CHAPTER- ONE

PRELIMINARY

Relationship marketing has once again gained best prominence amongst academics and researcher. In this chapter the researcher explore the concept foundations of relationship marketing and other disciplines that contribute to the sharp knowledge of relationship market. Research issues touch the Emergence and growth of relationship marketing. New area for perspectives of relationship marketing, customer loyalty and services. Research issues as well as relationship marketing implication challenges are discussed in this chapter. There are various model of relationship marketing. In fact, it got its birth in USA and UK. It presents buyer-seller relationships. The concept of relationship marketing reduces the consumer choice and there by the significance relationships with marketers. The emphasis is for lifetime value of long-term relationships with all investor, worker of social partners & employees. I have attempted to show how the principles of relationship marketing follow by in particular situations. Relationship market have the large scope in INDIA because at present we have the 5th fastest growing market in the world. A large market of relationship is waited for more amount. No one can challenge the INDIAN economy in few years.
1.1 CONCEPTUAL FOUNDATIONS OF RELATIONSHIP MARKETING

We’re all familiar with what the word ‘relationship’ means—simply put; it describes the state of affairs between two entities. We are predominantly concerned here with human relationships, with which we are surrounded; at home, at work, in our social lives, with neighbors, and indeed, with anyone with whom we come into contact, while going about our daily business. Here we can focus on some definitions.

DEFINITIONS:-

MARKETING IS THE MANAGEMENT PROCESS RESPONSIBLE FOR IDENTIFYING, ANTICIPATING AND SATISFYING CUSTOMER REQUIREMENTS PROFITABLY.

(chartered institute of marketing.)

Marketing is the social process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others. (PHILIP KOTLER).

Marketing is essentially about marshalling the resources of an organization so that they meet the changing needs of the customer on whom the organization depends. (ADRIAN PALMER).

The achievement of corporate goals through meeting and exceeding customer needs better the competition. (DAVID JOBBER).
The studies of relationship marketing concentrate on this area and seek to show how the effective management of relationships can meet the organization’s marketing objective. Our objective however is to provide a conceptual foundation for understanding the domain of customer relationship management. To do so, we develop a framework for understanding the various aspect of customer relationship marketing strategy and implementation. This description of the implementation plans for the marketing concepts makes two clear statements. First, even though customers are the main center of every marketing, they will be held at arm's length while being studied and researched. Second, the firm's marketing function is to be found in a distinctive place in the organization, a place that is to be considered equivalent to or more important than other functions, such as finance and engineering. Internally its role is to keep the other function informed about the customer. To add further perspective, under the selling concept the product was viewed as a constant and the customer was seen as a variable that had to be prodded, manipulated, or otherwise motivated through skillful selling and marketing. The marketing concept change this perspective by considering the product as variable that needed to be tailored to meet the customer's needs.

A synthesis of existing knowledge on Customer Relationship Marketing by Integrating diverse explorations forms the basis of our framework. We draw upon the literature on relationship marketing, as Customer Relationship Marketing and
relationship marketing are not distinguished from each other in the marketing literature. (PARVATIYAR AND SETH 2000).

The principles of personal selling as just described are transaction oriented; Their aim is to help Sales people close a specific sale with a customer. But in many cases, the company is not seeking simply a sale, it has targeted a major customer that it would like to win and keep. The company would like to show that it has the capabilities to serve the customer over the long haul in a mutually profitable relationship. Most companies today are moving away from transaction marketing, with its emphasis on making a sale. Instead, they are practicing RELATIONSHIP MARKETING, which emphasizes maintaining profitable long term relationships with customers by creating superior customer value and satisfaction. They are realizing that when operating in maturing markets and facing stiffer competition, it costs a lot more to wrest new customers from competitors than to keep current customers. (1)

Today’s customers are large and often global. They prefer suppliers who can sell and deliver a coordinate set of products and services to many locations. They favor suppliers who can quickly solve problems that arise in their different parts of the nation or world and who can work closely with customer terms to improve products and processes. For these customers, the sale is only the beginning of the

1 PHILIP KOTLER AND GARY ARMSTRONG “marketing an introduction” 5th edition pp, 459.
relationship. Unfortunately, some companies are not set up for these developments. They often sell their products through separate sales forces, each working independently to close sales. Their technical people may not be willing to lend time to educate a customer. Their engineering, design, and manufacturing people may have the attitude that it’s our job to make good products and direct the sales force to close lots of sales. It requires a carefully coordinated whole-company effort to create value-laden, satisfying relationship with important customers. Relationship marketing is based on the premise that important financial needs focus and ongoing attention Studies have shown that the best sales people are those who are highly motivated and good closers, but more than this, they are customer problem solvers and relationship builders. Good salespeople working with key customers do more than call when they think a customer might be ready to place an order. They also study the account and understand relationship problems. They call or visit frequently, work with the customer to help solve the customer’s problems and improve the relationship and take an interest in customer as people. (2)

The relationship marketing concept holds that the key to realize organization and social goals consists in formative goals consist in formative the needs and wants to target markets and delivering the derived satisfaction more effectively and efficiently. Then competitor in market relationship marketing focal point the relation of

(2) PHILIP KOTLER & GARY ARMSTRONG, “MARKETING AN INTRODUCTION” PP 460.
the buyer and seller marketing on the Needs of the buyer selling is worried with the seller’s need to convert his product in To financial marketing with the idea of satisfying the needs of customers by means of the Relation and whole cluster of things associated with creating delivering and finally Consuming in India. The concept of relationship marketing is a combination of two different words Relationship and marketing in a true sense it is application of marketing principle in the Relationship marketing or conceptualization of marketing in the decision making process of relation. It is against this back ground that with a change in the concept of relationship Marketing we find application of the concept in relationship marketing. It is a quit natural that in an Age of goods, the relationship responsibly of relation executive’s withes a radical change. Earlier the relationship marketing concept comes in to all sector and marketing strategy in Market than in the form of advertising and promotion gradually we find a change in the Concept of relationship marketing in witch includes in its purview the management of Product, promotion, pricing, place, and people of course, intensity of competition has Created such a situation where the business environment has became more volatile almost. All the organizations either producing goods or generating services find it Significance. That customer satisfaction is given and over riding priority this has necessitated a new Vision.
NEED OF RELATIONSHIP MARKETING

The researcher realized that marketing should gear itself to more to the well being of the Society and therefore the team relationship marketing or societal marketing was coined. It is also called relationship marketing which suggested attending or responding to the changing needs of customers Faison, society and environment. A number of researchers and exoertagreed with this view that marketing is a unavoidably a social concern, thus a change in the concept of relationship marketing the concept of relationship marketing such a transformation perception was necessitated because. Relationship marketing Activities involve a persuasive role in the formulation of public opinion, it’s proved to be a social concern. the sphere or area with in relationship marketing forces of demand and supply tend to operate freely through the modern means of relation are where buyers and sellers can establish close and continuous relations to carry on Indian people exchange of goods and better services without face-to-face meeting or direct contact. A uniform single price for a commodity in that area or region small or large, tends to prevail due to the free play of demand and supply for that commodity modern means of communications are correspondence, telephone, email, telegraph, telex, internet etc. The buyers and sellers may be spread over any area, small or large, and in this sense. We have a national or even international market for many commodities here a place, a particular site or hall
like malls as a central meeting place for buyers and sellers is not essential or important. It is only a matter of convenience in this way, relationship marketing is used in a wider sense. It has an economic sense. The relationship market is also used to represent a relation or total demand of potential buyers of a commodity. Relation in a sense, means people with needs to satisfy, the money to spend that money to satisfy their wants. As soon as one of his wish is satisfied, another appears in its place our wants are unlimited and this process of want satisfaction is never-ending. It is continuous, from birth to death. Thus relation means consumer demand and for product or service, we may have a retail market, teenage market. In short meeting of buyers and sellers, price determination and transfer too little are activities essential to relation of a market. Other characteristic of the 21st century competitive landscape are noteworthy as well. Conventional sources of competitive advantage such as economies of scale and, huge advertising budgets are not as effective as they once were. The conditions of the competitive landscape result in a perilous business world, one where the investments required to compete on a global scale are enormous and the consequences of severe developing and implementing strategy remains an important element of success in this field of relation marketing and money. Several factors create Indian economy hyper competitive environments and influence the nature of the 21st century competitive landscape. The two primary drivers are the emergence of a global
economy and technology, specifically rapid technological and requirement Changes in India. A more popular approach with recent application of Relationship marketing customer attraction. Indian culture is a mature culture and each part of country men and women can calculate a variety of after marketing tricks is used for customer in touch. each popular brand can not take ezeyly market space in Indian market. In Indian relationship marketing relation have the guarantee of success and approach with out any cost for example in election a independent candidate can win the election without any economical support. social support is base of every success in technological strategy. Indian customer life style is based on birth to after death is making a chain of relation so that the relationship marketing have a important place in present market for example TATA, BATA, BIRLA, at present RELIANCE GROUP have a strong market position. in the back of every group the TRUST, RECIPROCATION, CONCERN, TRANASPARECY, and lack knowledge of relation in Indian marketing.

HUL IN INDIAN RELATIONSHIP MARKET: - Here we discuses about HUL performance in relationship marketing in India. In previous the limited people is know the importance of relationship in marketing but today in each field of market we feel the need of relationship marketing. A calculation of previous days and today the need of relationship marketing area is so large because the distance of world is not a problem each and every part of business and people life so close the
technology is very fast day today new tact and policy came in our business.

In previous day the customer have a limited area and limited facility so customer make a compromise with his quality and choice but today science brake this condition and make life more comfort. In the recent research the relationship marketing have more space of growth in India is a not ending process of margin. HUL is a multinational company and make a place in Indian market but a boom in Relationship market make it the king of performance and profit. The fluctuation of Present condition the Indian economics can give the strength then other country. India and china is today have fattest growing economic in the world. in few days back the globally economic Condition is so week of other country’s but Indian relationship market can vary. HUL and other companies make profit in bad time of global economy in Indian market.
1.2 EMERGENCE & GROWTH OF RELATIONSHIP MARKETING

One of the most significant economic developments since World War II is the increasing internationalization of business. Although business has been conducted across national boundaries for centuries, during the last three decades business dealing have escalated on a global scale. Leading Corporation around the world has increasingly turned their attention to international business in order to maintain a competitive edge in today’s dynamic economic scene. (3)

The chief function of a business is to create circulate utilities in the form of goods and services. The growth of business services may be attributed to the fact that business has competitive, as a sequence, management has been forced to call in experts to provide services in research tax action, advertising, labor relations and a host of other areas. The rate of growth has not been uniform for all categories of consumer services, as disposable person incomes have increased and household and family structure and life-style have changed. The demand for some services has grown relatively faster than for others. Expenditures for out-of-home eating have increased greatly, and expenditures for municipal transport have increased, elatively as people make less use of their private autos higher growth rate in jobs and spending will occur especially in the health-care industry customer care products. After sales service is an important aspect of a sales strategy of

(3) (SUBHASH C JAIN page 3 see Andrew kupfer, “how to be a global manager,” fortune, march 14 1988, p. 52)
relationship marketing. All branches of our economy has created a continuous demand for after-sales service. After sales service is an important selling point helping the customer to take quick decision to purchase goods. Such facilities prevent dissatisfaction, trust rational and ill will among customers. Relationship market research emphasizes the importance of after-sales service in market of consumer care product. All countries having mass consumption of goods must have adequate and efficient after-sales services its help in growth of relationship market. If the product has good and after-sales service is much more important then price, style, beauty, getup and much other relation influencing the prospect.

REQUIREMENTS FOR SUCCESS FULL RELATIONSHIP MARKET:-

(1) It can build up good relation and maintain producer and seller’s good will.

(2) Complaints and suggestions regarding after-sales service will be promptly and efficiently dealt with by the seller, consumer relation and satisfaction is the master key to further sales and growth.

(3) Sales campaign will achieve remarkable success if after-sales relation is included in sales promotion.

(4) Toll free service during the guarantee of consumer awareness.

(5) Internet site make face-to-face relation and give growing percentage.

(6) Activities intended to educate or inform the consumers and those intended to stimulate the consumer’s there are called consumer sales promotion
(7) Sampling usually called consumer sampling free sample are given to consumer to introduce a new product or to expand the market. consumer can try it product.

(8) Coupons (same as money) are accepted as cash by retailers.

(9) Money refund order in full purchase price is refunded, helping the introduction of a new product.

(10) Premium offers are temporary price reductions which appeal to bargain instinct.

(11) Fashion show and parades are good promotion aids.

(12) Buy-back allowance is given to encourage repurchase of a product immediately after another trade sale.

(13) Today seller give free goods buy one and get one free without any cost for permute the sales.

(14) Company gives Advertising and display allowance.

(15) Sales incentives for increase sales volume are given by companies to there salesmen.

(16) Dealers skim (give a large order and find a gift to company).

(17) Seasonal and grand reduction sales.

(18) Exhibition in trade fair with there product for demonstrate the people.

The sole object of business is to create customer and to satisfy their wants. Every
Citizen of India is a consumer and related with direct or indirect to business must recognize and honor customer supremacy. The consumer’s for whom the business exists, demand fair prices, reasonable quantity and quality at satisfactory services. Business must offer fair trade in good relation to assure its own survival as well as normal growth. Consumer protection through fair trade practices the growth of consumer relation has successfully replaced the age old doctrine of ‘let the buyer beware with the revolutionary new doctrine. Let the seller takes care in the exchange relation between seller and buyers.

1. The price and other terms of sale.
2. A description of quality and quantity of the goods.
3. The time and place of delivery.
4. Product advertisement in local language which is popular at that place.
5. Education of consumer in the use of product.
6. The product standards are set on the basis of physical and other qualities of a commodity.

These are consider to saving in time in the selection of goods and also help in Good relation to consumer and making of orders. The consumer demands the Product by gusting the special brand name for exam-lux, dove, Lipton tea etc. Retailer is save from botheration of separate weighing, measuring packing etc. He merely display the brand and takes money acting only as a distributing agent.
PROTACTION: - the relationship between relationship market and consumer protection is of considerable importance. Certifications marking exam- AGMARK or I.S.I. mark informative labeling and comparative testing have assured significant protection to buyers and consumer and they have gained general acceptance as effective instruments to help the consumers.

RELATIONSHIP MARKET ENVIRONMENT

The brand is broadly applied to all identifying mark such as trade names trade marks, trade symbol, picture design of the package, distinctive colors or lettering with or without some attractive slogan. Branding enables the firm assured control over the market. Repeat sales are stimulated and product substitution is not possible. It creates an exclusive market for the product. When brands are successfully, and effectively promote the very existence of the middle man depends upon a continued supply of such brands in relationship market. Internal environment of a business will comprise the resource when the business by it. These resource determine “what the business can do resource of any business will comprise the following.

Financial resources.

✓ Physical resources.

Technological resources.
✓ Financial resources: They are the life blood of a business, to maintain
sufficient levels of funds. The owners/managers may raise money by issue of shares, borrowings through loans and debentures, or through plaguing back of distributed profits.

**Physical resources:** They comprise plant, machinery, buildings, raw materials, etc. a business may buy plant machinery and buildings or take them under lease or hire. Purchasing availability of raw material can be ensured either by ownership of the sources, or by obtaining them from suppliers.

**Technological resources:** They comprise production processes and technological used by an organization. These may be either the same as in case of other producers of same goods or especially developed by the organization. Should get it registered in its own name to enjoy monopoly in production and distribution of the patented goods.

**VALUATION OF INTERNAL ENVIRONMENT:**

Company well know what resources are at its disposal and determine the strengths and weakness of each resource this will enable it to know what it can do and also what it can do particularly well. Valuation of internal environment will show what extend the organization can carry out manufacturing, reach its goods to areas for and near provide satisfactory consumer services. Obtain supplies of raw material, the required capital for expansion and modernization and influence economic policies its favor.
The companies by following relationship marketing practices could create high absolute value at a sufficiently low cost. The competitive advantage is the company’s ability to perform in one or more ways that competitors cannot or will not match. But few competitive advantages are sustainable. At best, they may be leveragable.

**PRESENT GROWTH OF HUL AND NEW PRODUCT IN INDIA**

HINDUSTAN UNILEVER (HUL) delivered mixed results for the quarter ended March - posting positive number on revenues but disappointing ones earning. However, the numbers hint at the company’s efforts bearing fruits despite the pace being slow, there is no denying the fact that HUL is on the path to recovery. Revenue growth of 8% aided by volume growth of 11% during the quarter is a Distinct positive achievement for the company, which has been under performing the sector since the past four quarters. Aggressive advertising, price cuts on existing products, new product launches and investments in its various brands have helped achieve new volume growth. These investments have naturally put pressure on the profit, which remained stagnant at Rs 595 crore for the quarter. The profit margin. Too, fell by 110 bps to 13.6%.

In India, HUL launches pure it variant at Rs 1,000 and to buy back shares worth Rs 630 crore .HUL says it has a portfolio that spans all price categories- the purit compact at Rs 1,000 , pureit classic at Rs 2,000 and auto fill at Rs 3,200 and
marvella. The success of pureit is important to HUL. Especially after constant catcalls that it lacks new growth pillars. But experts wonder if the FMGC powerhouse will succeed in selling a consumer durable product Mr Surendran is unfazed. “We have the product across 15,000 outlets and are quite comfortable with the profile of distributors today also. Our product does not really have the need for heavy equipment and money.

In the last quarter, the net profit rose 47 per cent to Rs 581.20 crore from Rs 394.99 crore in the corresponding quarter a year ago. Total sales were up 8.20 per cent at Rs 4,315.75 crore (Rs 3,988.3 crore). However, the improvement in top line continues to come with higher spends on advertising and sale promotion which accounted for 14.5 percent (Rs 626 crore) of its sales in the march 2010 quarter.

Net profit, though registering 47% growth, is inflated due to extraordinary Exceptional incomes. Excluding these non-recurring items, net profit has pad by 8%. However, HUL’s strategy of pushing volume growth, even if at most of bottom lone, is necessary to reinforce its leadership across key categories.

Its performance in the march quarter has reflected this. Except for the key gory of laundry, the company has posted double-digit growth in revenues its categories of personal products, beverages, processed foods and creams. The laundry category, contributing 45% to the company’s total rental revenues, has registered a slight drop of 2% in its revenues. Ever, this segment suffered significantly on the earning
front – registering drop of 24%. Other segments like personal products and beverages logged double-digit growth in earnings. Processed foods segments has to profit of Rs 8 crore against loss of Rs 4.5 crore.

One short run, the company can rather afford to take a hit on its bottom-line than Allow its market share to be erupted or captured by other players in an intensely Competitive environment. Bottom-line can be enhanced the dominance in volumes has been achieved.
1.3 AREA AND PERSPECTIVE OF RELATIONSHIP MARKETING

GUMMESSON IN (2002) refined his original theory and came back with no less than 30 identifiable relationships which he termed the 30Rs.

CLASSIC MARKET RELATIONSHIP: - are those which from the basis of all marketing and apply in some from to all organizations. Three types of relationship fall under this category:

R1: the classic dyad, the relationship between a seller and a customer, representing the basis of commercial exchange;

R2: the classic triad, the three-way relationship comprising the customer, the seller, and the seller’s competitors, if competition exists within a market;

R3: the classic network, used here to represent the relationships within distribution channels.

SPECIAL MARKETING RELATIONSHIPS: -

derive from R1, the classic dyad, but require separate consideration owing to their unique characteristics. These relationships will apply to some organization, but not to all. It can be seen that some of these:

R4: full time marketers- part-time marketers;

R5: customer-service provider;

R6: many-headed customer-many-headed seller;

R7: supplier-customer’s customer;
Come straight from GUMMESSON’S original nine issues and relate particularly to industrial and service marketing. As a result of the explosion in internet marketing, **R8** (close versus distant market relationships) and **R12** (electronic relationships) have become particularly significant for more and more organizations. It could be argued that the explosion of pc use and the accompanying rise of the internet have brought about the biggest change in marketing relationships science the industrial revolution. The opening case shows how this is affecting the retail industry, but the impact goes further than this. In the developed world, it is rare to find anyone these days that does not have some sort of **E-RELATIONSHIP** with someone, be it an organization, a supplier, or groups of other individuals. It is clear that **E-RELATIONSHIPS** have made a big impact on **B2B**, but it could be argued they have made an equal if not bigger impact in the **B2C** market. Just as in B2B, **E-BUSINESS** can add value right the way through the customer’s buying decision Process in the **B2C** market. It is important that organizations understand how they can develop their **E-BUSINESS** system to tap into this process in order to give themselves a competitive advantage.

**R9**: (the relationship with dissatisfied customers): one disgruntled customer can gather together over a hundred like-minded individuals in just a few weeks should be of concern to the company. Not only are these people spreading negative word of mouth, the bigger the site becomes the more likely it will be picked up by inter-
net search engines and be accessed by customers looking for information about the company. Some organizations have dedicated to head off criticism by setting up their own discussion site where controversial issues can be discussed.

**GROUCUTT & GRISERI** (2004) describe how oil company Shell has created an Open forum on its website where interested parties can have their say on a number of controversial areas including energy use, the environment, and corporate responsibility. (4)

And **R11** (the customer as a ‘member’) are very much tied up with customer retention marketing situations and from a hugely important part of relationship marketing. One way of getting closer to the customer, involving them and gaining their permission all at the same time is to offer them some sort of membership status, where by they gain benefits that are related to but stand apart from the core product or service.

**R10 MONOPOLY RELATIONSHIP**

**R11 CUSTOMER AS A MEMBER**: - the customer as a member are very much tied up with customer retention marketing situations and from a hugely important part of relationship marketing

**R13: RELATIONSHIP TO SYMBOLS AND OBJECTS):**- reflect situations the basis of the relationship. Originally developed for purpose of trust and

where personal contracts are not always possible things such as brand image from the basis of the relationship. Originally developed for purpose of trust and differentiation, brands for purpose of trust and differentiation, brands still work in these areas but have additionally taken on characteristics around which customers can build relationships. As GUMMESSON (2002) observes, brands have increasingly become the real output whilst manufacturing has become a network and supporting technology of T-MOBILE as GILLIGAN&WILSON(2004) put it, the traditional source of competitive advantage have been eroded. As a result, consumers have increasingly looked towards brands name when considering which product or service to buy. Customer’s relationships with brands have therefore become all important for organizations. One of the key aspects of any relationships is trust and GILLIGAN AND WILSON highlight the development of trust brands where the customer has a long-lasting and deep-seated faith’ that the product will deliver what they want and that they will get a fair deal.

R14 NON-COMMERCIAL RELATIONSHIPS:- in this area do not usually fall
With in traditional marketing thinking, for example would include bodies such as police authorities, the national health services, or local government. Customer have no choice but to use these bodies and pay taxes to fund them, but it is now accepted that they must deliver good customer service (as laid out in the customer
charters which they have adopted or risk loss of support from local population and possible penalties from central government.

**R15 (GREEN RELATIONSHIPS) & R16 (LAW-BASED RELATIONSHIP) & R17 (RELATIONSHIP WITH CRIMINAL NETWORKS):** all reflect the Realities Of doing business in world increasingly obsessed with environmentalism, litigation, and corruption. Some have made green relationships the basis of their marketing strategy for example the body shop and co-op bank), while others have struggled with poor image in this area.

**MEGA RELATIONSHIPS:** - occur at a higher level and set the conditions in which market relationships can operate. These roughly equate to the ‘external’ or ‘influence’ markets. We have already seen how personal and social networks (R18) can completely override traditional marketing tools, particularly in industrial And international marketing and this very important area. We have also seen how Alliances can set the conditions or marketing exchanges. **GUMMESSON** distinguishes between two type of alliance-R20, comprising of alliances within the industry and R-22 (mega alliances) which are at a much higher level. Examples of industrial alliances are common, particularly in area of product design and development and marketing.

**R-19 THE REAL CUSTOMER DOES NOT ALWAYS APPEAR IN THE MARKET PLACE:** - is a straight inclusion **GUMMESSON’S** original nine
issues of this area under pinning relationship marketing.

**R-21 THE KNOWLEDGE RELATIONSHIP:** Recognizes how the skills and knowledge of individual employees can impact on an organization-negatively, if that employee leaves. Similarly it refers to how organizations can become the receptacles of knowledge them, enabling them to compete more effectively.

**R-23 MASS MEDIA:** Gumesson’s final mega relationship is the importance of this has long been recognized and is traditionally handed led by the marketing department through public relations. However, there are examples of where higher figures than the marketing manager have affected media relationships. They clearly recognize the importance of good relationships in this area. The problem with trying to manage relationships with the mass media is that there is an inherent goal conflict between the two parties (Cutlip et al., 1994). The organization wants to see positive things reported which will reflect will on it and its products. However, the media will only want to report on stories that are newsworthy or are of interest to their audience. Managing media relationships will entail working with journalists and editors, so the first thing that the organization must do is recognize the different types.

**Nano Relationships:** Nano relationships can be classed as internal relationships. Gumesson used the word ‘nano’ here to signify the opposite of ‘mega’ relationships. The word ‘nano’ comes from the Greek word nanos meaning...
small. R24, R25, R26, R27, & R28 relate to the internal relationships and networks. The final two relationships GUMMESSON describes as ‘nano’ R29 relationships with external providers of marketing services and R30 owner-financier relationships might not necessarily be classed as internal relationship. On the surface, R29 is a classic client-supplier relationship, while R30 could be construed as an influence relationship.

WIDE AREA OF RELATIONSHIP MARKET

GEOPGRAPHIC MARKETS

» DEMOGRAPHIC MARKETS

PSYCHOGRAPHIC MARKETS

» VOLUME MARKET

BENEFIT MARKET

» GEOGRAPHIC MARKET: -The market is according to geographic units. Hul might decide to market different products in different areas or to market its products in certain areas or to market its products in certain areas and not in others. Hul practices geographic market when it decides on the location of a new branch... Acquiring or renovating a facility is one of the two “largest, least flexible capital Risk for company. Since Company clearly Cannot have locations everywhere, it must carefully allocate its limited resources to meet Its business goals. It does that by locating its new branch offices in most promising Geographic market areas.
DEMOGRAPHIC MARKET:- Demographics markets categories the market in terms of relationship characteristics, such as age, sex, income, occupation, and position in the life cycle. For example, the Hul that establishes an executive working groups specifically for attorneys, accountants, doctors and other respectable people have targeted a relationship market.

PSYCHOGRAPHIC MARKET:- a Psychographics market entails Classifying the market in behavioral terms according to lifestyle, social class or professional people. Hul target the “young professional on the Fast track” as a relationship market.

VOLUME MARKET: - Volume market refers to the marketers attempt to Distinguish heavy, medium, and light Users of a product. In HuL recent research indicate that 80% of profits come from 20% of customers. A relationship market policy is to determine the characteristics that those 20% have in common and then to direct the marketing effort towards attracting more people like them.

BENEFIT MARKET:- is the process of relationship market in term of the main Product related benefits sought by different groups. The various approaches used in marketing like soap illustrates this type of product. Some people simply want smell fresh and to have a pleasant on their body. others are primarily concerned with killing germs and some want glowing body and skin needs in growing years.
The final reason why traditional marketing has been criticized is because it has not moved on (gummensson, 1987). Simply adding more tools to the box, from 4ps to 7ps to 15ps, etc. cannot disguise what some have claimed is a lack of innovation in the marketing field. While other areas, such as operations or financial management have moved on with thinks like just in time (JIT), total quality management (TQM), activity-based costing (ABC), and business process re-engineering (BPRE), all of which focus on core processes, marketing has just ‘tinkered around with the components’ (DOYLE, 1995).

Three area directors to be recommended to Unilever shareholders:

Three new directors will be recommended to Unilever shareholders for election at their annual general meetings in London and Rotterdam on May 3, 2000. They are:

**Keki Dadiseth** (born in: 20-12-45): chairman of Hindustan Lever Ltd the group’s Indian subsidiary – to become a director and member of the Executive Committee. His first assignment will be to undertake a review of Unilever’s top organisation and report during the third quarter of 2000.

**André van Heemstra** (b: 31-01-46): president, East Asia Pacific Business Group, to become personnel director and a member of the Executive Committee.

**Charles Strauss** (b: 21-01-43): president, Home & Personal Care-North America Business Group, to become a director and will also assume chairmanship of the North America Committee, which co-ordinates Unilever’s North American businesses.

Jan Peelen, currently personnel director and a member of the Executive
Committee, will retire at the annual shareholders’ meetings.

Robert Phillips, currently a director and chairman of the North America Committee, will also retire at those meetings.

Advisory Directors Unilever has also announced today that The Rt Hon The Lord Brittan of Spennithorne, QC, former vice president of the European Commission, Will become an advisory director of Unilever N.V. and Unilever PLC with effect from May 1, 2000.

Sir Derek Birkin, who has served as an advisory director since 1993, will retire at the annual shareholders’ meetings. He has served on the Nomination and remuneration Committees of the Board.

Business Group President Tex Gunning, chairman of Van den Bergh Nederland, will be appointed as president, East Asia Pacific Business Group.

**Biographical Details OF KEKI DADISETH:-**

Keki Dadiseth: joined Hindustan Lever Ltd in 1973, and undertook a number of roles before being seconded to Unilever in 1984 where he held senior financial and commercial positions. Returning to India in 1987 he became vice-president, personnel and two years later took on the additional responsibility for HLL’s personal products business. In 1991 he was and became chairman in August 1996, appointed executive director and head of detergents. He was made vice-chairman and managing director of HLL in 1995.

André van Heemstra: joined Unilever in 1970 and after holding various positions
With Lever in Holland, he was appointed director, marketing and sales for East Africa Industries, Kenya, in 1980. Four years later he was appointed managing Director for detergents and personal products, Turkey. In 1988 he returned to the Netherlands where he held various senior marketing and management positions until 1992 when he was appointed chairman of Langnese-Iglo GmbH, Germany. In July 1996 became president of East Asia Pacific Business Group.

Charles Strauss: held a number of senior marketing and management positions Before joining Unilever in 1986 on its acquisition of Ragú Foods, of which he was president and ceo. He continued in this role until his appointment as chairman and ceo of Unilever Germany’s subsidiary, Langnese-Iglo in 1989. In 1992 he became president and ceo of Lever Brothers Company, New York, and a director of Unilever United States Inc. He was president of Unilever’s Latin America business Group from March 1996 to September 1999 when he took up his present duties.
1.4 THE RELATIONSHIP PROCESS OF RELATIONSHIP MARKETING

One of the most dramatic occurrences in our society in recent years has been the Changing role of women. The marketing impact of the growing number of women Work in different field. What is even more significant, however is how women have succeeded in breaking from the traditional and some times discriminatory patterns that have stereotyped the male female roles in families, jobs, recreation, product use and many other areas. today we see, women’s growing political power, economic power, and new job opportunities have considerably changing their perspectives and those of men as well. The changing mail female roles have considerable implications for marketers in relationship marketing of product toward an exclusively male or female market may no longer be appropriate. We are complex beings, governed by the mind and feelings of heart and it’s this relationship between the heart and the mind that adds to the intricacies of life. Relationships are from lack of trust and feelings of security. In the modern way a Woman can be in a state of constant predicament when she’s expect to be a super Women both at work and home there can be many potential fall out, such as stress, feelings of guilt, anxiety, depression and self-neglect. Relationship marketing is based on the premise that important accounts need focused and ongoing attention. Studies have shown that the best salespeople are those who are highly motivated and good closers, but more than this, they are customer problem solvers and
relationship builders good salespeople working with key customers do more than call when they think a customer might be ready to place an order. They also study the account and understand its problems and improve its business, and take an interest in customers as people.

THE ABILITY TO BUILD RELATIONSHIPS

Perhaps most important in today’s relationship marketing environment, top Sales People are customer’ needs. Talk to sales executives and they ’ll describe top Performers in these terms: empathetic. Patient Caring Responsive Good listeners even honest. Top sellers can put themselves on the buyer’s side of the desk and see the world through their customers’ eyes. Today customers are looking for business partners, not golf partners. “At the root of it all” says a Dallas sales consultant “is integrity of intent. High performance don’t just want to be linked they want to add value.” High-performing salespeople, he adds, are “always thinking about the big picture where the customer’s organization is going, and how they can help them theirs.(5) For example in Japanese culture relationships are everything the primary frame of reference for success in Japan is to consider the context of relationships-to government, suppliers, distributors, customers, employees, etc. Webs of tight relationships are what make Japan work. If they are effectively cultivated over the long term, desirable outcomes will result. The westerner must virtually think “paranoid” - considering the other person’s feelings and reactions all the time. This contrasts with the western focus on good deals and contract terms, assuming that the relationships will take care themselves. Think people (employees or
IDENTIFYING THE CUSTOMER:

The relationship marketing stand on customers must be identified as direct
Individuals so that they can be approached directly and a relationship established.
The first of these is to review what information the organization already has and
get customers to identify themselves. Customer is the most important person for
compny in India. A customer is not dependent on single company but a company
can depend on customer. Company can make the profitable purchase by his service
or products. Company make the strategy of customer repetition of purchasing the
goods and identify a loyal customer its take the view about there service and
products.

LAY OUT PLAN FOR RELATIONSHIPS :-

The HUL builds up a picture of their customers and approaches them directly with
special respect that will be of specific interest to them like there area location
Locality, mobile phone numbers, repeating purchase date, buying product name
And etc. company make its goal according to the possibility in relationship market
it identify the main aim of business environment for his past experience.
HUL describe the profitable goal for a long term run .its make the strategy internal
and external strengthens for the company. It set long term objectives that will

(6) LARRY J. RESENBERG AND GREGORY J. THOMPSON, “DECIPHERING THE JAPANESE CULTURAL CODE,”
INTERNATIONAL MARKETING REVIEW, AUTUMN 1986, PP. 55-56.
identify by the company in the future.

**SPACIAL REWARD SCHEMES:-**

Each repeat our new customer introduces and educated with new schemes for Example in reliance fresh customer enter in there departmental store and purchase Some thing and go to the billing counter they ask the customer do you have any Reliance purchase card or point card if customer say yes they scratch the card on Machine for billing and give the point to customer repeat customer take more point and new customer say no they introduced the present scheme and the benefit of purchasing by reliance card according to there billing in it process the information and purchasing behaviors record in a central data of sale and easily attract there customer.

**KNOWLIDGE OF NEW PRODUCTS:-**

When organization want there product sale in a market the knowledge of that product of use set in customer mind customer now how it can be use and for which purpose. the price is depend on there quality and market competition. The customer ask and demand by there name.

**WELL COMMUNICATION SUPPORT:-**

Communications support, including campaign management and multi-channel for Example identifying which communications channels individuals customers are most responsive to or prefer the organization to use.
TRUST ON PRODUCTS :-

The biggest challenges raised by relation to relation on a product. The level of Perceiving risk will vary from person and some people will less risk-averse than others. In order to reduce perceived risk it is vital for organizations that rely on relationships to develop trust. Those doing so can generally enjoy high levels of customer loyalty, as from the customer’s point of view, moving to another supplier would be a move into the unknown and therefore a risk.

KNOWLEDGE OF LEGISLATION OR TAXTION:-

All organizations are constrained to a greater or lesser extent by the intervention of national and international governments usually in the form of legislation or local taxation. Government actions to protect economic interests usually involve fiscal measures which affect businesses. Government policy will also affect currency a values and exchange rates.

SOCIAL, AND CULTURAL INTERESTS:-

In addition to economic and organization concerns, governments will also move to Protect the social and cultural interests of the country. Health and safety legislation means that products and services have to conform to strike guidelines, which can curtail an organization’s activities.

RELATIONSHIPS WITH FINANCIAL BODIES:-

Investors and other financial players have little to do with marketing as they are
Unlikely to be customers. The relationships in this area need to be taken very seriously too. HUL make the relation with display some social relationship in We work hard to ensure our products are safe and effective. We are committed to Making our products accessible and affordable, and to marketing and communicating their benefits responsibly.

- **Customer**

In a rapidly changing retail environment, sustainability issues are now an important Part of our interaction with large retailer who make up a growing share of our sales

- **employee**

We are making good progress in transforming Unilever's business structures and ways of working. At times this has involved difficult decisions, but ones that are for the long-term health of our business. Right

- **Supplier**

We continue to assess our suppliers against our Business Partner Code. In addition we are working with our peers to create common approach to supplier assessment.

- **communities**

We seek to contribute positively to the communities in which we operate, engaging the talents and resources of our people and partners to ensure the success of our projects

- **public policy engagement**

we strive to be trusted members of society where ever we operate, working
transparently with governments and other partners to fulfill our responsibilities and achieve our goals.

**Selling Concept and Marketing Concept.**

The marketing concept developed as an alternative to the selling concept as the way business firms fundamentally approach the market. The latter emphasizes an inside-out approach to business: the seller creates a product under the assumption that a market for it exists. The guiding theme for "marketing" practice under the selling concept insists that, given enough selling and advertising, customers can be convinced to buy the product. "Marketing" is viewed as a supplemental activity performed after production.
1.5 CATEGORIES OF RELATIONSHIP AND CUSTOMER LOYALTY

We alluded earlier to the difference between operational and analytical knowledge. Much of the information described above in terms of identifying who the customer is and monitoring how they behave could be construed as analytical, in that it can help determine the organization’s marketing strategy towards looking after existing customers and winning new customers. Loyal customers are those who are strategically important to the organization. Customer relationship management can help identify such individuals, by looking at their size and spending power, together with their overall profitability. In this way the organization can calculate a customer’s lifetime value based on their existing spending patterns. Clearly it would be in the organization’s best interest to cultivate close, long-term relationships with these customers with the objective of ensuring that they are well looked after. Similarly, existing customers who are at risk might be identified, based on their previous switching behavior, level of repeat purchases, length of custom, and share of wallet. Depending on their overall profitability, the organization needs to take action here to shore up their support and try to turn them into loyal customers.

(DICK AND BASU 1994) have therefore come up with a simple matrix which combines behavioral and attitudinal measures of loyalty to give different categories of loyalty each of which has implications for the organization. The model combine
two dimensions of loyalty: relative attitude towards a brand and purchase history of that brand. Relative attitude includes latent satisfaction with the brand compared with alternative brands, thus providing a measure of preference. Purchase history includes traditional market measures such as frequency, relative value, and market share. (7)

This combination gives four broad categories of customer loyalty:

- **NO LOYALTY**

- **SPURIOUS LOYALTY**

- **LATENT LOYALTY**

- **SUSTAINABLE LOYALTY**

- **NO LOYALTY**: brands with low repeat purchase and relatively negative Customer attitudes can be classed as enjoying no loyalty. For example products such as petrol or car insurance might fall into this category. Lack of differentiation between petrol brands has led petrol retailers to attempt to rise customers’ SWITCHING COST through reward accrual schemes in the attempt to turn ‘no loyalty’ into at least ‘spurious loyalty’

  (O’MALLY, 1998). The objective of any business which finds itself with ‘no loyalty’ products is to create ‘spurious loyalty’ through special deals and promotions. While not perfect, this is better than no loyalty at all. In effect,

companies operating in these conditions are limited to transaction marketing rather than relationship.(8)

**SPURIOUS LOYALTY**: - spurious customer loyalty is better than no loyalty at all because at least the business is getting repeat custom. The problem is that this repeat customer is not based in genuine loyalty but on some other factor such as price, convenience, ignorance, or even inertia. As a result it is relatively easy for competitors to induce switching behavior by matching offers, undercutting prices, and generally appealing to what can be the promiscuous nature of the spuriously loyal customer. Examples of products affected by spurious loyalty are numerous and typically include FMCGs, supermarkets, banks and building societies, gas, electricity and telephone services, and some consumer durables such as television, DVD players, fridge freezers, and washing machines.

The objective of businesses that are facing spurious loyalty from their customers is to maintain the loyalty, through traditional transactional marketing techniques or by tying the customer in contract or clauses this will not endear the business to the customer and like any prisoner, as soon as the customer can escape; they will and might never return! An alternative might be to move customers to a more sustainable loyalty. This may involve building up relationships by offering a personalized service or involving the customer in some other way.

**LATENT LOYALTY**: - both ‘no loyalty’ and spurious loyalty’ are based

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on the premise that customers have a relatively negative attitude towards the company or the brand. However, it is possible for customer to have a relatively high opinion or attitude towards the brand but not display repeat-buying behavior. This is known as ‘latent loyalty’. Common reasons for this are that the customer is unable to buy the product because it is not sold locally or that it is out of stock. Customers have a positive attitude and may already fell that they have a relationship with the brand. The objective of the company must therefore be to enable the relationship to be consummated by removing the barriers.

**SUSTAINABLE LOYALTY** - sustainable customer loyalty encompasses high-repeat purchases with a high relative attitude towards the brand. This represents the ‘supporter’, ‘advocate’ and perhaps even ‘partner’ rungs on the adder of loyalty. According to DICK AND BASU (1994), this category represents true loyalty. They have a very close relationship with the product over time for example the locals in a pub, regular restaurant customers, or house-holders using the same plumber or electrician and mechanic for car. This requires careful brand management and constant monitoring of customer service standards. The wish list represents customer segments that the organization would like to attract because they mirror the characteristics of existing key customers. Being able to use knowledge about prospective customers (as opposed to existing customers) highlights the importance of gathering non-transactional data, such as customer
enquiries that did not result in a sale, or reasons for defection and also trying to find out about competitors’ customers. From here the organization can determine who to regard as ‘targets’. Targets are competitors’ customers whose behavior suggests that they can be persuaded to shift allegiance. Information on previous switching behavior or satisfaction with present supplier might be useful here. Such customers will be the focuses of an organization’s new business targeting, strategy. The above examples demonstrate how analytical customer knowledge within a customer relationship management system can include information not only an existing customers but also on prospective customers, defecting customers, and customers who are loyal to competitors. However, despite the strategic potential of such knowledge, XU and WALTON (2005) found that in practice most customer relationship management systems are dominated by operational applications such as call centers and customer help lines.(9)

Similarly, in the current era of hyper-competition, marketers are forced to be more concerned with customer retention and loyalty (DICK & BASU 1994; REICHELD 1996). As several studies have indicated, retaining customers is less expensive and perhaps a more sustainable competitive advantage than acquiring new ones. Marketers are realizing that it costs less to retain customers than to compete for new ones (ROSENBERG & CZEPIEL 1984). There is greater opportunity for cross-selling and up-selling to a customer who is loyal and

committed to the firm and its offerings. In a recent study, (NAIDU, ET, al. (1)
found that relational intensity increased in hospitals facing a higher degree of
competitive intensity.(10)
Given the growing concern to retain customer as well as emerging the knowledge
about customer retention economics have led many companies to develop
continuity marketing programs that are aimed at both retaining customers and
increasing their loyalty (BHATTACHARYA 1998; PAYNE 1995). for consumers
in mass markets, these programs usually take the shape of membership and loyalty
card programs where consumers are often rewarded for their member and loyalty
relationships with the marketers (RAPHEL1995; RICHARDS 1995).
The basic premise of continuity marketing programs is to retain customers and
increase loyalty through long-term special services that has a potential to increase
mutual value through learning about each other. (11)

SITUATIONAL RELATIONSHIPS:-
The nature of relationship varies from situation to situation. ALAN MITCHELL
(1997) has identified the following types of relationship and their relevance for

the academy of marketing science, 22 (spring), pp. 99-113.
ROSENBERRG, LARRY AND JOHN CZEPEL (1984), “ a marketing approach to customer retention,” journal of consumer
marketing, (spring), pp 45-51.
pay? An empirical investigation of relationship marketing practices in hospitals,
membership contexts,” journal of the academy of marketing science, 26, (winter), pp. 31-44.
RAPHEL, MURRAY (1995), “the art of direct marketing: upgrading prospects to advocates,” direct marketing, 58(June), pp. 34-
37.
Book name customer relationship management emerging concept, tools and applications WRITER SHETH&PARVATIYAR&G
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different business situations.

- **PARENT-CHILD** (loan marketer).
- **TEACHER-STUDENT** (mass marketer of internet software).
- **LEADER-FOLLOWER** (fashion brand).
- **FELLOW ENTHUSIAST** (sports car).
- **CONFIDANTE** (financial services advisor).
- **IDOL TO BE WORSHIPPED** (luxury brand).
- **CASUAL FRIEND** (beer, crisps).
- **SOUL MATE** (special whisky).
- **OLD FLAME** (brands your mum used).
- **A FRIEND WHOM YOU SEEK OUT TO ESCAPE FROM - EVERYDAY REALITY** (holiday).

A detailed research may be undertaken to classify business relationships into different categories. By measuring relationship satisfaction, one could estimate the propensity of either party’s inclination to continue or terminate the relationship. Such propensity could also be indirectly measured by measuring customer loyalty (REICHEL and SASSER1990).

When relationship satisfaction or loyalty measurement scales are designed based on its antecedents, it could provide rich information on their determinates and thereby help companies identify those managerial action that are likely to improve
relationship satisfaction and or loyalty.(12)

CUSTOMER BEHAVIOUR FOR LOYALTY:-

The key to customer intimacy lies in strengthening its relationship with customer satisfaction and loyalty. Product-price advertising highlighting product attributes in new setting and comparative prices can make old & new customer loyal to the firm. The survey demonstrated the outstanding importance of customer intimacy which is closely connected with wider product choice at reasonable prices as customer loyalty. This invites more efforts from small businesses towards wider availability of products keeping into view cost factor. However, customer intimacy was not found to be very closely linked with customer satisfaction in terms of performance equals satisfaction and price management efforts by small businesses. This enforces further research efforts. Moreover the survey indicated that determinants customer satisfaction was not interlinked to customer intimacy that may vary for broader sample. An understanding of the relative impact of brand switching variables and interactions affords marketers the opportunity to design more effective customer acquisition and/or retention programs.

1.6 RELATIONSHIP MARKETING SERVICES AND OTHER ISSUES

The de-intermediation process and consequent prevalence of CRM (customer relationship management) is also due to the growth of the service economy. Since services are typically produced and delivered at the same institution, it minimizes the role of the middlemen. A greater emotional bond between the service provider and the service user also develops the need for maintaining and enhancing the relationship. It is therefore not difficult to see that CRM (customer relationship management) is important for scholars and practitioners of services marketing.

The nature of relationship marketing services stems from several distinctive characteristics. These characteristics create special relationship marketing challenges and opportunities. They also often result in relationship marketing programs that are substantially different from those found in present market programs. In relationship marketing, service are essentially intangible; it is impossible for customers to sample like taste, see, hear, or smell—service before they buy them. This feature of services places some strain on relationship marketing. The sales force and the advertising department must concentrate on the benefits to be derived from the service rather than emphasizing the service itself.

(14) (Berry and Parsuraman 1991; Bitner 1995; Crosby & Stephens 1987; Crosby, ET. al. 1990; Gronroos 1995). Book name CRM Sheth and Parvatiyar page no7

Perhaps the key to increasing efficiency in service industries is for management to adopt a manufacturing attitude. (15)

**PURCHASING POWER OF CUSTOMER:**

Service often cannot be separate from the person of the seller; more over some Services must be created and dispensed simultaneously. From relationship marketing stand point in reparability frequently means that direct sale is the only possible channel of distribution, and a seller services cannot be sold in very many markets. This characteristic also limits the scale of operation in relationship marketing. It is impossible for relationship marketing an individual seller of services to standardize output. Each “unit” of market is same market. People alone do not make a market. they must have money to spend and be willing to spend it. Cense quality, the condition of the economy is a significant force that affect the relationship marketing system of just about any organization and the high growth rates of former year are not likely to return very soon. Relationship market programs are also strongly affected by other economic factors such as interest rate, money supply, price in flatiron the unemployment rate, and credit availability consider how increases or decrease in interest rate have affected the relationship market. In the international era the exchange value of a currency devaluation policies have a major impact on in coming goods and out going goods. the banking

(15) THEODORE LEVITT. “PRODUCTION-LINE APPROACH TO SERVICE,” HARVARD BUSINESS REVIEW, SEPTEMBER-OCTOBER 1972. PP. 41-52; ALSO SEE LEVITT, OP. CIT.
and insurance sector can change the relationship market system vary much, each
country have a central bank and a fix currency and they have a value in the
international market according there Purchasing power and expending power.

- **Sustainability**
  - Building a sustainable business
  - Brands
  - People
  - Processes

Making a difference through community initiatives

Awards & recognition

Unilever's brands are known around the world for their thought-provoking yet
entertaining advertising campaigns.

As one of the world’s leading consumer goods companies, it is through our brands
that Unilever has the biggest potential to make a difference.

- **Unilever mission**

Unilever's mission is to meet the everyday needs of people all around the world for
nutrition, hygiene and personal care. Here we do this with products that help
people feel good, look good and get more out of life. Every day around 160 million
people in 150 countries will buy a Unilever brand. Unsurprisingly, therefore, the
social and environmental impacts which it have on the world around us come
largely from our brands. Unilever are increasingly embedding sustainability
thinking into the day-to-day activities of unilever brand management and R&D
teams. It have done this through a simple tool called Brand Imprint.
**Brand imprint**

Brand Imprint forces management to think carefully about both the resources they use (such as water, packaging, energy and raw materials) and the social and economic impacts that company brands have in the countries where they are sold. For example, it encourages managers selling soap to consider the positive effects which they can have on public health through improved hygiene. For those marketing tea, it prompts them to think about where they source their ingredients and how they can get value from communicating this to consumers.

**UNILEVER achievements**

Uniliver are making progress. Around half the tea used in Lipton Yellow Label and PG Tips tea bags in Western Europe is now sourced from Rainforest Alliance Certified™ farms. In an effort to halt deforestation we have committed to draw all of our palm oil from sustainable sources by 2015. Our Lifebuoy brand has reached 120 million people in India with its education programme about the importance of washing hands with soap. Many other examples are referenced in this Sustainable Development Report. To achieve these goals company have to work in partnership Greenpeace on palm oil and UNICEF on handwashing. These collaborations are bringing new insights and new thinking into the business.

**The business case**

What we are learning is that operating in this way is bringing us hard business benefits. Our aim to run the company more sustainably is fuelling our innovation
pipeline, delivering cost savings and helping us to 'win' with our retail and food service customers who have sustainability programmes of their own and who want to work jointly with us. Above all, it is winning the hearts (and wallets) of the growing numbers of consumers who want to be reassured that companies from whom they are buying their products are sourcing, manufacturing and marketing them in a responsible and ethical fashion. Much of this thinking was already well embedded in Unilever when I took over in January 2009. My predecessor Patrick Cescau deserves great credit for the impetus he gave to it. It is my intention to build on Unilever's leadership in this area.

- **COMPANY ongoing commitment to sustainability**

In these uncertain economic times, our core values and commitment to sustainability must remain unchanged. Indeed, now more than ever, this agenda holds the potential for the long-term and sustainable success of our business our brands. I sincerely believe that businesses like Unilever can be a positive force for good in the world and that such an approach is in the interests of all our stakeholders – our investors, our consumers and customers, our employees and the communities where we operate.

- **PG Tips - Breakfast**

This iconic 'Breakfast' PG tips advert won a Gold Award at the British Television Advertising Awards. December 2008 | United Kingdom.

- **Dove - Go Fresh**

- **Lynx - Dark temptation**
  Winner of 2008 Film Gold Cannes, Best Film Gold San Sebastian Festival and Best Film NYC Festival. December 2008 | United Kingdom.

- **Pot Noodle - Moussaka Rap**
  Lick it! In this hilarious ad from the UK’s Pot Noodle team an amateur chef raps his way through mountain of food preparation. December 2008 | United Kingdom.

- **Monkey's Christmas speech**
  This 'Queen's speech' viral ad from PG tips has won a Gold Award at the British Television Advertising Awards December 2008 | United Kingdom.

- **Degree - Engineered**
  Degree’s futuristic advert focuses on the superior antiperspirant qualities of their deodorant by comparing it to a competitor product. November 2008 | United States of America.

- **Sunsilk - Capas Destacada**
  This is Sunsilk’s easily recognizable advert for its glamorous portrayal of the hair care routine. October 2008 | Mexico.

- **Knorr - Big Green**
  Knorr's soups have always enjoyed a healthy nutritional profile. October 2008 | France.
- **Persil - Small & Mighty**
  This advert shows that it’s the first product in the market of its kind that contains three times more concentrated detergent. February 2008 | United Kingdom.

- **Rexona - Friction**
  Rexona’s breakthrough commercial that focuses on skin care while strengthening the brand’s overall feminine appeal. July 2008 | Argentina.

- **Persil - Roboboy**
  The advert encourages parents to see that their children need to develop and grow. January 2008 | South Africa.

- **Lifebuoy - Soap for Schools**
  This good germ-killing soap can make a great difference in helping to prevent the spread of preventable infectious diseases. September 2007 | Indonesia.

- **Dove - Evolution**
  A Dove advert once again challenges our concept of beauty. Evolution has won

**AN INTRODUCTION OF HUL ORGANIZATION STRUCTURE:-**

**Senior corporate officers**
Unilever's senior corporate officers are responsible for ensuring that Board meetings and Board committee meetings are supplied with the information they need.

- **Alan Johnson - Chief Auditor**
  Alan Johnson was born in London in 1955. He joined Unilever in 1975 as a
finance trainee. He is a chartered certified accountant and a member of the British Institute of Management.

- **Howard Green - Group Controller & SVP Finance Categories**
  After graduating in 1973, Howard Green joined Unilever in its Corporate Audit department and has since held a wide range of finance jobs across the breadth of Unilever.

- **Pascal Visée - Group Treasurer**
  Pascal Visée was born in the Netherlands in 1961. He studied 'Economics & Business' and 'Dutch law' in Rotterdam and 'Chartered accountancy' in Tilburg.

- **Stephen Williams - General Counsel and Chief Legal Officer**
  Steve Williams was admitted as a Solicitor and a member of the Law Society in April 1972.

- **Sven Dumoulin - Group Secretary**
  Having graduated in law from the University of Groningen, the Netherlands, Sven Dumoulin gained a PhD and subsequently worked as a lawyer specialising in corporate and securities laws before joining Unilever in 2003.

**CURRENT RELATION OF HUL IN INDIA:-**

Find out about unilever history, mission and corporate structure, and the way it do business Two out of three Indians use Hindustan Unilever products. From feeding Your family to keeping your home clean and fresh, HUL brands are part of everyday life.
unilever brands

- Food brands
  - Home care brands
  - Personal care brands
- Water
  - Nutrition
- Health, hygiene & beauty

About unilever long-standing commitment to sustainability and responsible business practice and read case studies from around the world. Learn Unilever's innovations build leading brands and develop its capacity to meet consumer needs for nutrition, hygiene and personal care. Innovation in unilever

R&D centers and people

(B) Building the future

Product innovations

Future possibilities

unilever are proud of our reputation as a world leader in research and development through innovation and renovation.

More about HUL future possibilities:

Protecting health through safe drinking water

Purest technology is unique in the world in providing this level of safety without the need for any electricity, pressurized tap water or cooking gas.

Purest Innovation

Hul’s purest innovation addresses one of the biggest technological challenges of
the century – that of making micro biologically safe drinking water accessible & affordable for millions. Purest technology is unique in the world in providing this level of safety without the need for any electricity, pressurized tap water or cooking gas,

**Hul innovation**

Hul investment € 927mIn 2008 Unilever invested € 927m on research and development. Our people 6000 + Currently HUL have over 6000 people working in R&D in all Unilever regions across the globe. HUL inventions 300 + Hul typically file between 250 & 350 new patent applications a year.

- **HUL intellectual property**

HUL have over 20 000 registered patents & patent applications. Rosemary, development Nutrition Manager Durban, South AfricaI am learning every day, especially about partnership management.

**Unilever R&D, Bangalore**

R&D in Bangalore specializes in the areas of Microbiology, Virology and Microstructure Creation.

- **Developing new opportunities**
  - The power of more
    - Dove’s promise
    - Food structuring.