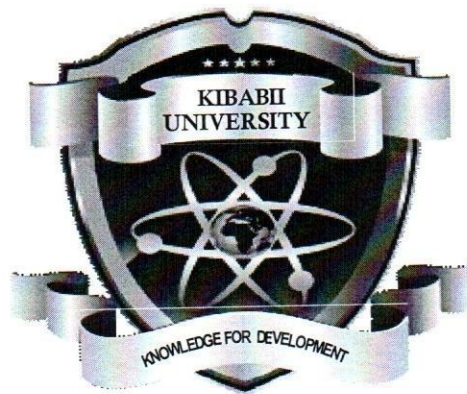


KIBABII UNIVERSITY



UNIVERSITY MAIN EXAMINATION

2020/2021 ACADEMIC YEAR

FOURTH YEAR SECOND SEMESTER

FOR THE DEGREE OF BACHELOR OF EDUCATION ARTS

COURSE CODE: BBM 447E

COURSE TITLE: CUSTOMER RELATIONSHIP MANAGEMENT

DATE: 05/10/2021

TIME: 9.00 – 11.00AM

INSTRUCTION TO CANDIDATES

1. Answer Question **ONE** (Compulsory) and **ANY OTHER TWO** Questions
2. Candidates must hand in their answer booklets to the invigilator while in the examination room
3. Credit is given for legibility, clarity and use of relevant examples
4. Question **ONE** is **30 marks** while Questions 2-5 carry **20 marks** each
5. Clearly write your **Registration Number** on each answer sheet used.

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTIONS: SECTION A

QUESTION ONE (30 MARKS)

- a. Customer Relationship Management or popularly identified as CRM can be defined as an art and science of collecting information on present and prospective needs of product of customers so as to market them using all such kind of efforts and technology in collection of data and information relating to customers. Highlight 5 main challenges CRM managers face.

(10mks)

- b. Define word **value** in CRM **(2mks)**
- c. List down five common sales promotion strategies supermarkets use in marketing. **(5mks)**
- d. Outline four reasons why a company may choose to terminate customer relationship. **(4mks)**
- e. List down 5 internal controls measures organizations use to manage business environment factors. **(5mks)**
- f. Define Customer Lifetime Value, outlining its importance for a business. **(4mks)**

QUESTIONS: SECTION B

QUESTION TWO

- a. Relationships change over time. Parties become closer or more distant; interactions become more or less frequent because they evolve and they can vary considerably, both in the number and variety of episodes. Dwyer identified five general phases through which customer-supplier relationships can evolve. Discuss them **(10mks)**

- b. Discuss approaches in which companies strive to create customer value in competitive market. **(10mks)**

QUESTION THREE

Define the following concept in relation to IT contribution to CRM management.

- a. Data base marketing **(5mks)**
b. Data warehousing **(5mks)**
c. Data mining **(5mks)**
d. E-CRM **(5mks)**

QUESTION FOUR

- a. Discuss the importance of customer satisfaction to a business **(10mks)**
b. Describe strategies in which an existing business can acquire new customers **(10mks)**

QUESTION FIVE

With relevant example, describe five major phases of a CRM planning and implementation, processes and tools that can be used within those phases to ensure that CRM projects deliver what is expected of them. **(20mks)**