

# CIMG Programme Pathway 4 Professional Advanced Diploma in Marketing

**Customer Relationship Management (PADM 406)**

**DECEMBER 2023**

**DURATION: 3 HOURS**

The examination comprises of two parts:

**Part A – a compulsory case study, worth 40 marks**

**Part B – answer any three questions, worth 60 marks in total**

## **PART A**

### **CASE STUDY - COMPULSORY**

Founded in 1974 and headquartered in Adom, Kumasi, Aban Credit Union (ACU) is a not-for-profit financial institution that serves more than 50,000 members across various towns and communities in the Ashanti Region. ACU is renowned for its diverse range of financial products and services encompassing loans, credit cards, checking and savings accounts as well as investment opportunities. The institution is dedicated to community support and demonstrated its commitment by providing financial backing to more than 1,000 Small to Medium Enterprises (SMEs) and events through cash donations this year, 2023.

In a highly competitive landscape, where ACU faces strong competition from banks, online financial service providers, and other credit unions, the imperative to enhance its customer services became evident. The existing fragmentation in ACU's information technology (IT) infrastructure and the absence of a cohesive customer relationship management (CRM) system were impediments to delivering an exceptional customer experience. The organization recognized the need for a robust CRM system that would not only bridge the gaps in its IT infrastructure but also serve as a catalyst for seamless coordination among customer-facing teams. Moreover, the implementation of this advanced CRM system aimed to optimize and streamline the company's back-office processes, ultimately enhancing its ability to stand out in the competitive financial services sector while providing unparalleled service to its members.

In a proactive move to ensure the success of Aban Credit Union's Customer Relationship Management (CRM) implementation, Sakyi Benson, Vice President of IT Services, embarked on a quest to find a dependable partner for ACU's CRM selection initiative. Drawing on favorable endorsements from the President of the Technology Experts Association (TEA) and their prior awareness of TEA's distinguished track record, ACU made the strategic decision to appoint TEA as their perfect collaborative ally for the project. This choice was rooted in the belief that TEA's expertise and reputation for excellence in the tech domain would significantly contribute to the triumph of ACU's CRM implementation, aligning with the credit union's commitment to providing top-notch services to its members.

#### **Question One**

- a.** Evaluate the customer relationship management system tools available to ACU. **(10marks)**.
- b.** As the CRM expert at TEA, you have been tasked to develop a report to, Mr. Sakyi Benson, Vice President of IT at ACU on how they can develop an effective customer relationship management strategy. **(20marks)**
- c.** Justify, in your memo to the vice president of IT at ACU why his company must invest resources into customer relationship management. **(10marks)**

## **PART B**

### **ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION**

#### **Question Two**

There are five main schools of thought that offer different perspectives on the relationships between customers and businesses. Although some schools of thought are quite similar, they generally describe relationships in different terms and have different implications for relationship management.

- a. Critically assess The Industrial Marketing and Purchasing (IMP) theory and its perspective on customer relationship management. **(10marks)**
- b. Evaluate the benefits of Customer Relationship Management **(10marks)**

#### **Question Three**

TechNova is a rising star in the tech world, specializing in innovative gadgets and software solutions. The company has experienced substantial growth in recent years and its leadership is now contemplating the next steps for the brand.

As the CRM and Brand Expert, discuss how TechNova can leverage Keller's customer-based brand equity model in deciding the next steps for the brand. **(20 marks)**

#### **Question Four**

Imagine you are the manager of a small boutique clothing store. One day, a customer named Sarah comes into your store with a complaint. She recently purchased a dress and after wearing it once, she noticed a small tear near the seam. Sarah is clearly upset and frustrated with the situation. She tells you that she expected better quality for the price she paid and demands a refund.

- a. Discuss at least five (5) pitfalls businesses need to avoid in customer relationship management. **(12marks)**
- b. Define and briefly explain the various types of complainers. **(8marks)**

### **Question Five**

- a. Evaluate the various ways by which businesses can acquire customer knowledge **(8marks)**
- b. Explain why businesses need to develop relationships with their customers **(12marks)**

### **Question Six**

- a. Critically evaluate the concept of the “Voice of the Customer”. **(10marks)**
- b. Discuss why businesses need to pay attention to the “Voice of the Customer”. **(10marks)**