Name: Enrolment No:



UNIVERSITY WITH A PURPOSE

## UNIVERSITY OF PETROLEUM & ENERGY STUDIES Online End Semester Examination – Dec 2020

Program: BBA with specialization in Marketing Subject/Course: Customer Relationship Management Course Code: MKTG 3001 Semester: V Max. Marks: 100 Duration: 3 Hours

### **Instructions:**

1. The student must write his/her name and enrolment no. in the space designated above.

2. Section A: **Type the Answer** question type. Students while answering will be shown a **text box** to type their answers

3. *Section B & C:* Scan and Upload question type. students are expected to write on a plain white A4 answer sheets and upload the snapshot of the answer

4. STUDENTS ARE REQUIRED TO MENTION THEIR NAME, ROLL NO & PROGRAM ON EACH SHEET

5. Students are expected to mention correct question numbers while answering them on Plain white A4 Answer She

	SECTION A				
1. Each Question will carry 5 Marks					
2.1 S.No	Instruction: Complete the statement. Question	CO			
Q 1.	Retaining current customers is vital to growth of	CO1			
Q 2.	Database will become an invaluable tool in recognize customers.	CO1			
Q 3.	We must stay in touch with	CO1			
Q 4.	Percentage of total number customer retained in context to the customers that approached for cancellation is rate	CO1			
Q 5.	Customer complaints are goldmine of information that can improve	CO1			
Q 6.	Making an apology to customers after things go wrong is positively related to	CO1			
SECTION B					
<ol> <li>Each question will carry 10 marks</li> <li>Instruction: Write short / brief notes</li> </ol>					
Q7.	What causes differences to arise in the relationship life-cycle between customers of the same company? Explain your answer	CO2			

Q8.	In your opinion, is it possible for the manufacturer of a low-involvement product such as toothpaste / Shampoo to implement the customer intimacy value discipline? Explain your answer.	CO2	
Q9.	Why is it important when performing a retention analysis to include just as many 'quitters' as 'stayers' in the data set? Explain your answer.	CO3	
Q10.	Which recommendations would you give to JioMart to help it realize a price premium programme for loyal customers?	CO3	
Q11.	What criticisms can you offer for categorizing customers into groups according to their current and/or potential profit contribution?	CO3	
SECTION C			
1. This section carries 20 Marks.			

### 2. Instruction: Write long answer.

Q12.

# Case study: Nike+

After Apple introduced the iPod in 2001, Nike employees began noticing more and more runners with white earplugs. They were listening to their favourite tunes on the iPod as they ran. A brand alliance was in the making, initiated by lead users, and the idea of combining the miniature audio device with a running shoe was born. In 2006, the product went to market. Nike launched Nike+, a partnership with Apple that went way beyond a mere personalised music experience. It was about engaging runners in a community concept. Nike+ consists of a simple sensor in the running shoe that communicates wirelessly with a receiver on the iPod Touch and iPhone.

While the runner listens to music, the sensor registers the running time, distance and speed. If, for instance, personal best times are bettered, the audio device can give a signal, such as a voice message with congratulations from Lance Armstrong! When you have finished training, log into Nike+ (nikeplus.com) and upload your data, review your performance, analyse it and share it with others. You can set individual goals, monitor progress and challenge other runners.

Nike+ is not just about gadgets and websites, it's an engagement platform. Imagine Youtou, a fictional character, a woman training for a half marathon in London who aims to beat 90 minutes. If you look at her current performance, this is quite an ambitious target, but using the platform, she can follow her own running performance and the way it develops. Proud of her times achieved running through the park, she is now challenging her children to beat her. She can look at her route on Google maps and see where she has been performing at what speed. She can share this knowledge with others, along with detailed information about the route. She can look at the routes others are running and apply ratings to them. The music that she listens to while running can be shared with others. She can upload her 'playlist'. Others' musical choices might inspire her and help her find the perfect balance between musical and running rhythms.

Through Nike+ Youtou can join local running clubs – it's an offline experience too. They might organise training sessions that she can join. Or she can register for other competitions, whether sponsored by Nike or not. Nike is organising a running event through the streets of New York on Valentine's Day. Will she go?

She can decide to interact with a coach or get tips from athletes whom she admires. She can discuss her performance and goals, or even get help dealing with injuries. How to deal with that sore knee or sprained ankle? More generally, she can participate in discussions on blogs and discussion boards on related topics, share personal stories, ask questions about clothing, shoes, etc.

Nike+ significantly enriches Youtou's running experience, and she is doing it all by herself. She decides how she wants to run, interact with others, share and use the different services. Others are helping her and so is Nike, from time to time. This platform allows Nike to become involved in rich and fruitful conversations with the runners. They gain deep insights into running experiences and access to real-life data. They know average running times, general musical preferences, the power songs that carry the runners that bit further. Many new ideas are generated through this platform as new propositions arise out of runners' ideas and suggestions. Nike are discovering how they can engage different runners in deep relationships and even how they can help create relationships between runners. The relationships and all the experiences facilitated partly by this platform are all 'sticking' to the brand.

People visit the Nike+ platform an average of three times per week. In 2009, more than 150 million miles of running routes were uploaded by 1.3 million runners, who between them burned 14 billion calories as they ran. Nike's market share increased from 57 per cent to 61 per cent in the running shoes sector. Marketing costs fell owing to the effect of free word-of-mouth advertising. The risks of product development are shared with partners such as Apple and are reduced because the platform provides good testing facilities. All in all, Nike has left the traditional, product-oriented way of working behind and has focused on the value found in the customer, in their running experience. They understand the runners and their needs; they connect with them and recognise that these are not 'individual customer experiences' but experiences that occur in a social context. The starting point is Nike+, not the running shoes. The product comes second to the experience. New sources of sustainable growth have been found. Re-engineering the organisation around this concept was not easy, but it was done. Nike accepts that it no longer has control over all communications on their own branded platform. It's user-run, quite literally. The talents and skills of the runners are speeding up the innovation process and raising it to another level.

#### Questions

a. To what degree is Nike contributing to the creation of meaningful experiences? What do you feel is positive? What would you criticize? (**10 Marks**)

b. Think of one or two strategic partnerships that Nike could forge to add an extra	
dimension to the running experience? How do you evaluate the results Nike has achieved	
so far? ( <b>10 Marks</b> )	