

Jagan Institute of Management Studies
End-Term Examination, September, 2016
Trimester IV – PGDM (RM) 2015-17

Customer Relationship Management
ET_RM_CRM_2609

Time: 3 Hrs.

M. Marks: 70

INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q7 which are compulsory.

- Q 1** Comment on any **FOUR** of the following:
- a) Customer Relationship Management is a strategy and practice that companies use to manage and analyze customer interactions only.
 - b) CRM types are classified into three categories operational CRM, Analytical CRM and wholesome CRM.
 - c) Obstacles for CRM in an organization are absence of a clear transitional process s and main focus is on revenue and geographical segmentation of market.
 - d) Most important modules in CRM are Marketing, Inventory, and sales only.
 - e) A loyal customer advocates for the brand and company needs not to spend further on him. **16**
- Q 2**
- a) Why is CRM more than a simply an IT project? **4**
 - b) How to transform data into customer knowledge? **4**
 - c) Within a relationship oriented organization everyone must have a current, correct, complete and consistent image of the individual customers, with implementation of supportive CRM systems however this tends to deviate from ideal situation. List at least four possible causes of deviations supporting each cause of deviation with your comments. **4**
- Q 3**
- a) You are the consultant to a Credit card organization who wants to make best use of burgeoning card plastic industry and establish a loyalty program. He understands pros and cons of plastic as tool and has fear of losing money. How will you alleviate CEO's concern? **6**
 - b) Choose an organization of which you are a customer:
 - i) Describe yourself as a customer and provide concrete information which data must be registered in order to be able to describe you as a customer.
 - ii) Indicate which data may best be obtained from market research and which may best be registered on an individual level. Explain? **6**

- Q 4** a) Calculate using simple CLV method for the company which is currently have 80% customer retention rate making average revenue per customer @INR 2000 . Company has acquired customer base through continuous spend on marketing activities which averages Rs. 500 per annum and already initiated annual maintenance contract to increase retention rate costing Rs. 200 to company on each customer 8
- b) What criticism you offer for categorizing customers into different groups according to their current and/or potential profit contribution 4
- Q 5** a) Differentiate between the following:
- i) Transactional Vs Relationship marketing. 6
- ii) Simple CLV Vs Dynamic CLV. 6
- b) Define each component of CRM cycle using diagram 6
- Q 6** a) What should you know about a customer in order to be capable of and desirous of developing a long term relationship with him or her? 3
- b) Describe following:
- i) IDIC model. 9
- ii) Types and Uses of Data.
- iii) Campaign Management.

Q 7 [Read the case and answer the questions given at the end.](#)

Reliance Group, an offshoot of the Group founded by Shri Dhirubhai H Ambani (1932-2002), ranks among India's top private sector business houses in terms of net worth. The group has business interests that range from telecommunications (Reliance Communications Limited) to financial services (Reliance Capital Ltd) and the generation and distribution of power (Reliance Power Limited and Reliance Infrastructure Limited).

Reliance Group's flagship company, Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company has a customer base of above 118 million including over 2.6 million individual overseas retail customers. Reliance Communications corporate clientele includes over 39,000 Indian and multinational corporations including small and medium enterprises and over 290 global, regional and domestic carriers.

Reliance Communications has established a pan-India, next generation, integrated (wireless and wireline), convergent (voice, data and video) digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 21,000 cities and towns and over 400,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 280,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle

East and the Asia Pacific region.

The quality of capacity planning is a direct influence on the call centers quality. Reliance wants to grow at the rate of 15% through ensure successful implementation of new services to have a competitive advantage on mass penetration. This requires market activities at all levels monthly. Any quality deviation in customer contact majorly through call center working at an average of 602000 calls a year will block business goals effectiveness. It is important to go in expansion from current level manpower working 5 days a week handling average 10 calls per day incoming in addition to other outgoing jobs (outgoing call s emails etc.).

Questions:

- a) Help the operations manager to forecast annual call traffic so that he can allocate manpower resource planning to HR and show the complete working. **9**
- b) Draw a model integrating frond end customer with backend business operations / systems. **9**
