


<b>Name:</b> <b>Enrolment No:</b>	
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<b>UPES</b> <b>End Semester Examination, DEC 2024</b>	
<b>Course: Customer Relationship Management</b> <b>Program: MBA_CORE</b> <b>Course Code: MKTG8002_3</b>	<b>Semester: III</b> <b>Time : 03 hrs.</b> <b>Max. Marks: 100</b>

<b>SECTION A</b> <b>10Qx2M=20Marks</b>			
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S. No.	Answer all the questions	Marks	CO
Q 1	<p>A luxury fashion retailer notices that their highest-spending customers have significantly different purchasing patterns across online and offline channels. Which CRM strategy would be most effective?</p> <p>a) Implement a unified loyalty program across all channels  b) Create separate marketing campaigns for each channel  c) Develop channel-specific personas based on purchasing behavior  d) Implement omnichannel customer journey orchestration with personalized touchpoints</p>	<b>2</b>	<b>CO1</b>
2	<p>Calculate the Customer Lifetime Value (CLV) impact if:</p> <ul style="list-style-type: none"> <li>• Average purchase value: \$200</li> <li>• Purchase frequency: 4 times/year</li> <li>• Customer lifespan: 5 years</li> <li>• Profit margin: 25%</li> <li>• Retention rate: 85%</li> </ul> <p>What is the approximate CLV? a) \$850 b) \$1,700 c) \$3,400 d) \$4,250</p>	<b>2</b>	<b>CO1</b>
3	<p>Which metric would best indicate the effectiveness of a B2B company's CRM implementation in its first year?</p> <p>a) Number of new customers acquired b) Reduction in customer service response time c) Increase in cross-selling opportunities converted d) Total revenue growth</p>	<b>2</b>	<b>CO1</b>
4	<p>In a social CRM context, which scenario demonstrates the most effective use of social listening?</p> <p>a) Monitoring competitors' social media activities b) Tracking brand mentions and sentiment for proactive engagement c) Collecting customer demographic data d) Measuring social media advertising ROI</p>	<b>2</b>	<b>CO1</b>
5	<p>A telecommunications company observes high churn rates despite high customer satisfaction scores. Which CRM analysis should they prioritize?</p>	<b>2</b>	<b>CO1</b>

	a) Customer journey mapping b) Predictive churn modeling c) Satisfaction survey redesign d) Competitive analysis		
6	Which CRM architecture would be most suitable for a rapidly growing fintech startup that prioritizes data security and scalability? a) On-premise solution with custom integration b) Hybrid cloud with distributed data centers c) Pure cloud-based SaaS solution d) Local server with cloud backup	2	CO1
7	A healthcare provider wants to improve patient engagement. Which CRM metric should they track as their primary KPI? a) Patient acquisition cost b) Treatment completion rate c) Revenue per patient d) Patient satisfaction scores	2	CO1
8	In implementing analytical CRM, which approach would provide the most actionable insights for personalization? a) RFM (Recency, Frequency, Monetary) analysis b) Behavioral segmentation with predictive modeling c) Demographic clustering d) Purchase history analysis	2	CO1
9	A global manufacturer implements a new CRM system. Six months later, sales productivity hasn't improved. What's the most likely root cause? a) Insufficient training and change management b) Technical system limitations c) Poor data quality d) Inadequate features	2	CO1
10	In designing a customer journey map, which element is most critical for improving CRM strategy? a) Touchpoint inventory b) Customer emotion tracking c) Channel preference data d) Process efficiency metrics	2	CO1
<b>SECTION B</b> <b>4Qx5M= 20 Marks</b>			
Q	Answer all the questions	<b>Marks</b>	<b>CO</b>
1	Explain the concept of customer lifetime value (CLTV). How can businesses use CLTV to make strategic decisions?	5	CO2
2	Discuss the role of social media in CRM. How can businesses leverage social media platforms to build strong customer relationships?	5	CO2
3	What are the key challenges in implementing a CRM system? How can organizations overcome these challenges?	5	CO2
4	How can CRM be used to improve customer service? Provide specific examples of CRM tools and techniques that can enhance customer support.	5	CO2
<b>SECTION-C</b> <b>3Qx10M=30 Marks</b>			
Q	Answer all the questions	<b>Marks</b>	<b>CO</b>
1	Analyze the concept of Customer Value Management (CVM) and its role in modern CRM strategy. How can organizations effectively measure, create, and deliver customer value in today's digital ecosystem?	10	CO3
2	Discuss the ethical implications of using customer data in CRM. How can organizations ensure ethical data practices and maintain customer trust?	10	CO3
3	How does CRM impact marketing channel management? Explain the role of CRM in enhancing channel partner relationships and improving channel performance.	10	CO3
<b>SECTION-D</b> <b>2Qx15M= 30 Marks</b>			

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Answer all the questions

### The Company Story: TechVision Electronics

TechVision Electronics has grown from a modest retail chain to become a significant player in the consumer electronics market. With operations spanning 12 countries and over 500 physical stores complemented by a robust e-commerce presence, TechVision stands as a testament to retail innovation and customer service. In 2023, the company achieved remarkable figures, generating \$4.2 billion in annual revenue while serving 2.8 million active customers. The digital transformation of retail is evident in TechVision's operations, with online sales accounting for 45% of total revenue. The company has historically maintained strong customer relationships, reflected in an average Customer Lifetime Value (CLV) of \$1,850, though their Customer Acquisition Cost (CAC) of \$125 indicates significant investment in growth.

#### Current Challenges

Despite its impressive scale, TechVision faces mounting challenges in maintaining customer relationships. Over the past 18 months, concerning trends have emerged that threaten the company's market position. The customer churn rate has seen a dramatic increase from 15% to 22%, while the Net Promoter Score (NPS) has plummeted from 65 to 48. Customer loyalty appears to be waning, with the average repeat purchase rate showing an 18% decline. Moreover, operational efficiency has suffered, as evidenced by a 35% increase in customer service response times.

#### Customer Segments and Performance

TechVision's customer base is divided into four distinct segments:

Segment	% of Customer Base	Avg. Annual Spend	Churn Rate	Primary Channel
Premium	15%	\$3,200	12%	Omnichannel
Mid-tier	45%	\$1,800	20%	Mixed
Budget	30%	\$800	28%	Online
New	10%	\$400	35%	Online

#### Voice of the Customer

A recent comprehensive customer survey, reaching 10,000 customers, has revealed several pain points in the customer experience. Post-purchase

Marks

CO

	<p>support emerged as the primary concern, with 45% of respondents expressing dissatisfaction. The challenge of maintaining consistent experiences across different shopping channels was highlighted by 38% of customers. Response time to customer queries was flagged by 32% of respondents as problematic. Additionally, 28% of customers felt the lack of personalized recommendations hindered their shopping experience, while 25% questioned the value proposition of the current loyalty program.</p> <p><b>Technology Infrastructure and Recent Initiatives</b></p> <p>The backbone of TechVision's customer relationship management is showing its age. The current CRM platform, implemented eight years ago, struggles to meet modern retail demands. While the system maintains partial integration across channels, its analytical capabilities are limited to basic reporting. The company's mobile app, despite its potential, has only achieved a 35% adoption rate among the customer base.</p> <p>In response to these challenges, TechVision has launched two major initiatives. Six months ago, the company invested \$2 million in revamping its loyalty program, which has achieved a 28% adoption rate and delivered a modest 1.2x ROI. Additionally, a customer service chatbot was implemented at a cost of \$800,000. While the chatbot manages a 45% resolution rate, customer satisfaction with this service remains lukewarm at 3.2 out of 5.</p>		
1	Develop a comprehensive strategy to improve retention for the two segments with the highest churn rates. Detail segment-specific initiatives, resource allocation plans, success metrics and monitoring framework, and expected ROI calculations.	15	CO4
2	Propose a solution to address the inconsistent experiences across channels. Your proposal should include technical architecture, data flow design, customer journey mapping, integration milestones, and success metrics and KPIs.	15	CO4