

Delivering Customer Value Through Marketing :
Harley Davidson

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INTRODUCTION

This report will focus on the marketing strategies implemented by the organization Harley Davidson. The American organization Harley Davidson was constituted in early twentieth century by two partners namely William Harley and William Davidson. The markets for motorcycle industry are expected to rise significantly and it is expected that by the year 2018 more than 126 million motorcycles and scooters will be sold annually. The report will also focus on the key markets that can be used by Harley Davidson and will also make the competitor analysis for the organization Harley Davidson in the coming next two or three years in UK. The report will analyze the branding strategies that must be used by the organization Harley Davidson in the UK markets. The product portfolio of the organization Harley Davidson in the UK markets will also be analyzed. It is important for the organizations to have an effective marketing communication plan. Hence, the report will also focus on the marketing communication plans that must be implemented by the organization Harley Davidson for the next few years. The marketing communication plan for the organization Harley Davidson will also focus on the target market segments for the organization along with the control mechanisms. The CRM (Customer Relationship Management) strategies for the organization Harley Davidson along with the Customer Service Provisions describing the distribution channels will also be focused in the report.

KEY MARKETS AND COMPETITOR ISSUES FOR HARLEY DAVIDSON

It is important for an organization to properly identify the key markets on which the organization needs to lay attention and the marketing and branding strategies of the organization must be developed on the basis of key markets identified. Hence, Harley Davidson also needs to identify the key markets which it must focus in the coming years. The target market for Harley Davidson is educated and married male who is in his mid forties with an average household income of 78,600 US dollars. The organization also focuses on maintaining customer loyalty and hence lays emphasis on targeting the current customers to become the repetitive customers for organization. The organization needs to focus on new market target segments such as Caucasian men who are 35 plus age, Caucasian women who are 35 plus age. The people in the age group of 18-34 are the potential target markets for the organization in the coming future. The traditional bikers remain an important market segment to focus by the organization Harley Davidson (Wagner, 2003).

Petty and Mullikin (2006) stated that for future customer targeting, the organization must look for people aged between 18-34 years who have a passion for riding the bikes and live with their parents. This group of the potential customers has better disposable income due to less expenditures and significant savings so that they can purchase and maintain the Harley Davidson bikes. The tech-savvy youngsters and middle age people can also be targeted by the organization as key target markets for future.

It is important that the SWOT analysis of Harley Davidson is done so that the organization can analyze its internal environment and strategies to focus on key market segments and counteract the competition from various competitors (Klonski 1991).

The strength of the organization is that the motorcycles of Harley Davidson are innovative, strong and durable. The organization has strong financial position and uses penetrative pricing strategies. The organization has high customer loyalty.

The weakness of Harley Davidson is that it still needs to increase its product mix and needs to focus on diversified marketing strategies in different domestic markets such as UK. The frequency of the purchase of the customers is low (Ginsburg & Bloom, 2004).

Warren (2005) identified that the opportunities for Harley Davidson are that the organization can look for expansion. The organization can also focus on increasing the market segments which it can target. The organization must lay more emphasis on Research and Development activities and must lay proper attention on the emerging markets such as India and China.

The threats for Harley Davidson are the growing competition from the companies such as Honda Motors, BMW, and Yamaha etc. The various new automotive products which can act as a substitute to the motorcycles are also a threat to the Harley Davidson. The external environmental factors such as political, social, legal, economic factors can also pose new challenges to the markets of Harley Davidson. The baby boomers who have been the key potential customers for the organization Harley Davidson are aging and hence the organization needs to focus on new market segments. The motorcycle industry is changing trends and

middle price range bikes are gaining and capturing more market and hence the organization needs to change its marketing strategy as well (Watson and Spence, 2007).

There are various key competitors for the organization Harley Davidson in the UK markets. The UK motorcycle market is highly dynamic and number of new entrants and competitors are entering the UK motorcycle market. Hence, it becomes important for the organization Harley Davidson that effective competitor analysis is done for UK markets. Fuller and Donald (1999) cited that the organization must identify the scope of the motorcycle industry in UK. The organization must make a proper analysis of the competitors of the Harley Davidson along with the determination of the key customers and the value and benefits the key customers of the organization are expecting from the products and services of the organization. The key success factors for the organization must be identified along with the KSF of the competitor organizations in the market. There are various big players in the motor cycle industry across the globe which poses a challenge to the organization Harley Davidson motorcycles in UK. There are various key competitors for Harley Davidson such as Honda, Yamaha, Suzuki, BMW. Bajaj Auto Limited, Hero MotoCorp Limited, Triumph Motorcycle Limited, Kawasaki Heavy Industries Ltd, Ducati Motor Holding are also some of the key competitors of the organization Harley Davidson. The companies Honda, Kawasaki, Yamaha and Suzuki provide a lot of product range, with different engine sizes, different pricing strategies to focus on the different market segments of the UK markets (Samuel and Douglas, 2006).

PORTER FIVE FORCE MODEL FOR UK MOTORCYCLE INDUSTRY

To make a proper analysis of the UK motorcycle industry and the competition in UK markets it is essential to analyze the UK motorcycle sector with Porter Five Force Model

BARGAINING POWER OF SUPPLIERS:

The presence of various motorcycle manufacturing companies such as Honda, Yamaha, BMW etc has resulted in high supplier competition. The organizations need to focus on differentiation strategies and price effectiveness to maintain their market share (Wells and Prenskey, 1996).

BARGAINING POWER OF CUSTOMERS:

The bargaining power of the customers in UK motorcycles sector is high due to low switching costs and large number of suppliers. The buyers are very sensitive to the price changes of the bikes offered by various companies. Differentiation is the key aspect for attracting the attention of customers in the UK motorcycles markets (Samuel and Douglas, 2006).

THREAT OF SUBSTITUTE PRODUCTS:

The various innovative automotive products in future can be threat to the motorcycles of Harley Davidson and hence the proper emphasis must be laid on innovation in the bikes of Harley Davidson (Petty and Mullikin, 2006).

THREAT OF NEW ENTRANTS:

There have been various new entrants in the UK motorcycle industry market which are using fierce marketing strategies and low pricing strategies to capture the UK motorcycle market. It is important for Harley Davidson to make a proper competitive analysis of new entrants in the UK motorcycle market and develop an effective marketing strategy to counter the new competition.

HARLEY DAVIDSON COMPETITOR ANALYSIS

Kotler (2003) pointed that it is important that the various competitors of the organization Harley Davidson in UK markets are properly analyzed. This section of report will focus on some of the key competitors of Harley Davidson in the coming few years.

BMW MOTORCYCLE

BMW has strong presence in the European markets as well as UK markets in motorcycle industry. It provides a wide range of motorcycles and automotive services along with IT enabled consultation services and financial services to its customers. BMW motorcycles are one of the strongest competitors of Harley Davidson in UK markets. The branding strategies and brand image for BMW are similar to those used by Harley Davidson and hence customers targeted by Harley Davidson are equally attracted by BMW brand. In fact the branding strategies of BMW

are able to attract the attention of Harley Davidson loyal customers as well (Peter and Olson, 2005).

SUZUKI

The Suzuki is also a key competitor of Harley Davidson motorcycles in UK markets. The motorcycles of Suzuki are known for their dual purpose, super sports, and street usage and off road rides. . The important KSF for the Suzuki motorcycles is that the organization uses a lot of R&D activities to develop technology and innovation efficient motorcycles to the customers Peter and Olson (1998).

YAMAHA

The organization Yamaha has also emerged as key competitor of Harley Davidson motorcycles in UK markets. The organization delivers road racers, sports bikes, scooters, electric hybrid bikes etc to its customers. The launch of bikes such as FZ16 by Yamaha Motorcycles has resulted in growing completion between the motorcycles of Harley Davidson and Yamaha (Lukosius, 2004).

HONDA

Honda is the largest manufacturer of the engines and also is the global market leader in the motorcycle industry. Hence, the organization Harley Davidson receives a very stiff competition from Honda Motorcycles. However, the production facilities of Honda has ceased in UK and US since 2009. And hence, Harley Davidson can use this as an opportunity to capture the markets share of the organization Honda in the UK markets (Silverman, 1997).

INDIAN MOTORCYCLE CO.

Since, the commencement of the business operations of Harley Davidson, the organization Indian Motorcycle Co. was the biggest rival for the company Harley Davidson. The operations of the organization ceased in year 1950 but were later revived. The organizations Indian Motorcycle Co. marketing strategies still focuses on head to head competition with the Harley Davidson. The bikes of Indian Motorcycle Co. use modern engines along with various other innovative components to ensure that the customers can have comfortable ride (Tsai, Liang, & Liu, 2007).

ROYAL ENFIELD

Royal Enfield is the oldest motorcycle manufacturer in world. The organization is focusing on increasing its production facilities to capture more market. The organization focuses on providing leisure rides to its bike users. The organization has the key success factors of merging modern technologies with the retro charm of the Royal Enfield vintage bikes. The bikes such as Thunderbird 350 and 500 Twins are powerful bikes launched by the organization recently which can capture the target market segments of Harley Davidson (Wilson, 1995).

PRODUCT PORTFOLIO AND BRANDING STRATEGIES

The organization Harley Davidson offers various products ranges to cater to the needs and requirements of various customers. The organization focuses on providing various models of bikes to cater to the requirements of families and bike lovers. The company has five different bikes styling to cater to the needs of customers which are Dyna, Touring, Softail, V Rod and

Sportster. The organization has pioneered itself in re-engineering the retro and vintage bikes and merging it with modern biking technologies. For example, the organization uses the twin cylinders in several of its models to integrate new technology and ensure innovation (Yoo, Donthu, & Lee, 2000).

This section of report will do the product portfolio analysis of Harley Davidson bikes in UK markets and will identify some of the current models which are used by the organization in UK markets along with their features are as identified below:

HARLEY-DAVIDSON XL1200 SPORTSTER 72

This is a Sportster bike which is based on the basic Vintage models of early 60s and 70s model of the West Coast Choppers. This model of the bike is built to attract the attention of the customers who want bikes that un-intimidating in looks and have easy ride (Wagner, 2003).

FLS SOFT TAIL SLIM

This model of the bike of Harley Davidson is slim and has classic styling especially designed for the customers who are looking for modern machinery security. The bike is effectively designed to ensure that the customers can express themselves and their styling with options for customization (Mitchel, 1997).

SWITCHBACK DYNAGLIDE

This is one of the new models of Harley Davidson which has custom looks. The model is an innovation in biking sector and caters to the new requirements of the customers

FLHTCUTG TRI GLIDE

This bike model of Harley Davidson has long haul comfort build up and has value added features such as cruise control, large storage trunk and audio system to ensure comfortable and pleasurable ride to the customers. This bike model focuses on high quality and high services (Bach, Sharon, & Ostermann, 1993).

ECO-FRIENDLY HARLEY-DAVIDSON ELECTRIC BIKES

The organization is also focusing on developing eco friendly bikes for the customers. The various experts are eyeing electric bikes as the future of motorcycle industry. Hence, organization is focusing on development of hybrid ICE which can be electrically driven (Wagner, 2003).

CUSTOMIZED BIKES

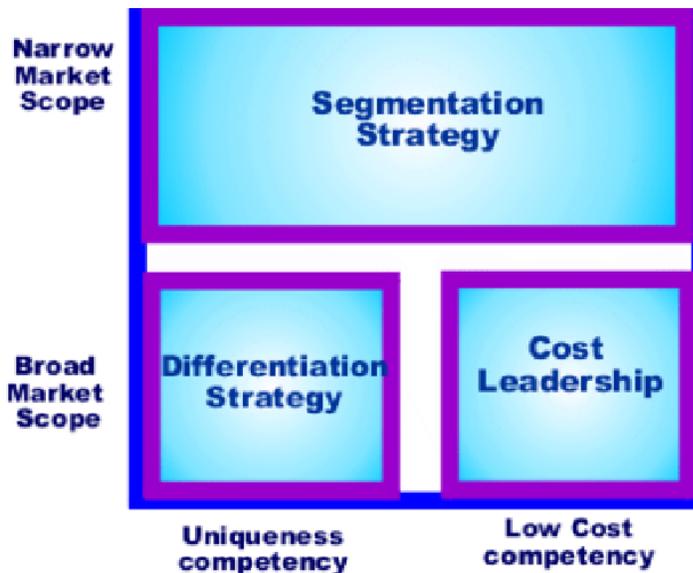
Customized Bikes are the bikes which can be customized by the organization to meet the unique customer requirements. The customers can get involved in the designing of their bikes according to their specifications by getting in touch with the designing team of the organization.

BRANDING STRATEGIES

The brand management of the organization is the communication to the customers of the organization on how the brand is positioned in the market. The Harley Davidson needs to make certain that the brand management of the organization is done effectively to meet the challenges in future. Dunfee, Smith and Ross (1999) cited that the brand image of the organization Harley Davidson is rough, rebellious, idiosyncratic and unique. The owning of Harley Davidson bike brings in a sense of pride in the customers. The various families of Bikes such as Softail family, Sportser family and Touring family have different brand image in the minds of the customers.

The BCG matrix analysis of the organization depicts that most of the bikes of the organization have high growth rate and satisfactory market share and hence most of the motorcycles of the organization either cash cows or star for the organization. The porter's generic strategies can be

used to identify the strategies implemented by the organization Harley Davidson to ensure that the UK motorcycle markets can be effectively captured by the organization.



Source: (Eppendorfer, Beckmann, and Neimke, 2002)

The organization uses the segmentation strategy to divide the UK biking markets into different market segments such as baby boomers and young generations. The organization uses the differentiation strategies to differentiate the bikes manufactured by Harley Davidson as robust bikes and integrate the differentiation strategies of the Harley Davidson with the different market segments identified. The organization does not focus on cost leadership and does not lay emphasis on capturing the markets with low pricing strategies to win market share. The organization focuses on maintaining its brand image and doing premium pricing for the products offered by the organization. The organization must maintain its premium pricing

strategies and must lay emphasis on developing the brand image of the organization in the future as well (Yoo, Donthu, & Lee, 2000).

RECOMMENDATIONS FOR PRODUCT PORTFOLIO AND BRANDING

The organization Harley Davidson must increase its product mix and apart from the five families of the bikes, the organization must identify the feasibility of new bike families. Also, the organization must launch new bikes in the existing bike families to provide the customer with greater options to choose. The organization must do a PLC (Product Life Cycle) analysis of the various existing bike models and identify the product life cycle stage of the bikes. The bikes that are in decline stage should be phased out and the innovation must be done in the models which have reached in their saturation stage. The bikes that are in the growing stages of PLC must be promoted with effective marketing strategies. Tsai, Liang, & Liu (2007) stated that the organization must focus to retain its brand image in the coming future. The brand needs to lay proper attention on quality and innovation. The organization must also lay emphasis on successful brand extensions and brand alliances so that the greater markets shares can be captured by the organization.

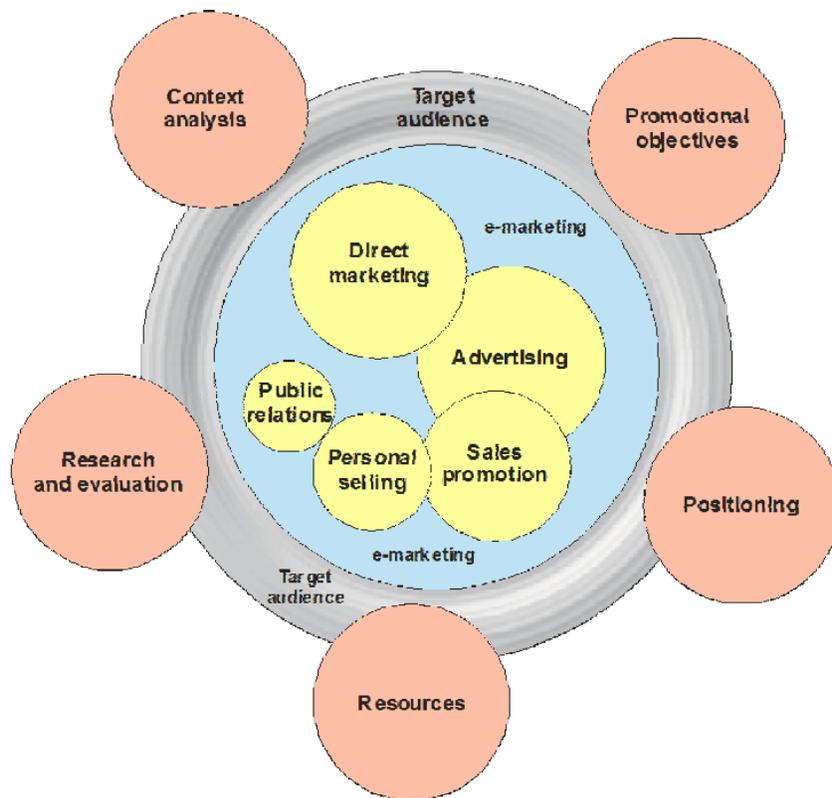
MARKETING COMMUNICATIONS PLAN FOR HARLEY DAVIDSON

The organization Harley Davidson should do the SOSTAC analysis of the marketing plan of the organization. The situational analysis should be done to deconstruct the product and identify the strengths and weakness of the products. The situational analysis should be done to identify the target audience. The communication goals of the marketing strategy of Harley Davidson must be identified along with the implementation of AIDA model. The organization should make the strategies for targeting, segmentation and positioning. The tactics such as marketing mix must be evaluated and properly implemented. The marketing communication should be done by various marketing channels such as advertisements, direct marketing, e marketing etc. The various strategies and tactics must be implemented by the organization. The control for the Harley Davidson marketing strategy should be done by identifying the frequency of control activities and key personnel of the organization responsible for auditing the marketing strategies of organization (Eppendorfer, Beckmann, and Neimke, 2002).

Harley Davidson should do the context analysis in which the internal business factors and external environmental factors must be identified. The organization should do a SWOT analysis so that the internal strengths and weakness of the organization and external opportunities and threats for the organization can be properly analyzed. The marketing communication of the organization Harley Davidson should be done keeping in mind the context analysis. The four P's of the marketing price, place, promotion and product for Harley Davidson must be identified and properly promoted through marketing communication. The effective marketing

communication will ensure that the organization can market its products to target markets (Bach, Sharon, & Ostermann, 1993).

The figure given below illustrates the marketing communication strategy that should be implemented by the organization Harley Davidson.



Source: (Dunfee, Smith, and Ross, 1999)

The organization should do a proper context analysis along with the identification of the resources available with the organization and promotional objectives and positioning strategies required by the organization. The target audience must be properly identified by the

organization. The organization Harley Davidson must use direct marketing, sales promotions, e-marketing, personal selling and advertising strategies to make the marketing communications to the target audience of the organization.

The context analysis for UK motorcycle markets is done using the PESTEL analysis. PESTEL analysis of the UK markets is done by the organization Harley Davidson so that the environmental factors affecting the motorcycle sector in UK can be properly analyzed.

Politically UK has strong and stable governments and hence the country has political stability to support the various businesses. Economically, the country was recently hit by economic recession commenced by US sub-prime crisis. The country has large middle income group population and hence these households can be targeted by the organization Harley Davidson. Socially, the country has presence of underclass people such as workers and middle class people engaged in business and services. The UK motorcycle sector is driven by technical innovation and hence the organization Harley Davidson must focus on technical innovation and research and development strategies to attain greater market shares. The country has strong legal systems to cater to the law problems and various business issues and disputes. Environmentally, the organization Harley Davidson must ensure that the bikes of the organization are fuel efficient and do not cause high emissions of CO₂ and smoke which can result in pollution. Environmental friendly bikes of Harley Davidson can be strength for the organization along with an initiative for corporate social responsibility of the organization (Yoo,

Donthu, & Lee, 2000). The organization Harley Davidson also needs to assess the market mix of the organization before the marketing communication is done to the end customers.

MARKET MIX 4P'S OF HARLEY DAVIDSON

The marketing communication plan for the organization Harley Davidson should provide the information to potential customers about the market mix that is used by the organization.

PRODUCT

The product for the organization Harley Davidson includes bikes from families such as Touring, V-Rod, Dyna, Sportster and Softail.

PRICE

The organization uses premium pricing and does not focus on the price sensitive customers.

The bikes of the Harley Davidson are premium priced due to strong brand image.

PLACE

The organization Harley Davidson has a strong distribution channel with approximately 1350 distributors and dealers across the globe.

PROMOTION

The organization Harley Davidson uses direct marketing, sales promotions, e-marketing and advertisements as the promotional strategies for the organization.

(Petty and Mullikin, 2006),

MARKETING COMMUNICATION PLAN FOR HARLEY DAVIDSON

The organization Harley Davidson must make use of the integrated marketing communication plan according to the target markets that have been identified by the organization. The marketing communication plan for Harley Davidson should consist of advertisements, direct selling, sales promotion, publicity, social marketing and e marketing communication strategies.

ADVERTISEMENTS

Harley Davidson should make intensive advertisement of the various communication channels such as Television, print media; radio etc so that the marketing of the products of the organization can be done to reach the target customers. The organization should also focus on the marketing of the organizations products by launching new ad campaigns which can communicate the new products of the organization. The advertisements of the products of Harley Davidson on these communication channels must clearly depict the features and attributes of the bikes offered by the organization. The advertisement of the Harley Davidson must focus on AIDA model to ensure that effective communication is done with the customers. The ad campaigns of the organization must attract the attention of the customers and must develop an interest in the products and services of the organization Harley Davidson. The ad campaigns of the Harley Davidson should develop the desire in the prospective customers to make the purchasing action in favor of Harley Davidson bikes. Hence, the message of the

advertisements must be properly designed and structured so that the customers can be persuaded to make the purchasing decision (Peter and Olson, 2005).

DIRECT SELLING

Kotler (2003) opined that direct selling is the process, by which the organization Harley Davidson can make the direct sales of the bikes of organization to the end customers bypassing the dealers and retailers. The direct selling helps in promotion of the products of organization. The organization Harley Davidson can make the direct selling of the bikes from its website.

SALES PROMOTION

The organization must focus on Sales promotion strategies to promote the purchase of bikes offered by Harley Davidson. The sales promotions are the activities which must be done by Harley Davidson on certain occasion such as festive Christmas time by offering short term discounts and offering purchase rewards to increase the sales. The sales promotion strategies can also help in stimulation of the consumer buying behavior and help in increasing the purchase frequency (Samuel and Douglas, 2006).

PUBLICITY

The publicity of Harley Davidson must be done by planting news about the Harley Davidson in various media and communication channel. The publicity of the bikes of Harley Davidson can also be done in various sports events and automobile fairs by the participation of the Harley Davidson bikes in these events (Wells and Prensky, 1996).

E MARKETING

With the increasing use of internet by people across the globe, e marketing has emerged as an important marketing communication channel. The organization Harley Davidson should identify the various important online advertisement strategies and important websites and web links on which the e marketing for the organization must be done. The e marketing shall be done using the various marketing tools such as frame ads, pop up ads, floating ads, trick banners etc on the important websites which are likely to be searched by the prospective customers for motorcycles. The organization must also focus on SEO (Search Engine Optimization) on various keywords that are likely to be searched by the potential buyers on internet (Lukosius, 2004).

SOCIAL MEDIA MARKETING

The numbers of social media networking sites users have grown exponentially in the recent decades. The social media has become an important platform for marketing communication for most of the businesses. The social media sites such as Facebook, Twitter, LinkedIn, Youtube,

Google Plus are some of the most important social media sites for social media marketing. The organization Harley Davidson must make the Facebook pages and LinkedIn pages to communicate the product portfolio and the marketing mix of the organization. These pages must depict the various products of the company and must focus on linking the advertisement campaign of the organization with the social interactions. The organization must make tweets to attract the attention of the potential customers on Twitter. The video ad campaigns must be launched on Youtube so that it can be viewed by Youtube users. The company must also ensure that the social marketing of the organization is an integrated effort and the marketing on one social media site is linked to marketing on other social media sites. This means that the marketing on Facebook must provide link to social marketing on Twitter, Youtube and other social media sites. It is also important that Harley Davidson links the social marketing of the organization with the traditional marketing activities such as advertisements and sales promotions (Tsai, Liang, & Liu, 2007).

CONTROL MECHANISMS

Wagner (2003) stated that the organization Harley Davidson must implement effective marketing control mechanisms with the aid of marketing audits and SOSTAC analysis. The external marketing audit for organization Harley Davidson should be done to ascertain the various external factors such as economic factors, technological factors, consumer perception, market structure, market size, distribution channels, competitors of the organization etc. The internal marketing audit for organization Harley Davidson will help in the identification of the corporate culture, goals and objectives of the organization, pricing strategies of the

organization and efficiency of sales force for the company. Hence, the audit of the marketing strategies of the Harley Davidson will help in measuring the marketing capability of organization. The audit of the marketing strategies will aid in identification of the gaps and the critical success factors required for ensuring successful marketing.

REVIEW OF CUSTOMER RELATIONSHIP MANAGEMENT

DISTRIBUTION STRATEGY

As part of the growth strategy of Harley Davidson, the current section imparts some light on the organization strategy. Eppendorfer, Beckmann, and Neimke (2002) stated that main driver behind the sales increase has been the organization's expansion plans. By expansion it is meant for the international expansion especially in emerging markets such as Latin American countries and some developing countries such as India as these geographic locations provide the current lucrative demands. Most common distribution channel for an automobile player is the direct relationships with the dealers in the targeted regions. One of the key features of the increasing these relationships have been the initiative of revamping the dealership system to provide a better customer experience and better profitability for dealers. Other initiative has been the introduction of new online portal as the dealers websites have been becoming the main customer touch points of the company. Not only this gives the customer a more local and approachable solution for them but it also greatly affects company integration with its dealers. This renewed customer confidence in the Harley Davidson's product has seen a huge resurgence in US and more than 1300 dealerships worldwide.

Wagner (2003) pointed that since these bikes are the bench mark for a good motor cycle, these bikes have a huge presence in the second hand market because of the very nice resale value. For the places where tourism is the main attraction bike rental for those the travelers and who cannot afford to own one, the rental services provides a rich platform to experience the thrill of driving a Harley. These rentals are quick and easy and generally a dealer can get a steady throughput from these rental bikes.

CUSTOMER RELATIONSHIP MANAGEMENT

Customer Relationship management involves all the factors with respect to interaction of a company with its customers. CRM has helped Harley Davidson in understanding the requirement of its customers, retention of its existing customer and in developing new customers by providing better experience to them. Customer relationship management has been used by Harley Davidson in entailing the use of different technologies in order to automate, manage, and synchronize the marketing, distribution, sales and service to its customers. Customer relationship management has also assisted the Harley Davidson in developing its distribution strategies by mean of various technical supports. Harley Davidson has developed its distribution network at internal level by means of more than 35 dealers. Harley Davidson has also made the availability of its dealers on the website which has facilitated the development of its customer at global scale. Harley Davidson has also decided to initiate the building of online portals as a substitute option for motorcycle sales. The development of dealer website has facilitated the customer relationship management as these

websites have become one of the main contact points for its customers. Harley Davidson has also improved its distribution by means of channel intermediaries (Tsai, Liang, & Liu, 2007).

Customer relationship management has also been used by Harley Davidson for developing methodologies by means of various internet capabilities which has lead to management of its relations with its customers in a structured way. Harley Davidson has involved the direct retailers which are responsible for distribution of its products in the market. These retailers are in contact with its customers by means of their individual websites and also personalized shop logo. Harley Davidson has also been able to reach its customers by means of second hand market and bike rentals. Harley Davidson has standardized the resale value of its bike is the market. One of the strategies adopted by Harley Davidson for building the relation with its customer is by means of bike rentals, this has resulted in targeting the customers who cannot afford their own Harley and this is one of the significant steps towards customer relationship management. They provides the bikes to their customers on rent for one day, three day or complete week keeping in consideration the requirement of customers (Lukosius, 2004).

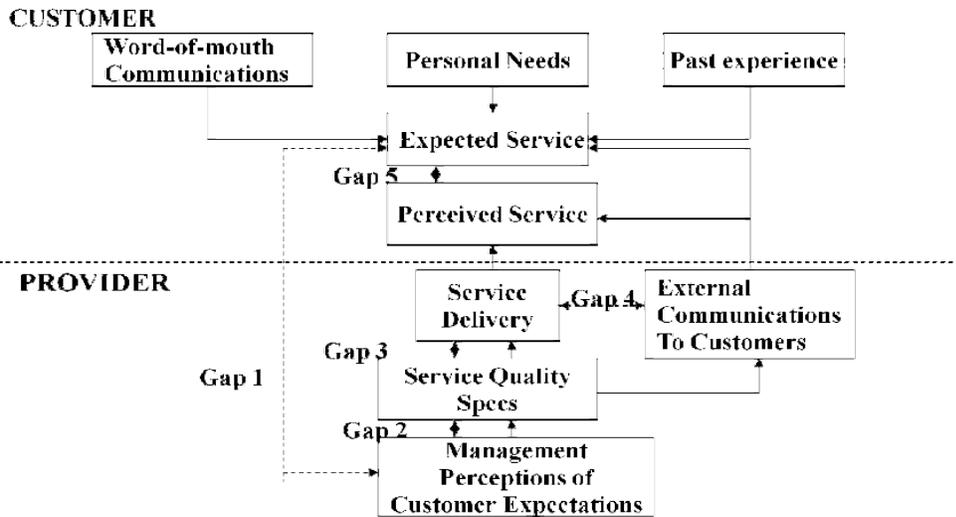
CUSTOMER SERVICE PROVISION

Customer service provision can be defined as the total of what an organization does to meet customer expectations and produce customer satisfaction. It involves a service level teamwork and various partnerships. Like we introduced above the various dealership level partnership Harley had done in the past years have given a huge raise in their sales. Some of the features that Harley has done very well to improve in their Customer Service Provisions are explained in the coming section.

Harley has been a good host for their customers and dealers about the whole feedback, providing a cool platform with their online portal. Harley Davidson provides a quick recap to the dealers about the latest shipment or launch. Harley provides an impeccable presentation in walks of its concerned departments to the customer hence all the interfaces as far as the customer services and dealings are concerned, they all are very clean and high class and an industry wide standard. Maintaining an online portfolio upholds the online reputation of the Harley in utmost respect which would be clearer after the sample SERVQUAL that follows (Kotler, 2003).

The below given is the conceptual model of service quality provided that should be used by the organization Harley Davidson. Next are the five factors of SERVQUAL method Reliability, Tangibility, Responsiveness, Assurance, Empathy.

Conceptual Model of Service Quality



Source: (Peter and Olson, 2005)

SERVICE QUALITY MODEL

There are five major gaps in the service quality concept and we would analyse how the Harley tries to fill these gaps.

Gap 1: It states about the difference between perception of the organization management about the customer needs and what do they really need.

GAP 1- is covered by the Harley through the use of great marketing orientation Keeping the current trends and customer style and power need, having sufficient transparent

communication from staff to dealers to end customers. In the complete process Harley avoids too many levels of management to gain a nice transparency level.

Gap 2: According to this issue it is important to list down the differences between management perceptions and service quality specifications with regards to the gaps in standard.

Harley improves the above issue by providing an excellent commitment for service quality. If a customer compares an aspect of the legendary bikes with any other competitive feature in another player, Harley commits itself fully to stand ground to ground on that. As already discussed their international expansion as the goal made them increase their sales, their goal settings can be said as exceptional.

Gap 3 takes the stand on the difference between service quality specifications and actual service delivery from the consistency standard level (Samuel and Douglas, 2006).

This aspect Harley covers the performance gap avoiding role ambiguity and role conflict in their organization structure. Having a superior technological structure and having a right man for right job all the time with appropriate supervisory Harley fills this gap.

Gap 4 highlights the differences between service delivery and external communication content and all the expectations set by the organizations to their dealers and customers are meeting or not and on the consistent basis (Petty and Mullikin, 2006).

Harley Davidson as an organization takes a very hard stand on what is being offered as a part of the delivery and what is actually being delivered. It has a very standard and adequate communication channel for horizontal map between various departments or services. They

definitely don't exercise the propensity to overpromise which they cannot offer to their clientele or dealers or rental guys or second hand market scene (Dean, Brown, & Bamford, 1998).

Gap 5 of this eloquent model states that the difference between what customers expect of a service and what they actually receive makes a huge impact on the reputation.

Harley takes special care in setting up the documentation for expectations which are mostly based on the past experience and feedbacks. It is that measurement on their part in two sets of statements in groups that makes them achieve fair points in this gap (Watson and Spence, 2007).

RECOMMENDATIONS FOR HARLEY DAVIDSON CRM

Harley Davidson has used Customer relationship management for brand development, social media and advertising, so it could be said that for an organization to flourish in the market and to capture new customers as well as to retain its existing customers it becomes very significant to develop a proper customer relationship management system. CRM benefits an organization by controlling its lead information, it helps in building strategies for marketing campaigns and involvements. CRM also helps in recognizing its target customers and improving its relation with its customers by recognizing its customer requirement and examining distribution patterns. Harley Davidson can come up with more improved CRM system in future for increasing its sales, decreasing the cost in terms of acquiring its new customer and retaining the existing customers. A proper CRM system would also lead to accurate and precise data. In the above section we discussed the SERVQUAL model and if Harley Davidson continues to follow it

and take care of all the gaps mentioned it bodes well for their success in near future (Warren, 2005).

CONCLUSION

In conclusion it can be said that Harley Davidson is attempting to include value at all levels of their product portfolio, services and customer relationships. Harley Davidson is not just perceived as a brand, but it is actually followed by its loyal customers as a cult. Customer relationship management has also been used by Harley Davidson for developing methodologies by means of various internet capabilities which has led to management of its relations with its customers in a structured way. The strength of the organization is that the motorcycles of Harley Davidson are innovative, strong and durable. The organization has strong financial position and uses penetrative pricing strategies. The organization has high customer loyalty.

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APPENDIX



Source: (Dean, Brown, & Bamford, 1998)