



Article

Strategies for Managing Client Relationships In Small Businesses

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Abstract: This study investigates the development of customer relationship management (CRM) strategies tailored for small businesses, focusing on fostering long-term customer loyalty and enhancing service quality. While the retention of existing clients and the attraction of new ones are crucial for small enterprises, achieving this requires well-designed, multifaceted strategies. Through comparative analysis and literature review, the research identifies four core dimensions essential to CRM success in small firms: (1) building customer trust through product quality, service, and pricing; (2) implementing material incentives such as promotions, discounts, loyalty programs, and cashback systems; (3) using non-material incentives, including emotional engagement, social responsibility, and gamification; and (4) optimizing communication via both mass media and direct channels, incorporating omnichannel approaches. The study highlights the importance of aligning company objectives with client expectations to sustain competitive advantage and customer satisfaction. Additionally, the paper emphasizes the role of CRM software in automating customer interactions, improving decision-making, and delivering personalized service. By structuring these strategies into an actionable framework, small businesses can strengthen customer relationships, improve retention rates, and increase profitability, even in highly competitive markets. The findings provide practical implications for entrepreneurs, managers, and policymakers aiming to enhance small business performance through strategic customer relationship management.

Keywords: : CRM (Customer Relationship Management), small business, customer loyalty, service quality, reliability, building trust, marketing strategy, communication, customer relations, customer bonuses, loyalty programs

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1. Introduction

In the business sector, it is extremely important not only to retain existing customers, but also to attract new ones. This is beneficial for both the seller and the buyer. To achieve this goal, it is necessary to determine how important the client is to the company.

The value of a customer is an indicator of its importance to the seller. This indicator can be expressed in numerical terms, but its interpretation may vary among different employees of the company, which may lead to disagreements [1].

The assessment of a client's value will always be subjective and depend on personal opinion. However, for a more objective assessment, it is necessary to develop and adhere to clear criteria. To improve the accuracy of the assessment, an independent specialist can be involved to assess the value of the client.

In the context of relationship marketing, each participant, whether a seller or a buyer, can evaluate both himself and his partner. With such an assessment, both sides primarily focus on the final results that they believe should be achieved in the future. These results

can be selected independently or determined in advance in the process of making managerial decisions [2]

It is important to acknowledge that certain metrics employed for performance evaluation can be quantified in monetary terms. These metrics encompass, for instance, sales volume and market share, which can be expressed in monetary terms.

However, there are also metrics that are challenging to quantify in monetary terms. For instance, customer satisfaction or the relevance of information cannot be directly expressed in monetary terms.

Depending on whether the final outcome can be expressed in monetary terms, the economic and qualitative criteria for evaluation are differentiated. The analysis of these criteria allows for the determination of the success or failure of the interaction between the seller and the buyer. Success is determined by the extent to which the buyer was able to achieve or surpass predefined objectives.

Simultaneously, each party has its own perspective on the success of the collaborative effort. From a financial standpoint, for the vendor, the success of the collaboration is measured by the achievement of the sales target and the maintenance or expansion of market share. However, for the customer, the primary indicators of success are the ability to save on purchases and accumulate rewards that can be utilized later.

In the context of discussing product quality, the degree of customer satisfaction with the purchase and the benefits they receive are of paramount importance to the consumer. For example, a consumer can acquire new knowledge or save time.

The opinion of consumers is also important for the seller, because although this information has no material value, it helps to improve product quality and optimize production processes, which in turn makes consumers more satisfied.

In addition, when a consumer makes a repeat purchase, he shares his impressions with the seller, which allows the company to make quick decisions and further simplify the process of purchasing goods.

Throughout its operations, the company aims to accomplish two fundamental objectives that are interconnected. On the one hand, the company aims to deliver value to customers, while on the other hand, it seeks to cater to the unique requirements and preferences of each client. To achieve this, it is essential to align the intermediate objectives of the company with the expectations of customers when engaging with it.

Literature analysis.

Nowadays, representatives of the scientific and expert communities are actively exploring the prospects for the development of small business. Special attention is paid to the task of providing a high level of customer service and making a profit from this field of activity.

The success of a business is contingent upon a multitude of factors, including economic and social considerations. The social environment that fosters entrepreneurship is closely tied to the economic landscape.

To begin with, social conditions are shaped by the desire of individuals to purchase products that align with their tastes and trends. These preferences can vary depending on the level of societal development. They are heavily influenced by the moral and religious standards that are established within the social context. These standards directly impact people's lifestyle, which in turn affects the demand for products.

At this point, as we study the scientific research of scientists, we understand that managing customer relationships in small businesses is the most complex task. In this case, representatives of small businesses, that is, entrepreneurs, must have their own strategic plans when making each management decision.

This raises a pertinent question: what is entrepreneurship?

Entrepreneurship is a special type of economic income, based on independent initiative, responsibility, and purposeful activity based on the entrepreneur's idea, aimed at making a profit [3].

R. Kasymdzhanova, one of the scientists of our country, gives a similar definition: "Entrepreneurship is a completely new type of management based on the innovative behavior of business owners, the ability to find and use ideas, translate them into specific

business projects. This is, as a rule, a business that meets the demand, but a person who does not take risks will not ultimately succeed"[4].

Russian scientists linked entrepreneurial activity to the production of gross products on a national scale, in particular, in the textbook edited by N.Yu.Nikitina, the following definition is given: "entrepreneurship is one of the main elements of a market economy, without which the national economy cannot develop intensively. Entrepreneurship influences the pace of state economic development, the structure, volume, and quality of the gross national product" [5].

Also, Russian scientists L. N. Tepman and A. A. Animitsa define "Entrepreneurship as a system of economic management, the basis of which is a complex of natural, material, technical, labor, and intellectual resources, combined for obtaining entrepreneurial income on the basis of innovation and risk" [6]

In encyclopedic dictionaries, "Entrepreneurship - (Eng. enterprise) is the independent activity of citizens aimed at obtaining personal income, profit. This activity is carried out in its own name, at the expense of its property liability and the legal liability of the legal entity. Entrepreneurship is an activity related to the expenditure of funds for the purpose of obtaining income with the aim of personal and social benefits" [7].

In our opinion, taking into account modern conditions, it can be said that "Entrepreneurship (entrepreneurial activity, which is a business) is an independent activity carried out on the basis of risk, aimed at regularly receiving income from owning property, performing work on the sale of goods or providing services" [8].

2. Materials and Methods

This study is devoted to the topic of customer relationship management strategies in small businesses, in the study of which methods such as comparative analysis and logical study were mainly used. The theoretical and methodological basis of the research is also scientific literature, research, articles, and abstracts of scientists and specialists in this field.

3. Results

In our opinion, to develop an effective strategy for working with clients, it is necessary to analyze all the methods used by the company to maintain long-term and stable relationships with clients.

As a result of the analysis, we identified several groups of methods for managing customer relationship strategies in small businesses. The structure of the analysis is shown in Figure 1.

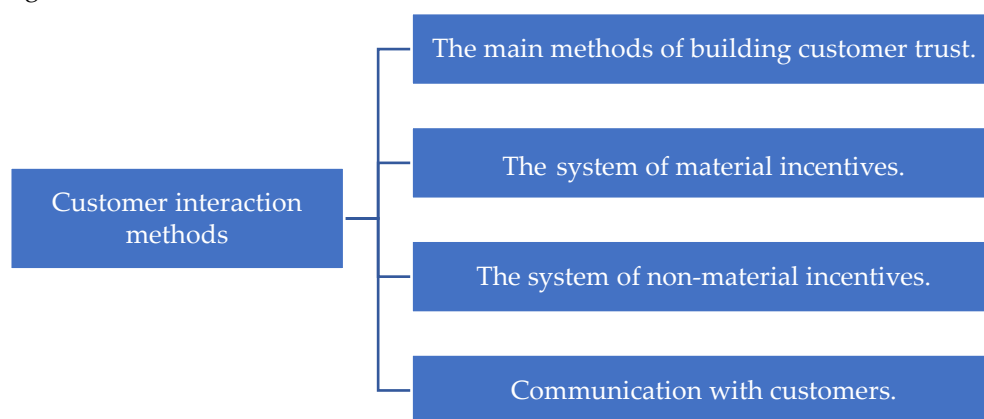


Figure 1. Modern methods of working with clients.

We classified the tools used to manage customer relationships into four groups:

1. The main methods of building customer trust. These are methods that lay the foundation for long-term relationships with customers.
2. System of material incentives. This category includes various ways of rewarding clients aimed at satisfying their material needs.
3. The system of non-material incentives. This group includes tools that contribute to creating a warmer and more pleasant atmosphere in communication with clients.

4. Communication with customers. This section presents methods that allow for effective interaction with clients and increase their satisfaction.

Let's examine each group of tools in more detail to understand how they can be used to improve customer relationships.

The main methods of building customer trust. To build long-term relationships with clients, it is necessary to use certain tools, including:

1. The quality of the product or service.

First of all, to build customer loyalty, it is necessary to offer high-quality goods or services. If a customer doesn't like a product or service, no amount of extra effort can change their decision to re-purchase.

Loyalty to the company and its products is formed based on the positive experience of interacting with it. If the customer liked his experience of using the product, there is a possibility that he will be interested in other offers of the company in the future.

2. Maintenance.

The first impression of the company and its products and services is of great importance for the customer to return again. Sometimes even the most affordable prices and high-quality goods can be ruined due to improper behavior of the staff.

3. High-quality service.

Customer-oriented service assumes that commercial organizations take into account the needs of both their regular and potential customers. This approach allows companies to generate additional profits and attract new customers through a deep understanding of their needs and the provision of appropriate services.

By providing customers with high-quality goods and services, providing a high level of service, creating convenient shopping conditions and paying attention to each customer, companies can gain a competitive advantage in the market. This contributes to the formation of a stable customer base.

4. Pricing.

Price also plays an important role for customers, and they evaluate its compliance with their expectations, competitiveness, and attractiveness.

5. Assortment.

The assortment policy of the company should be focused on the needs of customers, since the level of brand loyalty depends on this [13].

To build long-term relationships with the company's customers, it is necessary to create an assortment based on the needs and preferences of the target audience.

Product quality, cost of goods, and quality of service are key factors that influence consumer choice. Without taking these aspects into account, it is impossible to attract and retain loyal customers.

A system of measures aimed at financially encouraging clients. Such measures include regular promotions, discounts, and various loyalty programs. They promote repeat purchases and help to keep customers' attention for a long time. When a client receives encouragement, he feels valued and important.

1. Promotions.

There are many options for price promotions:

- discount for attracting a friend;
- discount that increases depending on the number of items purchased;
- coupon discount;
- discount valid only for today;
- discount when a certain amount is reached;
- fixed or cumulative discount;
- sales and others.

The coupon promotion provides an opportunity to purchase a product at a special price. Unlike ordinary shares, which involve a reduction in value, coupon shares require the provision of a coupon. It can be either a printed version or a digital one — in the form of SMS, e-mail, etc.

This approach allows you to attract interested buyers and encourage those who have made efforts to receive a coupon.

In addition to coupon promotions, there are other financial incentive tools such as loyalty programs.

2. Bonus programs.

Bonus programs are based on the principle of competition and emotional involvement in the process of accumulating points. Points can be awarded not only for the purchase of goods or services of the company, but also for various actions, such as reposting or subscribing to social networks, reviews on the site, etc.

3. Cashback.

One of the new trends in the field of bonus programs is cashback — the return of part of the purchase price to the card. Cashback, maybe in the form of bonuses on a virtual card or even in the form of real money on a bank card. The percentage of refund may vary depending on the company, some offer more favorable conditions. Depending on the terms of the company, cashback can be up to 100% of the cost of the product or service.

Loyalty programs based on brand collaboration are an effective tool for strengthening customer loyalty. Their goal is to attract and retain customers of one company with the help of another company that does not compete with it. For example, when buying under certain conditions in one store, a customer can receive a discount coupon, cashback, or a gift from a partner.

Contests with prizes for cardholders are a common program format that is actively used in various fields.

Another way to increase interest and attract new customers is to invite cardholders to participate in the store's promotion or invite them to invite friends.

A set of measures aimed at strengthening the emotional attachment of clients without attracting material resources.

In order to form a stable emotional loyalty of customers, it is necessary to ensure their satisfaction with key aspects of the company's activities.

Such events include:

- Providing exclusive terms of service and privileges to customers;
- implementation of gamification elements, including various bonuses and rewards;
- Involvement in environmental projects aimed at preserving the environment;
- Support and participation in charitable initiatives. Participating in charities and volunteering is another way to build customer trust. A company can create its own charitable foundation or join existing ones.

This approach is an effective tool that can be successfully applied both to promote goods and services and to ensure a long-term increase in profits.

First of all, it allows you to expand the audience of potential customers. People who show interest in social projects represent a large and active consumer group.

For businesses, charity can become an effective method of attracting employees, customers, as well as strengthening a company's reputation and, as a result, contributing to its development.

Companies that actively engage in charity not only demonstrate their willingness and desire to help, but also become role models, gaining the trust of society and customers. They take care of the well-being of others, paying attention to cultural and environmental issues.

The projects successfully implemented by the companies not only strengthen their positions in the market, but also contribute to the formation of a positive image. In addition, they can reduce staff turnover and strengthen the company's reputation as a socially responsible enterprise.

Another important aspect is sponsorship, which allows companies to participate in significant public events and projects, thereby contributing to the development of society.

To successfully interact with clients, it is necessary to understand how to communicate most effectively. It is important to give clients the opportunity to choose a communication format.

There are two main ways to interact with clients:

1. Advertising on radio, in magazines and on television. This method allows you to reach a wide audience, but does not provide opportunities for personalized communication with each client.
2. Direct communication with clients, which may include tastings, conferences, newsletters, contests and sweepstakes.

BTL advertising differs from traditional advertising in that it is not intrusive and is aimed at attracting the attention of customers so that they learn about the product and show interest in it [14, 15].

There are many ways to inform about BTL advertising, including:

- Flyers and booklets are promotional materials containing information about discounts and other benefits that are often published in newspapers and magazines.
- POS materials are promotional materials used at points of sale to attract the attention of customers. These include posters, plaques, and other information media.
- Neckhangers are labels containing information about a product that are pasted on bottles.
- Garlands are decorative elements that are used to draw attention to a product.
- Pillars are structures that are installed on the street and contain information about the product.
- To increase the attractiveness of the product, various methods of packaging and placement in the store are used.

One of the ways to attract customers is through direct marketing, which involves direct brand communication with the customer. This can be an email, SMS, phone call, discount offer, or notification.

To maintain customer loyalty and strengthen relationships with them, the company can organize various events. For example, to conduct training seminars or trainings, as well as to organize meetings in an online format. This will allow the company to demonstrate its competence and professionalism, as well as provide customers with information about its products and services. In addition, the company can provide advice to clients, which can help increase sales.

The company can also use social media to interact with customers. Social media has become an integral part of our lives, and companies can use it to promote their products and services. This is an effective way of communicating with customers, which allows the company to inform customers about new events and keep in touch with them.

For successful interaction with clients, it is necessary to take into account the concept of omnichannel, which implies the integration of all communication channels into a single system. This provides convenience for customers.

All requests from one client received through various communication channels are combined into a single profile. This allows the company to track the problems, questions, and solutions of customers.

To ensure the convenience of communication with clients, it is necessary to provide them with the opportunity to interact through all available channels. This will allow the company to better understand the needs of customers and provide better service.

A CRM system is a tool designed to manage customer relationships. It collects information about customers and helps them make informed decisions aimed at improving the quality of service. The CRM system also helps to improve communication with customers. It analyzes customer preferences and offers relevant products and services. The system analyzes the buying behavior of customers and determines their preferences. This allows her to "feel" the needs of her clients.

Thus, we have considered the main tools that contribute to increasing customer loyalty, as well as the system of material incentives that form reasonable loyalty in consumers. Reasonable loyalty is based on knowledge and quantitative indicators, such as service quality, the availability of privileges and incentives, and their cost.

4. Discussion

At the same time, the economy of Uzbekistan is experiencing a period of rapid growth, which is characterized by increased competition and complicated market

conditions. The integration of domestic companies into the global financial system requires the development of effective customer relationship management strategies to attract new clients and retain existing ones.

The successful implementation of these strategies is very important for the success of enterprises, as it allows them to receive additional income and increase profitability. In this regard, there is a growing interest in scientific and business circles in finding ways to improve the efficiency of customer service [9].

The quality of customer service is a key factor in the company's success. A high level of service not only helps to attract more regular customers, but also contributes to creating a positive image for the company, which, in turn, leads to an improvement in financial indicators.

Due to the growing importance of communication with clients, enterprises have developed various software tools for optimizing interaction with clients. One such tool is CRM (Customer Relationship Management), which is a strategy aimed at establishing long-term relationships with clients and ensuring business success. CRM focuses on a customer-centric approach, which makes it a key component of success in today's market [10].

The customer relationship management system is designed to assist enterprises in managing and automating customer relationships. This will allow companies to increase sales, strengthen marketing efforts, and provide high-quality customer service.

The system stores information about each customer, including their contact information, purchase history, and preferences. This data can be used to personalize marketing campaigns and provide more relevant offers.

By implementing a CRM system, enterprises can analyze customer data and identify trends. This helps them make informed decisions about improving their products and services.

Some advantages of using a CRM system include:

- Access to information about planned and completed meetings
- Regular interaction with clients
- Unlimited virtual space for exchanging information and transactions
- An intuitive interface that displays a variety of information
- Access mobile data from anywhere in the world

The purpose of creating a management system is to develop software that ensures effective and convenient interaction with clients and improves the quality of services.

One of the main tasks of the Customer Relationship Management (CRM) system is managers' control over the activities of their team [11, 12]. Managers receive updates about planned and completed meetings, negotiations, and other interactions with potential clients and clients.

Enterprise software is distinguished by its complex business logic, reliability, flexibility, security, and ease of maintenance. These systems process and store large amounts of complex data and carry out business processes such as cost management, ticket booking, financial applications, query and news servers.

5. Conclusion

Customers choose a certain brand because they like it. As long as this brand brings them satisfaction, they will continue to use it. However, if a more attractive offer from a competitor appears, they can switch to it.

Companies use various strategies to retain customers. For example, they give gifts and keep in touch with customers. This helps to build trust between the company and its customers. Customers value the brand not only for the quality of the products, but also for the way they interact with them.

Over time, customers do not lose their attachment to the brand, even if new companies appear on the market or prices change.

Consumers who are loyal to the brand usually do not switch to competitors. They like the way the company works with them, and they are willing to pay more. Even in difficult times, they stay true to their brand.

Organizations strive to create conditions in which customers will not have the desire to turn to competitors. They want their customers to be satisfied and stay consistent.

To do this, companies develop loyalty programs that help attract and retain customers. To participate in such programs, you must provide the company with your personal information. For example, you can register to receive a bonus card or leave an address and phone number on the website to participate in promotions and contests.

After receiving this data, the company can understand which products and services customers like and offer them exactly what they need.

Previously, it was believed that consumers choose only the most affordable products. However, this is not always the case. Some customers are willing to pay more for high-quality products.

Previously, it was believed that the success of a company depends only on the quality of its products. However, this is not always the case. There are companies that produce high-quality products, but they cannot achieve significant results in the market.

In today's world, companies strive not only to sell affordable and high-quality products, but also to bring maximum benefit to their customers. The success of the company is largely determined by its ability to understand the needs of customers, their attitude to products and the level of satisfaction with the products offered.

Companies need to be aware of how their customers perceive them and what they think about them and their products. To work effectively with clients, it is necessary to create a system that includes tools that will help create a positive perception of the company and its products.

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