The New View of Relationship Marketing:  
Better integration to deepen brand commitment

by Deb Rapacz and Martin Reilly

Abstract

This article was written to guide more marketers toward adopting relationship marketing as an integrated strategic approach to marketing. Relationship marketing is designed to give more buyers a deeper level of appreciation for their brand by leveraging buyers’ early preference for the brand and readily extending the branding exercise. Most brands are missing the mark when it comes to delivering relationship-building communications that effectively connect buyers with the brand in long-lasting and meaningful ways. Brands can better leverage the success of their advertising by building a deeper arsenal of marketing assets that provide people with more sources of “brand proof” to establish multidimensional connections between buyers and the brand. Reaching back to early Jack Daniel's marketing shows how the tool of deepening brand commitment is timeless.

Before “Relationship Marketing” – The Past as Prologue

Before the era of “relationship marketing,” the iconic brand of Jack Daniel’s Tennessee whiskey was built on a strategy that leaned heavily on relationships and storytelling. Jack Daniel’s advertising was primarily a series of stories that, one by one, deeply differentiated the brand. These stories were grounded in a brand discipline that was laid out in 1954 and they have tightly followed that spirit to the present.

The stories, presented in the consistent format of a black-and-white photo vignette and accompanying text, were so cleverly multifaceted, intriguing and fun to read that they were an entertainment unto themselves. Jack Daniel’s told sto-
ries about their distilling process, their barrels, their bottle, their people, and the man himself and his nephew Lem Motlow who took over the business.

Every advertisement, every story, built back to the brand promise: an extraordinary product that was crafted in an unhurried way by people who cared about the process and who were the most human of humans. These were gentle folk in a hollow in the hills of Tennessee who were dedicated to the ways and people that came before them so that you, the reader, could have access to a remarkable, handcrafted, consistent, exceptional quality whiskey.

These story ads always included other dimensions of “relationship.” Readers were invited to visit “The Hollow” where they could witness the scenes that were depicted in the ads and the processes at work. They were always invited to “drop us a line,” demonstrating how the company appreciated and valued the customer.

Today, a visit to the Jack Daniel’s Web site shows how they still carry on this tradition that they so excellently created long before the Internet and relationship marketing programs could even be imagined.

**Lessons Learned for Moving Relationship Marketing Forward**

What elements of the Jack Daniel’s campaign can help guide us in constructing the new view for relationship marketing?

**About the brand.** Almost everything they said and did was deeply differentiating because it was all unique to the brand.

**In the consumer’s interest.** Almost everything they said or showed proved the consumers were getting their interests looked after by being able to get a great product they could know, trust and enjoy.

**Entertaining.** These were real stories, entertaining in their own right, which shared specific brand information in a way that was fun yet memorable for the consumer.

**Broad Reach.** The stories and elements were in ads, stores, and elsewhere. This enabled all the consumers to participate in the “relationship,” not just those who were in a “program.”

**Built over time.** Over time these stories built a bigger picture one bite at a time, but always supported the singular focus of crafting an exceptional quality whiskey.

**Accessibility.** Consumers were actively encouraged to “drop us a line,” and “come visit,” and even the stories themselves invited consumers into the larger picture.

These elements provide a consistent mechanism for Jack Daniel’s consumers to deepen their commitment to the brand, even to the point that many customers see it as part of their own identity and are very protective of their brand. Jack Daniel’s has created brand commitment so well for Brown-Forman Beverage Company over the years that in a portfolio of more than 30 terrific brands, Jack Daniel’s alone is cited in the financial press as providing some two-thirds of Brown-Forman’s corporate profits. Very few brands today have relationship marketing initiatives that exhibit the traits and discipline inherent in the Jack Daniel’s campaign.

**Why We Need a New View of Relationship Marketing**

Although it seems astonishing, about 50 percent of leading brands’ heaviest buyers one year are typically not in that same group the following year, with a significant number of them leaving the brand altogether. This reveals a stunning opportunity to do a better job of raising customer commitment levels beyond those being achieved currently.

Observations and audits of the relationship marketing of many of these leading brands suggest that the current view is just not working well enough and is wrought with problems. It is necessary to try to understand why and to move
Brands that want to do better cannot wait for customers to find a “program” and then raise their hands to enroll in it. By then, the opportunity of the relationship moment may have largely dissipated or been stolen by a competitor.

The Jack Daniel’s marketing example has none of these faults.

The New View of Relationship Marketing: Leveraging Preference into Commitment

For many brands, their primary advertising campaigns constitute their largest marketing expenditure. With carefully crafted imagery and distillation of the brand promise, the customer’s interest is aroused to create or reanimate an early brand preference. This consumer response to the brand’s advertising, or to an early brand experience, is often said to be on an emotional level. The customer just feels a fit.

We call these windows of interest “relationship moments.” These are the opportunities that the new approach to relationship marketing must fully take advantage of. Brands that want to do better cannot wait for customers to find a “program” and then raise their hands to enroll in it. By then, the opportunity of the relationship moment may have largely dissipated or been stolen by a competitor.

After a brand successfully creates a relationship moment with customers, those customers seek to rationally validate their emotional feelings with rational proof. This means they are then wide open to accepting the reinforcing “reasons to believe” behind the brand promise. When that validation allows customers to become satisfied enough with their preferences, there seems to be a point when it becomes a brand choice they “own” as part of themselves. Beyond this point, an attack on their choice, such as competing messaging, is more than an attack on the idea or brand; it is an attack on them.

The new view of relationship marketing requires a more integrated view of what comes after the primary brand stimulus. Whenever and however the customer reaches out to the brand, the brand must be ready with that next iteration of the brand proof that will take them toward deep commitment.

The Psychology Underlying the New View of Relationship Marketing

By better understanding the process through which customers develop commitment, brands can field elements that better assist customers in converting preference to higher and higher commitment.

Here are some selections from psychology literature that start to weave this story together:

- **The state of early preference.** In the March 2006 Journal of Consumer Research, Carlson et. al shows the influence that “leader-driven primacy” has on consumer choice, arguing that consumers tend to support whichever brand has the early advantage: “Consumers might even be influenced to choose an inferior product, if the earliest information they receive about it is positive” (Carlson, 2006).

  **Takeaway:** When a brand has a consumer in a state of preference, it has a powerful position, but not an assured one. More needs to be done to cement the preference.

- **More information increases confidence in decision.** Several research studies reviewed by the Central Intelligence Agency showed that experts who were exposed to additional sources of relevant information became up to twice as confident in their decision, even though the quality of those decisions didn’t improve (Heuer).

  **Takeaway:** Heightened confidence in a brand choice is what we are looking for. More information delivers that.

- **Brand “ownership”.** A study to help determine the neurological drive behind consumers’ choices was conducted by the research organization BrightHouse. The study found that preferred objects regularly activate the brain’s medial prefrontal cortex, which scientists associate with a person’s sense of self: “This helps explain why people are so adamant about protecting their own...
personal preferences, even brand choices.”

**Takeaway:** It is critical to raise a consumer’s commitment to the point of “owning” the decision.

**Committed consumers are resistant to change.** Studies have consistently found that commitment fosters greater resistance to attitude change. As Ahluwalia et. al report, “Individuals who are committed to a brand, for example, have been shown to resist persuasive communications that portray the brand negatively” (Ahluwalia, 2007).

**Takeaway:** Once a consumer has reached this point, a challenge to the brand becomes a challenge to the customer’s ego and choice.

**Implementation of the New View of Relationship Marketing**

A person’s interest in a brand can be heightened at any time from any source, so the key is to be prepared to quickly convert that relationship moment into a deeper level of commitment, giving customers access to deep and relevant information that satisfies their needs on their schedule.

To implement this new view of relationship marketing, brands can:

**Broaden message reach.** Instead of waiting for people to join “hand-raiser” programs, companies can place brand-building messages in more venues to better fill primary brand advertising and brand experiences. Second-tier advertising, public relations, Web sites, packaging and other media

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**Six Limiting “Relationship Marketing” Paradigms**

Relationship marketing got stuck in a rut because of its direct marketing origins, the over-promise of one-to-one, issues with technology and the failure of marketing to truly think through the strategic role of relationship marketing. This has led to misaligned objectives, operating hurdles and underperformance of relationship marketing’s application in integrated marketing.

1. **“Relationship” as the goal instead of the real source of brand commitment.** By trying to create “friend to friend” relationships, brands have relied on trying to be helpful and “not too commercial.” Too many programs that take this approach fail to achieve measurable success because they don’t focus on providing deeper support for the brand promise, they just generate relationship clutter. Consumers’ mailboxes and inboxes are so full of tips for losing weight in January, spring cleaning in April, hosting great barbecues in summer, and avoiding stress during the holidays that it’s almost impossible for them to remember which brands to reward with feelings of appreciation and increased sales.

   ► **The new view:** Consumers want to validate their brand preference with rational support of the brand promise.

2. **One-to-one.** Peppers and Rogers Group’s “One to One Future” vision proved just too cumbersome for many brands. Some tried it and got buried under the burden of the systems, analyses, and outbound content management. Others were too intimidated to attempt any part of relationship marketing. Many valuable customers are also not prepared to commit to a one-to-one ongoing dialogue.

   ► **The new view:** Full one-to-one is great for some, but all companies should field better elements of brand support, just as Jack Daniel’s did, without always needing to get down to the individual customized level.
3. **Customer databases and relationship management systems.** Many companies felt limited by the belief that they absolutely needed their own customer database to practice relationship marketing. In addition to the oft-questioned expense, many companies found themselves buried in the information technology priority schedule without any control. For others, the corporate information technology people weren’t skilled enough in considering customer management.
   - The new view: There are other database options, such as third-party databases and retailer databases, which offer extensive recent purchase data at the individual level. Many other relationship tactics can be fielded without databases and individual tracking.

4. **The “join the program” mentality.** For a customer who is less than fully committed, joining a program is often a commitment that becomes a hurdle. These brand-interested customers may still want to be engaged after a relationship moment is created, but aren’t yet ready to “sign up.”
   - The new view: Fielding programs that are accessible to all customers broadens a company’s reach. This is especially relevant for imparting interesting and compelling brand information and experiences.

5. **Rigid defined-benefit programs.** Defined-benefit or “point”-earning schemes can become an entitlement or permanent discount in the customer’s value equation. Additionally brands can face growing financial liability and lack of flexibility in the ability to change the programs easily. If a brand changes or cancels such a program, their best customers are inevitably victimized.
   - The new view: Brands can field long-lived programs that protect flexibility by executing controlled-burst promotional elements or offering rewards designed to surprise and delight.

6. **Lifetime value as “holy grail.”** Lifetime value is a terrific concept. The problem, however, is that so many marketing managers, and their management, are focused on this year’s results and next year’s results. Doesn’t it also seem like every brand manager is about nine months away from their next assignment, so they want to make their mark now?
   - The new view: Brands should concentrate on using their marketing mix to secure as many customers as possible at the highly committed level of full satisfaction with their brand choice, this year.

### Key Paradigm Shifts Needed to Move Relationship Marketing Forward:

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<tr>
<th>OLD VIEW</th>
<th>NEW VIEW</th>
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<tr>
<td>Goal = Having “relationships”</td>
<td>Goal = Cementing more people to the brand</td>
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<tr>
<td>One-to-one, marketing to known individuals</td>
<td>Marketing to known and unknown individuals</td>
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<tr>
<td>Heavy internal data and systems requirements</td>
<td>Access alternative databases and field more non-database driven elements</td>
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<tr>
<td>Enrollment program mentality</td>
<td>Broad participation mentality</td>
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<tr>
<td>Defined-benefit, entitlement schemes</td>
<td>Flexible-benefit schemes (burst promotions surprise and delight, etc.)</td>
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<tr>
<td>Lifetime value as “Holy Grail”</td>
<td>Maximize message reach; broaden customer commitment and value this year</td>
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can all be used in stronger ways.

**Validate the brand.** By supporting the core brand positioning with more and more relevant pieces of “about the brand” information in multifaceted ways, companies can increase buyers’ confidence in their brand choice.

**Differentiate with discipline.** Multidimensional messages should build the brand’s differentiation. If another brand can say it, don’t say it. The Jack Daniel’s story map shows how the company built their differentiation in a multifaceted and disciplined way.

**Entertain with your brand stories.** Customers like brand stories that are entertaining. Good brand stories connect with people emotionally, hammer home key points and are memorable. This type of story not only deepens the commitment, but is also more likely to sink in and be shared.

**Keep it in the consumer’s interest.** Presenting information in benefit-oriented ways helps consumers satisfy themselves with their brand decision and feeds their own “smarts” for adopting your product as theirs. Remember, people are motivated to learn how your product is perfect for them.

**Promote with differentiating discipline, too.** Brand-building promotions that focus on highlighting the unique differentiating aspects of your brand are the only promotions worth doing. Simple discounts and monetary rewards might create action, but they can devalue the brand for your core customers in the long run.

**Demonstrate accessibility.** Actively encouraging consumers to contact the company for such things as feedback, testimonials, more information and tours speaks volumes about the brand and the company behind it. This demonstration creates a powerful impression, even for those who will never take the company up on the offer.

**Fulfill your inbound promises.** Be ready with follow-up marketing when someone does contact you. Don’t miss this critical brand-building opportunity to fully satisfy and show support to those who raise their hands and say, “I want more information,” “I need some help,” or “I’d like to share this with you.”

**Go deep on the Web.** Assume a company gets only one chance to fully satisfy someone who visits.

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**Analysis of the Jack Daniel’s campaign shows a story scheme that creates a unique brand picture. It is:**

- Disciplined
- Entertaining
- Benefit-oriented
- Multifaceted

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**Deb Rapacz’s** ability and joy in bringing her experiences together into creating insight, inspiration and discipline for clients’ programs is what drives her forward. Rapacz earned a master’s degree in integrated marketing communications from Northwestern University and a bachelor’s degree in business administration from the University of Illinois.

Since revamping the Midway Airlines frequent flyer program in the early ’80s, **Martin Reilly** has continued to delve into furthering clients’ knowledge about how marketing can serve to cement the behavior of a brand’s top customers. Martin has a bachelor’s degree in business administration from the University of Kentucky.

**Reilly and Rapacz** is a brand acceleration consultancy that helps national consumer brands better leverage their advertising success to build the highly committed core of their brands. They deliver Brand Acceleration audits, Brand Acceleration workshops, and strategic program plan productivity beyond primary advertising. They are based in Chicago, Ill.
its their Web site. By keeping the high-level of the site's presentation simple and powerful, yet layering it with enough branded content to satisfy the hungriest visitor with the deepest enquiries, the company helps ensure that visitors’ needs are satisfied.

**Conclusion**

Applying the new view of relationship marketing can help more brands raise more buyers to a deeper level of commitment. This can be done with or without complex technology platforms, formal “programs,” and the ongoing delivery of individually personalized outbound messages. Jack Daniel’s marketing integrates many of the core elements needed to build an iconic profit powerhouse like they did.

The goal of the new approach to relationship marketing is to raise the customer’s comfort with the company to the point of making the brand decision their choice. Once consumers’ commitment to the brand is high enough that they reject competitive messages as being an attack on them and their choice, your marketing job for those customers may actually be done.

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