

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online End Semester Examination, May/June 2021

Course: Customer Relationship Management
Program: BBA (AM)
Course Code: Mktg 3001

Semester: IV
Time 03 hrs.
Max. Marks: 100

SECTION A

- 1. Each Question will carry 5 Marks**
- 2. Instruction: Complete the statement / Select the correct answer(s)**

S. No.	Question	CO
Q 1	Customer loyalty is rewarded as- (a) Discount (b) Gifts (c) Trials (d) All of above	CO1
Q2	CRM is known as- (a) Business philosophy (b) Business methods (c) Technology (d) Physical tool	CO1
Q3	The CRM is- (a) To save company (b) To maintain relationship (c) To terminate relationship (d) All of the above	CO1
Q4	Maintaining records of customers is an example of- (a) Training methods (b) CRM (c) Supply chain (d) Sales records	CO1
Q5	Steps in CRM are known as- (a) Planning (b) Implementing (c) Owning (d) All of above	CO1
Q6	Customer complaint is- (a) Bad signal (b) Gift (c) warning (d) All of above	CO1

SECTION B		
1. Each question will carry 10 marks 2. Instruction: Write short / brief notes		
Q 7	Specify the wastes that occur as a result of a lack of data quality with examples	CO1
Q 8	What causes differences to arise in the relationship life-cycle between customers of the same company? Explain your answer.	CO2
Q 9	Analyze the influence of social networks on the development of trust and commitment in bilateral relationships between customers and organizations. Illustrate your answer for a company of your choice in the service industry.	CO2
Q 10	Can you explain why investments in customer satisfaction lead to a higher return on investment as well as a reduction in risk?	CO2
Q 11	What are the core elements of CRM?	CO3
Section C		
1. Each Question carries 20 Marks. 2. Instruction: Write long answer.		
Q12	<p><u>CASE:</u></p> <p style="text-align: center;">CRM at C. Fun Parks</p> <p>Background C. Fun Parks is a concept that was developed by Theodore Brook in 1985. The aim was to give people a short break, to take away their worries and give them a safe place to visit, where everything is provided for their comfort and entertainment, and also their family and/or friends, and all close to home! From 1985 onwards Brook experienced a great demand for his service proposition. In only a few years he was able to open more than thirty of these resorts in the Netherlands, Belgium, Germany and France. The first resorts were company owned, managed and operated. But soon Brook found that his resources were limited and this hindered a rapid expansion; the launch of a franchising concept provided a solution. At present, 85 per cent of the resorts are owned and managed by franchisees. Twice a year there is a meeting between the franchisees and the franchise organisation. During the last franchisee meeting, Brook was asked to develop and present a CRM plan. The franchise organisation was, in the franchisees' opinion, lacking a clear CRM vision and strategy, and invested in a rather ad hoc way in CRM systems.</p> <p>The franchising concept Characteristic of C. Fun Parks is the resort's main building that houses the reception, a restaurant, a (tropical) swimming pool, a bar, a terrace, a game hall and a convenience store. Apart from the central building, the resorts contain several bungalows, with accommodation available for four to sixteen people. Guests can choose between several service packages. The budget pack does not include bed sheets, towels, cleaning, welcome food and beverage package, etc., whereas the premium pack will provide these services. Also, in the park, several activities are organised for guests, ranging from horse riding, bingo and soccer games to nature walks. Outside the park, there are ample opportunities for enjoying a short holiday. The park provides guests with information so that they can enjoy and explore the local environment. Franchisees have little decision-making freedom over the park. The park's general</p>	CO4

manager also has to follow and pass a professional hospitality management programme and a special quality management system has to be implemented in his/her organisation. Furthermore, s/he will have to participate in the joint marketing programme.

Franchisee performance

About 70 per cent of the franchisees have been able to increase customer satisfaction rates over the past five years. However, the improvements in profitability and sales show a less satisfying trend over the past three years. Of course the market has changed, but even if the franchisees take account of external events, they state they 'need more'. Occupancy rates have dropped to 85 per cent; this, although still acceptable, has been higher in the past. Furthermore, guests often delay their choice of a short break, leaving the decision as to whether to book a holiday until the last minute. French guests are known for their impulsive behaviour; a substantial percentage do not reserve a bungalow, and arrive at reception asking for a place to sleep. During guests' stay, the spending pattern has also shown a negative trend: they spend less during their stay in the restaurant, in the convenience store, on organised activities, on services, etc. Not all the facilities are particularly profitable either. Although it might not be desirable to hold each facility accountable, there is a need to exploit the tropical swimming pool, for instance, in a more economic way.

CRM on the agenda

Although relations with headquarters and Theodore Brook are quite good, during the last meeting franchisees expressed concerns. They particularly expressed concerns about the effective use of CRM. Brook has been investing rather large amounts of money in CRM projects that have been delayed or even cancelled. Franchisees wanted him to hire an external expert to make an independent analysis and to provide recommendations for CRM. Also, they want this expert to consider, as part of CRM, the feasibility and functionality of a loyalty programme to improve customer retention rates and spending. Brook wants to follow up this request. Imagine he has selected you and invites you to present your ideas on this project. What is your initial analysis of the situation? How should they approach the project and seek to improve CRM at C. Fun Parks? As input for your preparations, C. Fun Parks has provided the following information on the CRM projects.

CRM Project I

Let's say Brook has hired Siebel to implement a CRM system for the internet (web) channel and the call centre. Siebel (Oracle) is a well-known CRM system; by selecting this service provider, Brook sought to reduce risk. At the core of this project were several processes (lead generation, converting leads into sales, information provision, market research, after sales service). The real-time registration and accessibility of the communication history for different channels made it possible to serve prospects and customers any place and any time. Problems have arisen with the integration of this front office application with back office systems for administration, billing, invoicing and reservations. Up until now the systems have operated separately.

CRM Project II

The success of CRM depends to a large extent on the quality of the data and the customer profile. To date, several parks have been recording the identity of the guests in their own way; they did not want to rely on headquarter's databases. However, the local databases don't only differ in structure, but also in the quality of the registered data. The result is that many (e-)mailings are returned, wasted and result in time-consuming phone calls to call centre agents. Profiling attempts to seek to know more about each individual customer have been initiated, but have not yet resulted in an increase in sales, spending, retention or satisfaction rates.

Question

As a CRM consultant, make the desired analysis and come up with recommendations.