

**JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA**  
**PGDM / PGDM (M) / PGDM (SM)**

**FIFTH TRIMESTER (Batch 2024-26)**

**END TERM EXAMINATIONS, JANUARY 2026**

**SET 1**

|             |                                  |             |       |
|-------------|----------------------------------|-------------|-------|
| Course Name | Customer Relationship Management | Course Code | 20127 |
| Max. Time   | 2 hours                          | Max. Marks  | 40 MM |

**INSTRUCTIONS:**

- Calculator (but not mobile phone) is permitted
- Please answer all the sub parts of every question.
- Please do not leave any unnecessary spacing within the text of your answers
- For the numerical question, only the answer needs to be entered in the google form. A rough sheet has been provided **ONLY FOR SHOWING THE WORKING OF THE CALCULATIONS**. Please write your name, roll no and section i.e. G1 or G2 on the sheet

Read the case and answer the following case-based questions **(total 10 Marks)**

"UrbanEase" is a rapidly growing online furniture and home décor retailer operating in metro cities of India since about last one year. Over the past one year, the firm has invested heavily in digital advertising, festive discounts, and marketplace partnerships, resulting in a sharp increase in sales volume. Despite this growth, profit margins remain low. CRM analysis reveals that more than 65% of customers make only a single purchase, while servicing and acquisition costs continue to rise. Imagine you are the marketing head of UrbanEase.

Q1) What do you understand by value proposition?  
**Identify** one possible value proposition that UrbanEase's can offer. (2+2=4 Marks)

Q2) **Develop** a brief plan with 3 key action areas based on CRM-driven strategies that UrbanEase can implement to improve long-term customer value and profitability. (3\*2=6 Marks)

Read the case and answer the following case-based questions **(total 15 Marks)**

"FitNow" is a health-tech startup offering app-based fitness programs, nutrition plans, and virtual coaching. The company aggressively acquires customers through social media advertising, influencer promotions, and deep introductory discounts. Although app downloads and registrations are high, internal CRM data shows that over 70% of users become inactive within the first 30 days.

As the CRM manager, answer the following:

Q3) **Identify** and explain a major weakness in FitNow's current customer acquisition strategy. (3 Marks)

Q4) **Make use of** a CRM-based acquisition practice that can help attract higher-quality customers. (5 Marks)

Q5) Why is it important for FitNow to retain existing customers. CRM-based acquisition practice that can help retain its customers. (2+5=7 Marks)

Answer the following question on Customer Lifetime Value (15 Marks)

An online retail firm evaluates customer profitability using the following data:

Average Order Value = ₹3,000; Purchase Frequency = 4 times per year; Average Customer Lifespan = 5 years; Profit Margin = 20%. Customer Acquisition Cost (CAC) = ₹4,000

- Q6) Calculate the annual revenue per customer. (2 Marks)
- Q7) Calculate the annual profit per customer. (2 Marks)
- Q8) Calculate the Net Customer Lifetime Value (CLV) (5 Marks)
- Q9) Explain two reasons why CLV calculation is important (2\*3=6 Marks)