

**VPM's**  
**Dr. VN BRIMS, Thane**  
**Programme: PGDM (2016-18) (Marketing)**  
**PGDM Trimester V Examination December 2017**

|                                   |   |                 |                   |
|-----------------------------------|---|-----------------|-------------------|
| <b>Subject</b>                    | <b>CRM &amp; Customer Centric Marketing</b> |                 |                   |
| <b>Roll No.</b>                   |   | <b>Marks</b>    | <b>30 Marks</b>   |
| <b>Total No. of Questions</b>     | <b>5</b>                                    | <b>Duration</b> |                   |
| <b>Total No. of printed pages</b> | <b>2</b>                                    | <b>Date</b>     | <b>27.12.2017</b> |

**Note: Q1 is compulsory and solve any TWO from the remaining FOUR questions.**

**Q1) 10 Marks (Compulsory)**

**EXECUTIVE SUMMARY**

A paradigm shift has occurred in the concepts of marketing from the production concept to the societal concept. A prominent concept today is the customer concept, which aims to build loyalty and lifetime value by creating, maintaining, and enhancing relationships with the customer by addressing individual customer needs.

This case study addresses customer relationship marketing focusing on a service industry (i.e. Insurance Industry). A Sales representative needs to bond well with all his clients in order to be able to meet their expectations as required. Therefore, an employee with good PR skills is sure to climb the ladder of success. The protagonist in the case study, Mr. Sahil Sharma, an Employee of AFRO-INDIA Insurance Ltd., guides and trains his entire team to build, maintain, and enhance their relationship with their clients. This will not only make the clients loyal to the organization, but also will also make them brand ambassadors through word of mouth.

**BACKGROUND OF THE CASE**

Afro-India Insurance Ltd is an insurance company with a market presence across India. It has completed ten years in the Indian market with a market share of 25%. With 22 Life Insurance Companies in India vying for a piece of the market share, the competition for sustenance is tough in a region where the customers have little to no idea about life insurance policies. The customers in India are adamant of the fact that to invest in a product like life insurance whose benefits can only be reaped after death is a waste. Therefore, the question which arises here is that, how is it then possible to gain market share and attract customers? And further, what is there to make these customer prospects into consumers? The sales team needs to be aware of the importance of understanding the customer perceived service quality so that they may meet or exceed the desired expectation of the customers. This in turn will enhance the final service delivery process by making the customer loyal.

**CASE DESCRIPTION**

Mr. Praveen Sahai joined AFRO-INDIA Insurance Co. as Branch Manager-Direct Channel, Jaipur Branch, with a team of 12 Sales executive reporting to him directly. He had a very laid-back attitude and used to go to any heights to meet the monthly targets. The entire team working under him was less motivated and did not appreciate his working style. He was very authoritative and did not value clients or customer retention. According to him once a deal is struck and you have sold him the life insurance policy there should be no looking back. Instead, he thought it better to concentrate on the next deal. Mr. Praveen's only motive was to make his team work in the way he wanted so he could meet deadlines and targets.

Mr. Sahil Sharma, a sales executive who is a part of the team under Mr. Praveen Sahai, got promoted to Branch Manager-Direct Channel due to his excellent performance with 150% target achievement. He was given the Delhi branch which was new to him.

After getting to know everyone team member, his next goal was to recruit a team of 12 Sales Executive under him. Mr. Sahil did it with ease as he got all the support from the HR team and built a strong team under him. When a new Sales Executive joined him, he specifically ensured that:

1. He made the Sales Executive easy with the work place and trained him with the philosophy that insurance selling is all about relationship building.
2. The very first call that you take with a client need not mean that he will take the policy. Nevertheless, the motive should be to create such a rapport with the prospect client that any time in the future he opts for a life insurance policy he has no other option but you.

This attitude of Sahil made all his team members work with zeal and constant motivation. He himself tries to attend one opening call with his all team members so that they understand the meaning of relationship building. For he knows very well that if one client who is a prospect now, is converted into a consumer he/she can become a brand ambassador for the company. This is possible, however, only if the customer perceives that his expectations have been met. All was well at Delhi. Sahil's team was meeting the deadline of the targets. At the same time, Mr. Praveen was facing acute pressure from his team members and the clients in Jaipur and resigned from his present position of BM. The management now took a very wise and important decision of transferring Sahil from Delhi to Jaipur to handle the entire situation.

## **CHALLENGES**

Jaipur team members were very comfortable working with Sahil. In fact, they idolized him for his genuine working style. Sahil took to account all problems that affected sales and tried to inculcate in the team members that "customer is the king" and it is no longer enough to satisfy customers, we must delight them. So it is more important to build a relationship, maintain a relationship, and enhance a relationship with a prospect client or consumer rather than selling the product.

The consistent performance of Sahil in terms of customer retention and customer loyalty gave him a promotion to territory manager. Moving up the ladder within a span of five years from a mere sales person to the position of TM and for his loyalty towards the organization he was felicitated. Sahil still interacts with all his clients who have taken policies from him when he was a sales executive.

- Q1. What are the key components of customer centric marketing and how did Sahil Sharma apply them to make the Jaipur office a customer centric branch of Afro-India Insurance Ltd.
- Q2. Understanding Sahil Sharma's customer centric approach and willingness to serve the customers, suggest relevant ideas to reach out and engage with customers based on the Customer Centric Marketing Digital Map.

## **Attempt any TWO from the remaining FOUR Questions**

### **Q2)**

- a) How can an organisation develop a strong customer database?
- b) Who are the stakeholders in CRM and what is significance of CRM for these stakeholders?

### **Q3) Briefly explain Operational CRM and the modules it includes?**

### **Q4) Explain the concept of customer's perceived value and list the factors that influence customer expectations of services?**

### **Q5)**

- a) What are the steps of CRM Process? Explain each step in short.
- b) What is customer defection? List the type of defectors.