



UNIVERSITI KUALA LUMPUR
MALAYSIAN INSTITUTE OF INFORMATION TECHNOLOGY

FINAL EXAMINATION
JANUARY 2016 SEMESTER

COURSE CODE : ICB 47503
COURSE NAME : CUSTOMER RELATIONSHIP MANAGEMENT
PROGRAMME NAME : BACHELOR OF BUSINESS TECHNOLOGY (HONS) IN
COMPUTER ENTREPRENEURIAL MANAGEMENT
BACHELOR OF INFORMATION TECHNOLOGY
(HONS) IN SOFTWARE ENGINEERING
DATE : 29 MAY 2016
TIME : 2.00 pm – 4.30 pm
DURATION : 2 ½ HOURS

INSTRUCTIONS TO CANDIDATES

1. Please read the instructions given in the question paper CAREFULLY.
 2. This question paper is printed on both sides of the paper.
 3. This question paper consists of TWO (2) Sections, SECTION A and SECTION B.
 4. Answer ALL questions in SECTION A. For SECTION B, answer ONLY ONE (1) question.
 5. Please write your answers on the answer booklet provided.
 6. Answer ALL questions in English.
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THERE ARE 7 PAGES OF QUESTIONS, INCLUDING THIS PAGE.

SECTION A (Total: 75 marks)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.****Question 1**

- (a) Customer Relationship Management (CRM) system consists of three main elements. Discuss **TWO (2)** of these elements and possible methods of implementation including example for each. (5 marks)
- (b) Based on each of the CRM elements, explain the benefits of the implementation. (10 marks)
- (c) Discuss how advancement of Information Technology and internet play an important role in the implementation of CRM. (10 marks)

Question 2

- (a) One of the main responsibilities of Business Analyst is to ensure that overall daily operation of the CRM system is to produce the best quality of data for reporting. What are the considerations in order to achieve this?
(10 marks)
- (b) In designing the Sales & Marketing module of CRM system, suggest some of the important functions of:
- i. Leads
 - ii. Campaign
 - iii. Sales
- (15 marks)

Question 3

- (a) Business Intelligence (BI) is a broad category of applications and technologies for gathering, storing and analyzing data. It also provides access to analyzed data that helps enterprise to make better decisions and problem solving. Explain the overall BI framework.
(10 marks)
- (b) Business Intelligence (BI) and Artificial Intelligence (AI) require a pool of data and powerful engine to produce a good report and business analytics. State your opinion related to BI and AI, discuss differences or similarities (if any) between BI and AI.
(10 marks)
- (c) Identify the basic categories of evaluating the performance of a CRM system.
(5 marks)

SECTION B (Total: 25 marks)**INSTRUCTION: Answer ONLY ONE (1) question.****Please use the answer booklet provided.****Question 1**Case Study 1: Medica Health Services

Medica is a health services company headquartered in the Twin Cities and active in the Upper Midwest. With approximately 1.5 million members, the non-profit company provides health insurance coverage in the employer, individual, Medicaid, Medicare and Medicare Part D markets in Minnesota, Iowa, Nebraska, North Dakota, South Dakota and Wisconsin. Medica also offers national network coverage to employers who also have employees outside the Medica regional network. Medica has experienced significant growth over the last five years, including tripling its membership base. But the organization lacked insight into the exact activities that has led to their success. To ensure they were taking the right steps to replicate this success over time, Medica needed to be able to drill into more specific data.

"The transparency of the data, the 'how and why' what happened, was a little muddy for us," says Mike Daly, Director of Sales at Medica. "Our results have been fantastic—what's been missing is the clarity between point A and B, point A being the start and B being someone who actually buys from us." Medica had been using a system they called Lead and Membership Management, or LAMM, which functioned as a simplified version of customer relationship management (CRM). A Java-based application built internally at Medica, LAMM focused primarily on sales and some basic marketing capabilities. However, the LAMM system provided limited access to important data.

"We had a lot of really good data, but it wasn't easily accessible," says Cody Balk, CRM Administrator at Medica. "You really had to have a developer go in to the application just to access the data, let alone take something meaningful from it." After investigating and vetting products and partners, Medica decided to implement Microsoft Dynamics CRM, with PowerObjects as their partner. PowerObjects helped Medica implement a Microsoft Dynamics CRM solution tailored to their unique needs within a short timeframe. The solution

provides Medica with streamlined processes for marketing and salesforce automation, as well as the ability to track customer purchase history and interests. The system also has built-in compliance requirements for Medicare. (Source: http://www.powerobjects.com/wp-content/uploads/2016/04/CaseStudy_Medica.pdf)

- (a) Describe how CRM solution enables Medica to have better insight into their data.
(10 marks)
- (b) With the tool, sales representatives can be more organized in their everyday tasks. Explain how CRM assist the sales representatives.
(15 marks)

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Question 2Case Study 2: Zara and CRM

Zara is an internationally known clothing company, particularly in Europe. Originating in Spain, Zara has over 1,700 stores all over the world and is well-known for being able to develop products and have them available in stores within two weeks, well above the average rate for the fashion industry which is usually six months. The company operates on a zero advertising policy which means that it has to keep attracting customers in other ways in order to keep making profits and stay relevant in face of tough competition from similar companies such as H&M and Benetton.

Zara has developed effective relationships with its customers, and thanks to the benefits of CRM, its customers are loyal and make continued visits throughout the year, with the average customer visiting 17 times compares to other stores' average of four. What's impressive about Zara is that it is able to have such a dedicated and loyal customer base despite the lack of advertising and therefore continued awareness. Using CRM software, Zara is able to collect information about sales and work out which products are popular, and with this data easily to hand, designers are able to produce new items quickly based on the latest trends and in styles and colours preferred by their shoppers. As they are able to do this with a short turn around before items hit stores, they can ensure that they stay ahead of their competitors and always showcase the latest fashions to their customers. They also ensure that they produce their clothing items in limited quantities to make them more exclusive, and more desirable by their customers.

By listening to the needs of their customers, Zara has achieved what most fashion retailers can only dream of achieving. The majority of their clothing sells at full price, rather than less than half like most of its competitors. By shunning traditional marketing techniques such as advertising, discounts and gimmicks, Zara have created a clothing brand which is respected and coveted and stays ahead of the pack. Zara is a fantastic example of CRM data used effectively in order to improve a brand and keep current with its customers. Other brands and businesses, regardless of their size, can learn from this example and use the views and habits of their customers to best appeal to them and to encourage new customers and therefore boost sales, boost brand awareness and boost profits as well.

Using CRM software, Zara has streamlined its customer data collection and found ways to improve its products and services as well as connect with customers at a more informed level. Your business can also benefit from the features and service available with CRM software from top providers. (Source: <http://crmsystems.expertmarket.co.uk/zara-crm-case-study>, 2013)

- (a) Based on the article, extract the functional areas of CRM implemented by Zara and explain how these functional areas helps in their business development.

(15 marks)

- (b) State your opinion on the implementation of CRM in Zara and improvements expected through the system.

(10 marks)

END OF EXAMINATION PAPER