



JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM (SM)
IIIrd TRIMESTER (Batch 2017-19)
END TERM EXAMINATIONS, April 2018

Course Name	CRM	Course Code	MKT 502
Max. Time	2 hours	Max. Marks	40

Instructions: Answer the following questions.

Q1. In seeking to further increase profitability, companies need to develop integrated programs that address customer acquisition, customer retention and other related activities that can improve customer lifetime value. One framework for reviewing such profit opportunities is the ACURA model. Explain & draw the Acura Framework by giving example of a company systematically building CRM strategies that focus on all elements of Acura framework.

8 marks

Q2. Look at the information of the SaaS Company below and calculate customer lifetime value (CLV):

- Annual revenue per average customer is \$2,000 per annum
- Product costs associated with the average customer's purchases is \$500 per year
- The firm also spends \$100 a year per customer to provide customer service
- Number of years that they are a customer of the brand = 5 years
- Average costs to acquire a new customer are \$1,000
- Repeat purchase rate increase 25%

8 marks

Q3. Profiling your customers gives you the opportunity to understand a range of key information about them - including their income level, location and buying behavior. If your customers are active in the local school community, you could promote your business by sponsoring the school fete each year.

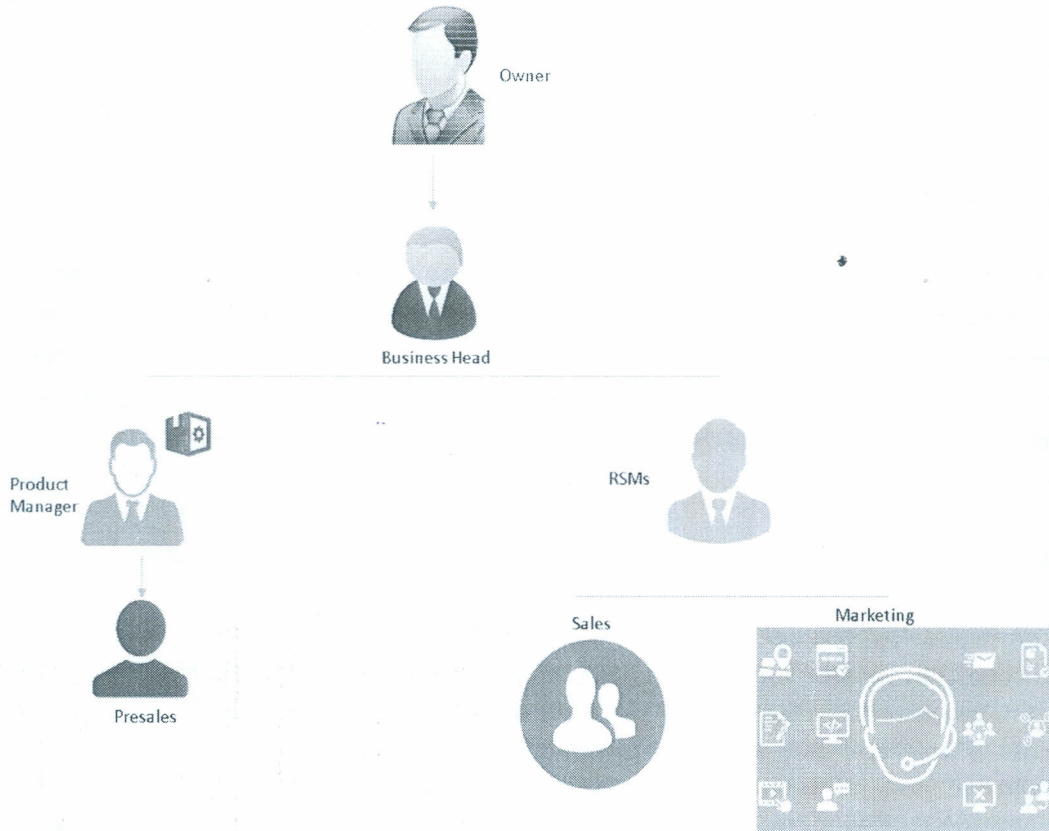
Create a profile of your customers in the given profile chart format by reading the questions below:

Who are they? : Age, Family, Gender, Occupation, Income level, Cultural background, location and Customer characteristics- Personality, Buying behavior, buying pattern 8 marks

Who are they	My Customers

Q4. In evaluating and designing CRM systems, business needs should take precedence over technological capabilities. Managers should not be distracted by what CRM software *can* do; they should concentrate instead on what it *should* do—both for their companies and for their customers. What are the main issues in implementing CRM and other relevant issues that needs to be tackled? 4+4=8 marks

Q5. A company has the hierarchy as shown in the below picture. Explain what all activities they would be doing using a CRM related to their roles, including their activities related to monitoring and governance. 8 marks



=====