CHAPTER 9

Relationship Marketing Success Through Investments in Products – The Case of BSH

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Relationship marketing must not ignore the fact that products are at the center of most business relationships. Relationship-oriented product design is one of the key challenges for relationship marketing and has yet to receive the attention it deserves. BSH BOSCH UND SIEMENS HAUSGERÄTE has, however, accepted this challenge and aims to become the top manufacturer of “user-friendly and barrier-free” products (and then to communicate this fact through its products). In meeting this challenge, the company uses a host of findings from the fields of ergonomics, ecotrophology (home economics) and consumer research. The author reports on the company’s efforts to develop new benchmarks for products that are genuinely consumer-oriented and to incorporate consumer orientation in product design.

1. Product Design in the Era of Relationship Marketing: Where We Stand Today

Relationship marketing is clearly focused on the post-purchase phase (see, for example, Hansen & Jeschke 1992). The customer’s evaluation of this phase and, therefore, his or her satisfaction and loyalty is mainly determined by the benefits delivered by the product itself, especially in the consumer goods sector. However, relationship marketing theory and practice has largely neglected the key role of product functionality in customer satisfaction. Instead, it has focused on the creation of customer services (see Meyer & Blümelhuber 2000, in this book, for an overview of this strategic topic).

It is only possible to create high customer value when marketing consumer goods if specific effort has been invested in product design and functionality. A change of perspective is needed: the prevailing presales-oriented approach to
product development has to be replaced (or at least complemented) by a more postsales-oriented development and design perspective.

This chapter describes the efforts of BSH BOSCH-SIEMENS HAUSGERÄTE to implement a relationship marketing perspective in product design. The BSH approach does not use the skills and abilities of a “normal” consumer as a reference point, but focuses on people with limited abilities, such as the elderly or handicapped customers. Clearly “normal” customers should have even less of a problem using products that fulfill the needs of these less-able people.

1.1 International Activities

Consumer surveys were conducted in seven European countries by the HUSAT RESEARCH INSTITUTE, as part of the EU-sponsored ESPRIT-FACE 6994 project (European Commission 1994). The results showed that end-users were encountering significant problems with the operation of their video recorders, heating and security systems (Burmester 1994). As a response, a “Consumer Electronics” working group involving PHILIPS, THOMSON and the FRAUNHOFER INSTITUTE FOR WORK SCIENCES AND ORGANIZATION has proposed standards for user environments and put them forward for general industrial utilization and as possible templates for international standards.

The NORDIC GOVERNMENT OFFICIALS COMMITTEE FOR CONSUMER QUESTIONS has published “Methods for measuring the ergonomical features of household appliances regarding persons with reduced functional ability” (NGOCCQ 1994). This document lists practical methods and quantitative variables that can be used to determine the suitability of large home appliances and vacuum cleaners for users with reduced functional abilities. ISO IEC Guide 37 aims to standardize user information and appliance operation (ISO 1995). In the context of this guideline, STIFTUNG WARENTEST (Germany’s major consumer test institute) anticipates that its specialists will use more stringent testing procedures in giving increased attention to product usability. The consumer journal Which in Great Britain, the Dutch CONSUMENTENBOND and the LABORATOIRE CENTRAL DES INDUSTRIES ELECTRIQUES in France all have plans to conduct tests using similar criteria. The CONSUMENTENBOND is simulating the situation of older people. In Germany and with BSH support, a DIN standards committee has been working on a “barrier-free consumer goods” standard since 1995.

1.2 Design Faults in Appliances

So-called “design flaws” cause significant problems for product users. American psychologist Donald A. Norman has given some revealing answers to questions on this issue (Norman 1991):

QUESTION: Most owners of video recorders cannot program their machines properly. Are these people simply stupid?