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CUSTOMER VALUE IN INDUSTRIAL MARKETING

Industrial marketing is considered to be a theory and practice of management decision-making about product strategy of an organization that exists on industrial market. Industrial marketing peculiarities are determined by the market peculiarities. Industrial market is the system of economic relationships between market participants in order to coordinate everyone's interests in industrial goods and services exchange. The investigation process of the basic nature of the industrial market is based upon the interests of its subjects. Only the exact interpretation of these interests gives the opportunity to build an effective scheme of marketing strategy.

One of the industrial market's peculiarities is the fact that each subject at the same time represents the manufacturer's and consumer's interests. This complicated nature of industrial market participants' interests makes their examination and management process more complicated.

The next peculiarity of the industrial market is the way of its segmentation. The question is that the companies' supplies are directed to a specific client and not to market segment as it is on the market of widespread goods. In industrial marketing the customer's value grows from the competitive advantage to the basic survival condition. In this case the fundamental concept of the company on the industrial market is widely known as Customers Relationships Management (CRM). The CRM System determines all organizational aspects between the company and the customer, including advertising (usually plays an auxiliary part), realization, delivery and customer's service and account drawing.

CRM allows customer facing representatives of the company to have all the information they require to ensure the best customer experience in interactions with your company and opportunities to increase revenues through increased cross and up selling opportunities to competitive positioning tactics.

CRM is focused on the customer from first contact to continued interaction, to gain insight with which to learn their needs and behaviors to ensure revenue maximization through relationship selling (upsell opportunities, customer ranking, etc.).

CRM helps the marketing departments identify and target their best customers and best prospects by sharing information throughout the system with all branches of the organization. Marketing can use CRM to manage campaigns with clear objectives and goals for sales lead generation. Through sharing information across departments, the organization can improve all aspects of sales

and marketing by optimizing shared information amongst employees and streamlining processes.

The end benefit is a closer, individualized, relationship with customers: improving customer satisfaction and profitability. By offering your most profitable customers the highest levels of service, CRM helps maximize profitability. Additionally, CRM provides employees with the information and processes they require to know their customers and understand their needs to build a relationship between the company, it's front line people and their customers and partners [2].

Despite the small companies' quantity on the market the negotiation process and the question of documentation becomes more complicated. Usually negotiation procedures continue up to 2-3 months. This can lead to unwanted delays or errors in the manufacturing process. The aspects of documentation in industrial marketing can be compared to the governmental level. Every point of the relationships "company-customer" should be highly detailed and recorded.

Also customers with different property category and organizational aim are treated differently but the basic concept of relationships is contained in the CRM.

Driven by more demanding customers, global competition, and slow-growth economies and industries, many organizations search for new ways to achieve and retain a competitive advantage. But the major source for competitive advantage on industrial market comes from more outward orientation toward customers, as indicated by the many calls for organizations to compete on superior customer value delivery.

References:

1. Business Marketing Management. Michael D. Hutt, Thomas W. Speh
2. <http://www.21crmsystems.com>