



**UNIVERSITY OF RUHUNA**  
**FACULTY OF MANAGEMENT AND FINANCE**

No of Pages : 02

No of Questions: 06

Total Marks :70

**MGT 31623 – Customer Relationship Management**

BACHELOR OF BUSINESS ADMINISTRATION DEGREE 3000 LEVEL

FIRST SEMESTER END EXAMINATION – SEPTEMBER 2023

*Three Hours*

**Instructions**

- Answer only Five (05) questions

**Question 01**

“Customer relationship marketing is a product marketing strategy that companies use to center their business and product marketing efforts around customer relationships, customer needs, and customer loyalty”

- i. Define Customer Relationship Marketing (CRM)? (07 Marks)
- ii. Describe the leaking bucket theory of marketing and its importance to customer relationship management. (07 Marks)

[Total 14 Marks]

**Question 02**

“Customer retention refers to the rate at which customers stay with a business in a given period of time.”

- i. Explain the theoretical perspectives on customer retention. (07 Marks)
- ii. How can companies attract and retain the right customers and cultivate strong customer relationships? (07 Marks)

- [Total 14 Marks]

**Question 03**

“Customer relations is the company-wide process of nurturing positive relationships with the customers including the sum of all customer interactions and experiences.”

- i. Explain the customer perceived value briefly with examples? (07 Marks)
- ii. What is personalizing Marketing? Explain your answer with examples. (07 Marks)

[Total 14 Marks]

**Question 04**

“Current and future success depends on the ability to identify outstanding supply chain partners and develop appropriate relationship with them.”

- i. Explain the difference between transactional purchasing and relationship purchasing. (07 Marks)
- ii. What are the outcomes sought from transactional relationships? (07 Marks)

[Total 14 Marks]

**Question 05**

“Simulation in a CRM is a popular area in the business and marketing literature. Researchers have described the basics of the field as well as its origins, evolution, and impact on business performance, and have studied problems such as the improvement and implementation of simulation.”

- i. What are the advantages and disadvantages of simulation in CRM? (07 Marks)
- ii. Briefly explain the queuing theory and its characteristics. (07 Marks)

[Total 14 Marks]

**Question 06**

Briefly explain the following concepts.

- i. Collaborative CRM
- ii. Customer Empowerment
- iii. Service-profit chain
- iv. CRM Technology

[3.5 Marks Each]

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