

Project on Remarketing

Rohitaksh Grama Srinivas

PGDM No. 14125

Student PGDM 2014-16, SDMIMD, Mysuru
g.s.rohitaksh14125@sdmimd.ac.in

M.R.Suresh

Professor-Marketing, SDMIMD, Mysuru
suresh@sdmimd.ac.in

Comments by the Faculty

Project : For a global leader in the development, production and supply of specialized release agents **Target group:** Decision-makers and management professionals in the company who are involved in marketing and strategy formulation. **Other interesting aspects:** In addition to the issue of remarketing an effort has been made to understand its implications for the company.

XXXX Ltd is a large industrial conglomerate with presence in many countries and a world leader with over 50 years of experience in manufacturing high performance release agents, die lubricants, purge compounds and ancillary products. The company has been making efforts to reach out to its customers in many ways. Many companies in the Indian context have been using their websites as a marketing tool to link with customers. Given the competitive nature of the Indian market, specifically in the B2B space, it becomes extremely important to retain customers who have shown interest by converting the same into a profitable transaction and invest in building a strong relationship between the customer and the company. Not converting customers who have shown interest in the company's product would cost enterprises heavily. Many firms have realized the same and have been developing marketing strategies with the firm's website as a means to follow-up with customers. This study is unique as it seeks to use the remarketing approach by tracking customers and follow-up for closing the sale. This is much more than using the website for just awareness building. There are various reasons a customer visits the company website. An analysis would throw more insights and would be very relevant in today's business scenario. It would help not only in segmentation and targeting of potential customers but also would help in identifying internal reasons for the loss of a customer account. Since this might be process or structure related such research studies would result in strategic and operational changes in the organization. Further such a research study has managerial significance as it would help marketing strategy planners to decipher reasons for customer dissatisfaction and improve transparency in customer interaction. It would also help in increasing reliability and responsiveness in the context of customer enquiries through the website thus enriching customer experience. The findings of the study also would help in understanding the possibilities of using remarketing for building customer relationship and therefore insights gained are relevant for other B2B enterprises and the field of marketing.

M. R. Suresh

Project on Remarketing¹

Background

XXXX is a global leader in the development, production and supply of specialized mold release agents. It has over 50 years of experience making high performance release agents, die lubricants, tire paints, purge compounds and ancillary products related to casting and forming operations. Their expertise goes well beyond just the products that they develop and manufacture. It reaches into the production processes of the industries that the company serves. XXXX develops high-performance release agents and related processing aids for a wide array of industry applications. Its expertise is not limited to release agent technology, but they also offer a wide range of process enhancing products that bring additional value to their customers.

At the core of it all are industry-standard release agents and die lubricants engineered to maximize productivity while delivering high-quality finished parts, backed by professional expertise at XXXX.

Context of the study

This project was undertaken to get more clarity on the current status of the enquiries posted on the XXXX company website over the last 12-18 months and to identify the reasons as to why customers who visited the website and posted an enquiry did not purchase any product.

Remarketing

Remarketing is any sales and advertising strategy that maintains contact with potential customers after they visit a business. While remarketing existed prior to the internet its usage online is becoming increasingly common and very effective. The primary activities in remarketing consist of any marketing material that reminds customers of businesses they have visited in the past, increasing the likelihood of customers making repeat purchases. It is an intelligent way to connect with visitors to a firm's website who may not have made an immediate purchase or enquiry. The central principle of remarketing is to maintain the attention of people who have already expressed an interest in a business, rather than just trying to raise awareness about the business. This is illustrated in Figure 1.

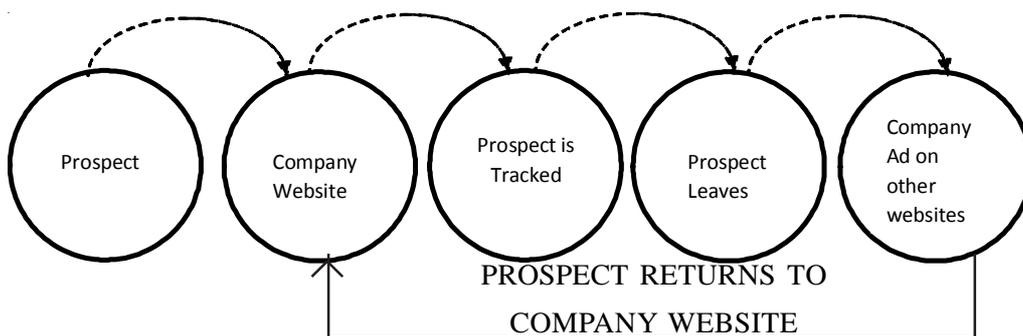


Figure 1: Central Principle of Remarketing

¹ **Remarks:** The name of the company and commercial data have been disguised to maintain confidentiality. SIP summary of G.S.ROHITAKSH, PGDM-14125

Objectives

The main objectives of the study were:

- To find out the reasons as to why the customers who visited the company website have not bought any of the products.
- To develop an action plan to penetrate accounts and help build a business development pipeline.
- To examine the reasons for losing secondary customers.

Approach to the Problem and Methodology

The input for the research project was a database of prospects and clients of the firm. These prospects were people who posted enquiries on the XXXX website and other leading online portals.

The data for the analysis was collected through:

- Email Questionnaires
- Telephonic Interviews

Prior to the actual telephonic interviews, a questionnaire was designed and emailed. This activity was undertaken to make them aware about the remarketing activity that XXXX was planning to initiate and to enable respondents to be prepared when they would eventually be called for telephonic interviews.

Total enquiries generated	After data validation	Sample (Population)	Successful data collected
ABC	DEF	GHI	JKL

After the initial round of data validation, the enquiries were categorized into the following categories:

- Business Solicitation/ Opportunity
- Customer service/ Support
- Material safety data sheet request (MSDS)
- Sales/Product Enquiry
- Technical question/ Research

Further, only those enquiries pertaining to the category of **Sales/Product Enquiry** were used for data collection. There were about **GHI** enquiries which were categorized as Sales/Product enquiry.

These enquiries acted as the population for research. Email questionnaires were sent and followed up by individual phone calls. Out of our sample of **GHI** records, **JKL** prospects were successfully contacted and their feedback was gathered for further analysis.

Findings, Learning and Conclusions

The major findings of the study are highlighted as below:

- Half of the enquiries failed to be converted into business as they received no response from XXXX. Around 20% were already converted or were in advanced stages of discussion.
- In quite a few cases there was a genuine need which could not be fulfilled because the company did not respond promptly.

Based on the research objectives of the study that was undertaken and the outcomes that were expected from this internship project, conclusions were derived as below:

The first objective of this research based project was to find out the reasons why prospective customers who made enquiries on the company website and other leading public portals have not yet been successfully converted into customers. Based on the data collected it was seen that XXXX did not have a mechanism to track the enquiries generated and send it to the sales person in charge. As a result, almost half of the population under study responded that they had not heard back from XXXX after posting the enquiry. This was one of the major reasons for the prospects not getting converted into future customers.

The second objective was to build a sales/ marketing strategy to penetrate accounts and to build a business development pipeline. For this purpose, the possibility of using display marketing platforms as a tool for remarketing which included tools like AdRoll, Chango, and Google AdWords was examined. Their impact was also explored on helping to keep the customers engaged and increase the return on investment. Other strategies that were explored included Search Engine Optimization (SEO), Customer Referrals, Direct Email Campaigns etc.

The third and final objective was to identify the various reasons as to why XXXX has lost customers in the last few years and check if there was any possibility of regaining them. It was found out that XXXX lost customers due to two main reasons, a) price and b) supply constraints. In most cases the customer and XXXX could not settle on the price for the product being traded. In a few cases, it was seen that the XXXX sales representatives were not very honest about the current status of the material, which eventually led to the customer suffering production delays and losses.

Recommendations

Based on the findings, the following overall recommendations were made to the company:

- The process of contacting prospective customers to be streamlined.
- Retargeting capabilities by using Search Engine Optimization techniques ought to be enhanced.

- Remarketing platforms like Adroll, Google Adwords could be made use of by the firm.
- In the event of a customer not finding a product that the customer was looking for, inform the customer about non-availability to close the enquiry.

Bibliography

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