



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, December 2021**

**Course: Customer Relationship Management**  
**Program: MBA (Specialization in Marketing)**  
**Course Code: MKTG – 8002**

**Semester: III**  
**Time: 3 Hours**  
**Max. Marks: 100**

**SECTION A**

<b>Q1</b>	<b>Attempt all parts. All parts carry equal marks.</b>	<b>Marks</b>	<b>CO</b>
<b>(i)</b>	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	<b>2</b>	<b>CO1</b>
<b>(ii)</b>	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	<b>2</b>	<b>CO1</b>
<b>(iii)</b>	_____ 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	<b>2</b>	<b>CO1</b>
<b>(iv)</b>	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.	<b>2</b>	<b>CO1</b>
<b>(v)</b>	_____ 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	<b>2</b>	<b>CO1</b>
<b>(vi)</b>	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	<b>2</b>	<b>CO1</b>



	a perceived benefit - especially one that grows from a vested interest - enough? How would you approach a debate on this controversy?		
<b>Q7</b>	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.	<b>10</b>	<b>CO3</b>
<b>Q8</b>	<p>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?</p> <p style="text-align: center;"><b>OR</b></p> <p>How would you design customer acquisition &amp; retention strategy for the following brands/organizations operating in competitive organized and unorganized market in the post-COVID phase:</p> <p>(a) OLA                                      (b) Zomato                                      (c) Luxury Hotel</p>	<b>10</b>	<b>CO3</b>
<b>SECTION D</b>			
<b>Q9</b>	<p>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.</p> <p style="text-align: center;"><b>OR</b></p> <p>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:</p> <p>(a) Which one is the best statement in your opinion and why?</p> <p>(b) Which mission statement is the best and poor in terms of customer-centricity? Why?</p> <p>(c) Modify anyone mission statement keeping customer-centricity in mind and provide the justification.</p>	<b>15</b>	<b>CO4</b>

	<p><b>Tata Motors:</b> We innovate mobility solutions with passion to enhance the quality of life.</p> <p><b>Tesla:</b> To accelerate the world’s transition to sustainable energy.</p> <p><b>Google:</b> To organize the world’s information and make it universally accessible and useful.</p> <p><b>McDonald’s:</b> To be our customers’ favorite place and way to eat and drink.</p> <p><b>Walmart:</b> To save people money so they can live better.</p>		
<p><b>Q10</b></p>	<p>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 knew 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.</p> <p>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 the right place at the right price.</p> <p>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 <i>Kirana</i> stores are still thriving by enhancing personal services in the form of home delivery and credit keeping.</p> <p>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 <i>dabbawalas</i> of Mumbai who have proved their excellence in supply chain.</p>	<p>15</p>	<p>CO4</p>

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.