

M.B.A DEGREE EXAMINATIONS: NOV/DEC 2010

Fourth Trimester

MASTER OF BUSINESS ADMINISTRATION

MBA540:Customer Relationship Management

Time: Three Hours

Maximum Marks: 100

Answer all the Questions:-

PART A (1 x 20 = 20 Marks)

1. Case Study

The Paradox of banking in 2015 – Achieving more by doing less

Across the world it is speculated that in the year 2015, banking industry will face tremendous challenges. Customers will become increasingly individualistic and, at the same time, more controlling in their relationships with banks. Ubiquitous information will empower customers to compare offerings across the market and transact increasingly on their own terms. For banks, traditional segmentation approaches and go-to market techniques will become obsolete. How retail banks compete in the marketplace will also change dramatically. Universal institutions will compete directly with community banks offering unique value propositions to targeted groups of customers. A flood of industry specialists and non-bank banks will both compel and enable traditional banks to become specialized enterprises for themselves. On the flip side, 2015 will present tremendous opportunities for retail banks, particularly with respect to harnessing product, service and process innovation to serve customers better, to differentiate them in an increasingly crowded marketplace, and to de-commoditize current products and services. Moreover, advances in technology will enable unprecedented levels of global connectivity, IT functionality and the ability to realize the enormous potential of data.

Meanwhile the Indian economies are becoming a much large force. Poised to become the world's fourth largest economy within four decades, India is providing many with real purchasing power. While India remains characterized by extreme wealth and poverty, a middle class is emerging, with absolute demand for products and services on the rise. With one of the most under penetrated retail lending markets in Asia Pacific, India offers great potential for the future of banking.

- Industry executives' estimate that India's retail lending has grown by 30 percent a year in the past few years, and mortgages, which make up half the total, have been rising at an even brisker pace.

- According to a study sponsored by Visa International, the number of credit and debit cards grew at an annual rate of 55 percent during the last seven years. Indian citizens now hold 44 million cards, 14 million of which are credit cards.

Questions:

- [a] Will future customers still need exclusive Indian retail banks? How do customers really redefine the rules of the banking game with reference to India? Justify (10)
- [b] Discuss the operation of the banks of 2015 to distinguish themselves in terms of: i) Product centric ii) Customer centric. (10)

PART B (10 x 2 = 20 Marks)

2. What are components of a well defined CRM framework?
3. State the concept of 'Referral Markets'
4. State the different stages of 'Customer Life cycle'.
5. What are the initiative programs adopted by an organization to retain its customers?
6. List the possible signals of 'Customer Attrition'.
7. How Customer Loyalty is important to firm's profitability?
8. What are the positive effects of achieving a 'Synergetic Key Account Management'?
9. How creatively an 'Interactive Television network' can be used for CRM advantage?
10. State the different categories of 'Complainers'.
11. Differentiate between 'Data Mining' and 'Data Warehousing'

PART C (4 x 15 = 60 Marks)

12. (a) Discuss the relevance of Cranfield University Six force model of relationship marketing and discuss how it shall help in preempting the possibilities of a business failure

(OR)

- (b) Discuss the various possible types and variants of CRM systems that could be deployed by this organization to coordinate its front-end and back-end operations

13. (a) Customer Retention marketing is a tactically-driven approach based on customer behavior. Discuss and sensitize the opportunities and strategies that could be put forth before a renovated super market for re-acquiring its lost customers

(OR)

- (b) A merchant exporting and an international Logistics company, as a strategic measure to edge out the competition and to increase its Competitive Advantage has decided to

implement Electronic data interchange operations [EDI]. Chart out an illustrative B2B and B2C model for the above

14. (a) Complaints are an indicator of areas of the business that are not operating satisfactorily for customers. Prepare a requisite of a strategic complaint management system and its execution thereof for a home appliances manufacturing company of your choice

(OR)

- (b) Sun Pictures Ltd., in Tamilnadu is often viewed as a trend setter and despite the huge hype given to its own movies it is unable to give real Box-office hits except for one or two. Discuss the various phenomenal characteristics and tools & techniques that this organization should inherit itself as a learning organization to achieve its real mission to penetrate itself into Tamil film fans.

15. (a) A multinational Insurance Company that has decided to launch its operations in India wants to integrate their traditional CRM with a reliable eCRM module. As a CRM manager brief the management about the key features of an eCRM module to handle complex technical and marketing functions and its relative advantages.

(OR)

- (b) Name some of the leading service providers of eCRM software. Elucidate various criteria for choosing a eCRM package in an organization.
