UPES
End Semester Examination, May 2025

Course: Customer Relationship Management Semester: IV
Program: BBA GEN. & Int BBA GEN. Time : 03 hrs.
Course Code: MKTG2035 Max. Marks: 100

Instructions:

SECTION A
10Qx2M=20Marks

S. No.		Marks	CO
Q 1	Statement of question		**CO1**
A	Which of the following is NOT a primary type of CRM? A. Strategic CRM B. Operational CRM C. Financial CRM D. Analytical CRM	**2**	**CO1**
B	What is the main function of a CRM system? A. Automating payroll systems B. Managing inventory C. Supporting customer relationship management D. Monitoring competitor pricing	**2**	**CO1**
C	Which element is NOT a part of the intrinsic quality of a customer database? A. Current B. Correct C. Unique D. Profitable	**2**	**CO1**
D	In CRM, cross-selling overtime involves: A. Offering products only once B. Selling unrelated products to new customers C. Selling multiple products during or after initial contact D. Avoiding repeat product suggestions	**2**	**CO1**
E	Which form of customization includes options selected by customers but does not affect the core product design? A. Pure customization B. Customized standardization C. Cosmetic customization D. Adaptive customization	**2**	**CO1**

F	Which pricing strategy involves customers negotiating price directly with sellers? A. Dynamic pricing B. Fixed pricing C. One-by-one price setting D. Unbundling	2	CO1
G	Which of the following is a form of internal data source used for relationship data management? A. Social networks B. External databases C. Product database D. Market trends	2	CO1
H	Which is an example of segmented standardization in supply chain customization? A. Parle-G Biscuits B. Tanishq Customized Jewelry C. Maruti Suzuki's car variants D. Dell India laptops	2	CO1
I	What is a key objective of collaborative CRM? A. Storing financial records B. Automating internal HR functions C. Sharing customer information across departments and partners D. Minimizing email usage	2	CO1
J	Which of the following defines retention in a CRM context? A. Acquiring more customers B. Selling high-value products C. Holding on to current customers D. Cutting marketing costs	2	CO1
SECTION B **4Qx5M= 20 Marks**			
Q	Statement of question		CO2
Q2	Define Customer Relationship Management (CRM). Explain its key components and how it helps in improving business performance.	5	CO2
Q3	Discuss the various forms of cross-selling used in CRM. Give suitable examples to highlight their relevance in enhancing customer value.	5	CO2
Q4	Explain the concept of Mass Customization. Differentiate between the various types of customization strategies with relevant real-life Indian examples.	5	CO2
Q5	What are the core elements of a customer database? Why is data quality and management essential in the context of relationship marketing?	5	CO2
SECTION-C **3Qx10M=30 Marks**			
Q	Statement of question		CO3
Q6	"Customer retention is more cost-effective than customer acquisition."	10	CO3

	Critically examine this statement in the context of CRM practices. Explain how organizations can implement strategies to improve customer retention and enhance lifetime value.		
Q7	"CRM is not just a technology, but a strategic approach to business." Substantiate this statement by explaining the strategic, operational, and analytical dimensions of CRM, and how they contribute to long-term business success.	**10**	**CO3**
Q8	"Individualized customer propositions create a win-win situation for both the customer and the organization." Discuss this statement with reference to personalized pricing, bundling, unbundling, and loyalty-based offers. Support your answer with examples from Indian companies.	**10**	**CO3**
SECTION-D **2Qx15M= 30 Marks**			
Q 9	Statement of question		**CO4**
	UrbanStyle is a premium Indian fashion brand targeting urban millennials and Gen Z shoppers. With 60% of its revenue coming from physical stores and the rest through its mobile app and website, the company has always positioned itself as a trendsetter in youth fashion. But with increasing competition from digital-first brands like Ajio and global fast-fashion giants like Zara and H&M, UrbanStyle began to lose its grip on customer loyalty. To regain market strength, UrbanStyle implemented an AI-powered CRM system designed to offer hyper-personalized customer experiences. It collected and analyzed real-time data from online behavior, in-store purchases, loyalty programs, social media interactions, and even chatbot conversations. The system allowed the company to push personalized outfit suggestions, apply dynamic pricing based on customer segments, and predict churn to send targeted offers. A generative AI-based virtual fashion assistant was introduced, which could recommend styles based on previous purchases, upcoming festivals, and trending fashion feeds. The first quarter post-implementation looked promising. Cart values increased, customer retention improved, and engagement with marketing content almost doubled. The leadership hailed it as a major digital leap. Encouraged by the results, the company planned to roll out the AI-driven CRM model across its 150+ stores and franchise outlets nationwide. However, within a few months, friction began to surface. Some customers complained about excessive personalization. One customer mentioned receiving condolence-themed fashion suggestions just days after the death of a family member, triggering concerns about data misuse. Influencers began calling out the brand for being "emotionally manipulative." Critics		

claimed that AI was creating echo chambers where customers were only shown what the algorithm thought they wanted, limiting exposure to new styles.

At the store level, many frontline staff felt disconnected. They received prompts on tablets about what to upsell but found it impersonal and inconsistent with what they observed about the customer. Sales staff in smaller cities also complained that AI recommendations based on metro behavior didn't work for their local clientele.

Now, UrbanStyle's top management is divided. The Chief Digital Officer wants to accelerate nationwide AI integration to stay competitive. The Chief Customer Officer is calling for a pause, insisting that the CRM system needs human sensitivity, localized intelligence, and better ethical boundaries. The board is at a crossroads: should they scale up immediately or recalibrate the system first?

A] Evaluate the strategic advantages UrbanStyle gained through AI-enabled CRM. Do you think the current CRM model is scalable across India? Support your analysis with CRM concepts.	**15**	**CO4**
B] Recommend a course of action that addresses the ethical, operational, and personalization-related challenges UrbanStyle is facing. How can the company balance AI automation with human touch in its CRM?	**15**	**CO4**