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UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, August 2020

Course: **Customer Relationship Management**　　　　　　　　　　**Semester: 4**
Program: **MBA LSCM**　　　　　　　　　　　　　　　　　　　　**Time: 3 Hours**
Course code: **MKTG8002**　　　　　　　　　　　　　　　　　　**Max. Marks: 100**
Instructions: Attempt all the questions.

SECTION A	**(5*6 = 30 Marks)**

Multiple choice questions:	
Q1. A person's _____ are all the groups that have a direct or indirect influence on their attitudes or behavior. a) Inspirational groups b) Reference groups c) Dissociative groups d) None of the above Q2. Process of manage information about customers to maximize loyalty is said to be a) company relationship management b) supplier management c) retailers management d) customer relationship management Q3. In buyer decision process, percentage of potential customers in a given target market is called a) customer funnel b) company funnel c) marketing funnel d) retailers funnel Q4. Whole cluster of benefits when company promises to deliver through its market offering is called a) value proposition b) customer proposition c) product proposition d) brand proposition Q5. Third step in customer's value analysis a) assessing attributes importance b) assessing company's performance c) monitoring competitors performance d) both b and c Q6. All costs customer expects to incur to buy any market offering is called a) total economic cost b) total functional cost c) total customer cost d) total functional cost	**CO1**

SECTION B	**(10*5 = 50 Marks)**

Attempt all the questions.

Q7.	What should you know about a customer in order to be capable of and desirous of developing a long-term relationship with them?	**CO2**
Q8.	Can you explain why investments in customer satisfaction lead to a higher return on investment as well a reduction in risk?	**CO3**
Q9.	Name five reasons why the implementation of a campaign management system can fail. Substantiate your answer.	**CO4**
Q10.	To what extent is the organization of a supermarket equipped to implement a customer intimacy strategy? Explain your answer.	**CO2**
Q11.	Obtaining a long-term commitment from top management for CRM projects is vital. Formulate the so-called 'elevator pitch' for a company of your choice. (This is the situation in	**CO4**

which you are standing next to the CEO in the lift and have one minute to make your case for the topic and see that it gets put on the agenda.)

Read the case and answer all the questions mentioned below:

Canada Post delivers on its CRM strategy

Background

'Canada Post Corp. (CPC), a Canadian Crown enterprise, is Canada's national postal service provider. With 66,000 employees, it is also the country's fourth largest employer. It serves 30 million residential customers and more than 1 million commercial customers, delivers more than 10 billion pieces of mail annually, and maintains relationships with more than 24,000 retail sales points for CPC products and services.

'CPC recognised that its future depended on having customer processes and support systems in place . . . ' with customer expectations rising and the on-going emergence of the internet. 'To demonstrate its commitment to change, CPC launched an enterprise-wide business transformation initiative to redesign all processes and employ innovative technological solutions to create customer and employee value.' In the new situation 'every process must add value for the customer, the employee or the corporation'. 'Each process was reviewed to ensure that it was customer-focused, process-driven, self-service-oriented and could withstand the scrutiny of measurement with assigned accountability.

'In the past, customers' experiences with CPC were often complicated and frustrating. A customer could call three or four times about the same issue and receive different responses from call centre agents. Customers can now take control, tracking their own parcels and placing online orders, as well as having 24/7 ability to satisfy their postal needs.

'The new system has also improved the internal employee experience. The former systems were standalone and didn't integrate customer and call information. Now, when a customer calls, there is a history of the cases related to the customer, and the system can reference frequently asked questions [FAQs] from the CPC solutions database. These provide an integrated view of the customer – from prospect to the placement of orders and accounts receivable.'

Realisation

'CPC implemented the new system through extensive change management that involved process and organisational redesign . . . Change was communicated through traditional methods, and through a network of "readiness teams", using leadership coaches, area project managers and local implementation coordinators. Implementation involved two years of process design and system stabilisation. This included a team of CPC employees plus systems integrators from SAP, Accenture, EDS, and interactive voice response telephony suppliers . . . People readiness was addressed through more than 50,000 participants-days of learning delivered to employees during the implementation year . . . Externally, a take-to-market team made advance contact with many of CPC's largest customers and communicated changes directly to some 145,000 commercial customers. For post-launch fixes and stabilisation activities, customer facing issues were treated as the first priority.'

Using the built-in processes defined by its application provider SAP, CPC changed its business processes to leverage what it believed to be the best practice inherent in the software. Package tracing, rate calculations, service standards and an online business centre were redesigned to be technology-enabled by SAP modules, such as case management, order-taking, internet sales and internet service. Each of these provides CPC with the functionality to enable the transformation, as well as the integration of back- and front-end processes.

The internet service application provides customer-service agents and delivery supervisor with details of customer transactions (including enquiries, complaints, claims and orders) from a single screen. It provides customers with

online access to a comprehensive solutions database for self-service query resolution. Internet sales integrates processes with mySAP Retail Online Store to provide customers with online access products. These processes are tightly linked with the back-office SAP R/3 system to provide a single customer view and a single face to the customer.

Six customer databases were combined into one, as were three case management databases. Since all parts of the enterprise now have a single view of each customer's activities, every interaction is more productive. CPC also launched a business warehouse reporting functionality from CRM. The ability to analyse the information from sales and customer cases enables proactive responses to customers' needs and change processes to better serve customers. CPC deployed technology in a phased programme plan. In launching the CRM initiative, the first three components were as follows:

• A new CPC website . . . It quickly climbed to a position as Canada's most visited website.

• Electronic shipping tools: enhancing and combining two existing online tools, these are available to commercial customers in both desktop and web-based versions that enable them to place orders directly and create all shipping documents

• New telephone tools: CPC deployed mySAP CRM to nine contact centres that handle 5 million calls annually across numerous time zones.

Using SAP Phone, CPC supports queuing for customer inquiries and enables fax, e-mail and voice-back options for customers and supply agents. 'Implementing the CPC systems required some 400 individuals. As it configured and integrated the components, the team replaced more than 80 legacy systems.' In a little more than two years the implementation was realised. 'The most significant technical implementation challenges included understanding the fully integrated back-end and CRM processes from an organisational perspective and testing.'

Conclusion

'CPC's CRM programme supports the way the enterprise wants to operate . . . It supports its strategic priority for customer-centricity and operational excellence . . . It defined its vision, strategy and business processes choosing an enterprise resource planning/CRM application suite. More importantly, CPC has achieved its business goals by defining and using a CRM strategy as the core of its overall business strategy.

Q12.	Describe the way CPC redefined its processes. Illustrate your answer with three examples.	**CO3**
Q13.	Analyze the CRM systems that are in place at CPC. In what way do they enable the processes?	**CO4**