

**KIBABII UNIVERSITY**



**UNIVERSITY EXAMINATION**

**MAIN EXAMINATION**

**2022/2023 ACADEMIC YEAR**

**FOR THE DEGREE OF BACHELOR OF COMMERCE**

**COURSE CODE: BBM 447**

**COURSE TITLE: CUSTOMER RELATIONSHIP MANAGEMENT**

**DATE: 07/08/2023 TIME: 2:00-4:00PM**

**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.

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**TIME: 2 Hours**

**KIBU observes ZERO tolerance to examination cheating**

## QUESTIONS: SECTION A

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### QUESTION ONE (30 MARKS)

- a. According to Gartner CRM is a business strategy designed to optimize profitability, revenue, and customer satisfaction. Describe the key roles of CRM manager in an organization. **(10mks)**
- b. Define word **value** in CRM **(2mks)**
- c. Differentiate between transactional versus relationship CRM approach. **(6mks)**
- d. Outline four major reasons why organizations lose their customers. **(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. **(3mks)**

## QUESTIONS: SECTION B

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### QUESTION TWO

- a. Identify four key stakeholders in an organization describing their significance to CRM. **(12mks)**
- b. Discuss approaches in which companies strive to create customer value in competitive market. **(8mks)**

### QUESTION THREE

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

- 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)**