

KYMENLAAKSON AMMATTIKORKEAKOULU

University of Applied Sciences

International Business/International Marketing

Lin Jin

RESEARCH ON CUSTOMER RELATIONSHIP MANAGEMENT OF AMWAY  
COMPANY IN CHINA

Bachelor's Thesis 2012

## ABSTRACT

KYMENLAAKSON AMMATTIKORKEAKOULU

University of Applied Sciences

International Business/International Marketing

JIN, LIN

Bachelor's Thesis

Supervisor

Commissioned by

September 2012

Keywords

RESEARCH ON CUSTOMER RELATIONSHIP  
MANAGEMENT OF AMWAY COMPANY IN CHINA

63pages + 2 pages of appendices

Minna Söderqvist, Principal lecturer

Amway (China) Co., Ltd

CRM, Amway, actuality, future development

The critical to success of an enterprise is to move forward the role of sales that plays in today marketing. Customer is the most prominent part of sales management; otherwise, company can accomplish nothing. Consequently, good customer relationships are a momentous source to gain market competition and the basic of survivorship as well can optimize the allocation of resources and relate the relationship between interest groups in such aspects as plays an obligato role.

The objective of this thesis was to research question how to establish and maintain the long-term profitable customer relationship management in Amway China, which employed the case study as the main research method, and documents, personal interview, archival records can be as good auxiliary methods.

From a combination of theoretical and practical point of view, the thesis analyzed effective solutions for Amway's CRM. The main findings of the study like improve the philosophy of customer focus, emphasize IT capabilities, fully understand customer behavior that have to pay high attention to implement during the process of customer relationship management. Owing to the thesis just strengthens on direct selling business company's CRM, so some recommendations are provided in the further studies.

## TABLE OF CONTENTS

### ABSTRACT

### LIST OF FIGURES

### LIST OF TABLES

1 INTRODUCTION .....	7
1.1 Background .....	7
1.2 Research questions .....	8
1.3 Research methods .....	9
1.4 Structure of the thesis.....	10
2 CUSTOMER RELATIONSHIP MANAGEMENT .....	11
2.1 The introduction of CRM.....	11
2.1.1 The Definition of CRM.....	11
2.1.2 The CRM value chain .....	14
2.1.3 The Objective & Benefits of CRM .....	15
2.2 Potential Benefits of CRM.....	17
2.2.1 Customer retention.....	17
2.2.2 Share of Wallet .....	19
2.2.3 Cross & up selling.....	19
2.2.4 Sale Force Automation.....	20
2.3 The history of Customer Relationship Management in China.....	21
2.4 Obstacles to CRM in China .....	22
3 CUSTOMER RELATIONSHIP MANAGEMENT STRATEGIES.....	24
3.1 Understanding Consumer Behaviors .....	25
3.1.1 Customer decision-making .....	25
3.1.2 Customer satisfaction.....	27
3.1.3 Customer loyalty .....	28
3.2 Building value for the customer.....	30
3.3 Customer lifetime value .....	32

4 CASE STUDY: RESEARCH ON AMWAY COMPANY IN CHINA .....	34
4.1 Actuality of Amway (China)'s CRM .....	34
4.1.1 Introduction of Amway Company.....	34
4.1.2 Amway-way of understanding customer behavior .....	36
4.1.2.1 Share of wallet in Amway .....	37
4.1.2.2 Cross/up selling in Amway .....	38
4.1.3 Actuality of personal information system .....	38
4.1.4 Analysis of CRM process in Amway .....	41
4.2 The existing shortcomings at present.....	42
4.3 Amway – way based in the interview .....	44
5 ESTABLISH AND MAINTAIN THE LONG-TERM PROFITABLE CRM IN AMWAY CHINA .....	45
5.1 Customer Satisfaction and Loyalty Improvement .....	46
5.1.1 Improve One-to-one marketing.....	46
5.1.2 Improve Key customer management .....	47
5.2 Improved solutions for customer retention .....	48
5.3 Maximizing customer lifetime value .....	49
5.4 The proposal on the future development of Amway's CRM .....	51
5.4.1 Injecting with a new marketing paradigm.....	51
5.4.2 Establish a good CRM team.....	52
6 CONCLUSIONS.....	53
6.1 Main results of the study .....	53
6.2 Evaluations of the thesis .....	55
6.3 Recommendations for further studies .....	56
REFERENCE.....	57
APPENDICES	
Appendix 1 Question list of the interview	
Appendix 2 Question list of the interview in Chinese	

## LIST OF FIGURES

Figure 1 The research design of this thesis .....	10
Figure2 The CRM Model.....	12
Figure 3 CRM value chain .....	14
Figure 4 Six steps to improve customer retention.....	18
Figure 5 Timing for effective cross & up selling .....	20
Figure 6 Factors leading to intention to use SAF.....	21
Figure 7CRM Implementation problems .....	23
Figure 8 Components of CRM strategy .....	24
Figure 9 Four steps to implement a CRM strategy .....	25
Figure 10 Five key dimensions of buyer behavior.....	26
Figure 11Five-stage model of the consumer buying process .....	26
Figure 12 The customer satisfaction equation .....	28
Figure 13 General segmentation of customers by loyal.....	29
Figure 14 Factors affecting loyalty .....	30
Figure 15The value of customer value.....	31
Figure 16 ConceptualFramework for Modeling Customer Lifetime Value .....	32
Figure 17 Customer life cycle .....	33
Figure 18Amway's brand.....	35
Figure 19 training lectures .....	37
Figure 20 The overall flowchart of Amway's CRM .....	41
Figure 21 the structural model of customer pyramid.....	48

LIST OF TABLES

Table 1 Compare two views of CRM objective .....	16
Table 2 Customer profile.....	40
Table 3 SWOT – analysis.....	43

## 1 INTRODUCTION

### 1.1 Background

With China succeeded in joining the World Trade Organization, the market environment has brought substantial changes, likewise has made rapid and brilliant progress in Chinese enterprise informatisation. The most notable change for the development trend of Enterprise Information Management is Customer Relationship Management, which is a management system platform to deal with the relationships between companies and customers. Against this background, SouHu (2001) offered information about in 2010 the growth rate of annual gross domestic product was 10.3%, compared with the corresponding period of last year, has increased by 5%, and China's Consumer Price Index (CPI) rose up to 5.5% year on year, a height record of nearly three years.

With the economic and social development and improvement, traditional strategies of product, price, and quality are no longer the competitive advantage in market competition. At the same time, competition in E-commerce has heated up. This phenomenon directly leads to the competitiveness in market turning into customer competition, and customer becomes the most valuable resource of enterprise. Hence, companies understand customer behavior in line with the customer value analysis to satisfy their demands.

Currently, overseas companies and many multinational corporations have increasingly concerned the Chinese market, and make decisions of coming into the market, which have influenced the market structure and the optimal way to run the business. Amway as a multinational company entered into China for almost 17 years, can be a real weight in China's direct selling market. Amway is multibillion-dollar international businesses company that representing business opportunity in more than 80 international markets and territories. Therefore, build up a close rapport relationship with clients is becoming a focus of enterprise management.

This thesis will utilize the Customer Relationship Management to show light on more information, which stress on customer behavior and the value process to help Amway in China to understand its customers.

GartnerGroup is the world's leading information technology research and advisory company, aim at helping clients make the best decisions in each complex stage of the business life cycle now and in the future. Moreover, the company fully manifests the CRM system, and I will introduce specifically in the following chapter. (GartnerGroup1999)

## 1.2 Research questions

The thesis focuses on the customer relationship management to establish and maintain the profitable customer relationship management. It consists of four main parts to explore Amway's integrated customer relationship management: actuality of Amway China, the existing shortcomings, and the effective solution for the company.

In order to achieve the objective of study, following questions will be answered.

The main research question

- How to establish and maintain the long-term profitable customer relationship management in Amway China?

Sub-questions

- What's the current state (pros and cons) of Amway China's CRM?
- What's the effective solution for the Amway's Customer Relationship Management?



### 1.3 Research methods

The case study is a research strategy widely adopted to encompass data collection and analysis in multiple methods, and normally they associate with qualitative research. Furthermore, it recognize that case study research strategy should fully understand the objectives, research question and sub-questions to collect data, analyze relative information and understand the situation in a systematic way. In this thesis, I take Amway Company in China as my case study, which focuses on how to establish and maintain the long-term profitable customer relationship management in Amway China. Since the thesis tends to be a qualitative study, the main data collection methods are documentary evidence, personal interview, and archival records. (Macome 2002)

- Documentary evidence: each case study has to create the formal documentation of the field material to assist the researcher in collecting and analyzing data (Macome 2002). In this study, the company's internal documents, electronic publications or web pages analysis and summaries the relevant information of CRM's theories, the current situation in Amway management.
- Personal interview: According to Sheiderman & Plaisant (2005), interview can be considered a highly effective way of guiding interviewer to aspire issues of concern that more targeted and constructive on recommendations. In this thesis, an employee from Amway shares experience about managing relationship with customers and answers a set of prepared core questions. The interview has been hold with Mrs. Jin, the administrative leaders from Amway China (Wenzhou branch), who has been working there for more than 6 years with average monthly income of 10,000€. She started to contact this profession in 2006 after experienced a bottle of Amway's shampoo from her mother.
- Archival records: the research makes use of archival records to support analysis SWOT, which can master the macroenvironment in company. Data from archival records is tending to be informative, intellectual and reliable. The interviewer

used her 6 years' experience to support the main research question and gain insights into context, provided lots of valuable information of her own idea of Amway's CRM.

#### 1.4 Structure of the thesis

The research design of this thesis is seeking for providing a clearly conceptual framework in accordance with objective, research question. Figure 1 presents the specific research design of the thesis.

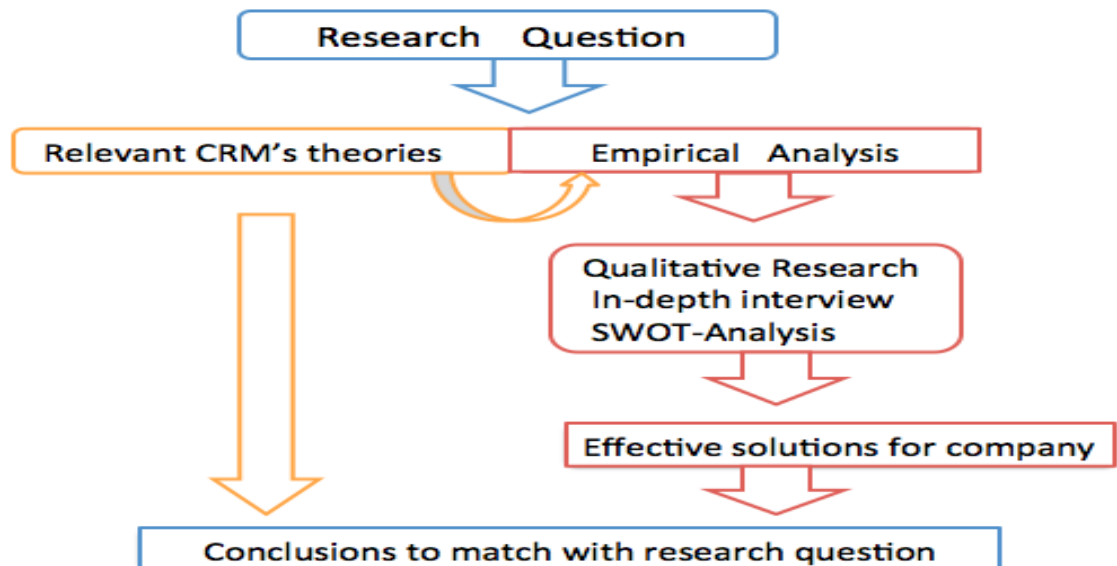


Figure 1 The research design of this thesis

The thesis to be composed by 6 chapters, which the conceptual part makes up from chapter 2, 3, while chapter 4,5 displays the empirical part. All of the part will be explained a little more carefully in the following:

The first part of the thesis reveals research background, research questions, research methods and thesis's structure. This part provides a basic framework for supporting whole research.

Chapter 2 and chapter 3 keep the points of focus on relevant theories of customer relationship management. The history of CRM in China will be noticed in advance,

the definition, value chain, objective and benefit of CRM could be introduced in the next step. Potential benefit of CRM divided into customer retention, share of customer, cross & up selling. Obstacles of CRM explain some of the irrationalities and instabilities inherent in China market environment. Understanding consumer behaviors will be described from customer satisfaction and customer loyalty, while customer lifetime value, cycle make for Building value for the customer.

Chapter 4 and chapter 5 introduce how CRM is done in Amway using the concepts of chapter 2 & 3. In addition, to use SWOT- Analysis to get information about the existing shortcomings at present, also to summaries the interview. Meanwhile, the effective solutions and the proposal on the future development of Amway's CRM can receive tremendous help from above.

At last, in the result part of research, the thesis makes conclusions of main findings, and then will talk about evaluations of the thesis. Recommendations for further studies would also be included into this part.

## 2 CUSTOMER RELATIONSHIP MANAGEMENT

### 2.1 The introduction of CRM

In order to complement the content better, the introduction divides into three parts, the definition of CRM, The Objective & Benefits of CRM and the CRM value chain.

#### 2.1.1 The Definition of CRM

CRM is short for Customer Relationship Management. The subjects of CRM apply into hundreds of books, thousands of learned academic papers and scores of Websites. Essentially, CRM is a business strategy to manage the relationship between enterprises and customers.

GartnerGroup (1999) defines CRM as a business strategy aimed at understanding and anticipating the needs of an enterprise's current and potential customers. From a technological standpoint, CRM involves:

- Capturing customer data from across the enterprise
- Consolidating all internally and externally acquired customer-related data in a central database
- Analysing the consolidated data
- Distributing the results of that analysis to various customer touch points

Use the information when dealing with customers via any touch points, such as in field sales, the call or "contact" center, through channel partners, retail relationship management or in E-commerce or E-business efforts over the Web (GartnerGroup 1999).

The following figure 2 Circulation pattern demonstrates the main content:

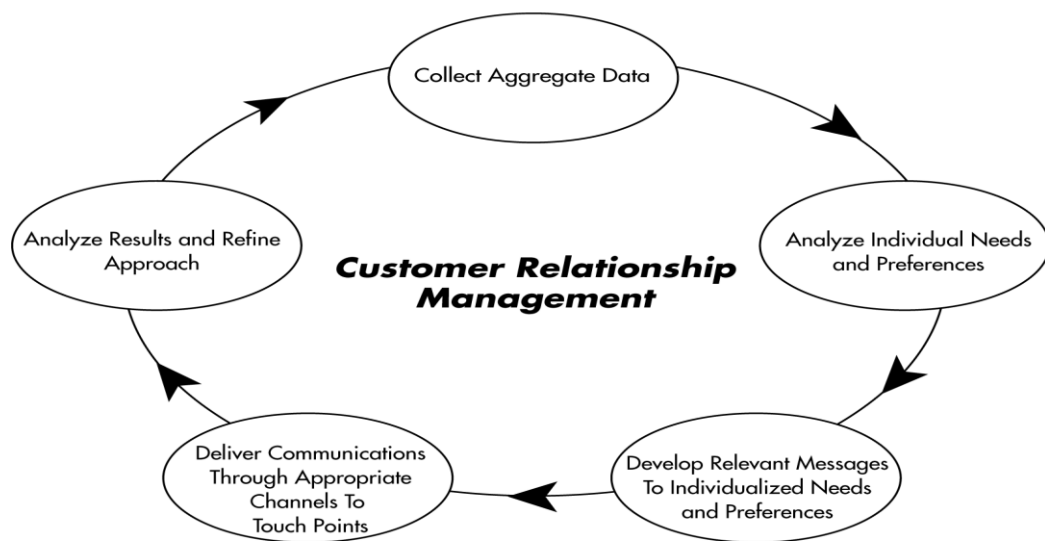


Figure2 The CRM Model (Customer Potential Management Corporation 2000, p.5)

The enterprises must know how to channel-position themselves in light of the threats and opportunities brought on by technology. In addition, the industry has reached a point where technology is truly enabling the way enterprises manage their customer relationships. This departure from the past -- where technology used simply to automate -- signals for many leading enterprises that they have begun their quest to achieve greater effectiveness of their CRM organizations (GartnerGroup 1999).

In the recent years, CRM have got a further development that promises high quality customer service at lower costs, extremely increase higher customer satisfaction to realize better customer retention and ultimately customer loyalty. Mäntyneva (2001, pp. 12-14) argues that the customer relationship management process can be divided into four stages: Acquiring new customers, committing the customers, developing the customer relationship and maintaining the relationship. It is noteworthy that the company can recognize valuable customer relationships early and concentrate on maintaining them.

Buttle (2009, p.4) revealed Customer relationship management could classify into four categories: Namely Strategy, Operational, Analytical and Collaborative. He agreed, "Strategy CRM" is a core customer-centric business strategy that aims at winning and keeping profitable customers while "Operational" focuses on the automation of customer-facing processes such as selling, marketing and customer service. "Analytical" focuses on the intelligent mining of customer related data for strategic or tactical purposes and "Collaborative" applies technology across organization boundaries with a view to optimizing company, partner and customer value. (Buttle 2009, p.4)

Facing with widespread global-economic technological and cultural changes, these make the duty for organizations around the world to choose what their own CRM enhance the value and profitability of their existing customer relationship, while attracting new and profitable customers.

### 2.1.2 The CRM value chain

In the age of e-commerce, focusing on the customer is the key to improve core competence of the corporation. The core of CRM is the management of customer value. “CRM decisions impact on marketing, certainly, but also on operations, sales, customer service, HR, R&D and finance, as well as IT. CRM is fundamentally cross-functional, customer-focused business strategy” proposed by Buttle (2000, p.2).

The CRM value chain (figure 3) presents the model that enterprises can develop and implement their own CRM plan. How to manage an orderly flow of goods and services across supplier and customer relationships with value chains has been a challenge for every company. The five key steps model the feasibility way based on strong theoretical principles and the practical requirements of business as figure below:

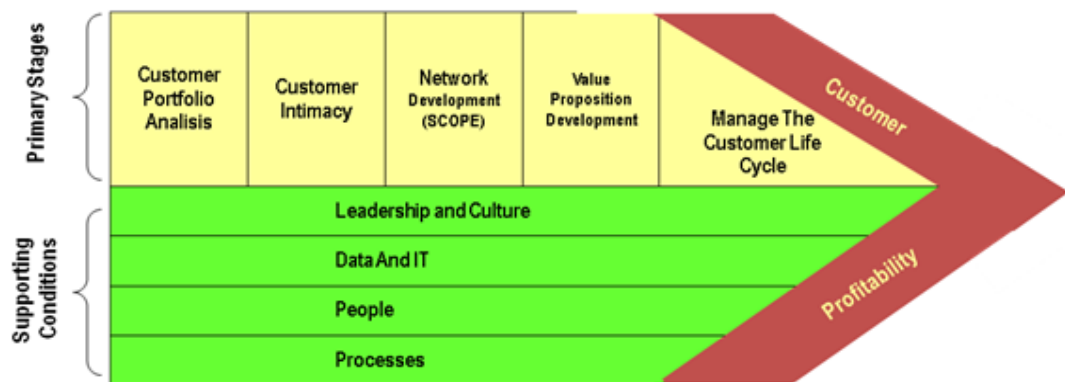


Figure 3 CRM value chain (Nengsih 2010)

As we can see from the chart, there are five steps for value chain primary stages are customer portfolio analysis, customer intimacy, network development, value proposition development and managing the relationship. While culture and leadership, data and IT, people, and process belong to supporting conditions. Customer portfolio analysis (CPA) identifies the different customer into different target group. The second step involves the business in getting to know customers better so that wiser

CRM decisions can be made. Step three will manage a strong network of relationships with the company's network members. Step four involves identifying sources of value for customer's perception of creating a proposition and experience that meet their requirements. The fifth and final stage is to manage the customer relationship. (Buttle 2000)

Company makes an effort implement the four supporting conditions smoothly could be a guarantee of success. The four conditions even get to interact with the five primary stages in the CRM value chain. It is essential to put high oversight on leadership, because it affects the employees' behavior and customers' experience. For example, if Amway wants to form the "customer-centric" as their organizational culture, the employees would try to follow this order to make right decisions. IT is the abbreviation from information technology. Information technology and data play key roles in the process of carrying out CRM strategies. High-quality customer data ensures the effectiveness of marketing, sales and service. People can be dominant control global activities in the market. They have a responsibility to decide every movement to develop the CRM strategies, such as select IT solution, create and maintain the customer database. The outcome of the value chain depends on processes. On account of contributing to the creation of value for customers, processes needed to be well designed before implementation takes place. (WordPress 2011)

For success to happen, these primary stages must support by Leadership and Culture, Data and IT, People, and Processes. By doing of that, the company gets hold of competitive advantage and differentiation.

### 2.1.3 The Objective & Benefits of CRM

This chapter is structured two aspects views of CRM's objective around four elements: cost, customer, product and services. Table 1 can be compared to identify similarities and differences in them, and then consider several alternatives to find the best fit for Amway's objective of CRM.

Table 1 Compare two views of CRM objective

Elements	Ryals and Knoxmade (2001)	Nguyen, Sherif & Newby (2007)
Cost	<ul style="list-style-type: none"> <li>-Set up a service organization to generate more revenues</li> <li>-Cost reduction on operational and customer information</li> </ul>	<ul style="list-style-type: none"> <li>-Update CRM system to gather customer's consumption history</li> </ul>
Customer	<ul style="list-style-type: none"> <li>- Enhance customer care</li> <li>- Improve customer satisfaction and loyalty</li> </ul>	<ul style="list-style-type: none"> <li>-Understand customer to try to forecast demand to increase loyalty</li> </ul>
Product	<ul style="list-style-type: none"> <li>-Innovate to differentiate products</li> <li>-Capture in-depth prospect and customer data at every point of interaction.</li> </ul>	<ul style="list-style-type: none"> <li>-Collect all the relevant material information about customer</li> </ul>
Services	<ul style="list-style-type: none"> <li>-Improve service delivery by using enterprise-wide information and ERP</li> </ul>	<ul style="list-style-type: none"> <li>-Customized service to interact with customers</li> </ul>

Amway's products are always a concern by the tens of thousands of customers, so every aspect has to set a high standard for accessibility. On the basis of analyzing the table 2, Ryals and Knoxmade (2001) have more systematic and more complete management system. They pointed out the areas that have to reduce cost, differentiate products to focus on the benefits of product's features. However, for the customer and services area, both views have some common suggestions. It seems that the objective from Ryals and Knoxmade (2001) is more acceptable for Amway, because they figured out the suitable ways and methods to protect the company's interests.

Building a long- term relationship with customers can provide: security, trust and a sense of control. Moreover, Gummerson (1994) explained, "Building of relationships



is the key to reaching and maintaining a successful market share.” Gummerson (1994) defines the benefits as:

#### Retention

By mastering the relevant customer data, such as names, habits and expectations could mention high quality service so that improve customer retention, re-sales and engagement, or even become friends. (Gummerson1994)

#### Intimacy & Profits

Take advantage of IT will extend the feelings of closeness with customers regardless of whether familiar with them or not. Once the relationship takes a form that does a chance to make real profits, moreover, it can achieve mutually beneficial win-win for both parties. (Gummerson1994)

## 2.2 Potential Benefits of CRM

Based on the company's different objectives and strategies, CRM's benefits are varying from every business. However, one thing common is that the effective CRM is a way to develop “customer focus”, which means the company would like to put customers first and satisfy the needs of potential and actual customers. Adopting this idea into company then it makes easier to find out the benefits are resulting from a better relationship with the customer.

### 2.2.1 Customer retention

A basic principle of marketing is customers are different in a thousand and one ways (Zikmund et al.2010). Today Competition is fierce, if the company unable to retain customers, the bottom line will affect to some extensions. Furthermore, in order to obtain a new customer, the cost may be high. Amway Company believes that the cost for fighting for new customer is six times to retaining old customer. Therefore, customer retention is the key to keep long-term success of the business.

Bharwada (2010) put forward “customer retention is ultimately driven by value, even the best segmentation, targeting, positioning, creative messaging or promotion with flawless execution will fall flat in the absence of value and in developing a plan to maintain and upgrade a customer base it is necessary then to build on a solid foundation”. It is hard work to implement customer retention, because it must be a top-down, companywide initiative and it affects every aspect in the company; and it makes great efforts worthwhile when paybacks in sales. The six key steps following can use to improve customer retention:



Figure 4 Six steps to improve customer retention (Bharwada 2010)

Ask customers what they need, what they complain. From that survey, company will receive feedback then use feedback to make improvement to product and service. Evaluate customer data to find out the target customer, it may help the company to keep on profitability, not just transactions. When company knows where target is, it can tailor marketing programs to keep those customers and encourage them to spend more with the company. Get the customer to activate, if they “forget” company. Do everything to make closer, guide the customer to retain when a better deal comes along. Instead of always giving customers what they expect, give them the unexpected. Reward them with delicate pretty for doing business with the company. Offer considerably service try to get all the customer’s eggs in basket. Follow through and

take action, make marketing plan offer the best service and products. Be proactive with customers. (Bharwada 2010)

### 2.2.2 Share of Wallet

With continued advances in CRM, companies try to get to know demand on the market and establish close interactions with their individual customer. Taking measure on increasing the “share of wallet” would help marketers aimed at the expansion of their companies’ market share. “Share of Wallet is the percentage of a customer’s expenses for a product that goes to the firm selling the product” pointed out by Griffin (1995). Companies can through surveys learn more how their customers are interacting with them, so that they can evaluate customer loyalty and then to improve customers’ share.

However, there’re many elements affecting company to make a decision for ‘share of wallet’ (SOW). Moeller (2009) has done some research on the elements affect customers’ reservation, pocket share, visit share and loyalty. The study mainly focus on the elements that relate with the convenience of purchasing among them, such as decision for purchase, purchase channel, acquiring of information, conveniences for sales and after sales (Moeller et al. 2009). Companies want to take action on SOW, they should care of related elements and try to set customers to trust.

### 2.2.3 Cross & up selling

The term cross selling has different connotations in different industries, but normally it is used to refer to selling the customer an additional product or service; the up selling generally is used to refer to selling the customer a higher-end, larger, more profitable, or more expensive product or service (McCormick 2007). These strategies benefit customers’ needs which are better received, as well as help company learns to keep and make them loyal.

Most costumers appreciate being told about additional products and services, which could satisfy their needs better or merchandise that they didn't meet in the past. It reveals that the company is aware of their needs and care about their satisfaction. However, picking the right time for strategizes are not an easy task for any company.

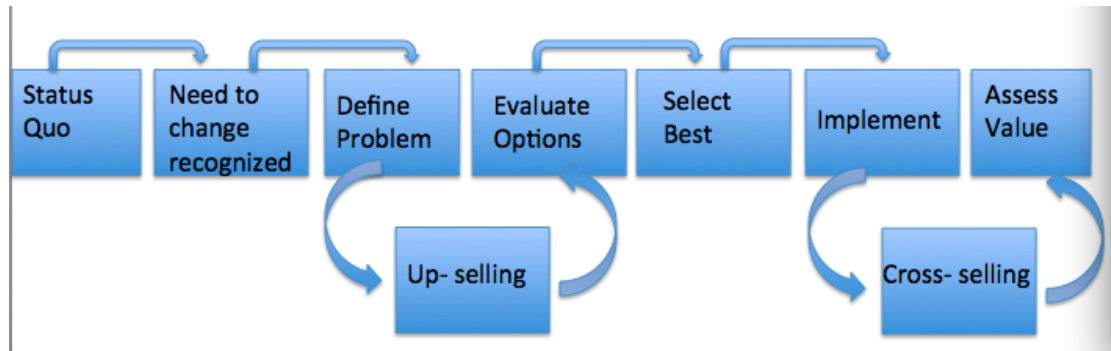


Figure 5 Timing for effective cross & up selling (Kurt 2011)

According to the product and service, cross selling and up-selling can occur at different times. Defining the problem and evaluate options may be a considerable time for up selling, while implementing and assessing value is for cross selling. Company should catch the right time to focus on meeting customer needs, rather than blindly pushing more products and services. When customer attrition goes down, profits will go up.

#### 2.2.4 Sale Force Automation

Taylor (1994, pp.22-25) identified that SFA provides salespeople with faster access to information, thus reducing the time required to prepare for a client presentation and reducing the number of follow-up when further information is requested. Several additional benefits from SFA, such as reduce costs, improve close rate, increase the selling price through more accurate and timely pricing information should be highly valued. (Jones et al. 2002, pp. 145-146)

Many factors existing in SAF system, figure 6 shows the conduction of each construct to use SFA.

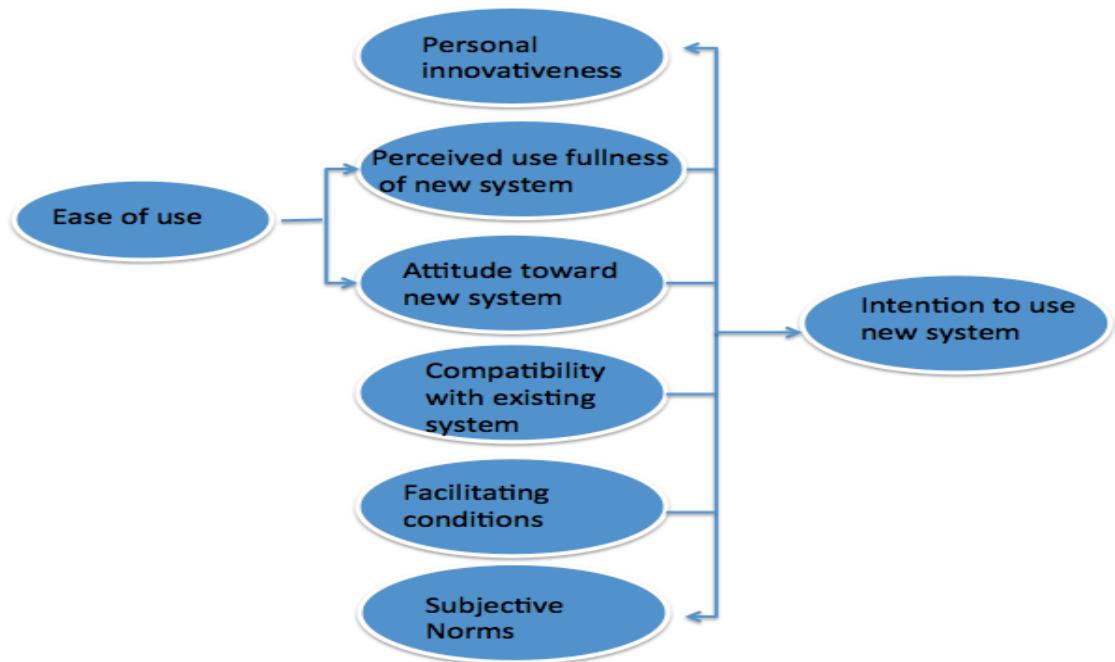


Figure 6 Factors leading to intention to use SAF (Jones et al. 2002, p.147)

Amway Company has a million of sales branches, so it is a tough mission to keep all SAF consistent in process. Besides the factors above, the company has to create a good technology circumstance to run the project.

### 2.3 The history of Customer Relationship Management in China

In this era of globalization, Europe and America declare technology advancement that precedes that of Asia and other parts of the world Customer Relationship Management being the most commonly used business strategy. It is becoming more influential in this challenging business environment. In fact, the letter” CRM” can be used to identify Continuous Relationship Marketing, Customer Relationship marketing and Customer Relationship Management. Each term represents the same process which can maximizes customer value through ongoing marketing activity founded on intimate customer knowledge established through collection, management and the

leverage of customer information and contact history (Christopher & Zerres 2009, p. 2).

CRM has been founded during the 1980s. Paraschiv (2012) stressed “during this time, it was referred to as being database marketing, which was simply a catch phrase to define the practice of setting up customer service groups to speak individually to all of a company's customers”. Jackson (1985) put out the "Relationship Management" as a new concept, and it helps people to take a momentous step for the research of marketing theory. In the early 1990's, “Contact Management” evolved into “Customer Care”, which includes Call Centre and Support Data Analysis. The 1990's also saw the introduction of a number of advances in this system. It was during this time the term of Customer relationship management was introduced (Exforsys 2006). The entrance of CRM conception to China took several decades, but the unprecedented development of CRM is in 2002. China entered into the World Trade Organization on December 11th 2001: the CRM system offered great help to companies to keep strong relationships with their customer while simultaneously increasing profits. At the same time, it also brought many challenges, and a majority of SMEs had to face more fierce competition. Thanks to the changing world, every enterprise should make serious efforts apply new methods and management philosophy, which supposed to achieve and maintain competitive advantage.

## 2.4 Obstacles to CRM in China

Customer Relationship Management is a one of the most effective tools for improving customer relationships, besides increasing revenue, customer satisfaction, and customer retention. Multinational companies introduced CRM into China as a tool to gain the potential loyal and profitable customers. However, most of CRM did not succeed. According to the research of Sohorah (2011) only 30% of companies in the world with a CRM implementation feel that they have had a positive return on their

investment. There are many reasons why a CRM project may be concerned as a failure, and they differ from each. From the figure 7, some relative factors will show:

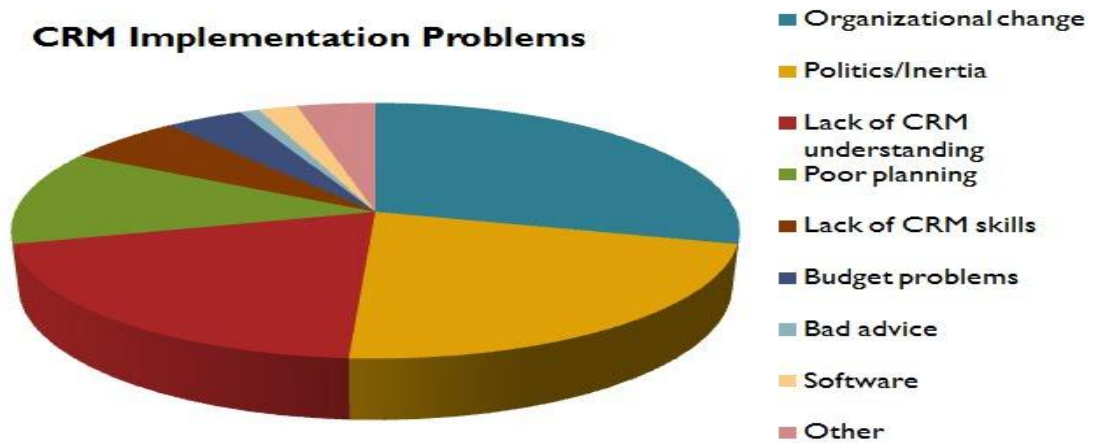


Figure 7 CRM Implementation problems (Sohorah 2011)

The figure 7 indicates that organizational change; politics/inertia and lack of CRM understanding are three main factors for implementing. Every company wants to make use of technology to deliver better and faster than their competitors, but technology is not the critical aspect for the CRM initiative. As a successful company, all personnel have a responsibility to involve actively in business process; executive level managements spearhead the effort and objectives for the project under the certain political environment; understand the company from the customer's point of view.

In China, one of the main reasons for losing CRM implementation is the Chinese market itself. China is unique among the countries of the world that it can sustain reasonable growth rate through domestic market development alone, so the existence condition is not as in developed countries. Another constraint is the lack of customer information. Although systems for gathering and usage of customer data are bundled into most CRM software now in the market, the cultures are not comfortable with the idea of sharing information. In addition, the information available about the environment of business and available infrastructure is spotty at best in coverage, and has shown to have questionable validity. Any strategic planning and customer

segmentation based on the above sources is not likely to be particularly useful. Lack of ability and willingness to adapt Western knowledge of successful CRM implementation to the Chinese context has been another obstacle based on the particular cultural and macro-economic characteristics of the Chinese environment. (Chattopadhyay 2002)

### 3 CUSTOMER RELATIONSHIP MANAGEMENT STRATEGIES

Customer Relationship Management (CRM) is a business philosophy that provides a vision for the way the company wants to deal with customers. In order to deliver that vision, the company has to adopt a CRM strategy that gives shape to sales, marketing, customer service and data analysis activities (Atos origin 2002). The main aim of strategy is to help the company to deliver greater value for organization, vendor and customer, so that they can keep a profitable relationship in efficient ways. CRM strategy includes four parts:

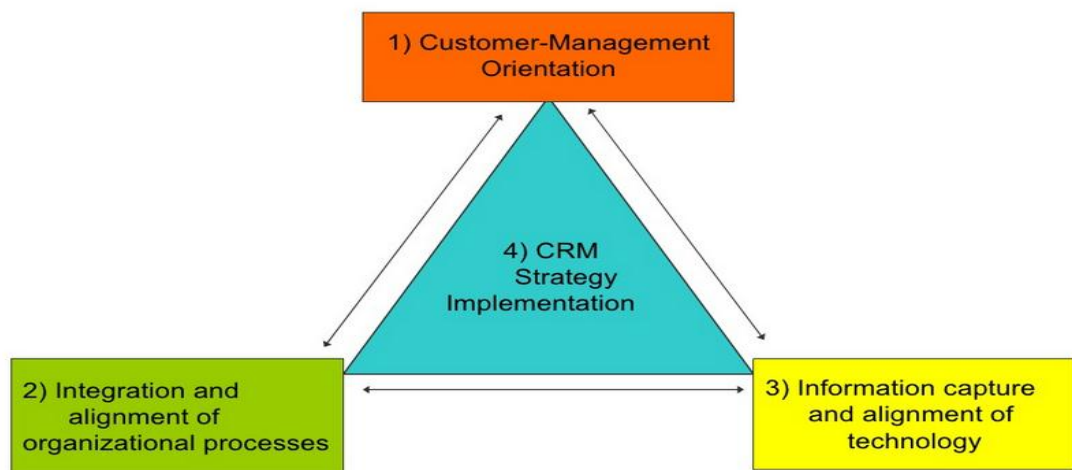


Figure 8 Components of CRM strategy (Kumar&Reinartz 2009)

There is a relationship of interdependence and mutual promotion between the four components of strategy from above. A competitive strategy requires customer orientation, alignment of organization processes and information capture and technology in such a manner. The implementation can be divided into four steps:



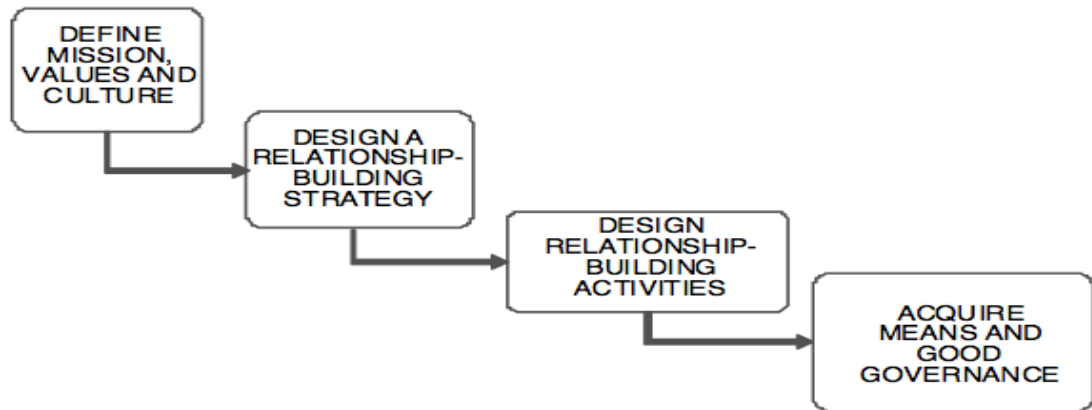


Figure 9 Four steps to implement a CRM strategy (Renart&Cabré 2007)

The company has start to define its mission, values and culture before adopt its CRM strategy; the second step is to design the CRM strategy itself, for instance, the far-reaching, and medium to long-term decision that leads company how to interact with customers. Then apply a set of CRM practices and strengthen the relationship with customers would be the third step, but practices or activities must be aligned with the company's mission, culture and values; the last step is to acquire the means and resources to support company identify, select the technology to manage its CRM strategy. (Renart & Cabré 2007)

This process should be taken the step by step so that the company could monitor customer satisfaction and loyalty, as well as enhance the customer value.

### 3.1 Understanding Consumer Behaviors

#### 3.1.1 Customer decision-making

“Consumer behavior is about how individuals make decisions spend their available resources, such as time and money, on consumption-related items” according to Glowa(2001). Successful business requires the company to interact with their customers. This would help the company to identify the disadvantages and reflect the

positive aspect of business. The company has to understand five key dimensions of buyer behavior at the beginning of the process:

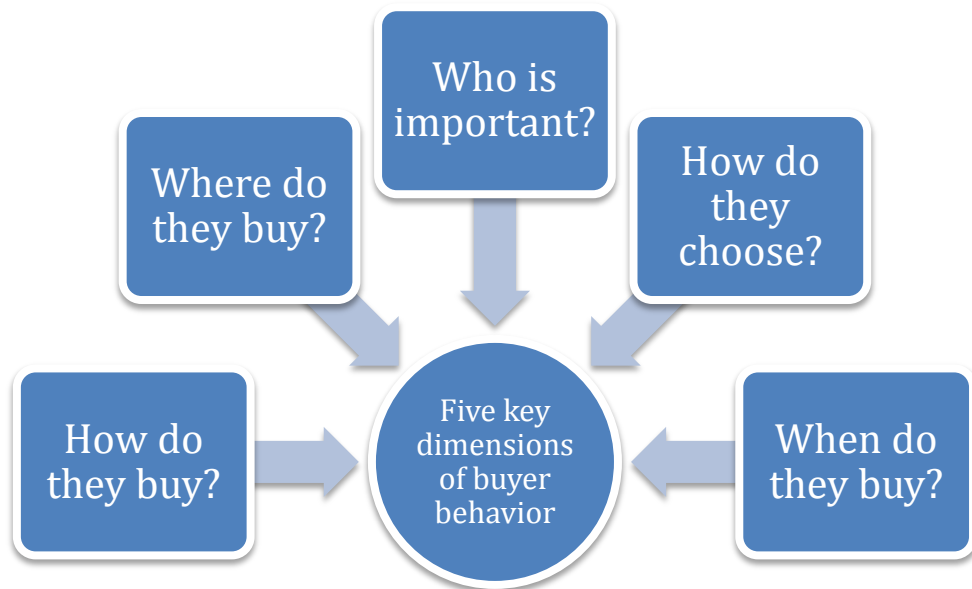


Figure 10 Five key dimensions of buyer behavior (Blackwell et al. 2001, pp. 67-97)

There are five buying roles: “initiator” is who begins the process of considering a purchase; “influencer” is attempting to persuade people to make decision; “decider” is someone who with financial authority to make the ultimate choice; “buyer” conducts to transact; “user” consumers of the product (Blackwell et al. 2006, pp. 67-97). The final player plays a major role in the process, but all the intermediaries are indispensable. The consumer decision process involves five steps:



Figure 11 Five-stage model of the consumer buying process (Blackwell et al. 2006, pp. 67-97)

The customer decision-making starts with recognition that a problem in existing or desired state. Some customer solves problem by relying on one satisfactory solution and purchasing that solutions without an evaluation that could be called habitual decision-making. This purchasing is for frequently purchased items, such as detergents, gasoline. An information search should be undertaken to isolate a solution when the company recognizes problems. Besides, information search may be extensive, very brief, but not simple and based on the customer's need. According to the different products in different areas, the evaluative criteria vary. They can differ in type, number and importance. Customer will make choice under the guide of distribution channels. However, sometimes they are anxiety after purchase and a negative evaluation on the product usage that influence on the post-purchase evaluation process. Consumers develop certain expectations about the ability of a product to fulfill instrumental and symbolic needs. To some extent if the product meets these needs, satisfaction is likely to result. When customers' expectations are not met, the result will turn out to be dissatisfaction. (Glowa 2001)

### 3.1.2 Customer satisfaction

In today's world of doing business, it's critical that form a close relationship with customers to make sure the company's service for them can meet their requirements. Because it is known to all, no business can exist without customers. To understand the importance of customer satisfaction will help the company to be aware of their inapplicable measures so as to retain customers because when company has to ensure their marketing strategy is in the right place to service customers, their customer loyalty will increase as well as their sales and profits. Therefore, company should put customer satisfaction as an indispensable marketing strategy involved in business processing, which will fortify their strengths and improve their weaknesses.

“Satisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her

expectations” Kotler (2000, p.36) mentioned. In other words, customers mightily concern about the product’s quality or company’s service quality they get, but at the same time, they also mind the value of pay. Companies have to measure the customer for the purpose of satisfying their need or perception. During the process, Lodenius (2011) proposes some crucial factors that affect customer satisfaction should be noticed. Figure 12 clarifies the key factors conduct in satisfied customers.

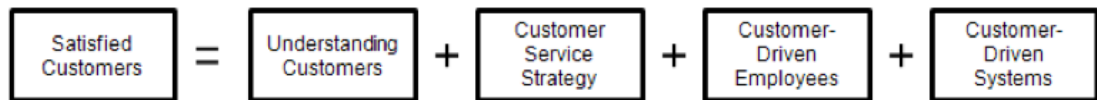


Figure 12 The customer satisfaction equation (Lodenius 2011, p.17)

Customers always compare the experiences with the expectations they have of the company. Customer satisfaction occurs when their experiences of a service match the expectations. Customers will be impressed on the company when they get more than they anticipated. Moreover, the image of the company will help customers to become satisfied. Many companies put customer satisfaction as their top priority by considering a carefully designed customer satisfaction framework. Figure 12 is a typical case for overview framework. (Lodenius 2011, pp.17-18)

### 3.1.3 Customer loyalty

Loyal customers are not necessarily satisfied customers, but satisfied customers tend to be loyal customers (Gustavsson & Lundgren 2005). In other words, it is a suggestion for the company to treat different customers differently. Because it will support them to find out their best customers who bring in more revenue and then treat them differently in order to acquire, upgrade and retain. The main goal is to turn the best customers into loyal customers. How can company be aware of whom is a loyal customer? Here, are three measures of loyalty that could be used in segmentation by loyalty:

- Customer's primary behavior – regency, frequency and amount of purchase;
- Customer's secondary behavior – customer referrals, endorsements and spreading the word;
- Customer's intent to repurchase – is the customer ready to repurchase in the future. (Kuusik 2007, p.7)

Based on the three measures of loyalty presented above, the customers could be segmented by their loyalty as follows:

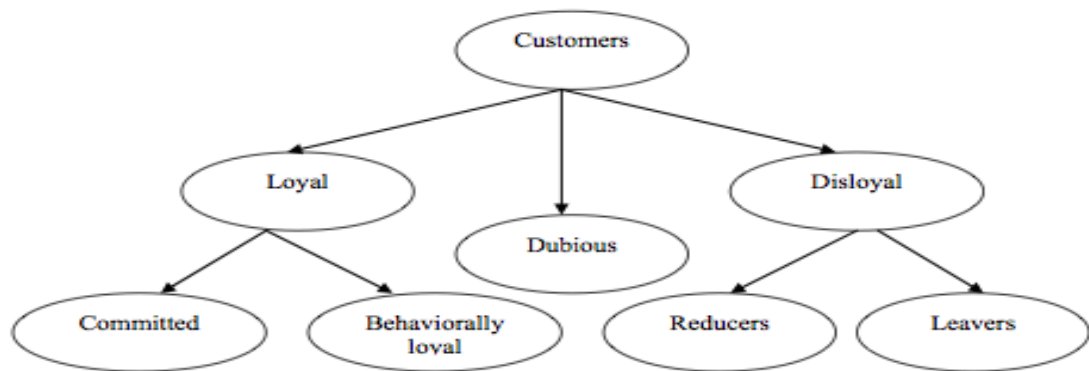


Figure 13 General segmentation of customers by loyal (Kuusik 2007, p.8)

Customer loyalty can be divided into two parts: behavioral and attitudinal loyalty. Behavioral loyalty is essential for a company in order to generate profitability. Attitudinal loyalty, on the other hand, is necessary for a company, because it helps the company to build up an exit barrier for their customers especially important in non-contractual situations where there are low switching costs. (Gustavsson & Lundgren 2005)

Building customer loyalty is more crucial than maintain is a competitive edge, since company tends to put greater emphasis on customer loyalty with profitability. Company has treated customer loyalty as a serious aspect when it turns out in purchase behavior. Before the company takes any action, the necessary details of

loyalty have to be mastered, and then information to improve the present loyalty condition and seek out factors affecting customer loyalty. Figure 14 demonstrates the finest groups of factors affecting customer loyalty:

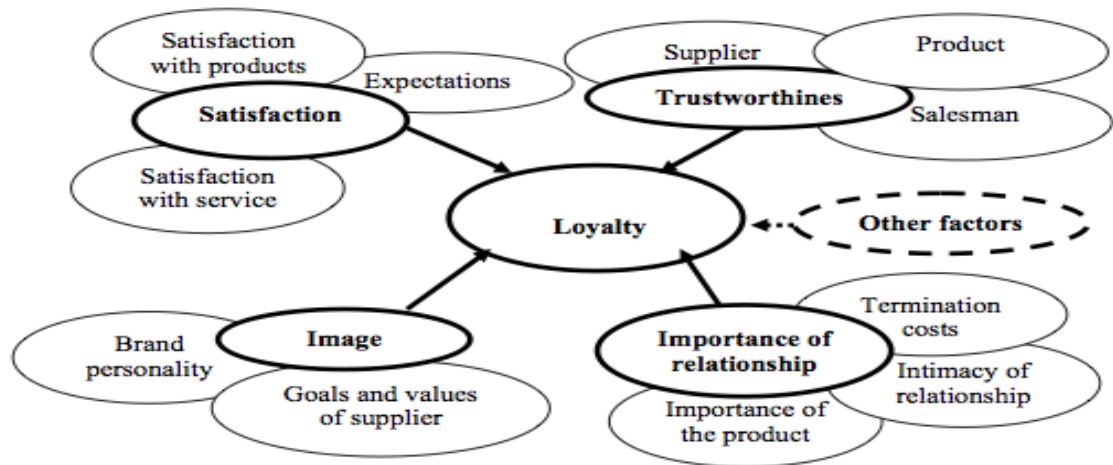


Figure 14 Factors affecting loyalty (Kuusik 2007, p.11)

The chart illustrates that the certain impacts on customer loyalty are “Satisfaction”, Image, “Trustworthiness” and relationship. Each of the section has some relevant points, but it still has some other factors not shown on Figure 12, for example, price, price activity, distribution, existence or domination of alternatives, social class, demographic characteristics and environmental factors (Kuusik 2007). Customer Loyalty will always be an essential part of business relationships; in addition, building long-term profitable customer loyalty relationship can be also necessary.

### 3.2 Building value for the customer

The core intention of doing business is to service customers, and gain enough value for them to come back and re-patronize. Although each firm has own project and perfectly internal organization framework, they have to do some prior research for giving assistance to understanding how relational processes build value for the customer.

The following diagram represents that not all customers are serviced equality from the company's perspective. As it shown, just 20 per cent of customers will account for 45 percent of revenues and generate 80 percent of a company's profits. Increasingly, the company wins business and allows keeping continuous an approach to personalize service delivery for customers that maintain them loyal. From customers' perspective, they put greater emphasis on the quality of interactions with a supplier over time, not only of the classic marketing "four Ps" - price, product, place and promotion. Customers are seeking for the company who can differentiate their needs and the value of theirs. (Atos Origin 2002)

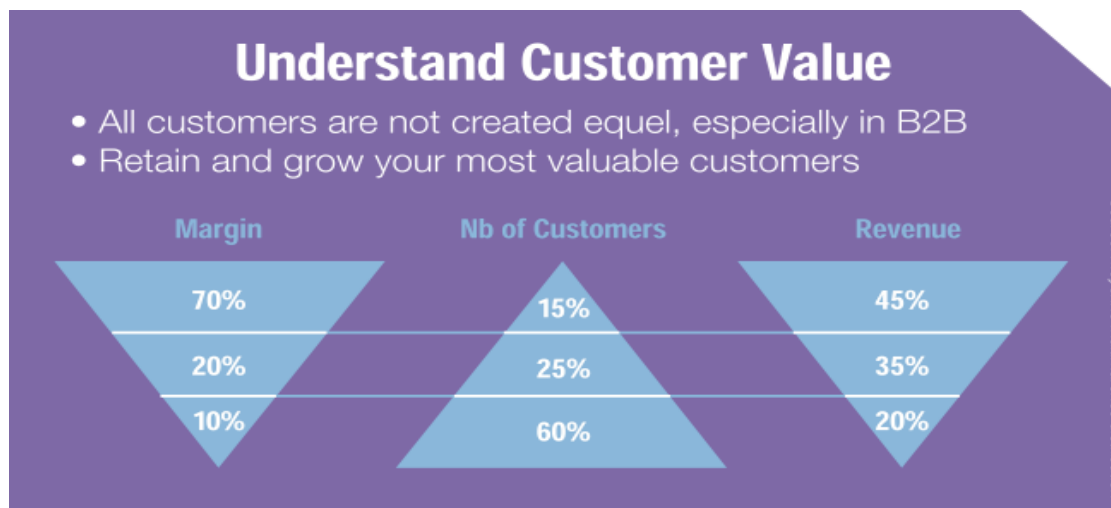


Figure 15 The value of customer value (Atos Origin 2002, p.3)

After the company has a conceptual framework for understanding customer value, then next step is to building customer value to enhance the long-term relationship. During the process, the antecedents of customer satisfaction, trust, control mutuality, commitment, mind-set and recommendations and word-of-mouth would provide insights for managers.

Companies focus on satisfaction always have positively attitude that the customer prefers and gatherers focus on quality, besides the company's competence can be shown through level of trust, reliability and confidence. It's beneficial for a company to control mutuality measure the degree to customers, because commitment brings in

the energy that it takes to preserve, support, and endorse; mind-set expresses the customer's attitude of interact relationship; recommendations and word-of-mouth are perhaps the most and the powerful influence in business today. (Bharwada 2012)

### 3.3 Customer lifetime value

Customer lifetime value can be defined into two aspects. Firstly, from a customer's perspective, it is the worth of products or services. On the other hand, CLV takes the view of companies, which defined as the value from each of their customers during their relationship. This not only includes the net present value of future profits, but also intangible benefits that emerge during the life of the customer. (Heinen et al. 2010, p.4)

CLV nowadays make use of a tool to manage the success of business and also a measure of the worth of a customer to the firm. Figure 16 presents a conceptual framework that shows CLV fits in the firm value:



Figure 16 Conceptual Framework for Modeling Customer Lifetime Value (Gupta et al. 2006, p.140)

This framework highlights three categories of modal in the area of CLV. Firstly, the modal consists of those that attempt to find the impact of marketing programs on customer acquisition, retention and/or expansion. Secondly, they examine the relationship between various components of CLV, the current and future customers of



CLV, often called CE. “CE” is an abbreviation of “customer equity”, eventually forms a proxy for firm value or its stock price. The last step uses the models link CLV OR CE to firm value. (Gupta et al. 2006)

The customer life cycle identifies as a series of steps that the customer has experienced over a certain period of time in the process of purchasing, using and loyalty maintaining to the product or service (Deng 2010). In the purchasing relationship, customer is the one who has the initiative to lead the direction of development. They can decide to continue or end this relationship in any phase of life cycle, however, once the company can analysis the exact position where customer is in the life cycle through the daily life data, the company will have a greater chance to push the relationship and continue doing business.

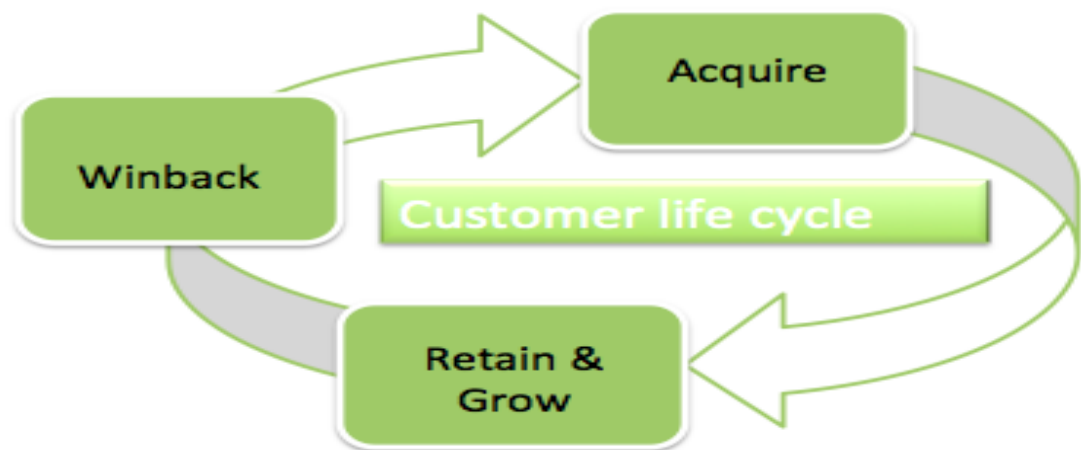


Figure 17 Customer life cycle(Zikmund, Mcleod& Gilbert 2010)

Acquisition is the first issue and a key factor for establishing of valuable customer base in the company. There are three vital aspects like target prospect communication method and communication content should be considered before the process, because these three points are necessary to be used effectively to achieve CRM objective. (Deng 2010)

Customer relationship management has highlights on understanding the customer, in order to provide better products and services and subsequently to accomplish more

transactions. The aim of CRM is to retain the profitable customers, and eventually become the company's loyalty advocates. This can be call retain or grow in figure 17.

Despite all aspects of CRM need to be assessed and strategies or tactics developed an area that has largely neglected in the marketing literature is customer "win-back" strategies. Customer win-back is the process of firms' revitalizing relationships with customers who have defected. Sometime the company profitable customers will lapse or defect from a firm, even become a competitor's customer, so the firms need to employ profitable win-back strategies. (Thomas, Blattberg & Edward 2004)

The chapter 2 and 3 introduced the construction of conceptual. Putting theories into Amway, the most important issue to Amway China is on the basis of understanding customer behavior to maximize the value of every customer, the potential benefits of CRM and to establish profitable relationship with them.

## 4 CASE STUDY: RESEARCH ON AMWAY COMPANY IN CHINA

### 4.1 Actuality of Amway (China)'s CRM

The actuality of Amway's CRM certainly is the current circumstances of Amway's CRM, and it is elaborated through following five aspects. Based on this five aspect, achievements of Amway or weakness of the company would be stated carefully, thus preparing to make a perfect plan for the future development of Amway.

#### 4.1.1 Introduction of Amway Company

Amway have more than 700 employees, over 200 exclusive products, and over 100,000 Distributors. Moreover, annual sales of the company expanded rapidly, exceeding US \$500,000 for the first time. Persuaded by unremitting efforts for these decade

years, Amway's global family includes more than 3 million distributors in more than 80 international markets and territories.



Figure 18 Amway's brand (Amway company 2012)

The logo has four different color ripples, on behalf of four ripples corresponding to business, home, beauty and nutrition. They reflect Amway's modest, confident, dynamic, and the temperament of enhancing. Further, the logo has endured deeper connotations: business opportunity, multi-product, the relationship between marketers and consumers. Four colored wreaths button up mutually symbolizing Amway as a citizen of corporations to contribute to the community. (Liu 2010)

Amway's headquartered is in Ada, Michigan, it has been founded in 1959 and launched a direct sales business model to sell a variety of concentrated, biodegradable, and environmentally friendly products, primarily in health, beauty, and home care markets. Simultaneously, founders Jay Van Andel and Rich DeVos coined Amway as an abbreviation for "American Way". In the well-known financial magazine "Forbes" (2003), Amway ranked 25th in the largest 500 private companies in USA. Today Amway successfully operates the company global portfolio in the whole world. These are the brands upon which Amway Independent Business Owners build their businesses such as eSpring, iCook, Artistry, Nutrilite, etc. Under an Alticor financial report in 2010, the sales growth of this year was 9.5%, reaching up to US \$9.2 billion. No one can ever deny that Amway has shaped a common symbol for consumers know about the direct selling industry successfully. (Amway 2012)

In 1995, Amway officially launched its market into China. In fact, the company came to China was in 1992, they spent three years on plant construction. Amway factory located at Guangzhou economic technology zone is the largest production base of Amway (America) in overseas. After several times expansions, the factory occupies about 58,000 square meters to 141,000 square meters. At present, the total investment of Amway (China) reaches up to \$220 million. In addition, the company has 30 modernization production lines, for example, the company uses raw and packing material wrapper storages to provide customers with nutritional health food, ARTISTRY ® cosmetics, personal care, home care, and Queen's pot in five series. (Amway China 2012) According to a report in Bloomberg Businessweek (2010), Amway had 237 retail shops in China, 160,000 direct sales agents, and US\$3 billion in revenue. Amway China is always keeping to make considerable progress in comprehensive strength, and receiving the honorary title of "most Responsible Enterprise".

#### 4.1.2 Amway-way of understanding customer behavior

Since Amway manufactures over 450 products in five categories, therefore, understanding customer behavior becomes more significant. Amway found its target customer in the light of 5 key dimensions of buyer behavior that have introduced in chapter 3.1. Take a case for example, the company comprehends the occupation of the customer is a housewife while doing sales behavior, hereafter sales will recommend Personal Care and Home Care based on her situation in order to offer considerable care for herself and her family. Amway adopts differentiated and customized service to furnish with central performance for customers. In China, at least 10-30 loyalty customers around one salesman, which means Amway has more than 20,000,000 loyal customers, and families to supporting Amway's market.

To some extent it has disparity from Amway to normal companies for implementing marketing behavior. There're some the common marketing behaviors such as

advertisement, promotion or propaganda and so forth. The biggest difference between them is that Amway's customers may not always be customers, can be working partners. Consequently, salesmen take advantage of their own experience to conduct some activities like health lectures, beauty salon, and spring out and so on for inviting participants. In this process, without any sales practices and a strong business atmosphere, just make use of the platform enhance interacting relationship. Moreover, to get further of understanding customers so as to offer better service to meet customers' needs. Figure 19 presents one of the training lectures:



Figure 19 training lectures

#### 4.1.2.1 Share of wallet in Amway

Amway applies step-by-step strategy to appear new products on the market for the purpose of improving marketing acceptability and brand effects. In addition, the company manages three modes of marketing behaviors to guide ordinary customers into loyal customers.

Share of wallet: In 1959, Amway launched one of the world's first biodegradable, concentrated multi-purpose cleaners, and it was a high seller product, the legacy of

taking out stewardship for the earth seriously from then on (Amway 2012). With the mature market, Amway initiated to research other products to expand of their companies' market share in geography, sales, and product offering. Many loyalty customers of Amway start Amway product in the same circumstance, they use only one product in the beginning, and then they try all kinds of varieties. The company has successfully achieved "share of wallet", cause today more than 450 kinds of products servicing in the market.

#### 4.1.2.2 Cross/up selling in Amway

Cross-selling: Amway has a one branch named ARTISTRY®, which is a dynamic collaboration of leading experts in skin research and health. There're almost 90 categories listed in this group, including makeup and skin care. Amway considers taking cross-selling for the purpose of improving Sales performance. For an example, a set of skin care including cleaning treatment, conditioning toner, day and night lotions, and the four bottles called "ARTISTRY® TIME DEFIANCE® Anti-Aging Skincare Special Offer – Combination-to-Oily". The normal price for this set is US\$237, however, after taking cross selling the price would be US\$196.50. Resorting this way would increase profitability and customer retention.

Up-selling: The company exploits a small branch of Artistry especially for high consumption customers, the brand named "Artistry Luxury". This practice meets the needs for different level customers, at the same time could help the company to rely customer retention and loyalty.

#### 4.1.3 Actuality of personal information system

Customer relationship management system of Amway can be generalized into "One center" and "Two basic points". One center centered on obtaining the absolute customer satisfaction. The core purpose of carrying out the customer manage is to

provide a better customer experience and increase selling opportunities, so satisfy customers is a foremost concern. Two basic points are CRM's behavior and customer management's tool respectively. Pre-sales, sales, the after-sales belong to: CRM's behavior, analysis tool, detailed customer information, customer visit planning, etc. All of these formed a personal CRM system.

The first step to create personal CRM system is to manage customer files, because establishing an effective system in account file management to furnish necessary reference and information base for daily customer management. Mrs. Jin brought up that it is wise for company to take full advantage of CRM system to increase customer value. At the same time, it also can develop a marketing strategy for different customer needs based on transaction record or personal information.

Table 2 Customer profile (Amway 2012)

Customer working information				
Company name				
Company address				
Tele:	Fax:	Zip code:	web:	
Nature of enterprise	Industry	Main products	Number of Staff	Last year output value
Customer personal information				
Name	Gender	Age	Occupation	Working years
Tele (home):	Tele:	Email:	Address:	Zip code:
	Marriage	Child or not	Salary	Car or not
Main shopping mall	Favorite brand	Consumption average	Networking channel	Networking
Personal indulgences				
Birthday		Favorite color	Eating habits	Communication preferences
Important anniversary				
Family situation				
Name	Gender	Relation	Birthday	Remark
Recently comparative concern				



From the table 2, the company can absorb some valuable information, such as the contact way of customer, income status, spending habits, brands recognized so forth. Amway would also utilize this personal system to improve customer service management. It is a wise move to update every customer's information when finish the deal, so that the company through the service to enhance customer value, and create corporate value.

#### 4.1.4 Analysis of CRM process in Amway

The CRM process consists of three main parts, from stages 1-6 suppose to form the customer perception, build up connection in stages 7-8 and stages 9-11 show the steps to maintain the relationship.

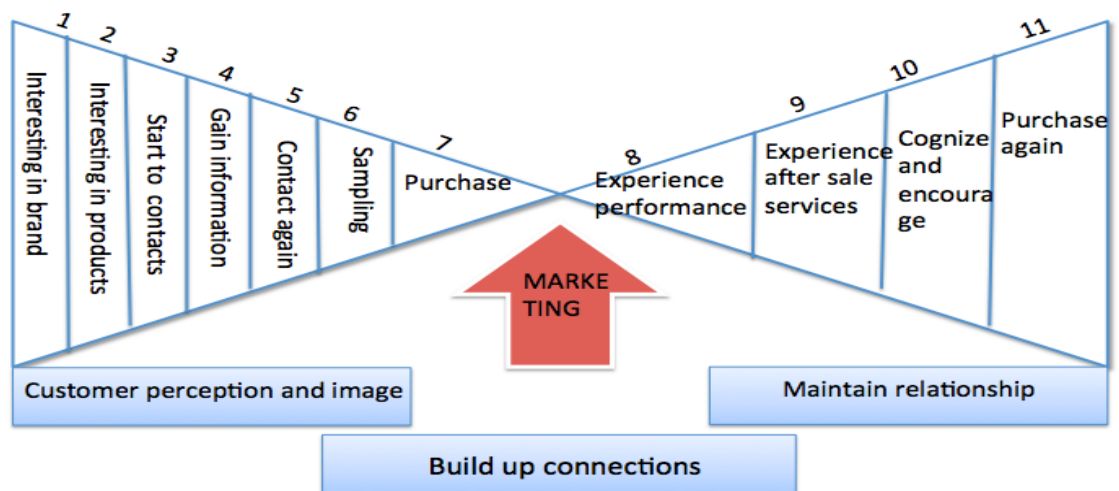


Figure 20 The overall flowchart of Amway's CRM (Amway 2012)

CRM value chain: value chain primary stages and supporting conditions could be fully used in the whole process. Customer portfolio analysis is in stages 3 and 4; customer intimacy is in stages 4, 5, 6; network development is in stages 7,8; value proposition development is in stages 8, 9, 10; managing the relationship is in stages 8-11. The four supporting conditions apply from the beginning to the end.

Customer life cycle: the first step of life cycle is to acquire, which presented in stages 1-7. In the process of retention and grow, Amway has to provide better products, services and accomplish more transactions, which shown in stages 8-11. The last step is win-back, and it can be used when accidents happen in any stage.

#### 4.2 The existing shortcomings at present

The existing shortcoming in Amway China can be analyzed under the help of SWOT-analysis. Amway China strengthens through the analysis of macro-environment and business environment depend on Amway's business model and Chinese market, taking into consideration of the current situation and competitive trend. SWOT-analysis is reasonable and suitable for the company to recognize the comprehensive situation thereby to propose the strategy in the future.

Table 3 SWOT – analysis (Wang 2005)

Strength	<ul style="list-style-type: none"> <li>(1) Producing natural environmentally friendly products; have various aspects of the patents; leader in technology.</li> <li>(2) Amway is Industry leader has completed the production and equipment with strong financial background.</li> <li>(3) Company is well known, with reputable company images and team unity.</li> <li>(4) Advanced logistics and distribution center system.</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>(1) Quotation is much on the high side, lower refresh rate.</li> <li>(2) Drain drain becomes an irreversible trend, cause the advanced personnel cannot meet the demand of the development.</li> <li>(3) The channel of raising funds is monotonous will hit corporate profits.</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>(1) With the constant economic development in China, the market is growing fast, and people's purchasing power is rising.</li> <li>(2) People all concerned about nutrition and health, more and more customer recognition company product value.</li> <li>(3) Chinese government encouraging enterprise independent innovation.</li> <li>(4) The company's product line has been continuously enriched.</li> </ul>
Threats	<ul style="list-style-type: none"> <li>(1) Energy conservation and emissions reduction significantly increase the cost of the enterprise.</li> <li>(2) The market is subject to fierce competition, especially cosmetics, home care and health food areas.</li> <li>(3) Supplier haggle over prices with the company, on the other way, the raw material is still rising.</li> <li>(4) The excessive unordered competition on the market will finally damage the common interests of the consumers, dealers and manufacturers.</li> <li>(5) The business model can be followed easily.</li> </ul>

By analyzing SWOT, Amway China having an enormous advantage on product technology, marketing, financial ability and human resources, while the main reasons for causing the disadvantaged are high price within same industries, also the brain drain out of the company has been a monumental loss. It is entirely feasible for the company to implement diversification strategy in responding to the excessive unordered competition on the market, in addition, to make best use of self-advantage and make an effort combat threats in the environment, and positively seek for the way for adapting the enterprises to the market, increasing the profit and decreasing the cost, improving the capital efficiency. (Wang 2005)

#### 4.3 Amway – way based in the interview

Mrs. Jin has been in Amway for 6 years so far, and performance getting better and better in every year. During the interview, she shared her own opinions about some relative aspects with CRM in Amway China.

Regarding the 6 years experiences, Mrs. Jin analyzed the obstacles of Amway to implement CRM in China. She conducted that the success of Amway's business way is not easy in China. In 1997, many delinquents exploited Amway's brand to make illegal deals in the market. At that time, Amway has suffered enormous loss. In 1998, the government got a special permit for Amway to keep direct selling model, but the sales sharply declined. Fortunately, Amway adjusted the products' prices and set up 58 Stores to get through difficult times. Overall, she concerned the most difficult obstacle is Chinese politics and market.

When being asked about opinions of managing customer data, Mrs. Jin claimed that it is necessary to establish personal information system. "I visit more than 4 customers in person every day, and I believe that manage customer is to collect interrelated information of customer's records, and then keep contacting with them", she said. This will remain she to center the customer, and gain new customers. What's more,

the biggest benefit from the system is for targeting customers, which can be more convenient for the company to understand customer behaviors.

The three main marketing behaviors will greatly embody the potential benefits of CRM, which are share of wallet, cross/up selling. Mrs. Jin remarked that many ordinary customers turn into loyal customer under the help of these three movements. In China, hundreds of similar brands attract customers. The company will lose customers because of one marketing strategy. Share of wallet, cross & up selling are able to meet the needs of multi-level clients for various life demands.

Mrs. Jin mentioned during the interview that the policy of satisfaction guaranteed dismissed all fears before she made a decision. The company ensures that if the customer is not completely satisfied with the product, they will exchange or refund. No questions asked. With the help of the policy, she gained confidence in products and honor such promises. In addition, she admitted Amway career further the potential for individual and share success. Everyone has a responsibility to be upstanding citizens in the communities where we live and work.

In conclusion, from Mrs. Jin's opinion, the customer relationship management of Amway China in general has well received and carried out so far. The company achieves the obligation of enhancing distributors credibility and supports the relationship with customers. She has a lot of faith in Amway China's bright future even though the company has flaws and needs further improvement.

## 5 ESTABLISH AND MAINTAIN THE LONG-TERM PROFITABLE CRM IN AMWAY CHINA

All information about the actuality and SWOT-analysis in Amway have been gathered and explained in above, the thesis will suggest some the effective solutions and recommendations to optimize the company's customer relationship management in

the following. The research mainly surrounding improve customer satisfaction, loyalty and retention in Amway.

## 5.1 Customer Satisfaction and Loyalty Improvement

In the development of marketing, customer loyalty directly related to the company profitability. In order to establish a long-term relationship with customers, the company needs to stabilize customer loyalty to secure existing customer resources. The best solution for improving customer loyalty is customer satisfaction, because they are in the positive correlation. Based on the Amway business modal, the following two ways can be concerned to improve customer satisfaction.

### 5.1.1 Improve One-to-one marketing

Amway is one of the largest Direct Selling companies in the world because of under the help of this business mode to a great extent, meanwhile the company conducts business through a number of affiliated companies in more than hundred countries and territories around the world. The considerable contents of direct selling focus on providing channel of distribution for companies with innovative or distinctive products not readily available through traditional retail. The company provides customer with convenience and service, including personal demonstration and explanation of products, home delivery, and generous satisfaction guarantees that allow individuals an alternative to traditional employment by building a business of their own (Amway supplier portal 2004).

“One-to-one marketing is a philosophy of understanding a customer’s needs through asking questions and really listening to the answers, as well as through observing their actions” Coravue (2003) proposed. With a one-to-one strategy, company will focus on what the customer wants to buy rather than what the company wants to sell. On other word, the company meets the customer’s needs and helps the customer become

comfortable doing business with the company (Coravue 2003). Amway Company has to target customers so that they can find shortcut to increase consumer satisfaction and retain loyal customers.

The most obvious characteristics of one-to-one marketing is personalize, which emphasis on customer-centric. NUTRILITE® products are taking a prominent role in Amway's sales market, besides the brand has haply branched into five sections: vitamins & supplements, weigh management, sports nutrition, energy drinks and medicine cabinet with more than 173 kinds of products. Applying one-to-one strategy, company can service the right products to target customer. Customer satisfaction will greatly improve in the process.

#### 5.1.2 Improve Key customer management

Italian economist named Vilfredo Pareto created a mathematical formula to describe the unequal distribution of wealth in his home country in 1906, observed that twenty percent of the Italian people owned eighty percent of their country's accumulated wealth. In the late 1940s, through application in a variety of environments, this analytic has come to be called Pareto's Principle or 80-20 Rule. This mix of 80%-20% reminds us that the relationship between input and output is not balance. (Hafner 2001)

Before adopting the rule, Amway has to segment the customers. With the help of the structural model of customer pyramid, Amway locates the positioning of key customer rapidly.



Figure 21 the structural model of customer pyramid (Amway 2012)

The bottom level is general customer, including micropayment and prospective customers, but also with the largest number of client. Trading customer is who has several times transaction but with small account. At the top of the pyramid named key customer that transacts with large amounts of money in the short trade period, but above all, company can take a chance to construct the group as Independent Business Owners.

According to 80-20 Rule, key customer accounting for around 20% of all the clients, but this part precisely makes 80% of sales contribution to the company. Nonetheless, in allusion to the each different level customer, the company emphasizes on treating customers differently, can't give up the other 80% of customers. Amway may figure out the way to put 80% of energies into 20% key customers, meanwhile, develop general customers would be especially pertinent to build career foundation and upgrade the consumer's brand loyalty effectively from the perceptions of trading customers.

## 5.2 Improved solutions for customer retention

Customer always plays a pivotal role in companies' survival and development. In addition, company places the emphasis on customer service and makes up standards in this field will have the ability to develop a highly customer focused environment no matter the size of the company. Every company exists the fact that customer chum



causes enormous losses to the company. Therefore, improve customer retention becoming more and more important. For Amway China, the ways to increase customer retention should be explained in these points based on the analysis of figure 4.

Amway needs to take the initiative in interacting with customer, ask their demand and feedback. With the feedback strategically, customers can involve in improving business processes and supporting critical business strategies. The company would take this opportunity to gain customers' information and customer value, which impacts on generate a strong return on investment.

Evaluate Amway's personal information system, and update the new coming data in time. This step can help the company focus on the target customers. Furthermore, it is critically to take adequately advantage of 80-20 Rule to meet the strategically significant customers' needs or expectations. For Amway, the strategically significant customers are the key customers who have high life time value and comfortable engaging with the firm's processes. The customer information center should be established, whose main task is to collect, analyze, classify and assess the information database, this is an essential step of servicing key customers.

The company can stimulate customers with the price. The customers prefer to keep a relationship with the company, because they want to receive privilege or special permission. For example, Amway can propose incentives for frequent purchasing customers or offer present in their birthday and remarkable festivals. These movements will aggrandize the possibility of retention.

### 5.3 Maximizing customer lifetime value

In a customer-focused world, the development of products and channels has to abide by customers' lead. Hence, before following customers' lead it's crucial for the

company to comprehend customer lifetime value. Without calculating customer lifetime value, the company will never know how much time, money, and effort can be afforded to invest to acquire or retain customers. That's why customer lifetime value could be used as the basis tool for segmenting customers and allocating resources.

The customer life cycle consists of three steps: acquisition, retention& grow and win-back. The strategies of maximizing customer lifetime value primarily can be implemented into these three steps. Firstly, it is necessary for the company to master the customer acquisition rate under the impact of direct marketing and then to track the indicator, which notice company to avoid miscommunication and improve the company image. A strong brand ought to leave a deep impression for customers choosing new products, so developing powerful brand can as well as contribute to customer acquisition.

Secondly, it is critical for direct selling industry to obtain customer satisfaction and customer loyalty because this business model is person - to - person service. It is known to all, company has to pay about five times more to bring in a new customer than to keep an existing one. Consequently keeping customers satisfied should be considered into mind, leading to more customization and specialization of products for consumers is equally indispensable. Finally, the way to win-back the confidence of the markets is optimizing resource allocation. Each company has own management situation, so the specific measures have to be taken depend on it.

All in all, it is the key to the success of business to understanding of Customer Lifetime Value. Business purpose of the company is always benefits the customer as the highest starting point, further to accept optimal recommendations to increases future profitability of the customers.

#### 5.4 The proposal on the future development of Amway's CRM

Amway has an impressive reputation and strong brand strength, on one can shake its status of China's direct selling industry's leader. Nonetheless, in the course of Amway's CRM development, it will face not only the economic crisis, but also manage problems within the company. This chapter will focus on following two views to address the proposal on the future development of Amway's CRM.

##### 5.4.1 Injecting with a new marketing paradigm

CRM strategies highly develop with underlying science and technology, to make it possible to aid company to analysis past customer behavior and predict future lead customer behavior. Although Amway has a broadly customer base, it doesn't mean it will easy to retain them. The customer information tends to be systematically recorded, defined, updated, treated and optimized. So CRM technology is available to be a good tool to customized offerings for lifetime customer loyalty. If the company combines technological advances (internet social communication, data warehouse, data mining and so on) with customized services, the interactions will more effectively to maintain competitiveness in the direct selling industry.

In the service of Amway, they established quality single-track, customer file services, and took the initiative to the user asked for the product requirements and set up regular visits to customers. This being noted that the measures cost time and effort intervened by manual work. Therefore, in this case it would be necessary to implement sale force automation (SFA) to raise overall work productivity. Inge (2002) pointed out "SFA has ability to manage multiple contacts within any client's corporate structure and to consolidate multiple corporate divisions' business into a unified view has become the norm, as has sales directors' ability to sort through and reassign contacts on a geographic, market segment, sales manager or any other basis". Thanks

to SFA, the stage of customization promises integrity and make system maintenance more accessible.

Time and contact management is one of the main aims belongs to SPA. Its responsibility is to organize the relative data from customers or leads, such as their name, occupation, payment address, phone number and e-mail, etc. This management allows the manager to find some worth details—birthday, hobbies or prefer restaurant. Managers could arrange enjoyable schedule, entertainment or other activities for the customer with the help of the collected data. Amway owns a massive structure, for the need of development in the information era that why its information management would become necessary. Personalized communication and product customization would probably become worse off without evaluating SPA.

Nowadays a number of companies accepting CRM to run the program, but it doesn't represent satisfactory results. Injecting with a new marketing paradigm that make use of technical advance to progress customization could be sustainable and lead to a long-term relationship with customers.

#### 5.4.2 Establish a good CRM team

During the analysis of SWOT, the negative impacts of the brain drain turn out to be a constant problem in Amway. Establish a good CRM team would be effective in further easing the tense situation of human resources, as a terrific team should have following characters:

- With similar sentiments of the company. Amway has founding principles that are Freedom, Family, Hope, and Reward, which used to guide the company and its Distributors in all their activities. If each team lays emphasis upon and obeys principles, appreciate work would be performed to confident.

- Undertake Personal Responsibility. Everyone is seeking for the realization of personal goals and goes after it with all guns blazing. In pursuit of common progress and success for company, everyone has to take responsible for own management area.
- Professional skills. CRM system is absolutely advanced techniques to be used in the company, as well as perfect service and a dynamic professional team to improve R & D capability.

It's obvious that a successful company case needs to have excellent CRM team to realize the company's principles, values, common goal and market share. On the process of building team, a spirit of unity and cooperation, quality training and encouragement are also a perfect company to develop an essential component.

## 6 CONCLUSIONS

### 6.1 Main results of the study

The business philosophy of considering customer as basic is the key to manage successful customer relationship. Customer focus is the code of conduct of the company, and put the continuous improvement philosophy in the company from top to bottom the people to apply in the job details will promote the company's pace. The commissioned company is Amway Company operates the business mode of direct selling. For Amway Company, it is essential that adopt customer relationship management system to run the business.

Understanding customer behaviors is a notable first step when it comes to the creation of customer relationship because of having a direct impact on customer satisfaction and customer loyalty, and both of them are essential to the survival of our businesses. So this thesis stresses the importance of customer satisfaction, customer loyalty and

customer retention, which are the key elements to retain the relationship. In order to achieve the improvement of customer satisfaction, customer loyalty and customer retention, Amway takes measures to optimize the CRM value chain, maximize customer lifetime value and make an effort on “share of wallet”, “cross & up selling”.

Bringing CRM into force still needs advance technology. Build sale force automation system not only benefits the marketing sales, but also improves work process and brings efficiency to the work. Amway’s information construction nowadays at the forefront of the industry, moreover, the company has made more of effort to adapt to Chinese market. Great IT capabilities provide timely and effective information services to support the development of the company. The management is the determining factor of final consequent, which is often very complex and cumbersome.

According to the research of obstacles to CRM in China and SWOT- analysis, the most important mission for Amway is to respect the local politics and marketing laws. Apart from developing key customer management and one-to- one marketing strategies to better personalization, service delivery, concentrating on the establishment of personal information system tends to be vitally significant for Amway to collect customer data and increase the possibility of turning normal customers into loyal customers.

To sum up, this thesis aimed at providing some recommendations for the implementation of CRM in Amway Company in China. More and more companies have noticed the importance of customer relationship, however, rounded CRM system still needs long-term profitability relationship. For the case company, this can be along the process for every sale branch in China to achieve the long-term profitability relationship with customers that are still being continuously improved.

## 6.2 Evaluations of the thesis

Validity and reliability have been extensive applied in evaluation of the research work's quality, and this thesis is no exception. The elements are explained in the following paragraphs accordingly.

The main objective of this study is to explore how the relationship between the company and its potential customers would grow into a loyal customer relationship and continue successfully. The thesis creates approach that all from slightly different aspects, e.g. potential benefits of CRM, understanding consumer behaviors, building value for the customer are all support to the aim. Furthermore, the thesis highlights customer retention, share of customer, cross/up selling to make easier for the company to find out the benefits are resulting from a better relationship with the customer. In the next place, the company concentrates on customers' behavior specially relating to customer satisfaction and loyalty, through which the strategy of enhancing customer lifetime value promotion can be made.

To get a better understanding of the case company situation, SWOT- analysis is used to provide an adequately explanation depends on Amway's business model and Chinese market. The outcome of an investigation that advice for company on improving measures to better marketing conditions. In addition, the interviewee who has been working for 6 years in Amway shared her experiences and insights about customer relationship management in her working environment. The interviewee's questions were around the research problem of thesis, which many unclear details will largely be solved. Therefore, the thesis is validated by the content outline performance depends upon the reliability of information with which it is collected from different resources.

### 6.3 Recommendations for further studies

The range of customer relationship management is pretty extensive, while only some main CRM theories correlation was introduced in research and analysis in the process of this thesis. So for the theoretical part, some other relevant articles can enrich in the content and details, as well as all kinds of different definition of CRM, could be considered. Another thorny issue was to analyze the actuality of Amway (China)'s CRM combine with the theory and research part, and then to suggest some recommendations for the case company. However, these improvement plans are still far away from scientific and professional.

As a result, it is worth accepting more systematic manner to optimize the solutions in further studies. Since Amway is a direct selling company, someone who is interested in traditional business mode can raise the topic to compare them in customer relationship management area. Furthermore, people who has different nationality interested in Amway's CRM of own country can make a compare for them. In general, to maintain and develop sound customer relationship management would undoubtedly keep superiority in competition.



## REFERENCE

- Amway 2012, *Home page*, viewed 14 August 2012, < <http://www.amway.com/>>.
- Amway China 2012, *Home page in China*, viewed 14 August 2012, <<http://www.amway.com.cn/about/201012/1298.html>>.
- Atos origin 2002, *Customer Relationship Management*, viewed 01 March 2012, <[http://es.atos.net/NR/rdonlyres/9C826F13-D59C-456B-AC57-416E686A4C30/0/crm\\_wp.pdf](http://es.atos.net/NR/rdonlyres/9C826F13-D59C-456B-AC57-416E686A4C30/0/crm_wp.pdf)>.
- Bharwada, C 2012, *Six steps to improve customer retention*, Articles, viewed 06 May 2012, <<http://loyaltyandcustomers.com/2010/07/six-steps-to-improve-customer-retention/>>.
- Bharwada, C 2012, *Six ways for building customer value to enhance the relationship*, viewed 09 June 2012, <<http://loyaltyandcustomers.com/2012/01/six-ways-for-building-customer-value-to-enhance-the-relationship/>>.
- Blackwell, Roger, D, Paul, WM & James FE 2006, *The Consumer Decision Process in Consumer Behavior*, 10th Edition, Thomson South-Western.
- Buttle, F 2009, *Customer relationship Management - concepts and Technologies*, 2nd edn, Routledge Press, London.
- Buttle, F 2000, *The CRM Value Chain*, World Trade Center, Macquarie University, Australia, viewed 12 March 2012, < [http://www.wtcbrescia.it/upload/0-FButtle\\_CRMvalchain.pdf](http://www.wtcbrescia.it/upload/0-FButtle_CRMvalchain.pdf)>.

Chattopadhyay, SP n.d., *CRM Implementation in PR China: A Preliminary Evaluation*, University of Scranton, USA, viewed 13 June 2010,  
<<http://iceb.nccu.edu.tw/proceedings/2002/PDF/f282.pdf>>.

Christopher , RB & Zerres , M 2009, *Customer Relationship Management*, BusinessSumup, viewed 15 March 2012,  
<[http://www.zoomba.dk/User\\_files/54ca3935d9c14b9081b4370451336a07.pdf](http://www.zoomba.dk/User_files/54ca3935d9c14b9081b4370451336a07.pdf)>.

Coravue 2003, *CRM: Taking One-to-One Marketing to the Next Level*, Los Angeles, viewed 02 August 2012,  
<[http://www.coravue.com/documents/Coravue\\_CRM\\_White\\_Paper.pdf](http://www.coravue.com/documents/Coravue_CRM_White_Paper.pdf)>.

Customer Potential Management Corporation 2000 , *Customer Relationship Management for Healthcare: An Integrated Approach–A CPM WHITE PAPER*, Business and Marketing Intelligence for the Healthcare Industry, viewed 28 April 2012, <[http://www.healthcarestrategy.com/topics/CRM\\_Healthcare.pdf](http://www.healthcarestrategy.com/topics/CRM_Healthcare.pdf)>.

Deng, Q 2010, *Customer Relationship Management in Ping An Life Insurance Company of China, Ltd*, Savonia university of applied science, Varkaus, viewed 23 July 2012,  
<[http://publications.theseus.fi/bitstream/handle/10024/22467/Qun\\_Deng.pdf?sequence=1](http://publications.theseus.fi/bitstream/handle/10024/22467/Qun_Deng.pdf?sequence=1)>.

Einhorn, B 2010, *Why Amway and China Are a Good Fit*, Bloomberg Businessweek, HongKong, viewed 09 August 2012,  
<[http://www.businessweek.com/magazine/content/10\\_16/b4174064710167.htm](http://www.businessweek.com/magazine/content/10_16/b4174064710167.htm)>.

Exforsys, I 2006, *The History of CRM*, CRM Tutorial, viewed 17 July 2012,  
< <http://www.exforsys.com/tutorials/crm/the-history-of-crm.html>>.

GartnerGroup 1999, *State of Arizona Department of Revenue*, Technology Trends Report, viewed 28 February 2012,  
 <<http://max.book118.com/html/2012/0312/1267264.shtm>>.

Glowa, T 2001, *White paper: Understanding how consumers make complex choices*, viewed 27 June 2012,  
 <[http://www.glowa.ca/Understanding\\_consumer\\_behaviour.pdf](http://www.glowa.ca/Understanding_consumer_behaviour.pdf)>.

Gupta, S, Hanssens, D, Hardie, B, Kahn, W, Kumar, V, Lin, N, Ravishanker, N & Sriram, S 2006, 'Modeling Customer Lifetime Value', *Journal of Service Research*, vol. 9, no.2, pp. 139-155, DOI: 10.1177/1094670506293810.

Griffin, J 1995, *Customer loyalty, How to Earn It and How to Keep It*, Jossey-Bass Press, San Francisco.

Gummerson, E 1994, 'Making Relationship Marketing Operational International', *Journal of Service Industry Management*, Vol.5, No.5, pp. 5-20.

Gustavsson, S & Lundgren, E 2005, *Customer Loyalty*, Luleå University of Technology, Lulea, viewed 02 June 2012,  
 <<http://pure.ltu.se/portal/files/30965579/LTU-SHU-EX-05184-SE.pdf>>.

Hafner, W 2001, *Pareto's Principle: The 80-20 Rule*, Ball State University, viewed 03 August 2012, <<http://www.bsu.edu/libraries/ahafner/awh-th-math-pareto.html>>.

Heinen, M, Gonzalez Mueller, D & Neundorf Lida, I 2010, *Customer lifetime value*, viewed 09 August 2012,  
 < <http://performance.ey.com/2010/06/11/customer-lifetime-value/>>.

Inge, J 2002, *Making Connections*, Hospitality Upgrade, viewed 05 August 2012, <[http://www.hospitalityupgrade.com/\\_files/File\\_Articles/Fall02-Feature-Inge.pdf](http://www.hospitalityupgrade.com/_files/File_Articles/Fall02-Feature-Inge.pdf)>.

Jackson, BB 1985, *Winning and Keeping Industrial Customers: The Dynamics of Customer Relationships*, Lexington Books, United States.

Jones, E, Sundaram, S & Chin, W 2002, 'Factors leading to sales force automation use: a longitudinal analysis', *Journal of Personal Selling & Sales Management*, vol. XXII, no. 3, pp. 145-156, viewed 22 July 2012, <<http://disc-nt.cba.uh.edu/chin/jpssm.pdf>>.

Kotler, P 2000, *Marketing Management: The Millennium Edition*, 10th edn, Prentice-Hall, New Jersey.

Kumar, V & Reinartz, WJ 2009, *Customer Relationship Management- A Data based Approach*, viewed 12 May 2012, <<http://www.slideshare.net/itsvineeth209/chapter-3-strategic-crm>>.

Kurt, M 2011, *The value of up-selling & cross selling*, viewed 12 May 2012, <<http://spanish-translation-blog.spanishtranslation.us/the-value-of-up-selling-cross-selling-2011-06-13.html>>.

Kuusik, A 2007, *Affecting customer loyalty: do different factors have various influences in different loyalty levels?*, University of Tartu, Estonia, viewed 24 May 2012, <<http://www.mtk.ut.ee/orb.aw/class=file/action=preview/id=302137/febawb58.pdf>>.

Liu, Y 2010, *Amway's Brand Marketing*, Datong university, viewed 12 July 2012, <<http://wenku.baidu.com/view/4e936d1ac5da50e2524d7fcc.html>>.

Lodenius, E 2011, *Customer satisfaction measurement within the road sector – further development of customer feedback systems and a public input model*, Aalto university, Viewed 18 July 2012, <[http://civil.aalto.fi/fi/tutkimus/liikennetekniikka/opinnaytteet/diplomityo\\_lodenius\\_2011.pdf](http://civil.aalto.fi/fi/tutkimus/liikennetekniikka/opinnaytteet/diplomityo_lodenius_2011.pdf)>.

Macome, E 2002, *Chapter 3 Research methodology*, University of Pretoria, viewed 25 June 2012, <<http://upetd.up.ac.za/thesis/submitted/etd-02192003-161649/unrestricted/03chapter3.pdf>>.

McCormick, B 2007, *The Benefits of Up-selling and Cross-Selling*, viewed 12 June 2012, <<http://www.salestrainingandresults.com/sales-training-newsletters-articles/selling-benefits.html>>.

Mäntyneva, M 2001, *Asiakkuuden hallinta(CRM)*, WSOY, Helsinki, Finland.

Moeller, S, Fassnacht, M & Ettinger, A 2009, 'Retaining Customers With Shopping Convenience', *Journal of Relationship Marketing*, Vol. 8, No. 4, pp. 313-329.

Nengsih 2010, *Customer Relationship Management (CRM)*, viewed 23 May 2012. <<http://kasusmanajemen.wordpress.com/category/crm/>>.

Nguyen, TH, Sherif, JS & Newby, M 2007, 'Strategies for successful CRM implementation', *Information Managements & computer Security*, Vol 15, No. 2, pp.102 – 115.

Renart, LG & Cabré, C 2007, *how to improve a CRM strategy*, University of Navarra, Spain, viewed 23 March <<http://www.iese.edu/research/pdfs/DI-0690-E.pdf>>.

Ryals, L & Knox, S 2001, 'Cross-Functional issues in the Implementation of Relationship Marketing through Customer Relationship Management', *European Management Journal*, Vol . 19, no . 5, pp. 534-542.

Paraschiv, R 2012, *History of CRM*, zimply CRM, viewed 13 August 2012, <<http://zimply.blogspot.fi/2012/01/history-of-crm.html>>.

Sohorah, M 2011, *CRM Problems*, viewed 17 July 2012, <<http://www.mikeschorah.com/2011/02/crm-problems.html>>.

SouHu 2011, *Consumer Price Index in China*, viewed 05 February 2012, <<http://news.sohu.com/s2012/jingjishuju/>>.

Shneiderman, B., & Plaisant, C. 2005, *Designing the user interface*. 4th end, Addison Wesley Longman, Boston.

Taylor, TC 1994, 'Valuable insights on sales automation progress', *Sales Process Engineering and Automation Review*, pp.22-25.

Thomas, JS, Blattberg, RC & Edward, JF 2004, 'Recapturing Lost Customers', *Journal of Marketing Research*, vol. XLI, no. 31–45, viewed 18 July 2012, <<http://efox.cox.smu.edu/personal/recapturinglostcustomers.pdf>>.

Wang, LQ 2005, *The marketing strategy of Amway China daily consumers' goods Ltd.*, University of international business and economics, Beijing, viewed 17 August 2012, <<http://www.doc88.com/p-11772187742.html>>.

Word Press 2011, *Customer relationship management-the CRM Value Chain*, viewed 22 April 2012, <<http://mba14.files.wordpress.com/2011/11/crm-2nd-chapter.ppt>>.

Zikmund, W. G, McLeod, Jr, R & Gilbert, Faye, W 2011, *Customer Relationship Management*, 3rd edn, Dongjun Press, Beijing.

Appendix 1 Question list of the interview

- 1 How long have you been in Amway China?
- 2 How much do you earn in one month?
- 3 Did you investigate Amway China before participating in Amway?
- 4 Why is it necessary to create a personal information system?
- 5 How do you target the customer?
- 6 How do you apply the three marketing behaviors: “share of wallet”, “cross & up selling”?
- 7 What do you think of these three marketing behaviors?
- 8 In your opinion, what is the most difficult obstacle for Amway’s CRM in China?



Appendix 2 Question list of the interview in Chinese

1. 请问您在安利有多长时间了？
2. 请问您的月营业额有多少？
3. 在经营安利之前，你有做过这个公司的调查吗？
4. 为什么建立客户信息系统那么重要？
5. 安利的客户群很广，你们是怎么去定位客户的？
6. 您是怎么把钱包份额，交叉销售，追加销售应用到销售中？
7. 您觉得这种销售战略效果如何？
8. 请问你认为在安利在中国实行客户管理最大的阻碍是什么？