

MIDTERM EXAMINATION

Spring 2009

MKT610- Customer Relationship Management (Session - 2)

Question No: 1 (Marks: 1) - Please choose one

The process of performing activities that increase the value of goods or services to consumers is known as:

- ▶ Value chain
- ▶ Value creation
- ▶ Value development
- ▶ Value addition

Question No: 2 (Marks: 1) - Please choose one

Within the context of a supply chain, _____ is the ability of a logistics system to satisfy users in terms of time, dependability, communication and convenience.

- ▶ Customer service 
- ▶ Just-in-time inventory
- ▶ Distribution management
- ▶ Replenishment

Question No: 3 (Marks: 1) - Please choose one

The two basic components of a customer's evaluation of services are:

- ▶ Experience and credence
- ▶ Intangibility and inconsistency
- ▶ Expectations and customer contact
- ▶ Expectations and actual experience

Question No: 4 (Marks: 1) - Please choose one

Which one of the following categories has a positive impact on customer retention?

- ▶ Complaints not expressed and not resolved
- ▶ Complaints not expressed but resolved
- ▶ Complaints expressed but not resolved
- ▶ **Complaints expressed and resolved**

Question No: 5 (Marks: 1) - Please choose one

Customer complaints should be viewed by the marketer as:

- ▶ A short-term problem that should not be viewed as a major concern
- ▶ **A source of important information and an opportunity to prove the firm's commitment to service**
- ▶ A long-term problem that will require attention in the future
- ▶ A problem that may have a negative impact on the salesperson's earnings

Question No: 6 (Marks: 1) - Please choose one

Which of the following deals with focusing customers at the end of the tunnel and not for company convenience or economy?

- ▶ **End-To-End Process**
- ▶ Customer-Based Measures
- ▶ Customer Success Factor
- ▶ Customer-Based Culture

Question No: 7 (Marks: 1) - Please choose one



Does company need to understand the work load and staff expertise in a technology implementation?

- ▶ No, because most of the work on the project will be done by the internal IT department.
- ▶ It does require a staff with expertise in business process mapping, software purchasing to keep costs low.
- ▶ External consultants can be hired for this purpose to do all the work on the project.
- ▶ It does not matter if the staff has ever implemented a technology solution before.

Question No: 8 (Marks: 1) - Please choose one

Operational customer relationship management supports which one of the following functions?

- ▶ Effective interaction
- ▶ Customer campaigns
- ▶ Front Office
- ▶ Data mining

Question No: 9 (Marks: 1) - Please choose one

Sales force automation, customer service and support and enterprise marketing automation are types of which one of the following applications?

- ▶ Analytical customer relationship management applications
- ▶ Generic customer relationship management applications
- ▶ Operational customer relationship management applications
- ▶ Supply chain management applications

Question No: 10 (Marks: 1) - Please choose one

“Data encryption and the destruction of records to ensure that they are not stolen or

abused” refers to which of the following technical functionality?

- ▶ Customer privacy considerations
- ▶ Scalability
- ▶ Data base
- ▶ Workflow

Question No: 11 (Marks: 1) - Please choose one

The three factors that influence the ethical decision-making process include:

- ▶ Peer influences, personal moral philosophies, and opportunity
- ▶ Individual factors, organizational relationships, and opportunity
- ▶ Opportunity, personal moral philosophies, and situational variables
- ▶ Individual factors, corporate culture, and peer influence

Question No: 12 (Marks: 1) - Please choose one

Customer’s evaluation of the difference between all the benefits and all the costs of a marketing offer relative to those of competing offers refers to which of the following concepts?

- ▶ Customer perceived value
- ▶ Value proposition
- ▶ Value delivery system
- ▶ Customer cost 

Question No: 13 (Marks: 1) - Please choose one

Services are typically produced and consumed simultaneously. This is an example of which of the following characteristic of services?

- ▶ Perishability
- ▶ Inseparability
- ▶ Variability
- ▶ Intangibility



Question No: 14 (Marks: 1) - Please choose one

If two customers choose exactly the same package of certain service, but customer A calls for help weekly and customer B calls only twice a year, which is most valuable customer?

- ▶ Neither A nor B
- ▶ Customer B
- ▶ Customer A
- ▶ Both A & B customer

Question No: 15 (Marks: 1) - Please choose one

Which of the following concepts refers to the process of identifying prospective buyers, understanding them intimately and developing favorable long-term perceptions of the organization and its offerings?

- ▶ A customer-oriented marketing mix
- ▶ Customer relationship management
- ▶ A database warehouse
- ▶ A flexible marketing system

Question No: 16 (Marks: 1) - Please choose one

The element of service quality which is defined as "the knowledge and courtesy of employees and their ability to convey trust and confidence" falls under which of the following categories?

- ▶ Assurance



- ▶ Empathy
- ▶ Responsiveness
- ▶ Tangibles

Question No: 17 (Marks: 1) - Please choose one

Which of the following is included in effective listening?

- ▶ Confirming one understands a message
- ▶ Showing biased behaviors
- ▶ Filtering out points of disagreement
- ▶ Criticizing on each point of the speaker

Question No: 18 (Marks: 1) - Please choose one

Which of the following is **NOT** the best way while responding to a customer?

- ▶ Be as detailed as possible
- ▶ Always agree with him or her to avoid conflict
- ▶ Hold back on feelings
- ▶ Be brief and concise

Question No: 19 (Marks: 1) - Please choose one

Which of the following is an element of an organization's internal-environment?

- ▶ Wholesalers
- ▶ Retailers
- ▶ Employees



- ▶ Competitors

Question No: 20 (Marks: 1) - Please choose one

Which of the following statements most accurately defines 'corporate strategy'?

- ▶ Corporate strategy is an organization's attempt to add value to its inputs while matching its internal activities to evolving environmental conditions
- ▶ Corporate strategy can be described as the identification of the purpose of the organization and the plans and actions to achieve that purpose
- ▶ Corporate strategy is the organization's long-term plan to meet needs of customers
- ▶ Corporate strategy can be described as an organization's sense of purpose

Question No: 21 (Marks: 1) - Please choose one

Which of the following is **NOT** a part of SWOT analysis?

- ▶ Technology
- ▶ Opportunities
- ▶ Weaknesses
- ▶ Strengths

Question No: 22 (Marks: 1) - Please choose one

Critical path analysis should be done to avoid which one of the following threats?

- ▶ Under-estimation of time requirements
- ▶ Failure to coordinate
- ▶ Over-estimation of resource competence
- ▶ Failure to follow the plan



Question No: 23 (Marks: 1) - Please choose one

Which of the following is the act of designing the company's offering and image to occupy a distinctive place in the mind of the target market?

- ▶ Segmenting
- ▶ **Positioning**
- ▶ Targeting
- ▶ Imaging

Question No: 24 (Marks: 1) - Please choose one

Which of the following is the totality of features that affect how a product looks and functions in terms of customer requirements?

- ▶ Product quality
- ▶ **Design**
- ▶ Durability
- ▶ Style

Question No: 25 (Marks: 1) - Please choose one

Which one of the following categories refers the customers who are loyal with product family name?

- ▶ Loyalty towards Sales Persons
- ▶ Loyalty towards Organization
- ▶ Loyalty towards Stores
- ▶ **Loyalty towards Brands**

Question No: 26 (Marks: 1) - Please choose one

The loyalists who divide their loyalty among few available brands fall in which one of



the following categories?

- ▶ The same watchers
- ▶ Innovators
- ▶ The hardcore
- ▶ The soft core

Question No: 27 (Marks: 1) - Please choose one

Which of the following statements is **TRUE** about brand?

- ▶ Customer loyalty is the end result of brand familiarity
- ▶ Brand recognition is the end result of customer loyalty
- ▶ Brand familiarity is the end result of brand recognition
- ▶ Brand recognition is the end result of brand familiarity

Question No: 28 (Marks: 1) - Please choose one

Which one of the following statements is **TRUE** about the retention of customers?

- ▶ Retaining customers is one 4th the cost of acquiring new customers
- ▶ Retaining customer cost is the same as the cost of acquiring new customers
- ▶ Retaining customers is one fifth the cost of acquiring new customers
- ▶ Retaining customers is one tenth the cost of acquiring new customers

Question No: 29 (Marks: 1) - Please choose one

Which of the followings **BEST** describes a brand image?

- ▶ The perception of your product or your brand by the consumer 
- ▶ Total proposition that a company makes to consumers

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Consumer's knowledge about the existence of product

Full-service design agency offering marketing solutions

Question No: 30 (Marks: 1) - Please choose one

Enhancement in a product by a company before the product is offered to customers is known as:

Value creation

Value addition

Value chain

All of the given options

Question No: 31 (Marks: 5)

How can an organization improve its customer services by “Facilitating Communication”?

Question No: 32 (Marks: 10)

If you are working as Sales Manager in big shopping mall, describe how you can be an active listener and what techniques you might use to communicate actively?