

Chapter 3

CRM Strategies in B2B vs. B2C Markets on Unveiling Relationship Complexities and Decision-Making Dynamics

R. Rejitha

 <https://orcid.org/0009-0005-4576-1342>

Bharath Institute of Higher Education and Research, India

G. Jayalakshmi

Bharath Institute of Higher Education and Research, India

ABSTRACT

Customer relationship management (CRM) specializes in B2B and B2C for customer retention, satisfaction, and loyalty. In this chapter, the authors further explore these differences and how they manifest themselves in the practices of B2B versus B2C business models, as well as their marketing strategies. Through an extensive literature review and empirical analysis, they compare CRM approaches, considering communication channels and the degree of personalization, including a closer look at technology-driven effects. They have found that a B2B CRM strategy can be designed using long-term relationships and personalized engagement. In contrast, in the case of B2C, it is used for customer satisfaction or even loyalty through efficient service delivery and mass personalization. This chapter will analyze the influence of emerging technologies, such as artificial intelligence (AI) and big data, in CRM strategies.

INTRODUCTION

In today's challenging and dynamic market scenario, Customer Relationship Management (CRM) has become crucial to business strategy. With ever-increasing customer expectations, likely influenced by the constant progress of technology and the availability of information we see today, businesses are under much more pressure to have widespread CRM strategies to keep up with these expectations (de Matos and Rossi, 2019). CRM covers many solutions and technologies employed to manage the entire customer lifecycle in successful organizations, from lead generation to upsells and service processes

DOI: 10.4018/979-8-3693-9375-8.ch003

(Varela-Neira et al., 2020). So, the main purpose of CRM is to make customer relationships stronger, which ultimately results in business growth as it will eventually increase sales, thereby leading towards better profits (Rodrigues and Coelho, 2022). When designed right, a CRM strategy can improve customer retention rates and result in overwhelmingly high levels of loyalty, likeability (amount offered to customers), and outreach success rate. Through this, businesses are informed about how to cater their products/services or marketing efforts toward the consumer's desires (Vashishtha and Kapoor, 2023). CRM strategies differ greatly among businesses operating in the Business-to-Business (B2B) market and those operating purely as a regular business presence. For B2B markets, CRM systems for sales process automation include capabilities that manage complex institutional relationships (often extending far beyond the boundaries of five good friends), long sell cycles lasting as well months high amounts of monetary transactions half, and several phone calls (Kumar and Kumar, 2021). It offers tools for monitoring interactions across multiple organizational stakeholders, managing contracts, and forecasting sales (Varadarajan and Yadav, 2020). B2B CRM (Customer Relationship Management) strategies focus on creating lasting relationships with clients and identifying their unique needs and pain points (Dubey and Bansal, 2021).

Conversely, in B2C markets, CRM systems are used primarily to manage individual customer interactions and, as a result, tend to be much more focused on telesales and direct qualifications campaigns than the types of predictive model-based dispositions that drive many business-to-business sales cycles (Payne and Frow, 2014). B2C CRM strategies typically focus on the customer experience with engagement, customization and response time for addressing inquiries or problems (Murphy, 2020). They also use data analytics to partition customers and personalize marketing campaigns for demographic segments or purchasing behaviours. Still, B2B and B2C CRM systems have the same objective: customer satisfaction and loyalty are interrelated to business success and profitability (Mahat, 2024). CRM is more than just a customer data management tool; it represents attitudes and strategies for appreciating and interacting with your customers while facilitating thoughtful growth in any business (Mahat, 2023). For this type of buys, CRM strategy is more about establishing future-driven personalized long-term relations and strategic partnerships in B2B markets (Shrestha & Mahat, 2024). B2Bs deal with fewer but much larger customers and more complex/multiple decision processes with multiple stakeholders (Karki et al., 2024).

Therefore, B2B CRM focuses on detailed client needs analysis, personal service offerings, continuous follow-ups, and complementary transactions. B2B CRM is typically very relationship-oriented, meaning customer segmentation must also be (Atasever, 2023). On the other hand, B2C CRM strategies aim to streamline service delivery (to resolve potential issues quickly), deliver content that will maintain customer satisfaction, and ensure a direct line of communication if anything goes awry (Parajuli et al., 2023). The customer base is significantly larger in the B2C markets; hence, they require scalable CRM solutions capable of processing many interactions (Aragani, 2022a). B2C: B2C CRM delivers plenty regarding customer relationships, owing to its faster and more able decision-making process towards individual preference (Muthulakshmi et al., 2024). AI Big Data Analytics and other technological advancements help companies deliver personalized experiences and predict customer needs in real time (Aragani, 2022b). These are good examples of the variables of complexity that CRM strategies for B2B versus B2C markets must consider to understand each type's relationship dynamics and decision-making sorts (Shrivastava & Surarchith, 2021). Although both markets aim to improve customer satisfaction and loyalty, how to get there is vastly different (Shrivastava & Shrivastava, 2012). Through a study based on in-depth interviews with top executives representing CRM consulting firms that serve companies located primarily in the Midwestern U.S. markets, though also extending to both coasts and some foreign country

16 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/crm-strategies-in-b2b-vs-b2c-markets-on-unveiling-relationship-complexities-and-decision-making-dynamics/376588

Related Content

The Use of Biotechnologies for Treating Underground Waters in North-Western Regions of Ukraine

Oleksandr Kvartenko (2023). *Handbook of Research on Improving the Natural and Ecological Conditions of the Polesie Zone* (pp. 298-322).

www.irma-international.org/chapter/the-use-of-biotechnologies-for-treating-underground-waters-in-north-western-regions-of-ukraine/324045

Anthropocene, Urban, and Antho-Socio-Ecology Planning Resilience

José G. Vargas-Hernandez, Selene Castañeda-Burciagaand Omar C. Vargas-González (2023). *Handbook of Research on Bioeconomy and Economic Ecosystems* (pp. 1-18).

www.irma-international.org/chapter/anthropocene-urban-and-antho-socio-ecology-planning-resilience/326880

GIS Approach for Collaborative Monitoring and Prediction of Environmental Noise in Urban Areas

Juan H. Juarez, Marco A. Morenoand Miguel J. Torres-Ruiz (2019). *Environmental Information Systems: Concepts, Methodologies, Tools, and Applications* (pp. 1510-1536).

www.irma-international.org/chapter/gis-approach-for-collaborative-monitoring-and-prediction-of-environmental-noise-in-urban-areas/213006

E-Waste, Chemical Toxicity, and Legislation in India

Prashant Mehta (2019). *Advanced Methodologies and Technologies in Engineering and Environmental Science* (pp. 144-156).

www.irma-international.org/chapter/e-waste-chemical-toxicity-and-legislation-in-india/211869

Examining the Role of CRM in Designing and Managing Effective Loyalty Programs to Enhance Repeat Business

R. Rejithaand G. Jayalakshmi (2025). *Multidisciplinary Approaches to AI, Data, and Innovation for a Smarter World* (pp. 1-20).

www.irma-international.org/chapter/examining-the-role-of-crm-in-designing-and-managing-effective-loyalty-programs-to-enhance-repeat-business/376586