Q.1 Attempt ANY FOUR (20 Marks)

(a) Define CRM and state its Significance in Industry.
CRM (Customer Relationship Management) is a strategy used by businesses to manage interactions with customers.
Significance:

- Improves customer service.
- Helps retain customers.
- Increases sales.
- Tracks customer data.
- Builds strong customer relationships.

(b) Explain IDIC Model of CRM.
IDIC stands for:

1. **Identify** – Know who your customers are.
2. **Differentiate** – Understand which customers are most valuable.
3. **Interact** – Communicate with customers to know their needs.
4. **Customize** – Offer services/products based on customer needs.

(c) State and explain key performance indicators of Customer Acquisition Program.
KPIs are used to measure how well a company is gaining new customers.
Examples:

- **Customer Acquisition Cost (CAC):** How much money is spent to get one customer.
- **Conversion Rate:** % of people who buy after visiting.
- **Lead to Customer Ratio:** How many leads turn into real customers.
- **Customer Lifetime Value (CLV):** Profit from a customer over time.

(d) What is TQM? Explain how it can be integrated with CRM.

TQM (Total Quality Management) means improving everything in a business to give better quality and service to customers.

- ◆ **Meaning:**

  - TQM focuses on **doing things right the first time**.
  - It makes sure **everyone in the company works together** to make customers happy.

- ◆ **TQM with CRM:**

  - **CRM** helps manage customer data.
  - **TQM** improves how the company uses this data to solve problems.
  - Together, they help the company give **better service**, **keep customers happy**, and **increase loyalty**.

Example: If a customer complains, CRM stores it. TQM helps fix the issue so it doesn't happen again.

(e) How CRM is implemented in different Commercial Situations?
CRM can be used in:

- **Retail:** Track purchase history and send offers.
  Banks: Manage customer accounts and services.
- **Hotels:** Personalize guest experiences.
- **Online businesses:** Send emails, track customer behavior.

(f) List some features of Analytical CRM.

- Customer data analysis
- Reports and dashboards
- Customer segmentation
- Sales forecasting
- Trend analysis

Q.2 Attempt ANY FOUR (20 Marks)

(a) Define Customer Portfolio Management and enlist its Key Components.

It is managing all types of customers to increase profit.

Key Components:

- Customer segmentation
- Customer value analysis
- Targeted marketing
- Relationship building

(b) State and explain Key Components of Market Segmentation in CRM.

- **Demographic:** Age, gender
- **Geographic:** Location
- **Behavioral:** Buying habits
- **Psychographic:** Lifestyle and interests

(d) Enlist and explain Key Features of Sales Force Automation.

- Automatic tracking of sales activities
- Lead management
- Scheduling follow-ups
- Sales forecasting
- Real-time reporting

(c) Explain with diagram Bivariate CPM Model.

Bivariate CPM Model helps divide customers based on:

1. How much profit they give (Value)
2. How loyal they are (Loyalty)

◆ **Four Customer Types:**

	Low Loyalty	**High Loyalty**
Low Value	Strangers	Barnacles
High Value	Butterflies	True Friends

◆ **Meaning:**

- **Strangers** – Don't buy much, not loyal.
- **Butterflies** – Buy a lot for short time.
- **Barnacles** – Loyal but spend less.
- **True Friends** – Best customers, loyal and valuable.

(e) "Activity Based Costing helps in identifying costs in various Customer Segments" – Justify.
This method finds the cost of serving each customer type.

- Helps to know which customers give more profit.
- Costs are matched with specific activities for each segment.
- Improves decision making.

(f) What is Service Automation? Explain how it's beneficial to Industry.

It means using technology to automate customer services.
Benefits:

- Quick response to customer queries
- 24/7 support
- Reduces
- Improves customer satisfaction

Q.3 Attempt ANY FOUR (20 Marks)

(a) Explain with diagram the process of building Customer Related Database.

1. **Data Collection** – Collect data from different sources (sales, emails).
2. **Data Cleaning** – Remove errors/duplicates.
3. **Data Storage** – Store in CRM system.
4. **Data Analysis** – Find useful patterns.
5. **Use Data** – For marketing, sales, service.

(Draw simple block diagram showing flow from Collection → Cleaning → Storage → Analysis → Use)

(b) Write short note on Structured and Unstructured Data.

- **Structured:** Organized in rows/columns (e.g., Excel, Databases).
- **Unstructured:** No clear format (e.g., Emails, Social media posts, Videos).

(c) Explain the role of AI in Analytical CRM.

- Predict customer behavior
- Recommend products
- Chatbots for service
- Analyze feedback
- Forecast sales trends

(d) Explain the key phases of CRM project design (with diagram).

CRM project design means planning and setting up a CRM system step-by-step.

- ◆ **Phases:**

1. **Planning:** Decide goals and budget.
2. **Analysis:** Study customer needs and current system.
3. **Design:** Choose CRM software and plan how it will work.
4. **Implementation:** Install the CRM system and train staff.
5. **Testing:** Check if it works properly.
6. **Evaluation:** Get feedback and improve it.

📘 **Diagram (Flow):**

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Planning → Analysis → Design → Implementation →
Testing → Evaluation
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This helps the company **manage customer data better** and **improve service**.

(e) State and explain how foundations of CRM can be built.

- Understand customer needs
- Use CRM tools/software
- Train employees
- Build good communication
- Track customer feedback

(f) Case Study – XYZ Company & Sales Force Automation
Sales Force Automation can help:

- Track customer interactions
- Send automatic follow-up reminders
- Give insights on sales data
- Reduce manual work
- Increase customer satisfaction and reduce dropouts

Q.4 Attempt ANY FIVE (15 Marks)

(a) Write short note on Customer Experience (CX).
It's how customers feel during their journey with a company.
Includes service, website use, product quality, and support.
A good CX increases loyalty.

(b) Mention the role of SEO in CRM.

- Attracts more website visitors
- Helps in reaching right audience
- Builds brand trust
- Converts leads to customers
- Improves visibility

(c) Define Data Warehouse and explain its basic characteristics.
A Data Warehouse stores large amounts of business data.
Characteristics:

- Subject-oriented
- Integrated from many sources
- Time-variant (historical data)
- Non-volatile (data stays stable)

(d) Explain PESTEL/PESTE Analysis.

It's a tool to analyze external factors:

- **P**olitical
- **E**conomic
- **S**ocial
- **T**echnological
- **E**nvironmental
- **L**egal
  Helps in planning and strategy.

(e) Write short note on Internet and Event Marketing.

- **Internet Marketing:** Promoting through websites, email, social media.
- **Event Marketing:** Promoting through events like product launches, fairs, etc.

(f) Enlist steps of Data Mining Procedure.

1. Data Collection
2. Data Cleaning
3. Data Integration
4. Pattern Discovery
5. Evaluation
6. Use results for decision making