select a service that is well known in your country such as a banking service, transport or catering service and describe how the seven variables of the marketing mix apply to this. | **6USMR E1 LO1 Activity 2: The 7 Ps of the marketing mix** |
|  | Benefits of relationship marketing | Facilitate **Class discussion** then, show slide:  Benefits of relationship marketing to summarise the discussions. | 11 | Contribute to **Class discussion.**  What are the benefits of relationship marketing? |  |
|  | Globalisation | Explain how globalisation has arisen from increased accessibility and transparency of information and spread of technology, population trends and governance.  Facilitate **Activity 3.**  Debrief the activity, taking examples from each pair. | 12 | **6USMR E1 LO1 Activity 3**: activity in pairs:  List three brands are you aware of which are global (i.e. international brands). Critically assess how, if at all, the marketing of these products differs to how non-global brands are marketed. | **6USMR E1 LO1 Activity 3: The marketing of global brands** |
|  | Development of relationship marketing via services marketing | Facilitate **Class** **discussion** then, show slide to summarise the discussions.  Services marketing has grown in importance as the service economy has developed.  Services are:   * Intangible * Inseparable * Perishable * Variable.   Facilitate **Activity 4.**  Debrief the activity, asking for feedback from each group. | 13 | Contribute to **Class discussion.**  How is buying a service different to buying a product?  **6USMR E1 LO1 Activity 4**: Small group activity  Read the PDF of the article: Problems and strategies in services marketing by VA Zeithaml.  Referring to the section entitled ‘Discussion’ on page 43 of the article, critically evaluate the authors’ conclusions about differences amongst service firms and service marketing problems. Present your thoughts to the rest of the group. | **6USMR E1 LO1 Activity 4: Services marketing** |
|  | Business to business (B2B) marketing | Explain that B2Bmarketing involves the sale of a company’s product or service to another company or organisation.  Facilitate **Class discussion**. Stress the key difference in B2B rather than B2C (Business to Consumer) marketplaces is the close buyer-seller relationship. | 14 | Contribute to **Class discussion**.  It is considered that there are four key customer bases in B2B marketing – what do you consider these to be?  How are B2B marketplaces different to Business to Consumer (B2C) marketplaces? |  |
|  | Development of digital marketing | Explain the definition of digital marketing and that in response to the increased usage of the internet, companies have placed more emphasis on digital marketing so their brands are now always available to customers.  Facilitate **Activity 5.**  Debrief the activity, asking for feedback from each small group. | 15 | **6USMR E1 LO1 Activity 5**: Activity in pairs  Activity in pairs where each person in the pair takes a different question, researches this and then together the pair presents to the rest of the group.   * Research the usage of mobile phones in your country, what percentage of people have these? * Describe the impact of the increasing use of technology in consumer and business marketplaces. | **6USMR E1 LO1 Activity 5: Digital marketing** |
|  | Relationship marketing in non-Western countries | Stress that by understanding local norms, businesses can develop targeted marketing campaigns which build long-term customer relationships.  Facilitate **Class discussion.** | 16 | Contribute to **Class discussion.**  How important are relationships in our culture?  What leads you to this conclusion?  What are the implications for relationship marketing? |  |
|  | Homework | Brief on Homework Activity |  | Listen and ask questions as necessary  Individual activity as homework  **6USMR E1 LO1 Activity 6**: Mini essay: List the key steps in the development of relationship marketing. Critically review which are the most important aspects of its development. | **6USMR E1 LO1 Activity 6: Homework mini essay** |
|  | Review of session and assessment criterion |  |  | Listen and ask questions as appropriate. |  |

### SESSION 2: The scope of relationship marketing

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| 3-4 hours | Introduction to session and assessment criterion | **6USMR Tutor Presentation E1.pptx**  Learning outcome 1.2 | 17 | Listen and make notes.. |  |
|  | Review of homework | Facilitate **feedback** on LO1 Activity 6: Homework mini essay: List the key steps in the development of relationship marketing. Critically review the question of which are the most important aspects of its development. |  | Contribute to discussion.  Listen and make notes. | **6USMR E1 LO1 Activity 6: Homework mini essay** |
|  | Different schools of relationship marketing | Different schools of relationship marketing – Nordic, IMP Group, Cranfield School. Refer to study guide.  Facilitate **activity in three groups**. Take feedback and ensure that each group accurately describes the school of thought they have been allocated. | 18 | **Activity in one of three groups:**  Divide learners into three small groups and allocate one school of relationship marketing to each group.  Refer to the descriptions in the study guide.  Ask each group to describe to the others the school of relationship marketing they have been allocated |  |
|  | 6 Markets model | Explain the model: referral, supplier, internal, employee, customer, influencer.  Facilitate **Activity 7.**  Debrief the activity, asking for feedback from each small group. | 19 | **6USMR E1 LO1 Activity 7:** Small group activity.  Identify the six markets for Procter and Gamble. | **6USMR E1 LO1 Activity 7: 6 Markets model** |
|  | Networks | Explain a network is a group or system of interconnected people or things. People in business have a web of connections and exchanges with other people. One actor (person) can be connected directly and indirectly to other actors through relationships where goods and services are exchanged.  Facilitate **Activity 8.**  Debrief the activity, asking for feedback from each small group. | 20 | **6USMR E1 LO1 Activity 8:** Small group activity.  Identify the business networks.Critically assess the implications of networks for marketers. | **6USMR E1 LO1 Activity 8: Identify the business networks** |
|  | Segmentation | Explain that segmentation is the act of dividing into segments. In marketing terms, this means subdividing the market into clearly definable segments of customers with similar wants and needs, carefully researching each segment’s needs and managing key relationships.  Facilitate **Class discussion.** | 21 | Contribute to **class discussion**  What are the advantages of segmentation?  What are the disadvantages of segmentation? |  |
|  | The holistic marketing approach | Explain this is the idea that unifying a market based on shared goals is a better approach than segmenting it.A broad, integrated perspective is necessary to attain the best solution.  Explain that the approach encompasses relationship marketing, social responsibility marketing, integrated marketing and internal marketing.  Facilitate **Activity 9.**  Debrief the activity, asking for feedback from each small group. | 22-23 | **6USMR E1 LO1 Activity 9** Small group activity  Read the article:  <https://www.feedough.com/holistic-marketing/>  Research on the internet one example of a brand that has adopted a holistic marketing approach and critically assess how it has achieved this. | **6USMR E1 LO1 Activity 9: Holistic marketing approach** |
|  | Review of session and assessment criterion |  |  | Listen and ask questions as appropriate. |  |

### SESSION 3: The application of relationship marketing orientation

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| 3-4 hours | Introduction to session and assessment criterion | **6USMR Tutor Presentation E1.pptx**  Learning outcome 1.3 | 24 |  |  |
|  | Trust and commitment | Successful relationships – trust and commitment  Explain that successful relationships are characterised by high levels of trust and commitment  Facilitate **Activity 10.**  Debrief the activity, asking for feedback from each pair.  Ten factors that affect whether people trust  Relate Hurley’s research that there are ten factors to trust (decision maker factors and situational factors) to the feedback that the learners have given about why they trust a brand. | 25-26 | **6USMR E1 LO1 Activity 10**: Appreciative enquiry in pairs.  Prepare and conduct an interview with your partner about brands which they trust and feel committed to and the reasons why this is. | **6USMR E1 LO1 Activity 10: Brands that you trust** |
|  | Customer bonding | Explain the five stages of bonding: awareness, perception, identity, relationship, community and advocacy. | 27 | Listen and ask questions as necessary. |  |
|  | Empathy | Explain this is the ability to understand and share the feelings of another person. A customer has both emotional needs and functional needs when they buy a product or service.  Facilitate **Class discussion.**    Facilitate **Activity 11.**  Debrief the activity, asking for feedback from each group. | 28 | Contribute to **Class discussion.**    What do you understand by the term ‘empathy’?  **6USMR E1 LO1 Activity 11**: Small group activity  Read the article:  [www.prophet.com/downloads/articles/Aaker\_Beyond%20Functional%20Benefits.pdf](http://www.prophet.com/downloads/articles/Aaker_Beyond%20Functional%20Benefits.pdf)  Critically assess how marketers can use empathy in marketing. Select a well-known brand and provide an example of its functional and emotional benefits. | **6USMR E1 LO1 Activity 11: Functional and emotional benefits** |
|  | Reciprocity | Explain reciprocity is the human need and tendency to want to give something back when something is received  Facilitate **Class discussion.** | 29 | Contribute to **Class discussion**  Give examples of when you have experienced reciprocity.  How can reciprocity can be used in relationship marketing? |  |
|  | Shared values | Explain this is a belief that both the brand and the consumer have about a brand’s higher purpose or broad philosophy. Explain how having shared values, attracts customer loyalty and retention as customers ‘buy-in’ to the brand on an emotional level.  Facilitate **Activity 12.**  Debrief the activity, asking for feedback from each group. | 30 | **6USMR E1 LO1 Activity 12**: Small group activity  Research and provide an example of an organisation in your country that has shared values*.* Explain how this impacts customer relationships. | **6USMR E1 LO1 Activity 12: Shared values** |
|  | Customer engagement | Explain the definition and that customer engagement is an end to end process.  Facilitate **Class discussion.** | 31 | Contribute to **Class discussion**  In what ways can businesses listen to their customers?  What media can marketers use on-line to engage with customers?  What media can marketers use off-line to engage with customers? |  |
|  | Customer engagement software | Explain this is software that manages customer communications and interactions through a variety of channels and touchpoints.  This automation helps businesses to communicate with customers on multiple platforms on a 24-hour basis.  Facilitate **Class discussion.** | 32 | Contribute to **Class discussion**  What is an example of a company that uses customer engagement software? |  |
|  | Measurement of customer engagement | Facilitate **Activity 13.**  Debrief the activity, asking for feedback from each group.  Show and discuss examples of possible measures. Point out that engagement software can also be used. Explain we will discuss this in more depth in Element 4. | 33 | **6USMR E1 LO1 Activity 13**: Small group activity  <https://www.astutesolutions.com/blog/articles/what-you-need-to-know-about-measuring-customer-engagement>  Brainstorm ways in which organisations can measure their levels of customer engagement. | **6USMR E1 LO1 Activity 13: Measurement of customer engagement** |
|  | Homework | Brief on **Homework Activity 14.** |  | Listen and ask questions as necessary  Individual activity as homework  **6USMR E1 LO1 Activity 14**: Homework  Research and write a mini-essay on a brand that epitomises one or more of the following characteristics, critically assessing how it achieves this:   * High levels of trust and commitment * Customer bonding (advocacy) * High levels of empathy with the customer * Reciprocity * Shared values * High levels of customer engagement. | **6USMR E1 LO1 Activity 14: Mini essay on a brand** |
|  | Review of session and assessment criterion |  |  | Listen and ask questions as appropriate. |  |

### SESSION 4: Comparison of the benefits of relationship marketing with transactional marketing

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| 2-3 hours | Introduction to session and assessment criterion | **6USMR Tutor Presentation E1.pptx**  Learning outcome 1.4 | 34 | Listen and ask questions as necessary |  |
|  | Review of homework | Facilitate **feedback** on LO1 Activity 14: Homework mini essay on brand. Research and write a mini-essay on a brand that epitomises one or more of the following characteristics, critically assessing how it achieves this:   * High levels of trust and commitment * Customer bonding (advocacy) * High levels of empathy with the customer * Reciprocity * Shared values * High levels of customer engagement. |  | Contribute to discussion  Listen and make notes. | **6USMR E1 LO1 Activity 14: Mini essay on a brand** |
|  | Transactional versus relationship marketing | Facilitate **Class discussion.**   * Transactional marketing * Explain transactional marketing is a strategy aimed at generating a high number of individual sales. It targets customers making one off sales transactions and it aims to acquire new customers. * Relationship marketing * Explain this emphasises on-going customer relationships, customer satisfaction, retention and future interaction with the company.   Facilitate **Activity 15.**  Debrief the activity, asking for feedback from each pair. | 35-36 | Contribute to **Class discussion**  What is a definition of transactional marketing?  What is a definition of relationship marketing?  **6USMR E1 LO1 Activity 15**: Activity in pairs  Research, compare and contrast the benefits of transactional marketing and relationship marketing. | **6USMR E1 LO1 Activity 15: Compare and contrast** |
|  | Added value of long-term relationships | Summarise the added value that long-term relationships bring. | 37 | Listen and ask questions as necessary. |  |
|  | Churning and switching costs | What are churn costs? What are switching costs?  Explain that a churn cost refers to the cost of lost revenue an organisation incurs in relation to the proportion of customers who leave a business during a given time span.  A switching cost is the cost (both tangible and intangible) that a customer incurs when switching brands.  Facilitate **Class discussion.**  Facilitate **Activity 16.**  Debrief the activity, asking for feedback from each group. | 38 | Contribute to **Class discussion.**  What are churn costs?  What are switching costs?  **6USMR E1 LO1 Activity 16**: Small group activity  a) List examples of industry sectors where there may potentially be high churn costs.  b) List two businesses that you are aware of who have high switching costs.  c) List two businesses that you are aware of who have low switching costs.  d) Identify a brand/company that you would find difficult to switch from. Why would switching be so difficult for you and how does this relate to customer bonding? | **6USMR E1 LO1 Activity 16: Churn and switching costs** |
|  | Review of session and assessment criterion; review of learning outcome 1. |  |  | Listen and ask questions as necessary. |  |