



JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM)
FIFTH TRIMESTER (Batch 2020-22)
END TERM EXAMINATIONS, January 2022

Course Name	Customer Relationship Management	Course Code	MKT502
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- a. Please answer all questions and all sub parts.
- b. Please write in point form where ever possible

Q1. Read the following caselet carefully and answer the following questions:

Dabur launched a new category i.e. Real fruit juices in 47 towns and cities across India. It introduced three variants- Orange, Mango and Pineapple in ‘Elopack’ (special pack imported from Norway). The shelf life in this kind of packaging is around six months and the fruit juices have no preservatives. The prices ranged from Rs. 90/- to Rs. 100/- for a 500ml carton depending on the variant. A glass of juice costs around Rs.50/-. The fruit juice market is made of three categories- fruit drink (Frooti, Jump-in, etc) which has around 15-20% fruit content; nectar which has about 40-60% fruit content and the juice category which has around 80-100% fruit content (Real).All these sub-categories in the juice market compete with aerated soft drinks. Fruit-based brands are attempting to create a market, as well as competing with each other.

Question:

Dabur is a brand which is intensely positioned on health aspects. Given this situation, briefly, explain how the IDIC model can be used for developing the market for Dabur Real brand?
(10 Marks)

Q2. Assuming yourself as a manager leading the following situation, mention your response with proper justification applying concept of service recovery (5 marks)

You are store manager Big Basket, Vasant Vihar, New Delhi. Ms. Sonali ordered groceries vegetable and fruits from big basket. Unfortunately, the delivery was damaged en-route and the fruits were squashed. Ms. Sonali and their family still managed to consumer the fruits but when Big Basket sent a follow-up customer satisfaction email for reviews, they expressed their disappointment with the shipment. Being a manager how will you tackle this situation in your favor?

Q3. Read the following caselet and answer the questions given at the end ((Total 25 marks)

The Charles Schwab Corporation is listed as one of the largest banks and brokerage firms in the United States. It provides a wide variety of services ranging from brokerage and banking to money management and financial advisory services. Founded in 1971, it has also consistently been listed as one of the most admired companies in the world. However, in 2004, this financial services giant was struggling to stay afloat due to the spiraling costs. To add to the slump, its stock prices had plummeted from \$40 to a paltry \$6. The firm had run aground with an annual growth rate as low as -3.6% between 2003 and 2005. With these ominous figures looming in, the company's future seemed extremely bleak. An analysis revealed the firm had lost their connection with key clients - and that had to change. From 2005 to 2008, the company recorded an annual growth rate of +17.5%, and by 2008, The Charles Schwab Corporation had regained its position as the front-runner in the industry. It has, since, maintained its position as one of the most dependable banking and brokerage firms in the United States. According to the current CEO and President Mr. Walt Bettinger, NPS® has played a crucial role in reviving Charles Schwab. So, how does the Net Promoter System at Charles Schwab work? To begin with, each of its customers is surveyed twice a year with the standard NPS questionnaire. Once the customer shares the feedback, it is fed into the company's database, which everyone in the organisation can access and draw insights from. A special "manager alert" is triggered for the clients who give a "detractor rating" for the firm following which the respective manager connects with the customer within a maximum of 24 hours. This process, thus, closes the loop for all the feedback. Although the first two steps feature commonly in every organisation that captures customer feedback or the Net Promoter Score, it is, perhaps, the third step – closing the feedback loop – that has been the game-changer for Charles Schwab.

Questions:

- a. What are the benefits of the Net Promoter System? Identify to what extent would only customer satisfaction surveys have helped Charles Schwab? **(5+3 marks)**
- b. At Charles Schwab, a special "manager alert" is triggered for the clients who give a "detractor rating". Identify who are detractors and how are they defined on the 0 to 10 point scale. Who are 'passives' and 'promoters' and how are they defined? **(4+4+4 marks)**
- c. Charles Schwab sent out an NPS survey to 500 customers and analysis revealed the following break up
Promoters: 200
Passives: 200
Detractors: 100

Solve this Charles Schwab NPS score problem by calculating the score.

(5 marks)