

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER - IV – EXAMINATION – WINTER 2021

Subject Code:4549297**Date: 28/12/2021****Subject Name: Customer Relationship Management****Time:10:30 AM TO 01:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

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|------------|-------------------|---|-----------|
| Q.1 | (a) | Explain in detail - Paradigm shift from transactional to relationship Approach in CRM | 07 |
| | (b) | Define CRM & write its significance in detail. | 07 |
| Q.2 | (a) | Differentiate between customer experience management and CRM | 07 |
| | (b) | Define Customer Satisfaction & write its significance in detail. | 07 |
| | | OR | |
| | (b) | Explain “customer churn” and show ways to reduce it. | 07 |
| Q.3 | (a) | Differentiate between Operational CRM & Analytical CRM. | 07 |
| | (b) | Explain Service Automation & its benefits. | 07 |
| | | OR | |
| Q.3 | (a) | Explain Marketing Automation & its benefits. | 07 |
| | (b) | How to develop customer related database? What is the use of this kind of database? | 07 |
| Q.4 | (a) | Explain the Features of e-CRM. | 07 |
| | (b) | Critically analyze e-CRM. | 07 |
| | | OR | |
| Q.4 | (a) | Write a note on technologies used for e-CRM. | 07 |
| | (b) | Explains the steps of developing a strategy of e-CRM. | 07 |
| Q.5 | Case Study | <p>The foundation of shopper’s stop Ltd. Was laid on 27 October , 1991 by K. Raheja corp. group of companies being amongst India’s biggest hospitality and real estate players, the group sets another milestone with their lifestyle venture. The objective was to create a fashion and lifestyle store for the entire brands for the same. It tried to bridge the gap between the unprofessionally managed, and poorly stocked merchandise and ill-mannered staff, and the growing urban upper middle class who had money to spend but were asking for a quality environment. The objective was to create a fashion and lifestyle store for the entire brands. It tried to bridge the gap between the unprofessionally managed and poorly stocked merchandise , ill-mannered staff and the growing urban upper middle class who had money to spent but were asking for a quality environment.</p> <p>From its inception shopper’s stop has progressed from being a single brand to becoming a leading fashion & lifestyle store for the family. A pioneer of organized retailing in India. Today, it has become the highest benchmark for the Indian retail industry , its stores are present across various Indian cities such as Bangalore, Hyderabad, Jaipur, Delhi, Chennai, Mumbai, Pune, Gurgaon, And Kolkata. It has a national presence of over 6,00,000 square feet of retail space , stocking over 250 brands</p> | |

of garments and accessories .

In fact, the company's continuing expansion plans aim to help it meet the challenges of the retail industry in an even better manner than it does today. Its vision is to be a global retailer in India and maintain its No.1 position in the Indian market in the department store category. Being at the helm of a customer-centric business, there is a strong emphasis on customer satisfaction which, in turn, translates into taking all aspects of the business very seriously.

CRM practices

The retail chain major is eyeing 50% sales growth from its CRM initiative. The company has also lined up an aggressive expansion plan targeting smaller towns and cities in the country. According to B.S. Nagesh, managing director and CEO of the company, it has given a new direction to its CRM initiatives after acquiring a business intelligence software called "business solutions"

The new software helps generate intelligent data from shopper's stop customer base of about 2,30,000. The company then collects this data and touches base with customers via direct mailers informing them of all new promotions that are currently on and also updates them about the upcoming events. A company release says: "last year, about 50% of our sales came from repeat customers and this year too we are expecting this number to grow." The company claims that it has taken its CRM initiatives to a new height and now calls its loyalty programs.

CEM initiatives

Overanalyzing of the company's sales trends and patterns helped realize that most of the sales were coming from the old customers primarily through repeat purchase it thought of focusing on those customers. The company tried to leverage data by providing information so that the customers may be available with the information and the company may ultimately be benefited. As if a customer had bought a pair of trousers, it tells him about a new range of shirts that it has just brought into the store.

Under the CEM program, the members are called "first citizens"

At Shopper's Stop, the first citizens are given the following exclusive benefit and privileges:

- Reward points every time they shop
- Exclusive offers
- Updates on what one can look forward to shop for
- Exclusive benefits and privileges
- Exclusive case counters so that they can spend more time shopping rather than waiting in a line.

There are three membership categories:

1. Classic moments
2. Silver edge
3. Golden glow

The company believes in providing the best experiences possible, including the best benefits and privileges, the programme gets rewarding as one makes it since it depends on the membership status which is upgraded when one qualifies with the necessary purchase during the membership period.

Co-branded CRM initiatives: shopper's stop has been launching several schemes to benefit its profitable customers and has been coming up in partnership with several leading players who matter for retailing industry, one such programme partner is Citibank.

First citizen Citibank credit card: The first citizen Citibank credit card-India's only co-branded store card combines the benefit of shopper's stop loyalty program, first citizen and the advantages of a Citibank credit card. This entitles customers to the benefit of

- Earn double reward points
- 0% EMI scheme

First citizen Citibank debit card: The first citizen ATM/debit card is India's first co-branded ATM/debit card in the retail sector. While this card can be used as a regular debit card and an ATM to withdraw cash, it also helps a customer collect reward points every time he purchase merchandise at any shopper's stop outlet. This also provides automatic membership to first citizen shopper's stop outlet. This also provides automatic membership to first citizen shopper's stop loyalty program for those who are not first citizen members yet. The company had also gone in for massive IT initiative to support the customer support it had planned for. It chose software tools for facilitating the analysis of the customer data. They have been using a combination of business objects and the statistical analysis system (SAS) solution for trend analysis, promotion management, and consumer behavior, segmentation, buying basket analysis, profitability and lifecycle analysis.

- Q.5** (a) Shopper's stop was the first among the organized retail players to initiate CRM practices. **07**
What do you find from the above case study to substantiate this view?
- (b) Shopper's stop has initiated many things in the direction of keeping customers for life. **07**
What are those initiatives?
- OR
- Q.5** (a) If you were in the place of in-charge of relationship management practices, what **07**
innovation would you have done?
- (b) Note down the initiatives which should not have been taken up by shopper's stop. Also **07**
give reasons to justify.
