



What is Database Marketing?

[Database marketing](#) is a kind of direct marketing in which customers databases are used to fetch targeted lists to carry out direct marketing communications. These databases of customers contains all the customers details consisting of names, addresses, emails, phone numbers, purchase histories, information requests and other related data.

[Database marketing](#) is a detailed process of recognizing, collecting and observing relevant information related to an organization's customers. The data are obtained from different internal as well external sources like email correspondence, promotional efforts, sales information, and social media.

What are the objectives and goals behind DM?



The primary goals of the [database marketing](#) is to make the best use of the entire information of the database in order to implement the useful marketing strategies which can increase the organization's profits.

3 stages for effective DM

Let's discuss about the three important stages of database marketing:

- **Data collection:** Starting with an initial stage of DM involves assembling and gathering all the data relevant to the potential and prevailing customers. This process makes sure that data is made available in a fruitful way that it proves advantageous for the firm's marketers in sales and marketing activities.

- **Transformation of data into knowledge:** In this stage, inspecting data is necessary so that the data required for marketing and communications can be easily obtained. The data is segmented in existing and potential customers in order to deliver objective and appropriate marketing message for both consumers sections.
- **Development of business strategies:** The business strategy is shaped in the final stage with the help of knowledge and information. For example, the communication system with customers is changed, the resources are devoted, prices and other related reviews are estimated.

Benefits of database marketing

[Database marketing](#) have a number of benefits associated with its process. It allows a businessman and an entrepreneur to fragment and focus the marketing endeavours at an minimal cost.

An effectual [database marketing](#) drives high sales volume by obtaining information that enables different companies to recognize and explore fresh market opportunities. The level of customer communication aslo goes high picking a quality level. The organization is thus able to enhance the chances of customer retention rate by creating healthy and long lasting customer relationships.

Database Marketing Techniques

Here, we are going to tell you about the remarkable [database marketing](#) techniques which palys a crucial role for sales and marketing team to successfully use their database to boost the sales without welcoming failure at their end.

- Customer Lifetime Value
- Customer Communications
- RFM (Recency, Frequency, Monetary Analysis)
- Analytical Software
- Loyalty Programs
- Email
- Customer Segmentation
- Multi-channel marketing