

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, December 2021

Course: Customer Relationship Management

Program: MBA (Specialization in Marketing)

Course Code: MKTG – 8002

Max. Marks: 100

	SECTION A			
Q1	Attempt all parts. All parts carry equal marks.	Marks	CO	
(i)	In IDIC – the relationship building process, 'IDIC' stands for: (a) Interact, Develop, Involve, Communicate (b) Identify, Develop, Interact, Customize (c) Identify, Differentiate, Interact, Customize (d) Interact, Differentiate, Involve, Customize	2	CO1	
(ii)	Which one of the following is the internal driver of customer privacy concerns: (a) Technology (b) Governmental Regulations (c) Unauthorized secondary usage (d) Public Media	2	CO1	
(iii)	is the annual percentage rate at which customers stop subscribing to a service or purchasing your product. (a) Bounce Rate (b) Churn Rate (c) Defection Rate (d) Survival Rate	2	CO1	
(iv)	The Lifetime value calculation: (a) Calculates the value of customers on a per transaction basis. (b) Estimates profit flow from customers over their lifetime. (c) Is used when a firm typically looks at the transaction-to-transaction value of a customer. (d) None of the above.	2	CO1	
(v)	is the practice of product or service development that is collaboratively executed by developers and stakeholders together. (a) Co-creation (b) Collective Integration (c) Brand Communities (d) Mutual Relationship	2	CO1	
(vi)	In businesses that enjoy a membership type relationship, customers: (a) Switch often (b) May not switch, but are constantly looking for other options (c) Stay with the firm for a relatively longer time (d) None of the above	2	CO1	

(vii)	Employees are also known as:		G04
	(a) Partners (b) Internal Customers (c) Social Capital (d) Servicescape	2	CO1
(viii)	Which one of the following is not true about Key Account Management (KAM): (a) KAM is a term used predominantly as a part of CRM in the B2C context. (b) They are a key to the future of organization's business. (c) Key accounts are not necessarily the biggest revenue-generating clients. (d) Building trust, provide excellent service and more interactions are strategies to manage Key accounts.	2	CO1
(ix)	 Which one of the following is not true about Customer Value: (a) It is the difference between prospective customers' evaluation of all benefits & costs of an offering. (b) Value is subjective in nature. (c) Customer value affects how organizations advertise and price their products. (d) There are four elements of customer value namely, economical, functional, cognitive and emotional. 	2	CO1
(x)	Which stage of the CRM implementation roadmap involves Scenario Analysis? (a) Formation (b) Management and Governance (c) Performance Measurement (d) Evolution	2	CO1
	SECTION B		
Q2	Explain the relevance of Financial, Social and Customization bond in developing relationship with customers. Give suitable examples.	5	CO2
Q3	"Privacy is the fundamental right of the Individual". With reference to this verdict of the Supreme Court, explain the implication of this on CRM practices.	5	CO2
Q4	"Employees are the key differentiators in services organizations". Discuss.	5	CO2
Q5	What are the potential risks of targeting new customers with generous promotional offers? How might an online food delivery organization mitigate these risks?	5	CO2
	SECTION C		•
Q6	Some management scholars believe that an important ingredient to a good relationship is an emotional connection, but customer relationships have elsewhere been referred to as a bond of value or a bond of convenience. What do you think? Do customers have to love a product or company in order to have a "relationship" with that enterprise? Or is	10	CO3

	a perceived benefit - especially one that grows from a vested interest - enough? How would you approach a debate on this controversy?		
Q7	You are appointed as a CRM specialist for Air India, recently acquired by Tata Group. Customers perceive Air India as dull, monotonous, and poor in terms of operations, process, employees, and service quality. Thus, they do not prefer Air India for traveling. As a specialist, suggest some marketing and CRM strategies to connect with customers, change their perception, and enhance the acceptance of Air India in a cut-throat Indian Airline business.	10	CO3
Q8	Why should marketers consider segmentation as an important marketing decision? Critically evaluate the market segments for Oppo, Vivo, Realme and One Plus smartphone brands of BBK Electronics Corporation. What are the value propositions of each of these brands for different market segments?		
	OR	10	CO3
	How would you design customer acquisition & retention strategy for the following brands/organizations operating in competitive organized and unorganized market in the post-COVID phase:		
	(a) OLA (b) Zomato (c) Luxury Hotel		
	SECTION D		
	You are a Customer Relationship Manager, and you would like the approval of senior management for investment in improving customer data quality. You have fifteen minutes to present your argument to the board. Prepare and outline the essence of your arguments and relevance of improving customer data quality.		
	OR	15	CO4
Q9	It is believed that a well-thought-out vision provides the basis for creating a customer- centric enterprise. Here are five mission statements of global organizations. Read them carefully and analyze:		
	(a) Which one is the best statement in your opinion and why?		
	(b) Which mission statement is the best and poor in terms of customer-centricity? Why?		
	(c) Modify anyone mission statement keeping customer-centricity in mind and provide the justification.		

	Tata Motors: We innovate mobility solutions with passion to enhance the quality of		
	life.		
	Tesla: To accelerate the world's transition to sustainable energy.		
	Google: To organize the world's information and make it universally accessible and		
	useful.		
	McDonald's: To be our customers' favorite place and way to eat and drink.		
	Walmart: To save people money so they can live better.		
Q10	Today, CRM is considered as a new trend in business but this practice is not new to		
	India. Our old retailers - the Kirana stores - followed this practice. <i>Kirana</i> storeowners		
	used to maintain good relationship with their customers and took care of their		
	requirements personally. Although the scale of the practice was much small, these		
	merchants new the preferences, interest, needs, and wants of their customers. They knew about the happenings and events in their families, emergencies, financial issues,		
	etc., as they maintained a personal touch with them. The merchants even used to offer		
	credit to them at times, even had trust in them and accepted cheques, if required arrange		
	home delivery at nominal cost, etc.		
	This was all possible as they knew their customers personally and of their financial		
	abilities as well as their needs. The merchants always rendered a helping hand at the		
	time of emergency and thus gained the trust and loyalty of customers. There was the		
	true bond that existed in the Indian market before the emergence of the organized retail		
	stores. Thus, <i>Kirana</i> stores were able to sell the right product to the right customers at	15	CO4
	the right place at the right price.		
	But with the advent of organized retail, these personal bonds started to relax.		
	Organizations today are trying to build artificial relationships where the customer		
	loyalty and trust are only superficial. They are enrolling customers as members but the		
	customers do not trust the retailers because there is no relationship between them as		
	they lack human touch. This is one of the reasons why some Kirana stores are still		
	thriving by enhancing personal services in the form of home delivery and credit		
	keeping.		
	Therefore, brand retailers must do a thorough root cause analysis to find the missing		
	links. In the process of CRM building, the strategy of relationships building with		
	customers can be implemented in their systems to gain customer trust. They can further		
	take cue from dabbawalas of Mumbai who have proved their excellence in supply		
	chain.		

With the emergence of social media, CRM features might change and in building better customer relationships. This is only possible if the organizations leverages itself properly on building trust rather than using the customer as a tool to gain information. Social CRM might be one of the strategic keys for unlocking customer relationship tactics used by the *Kirana* shops. Patience is the key in implementing in these programs as many of these fail unless the retailers recognizes the benefits of social CRM. It will only succeed if social CRM is followed by consistently with and objective to enhance customer trust or relationship.

Questions:

- (a) What are the reasons for *kirana* stores to thrive in some places in spite of the advent of organized retail stores?
- (b) Why is CRM necessary in a retail store? How is it being practiced in a *kirana* store?
- (c) Suppose you have been appointed as a consultant of a decade old successful *kirana* store in a market place in Delhi, which has a sound customer base. However, upcoming organized retail (both offline and online) is posing a big threat to them. Suggest various CRM initiatives that can help them in regaining their lost market share.