

# WOMEN'S UNIVERSITY IN AFRICA



*Addressing gender disparity and fostering equity in University Education*

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**FACULTY OF MANAGEMENT AND ENTREPRENEURIAL SCIENCES**

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**MSc STRATEGIC MARKETING MANAGEMENT**

**MAIN PAPER**

**MSM122: CUSTOMER RELATIONSHIP MANAGEMENT**

**INTAKE 4: FIRST YEAR SECOND SEMESTER**

**TIME: 2 HOURS MORNING**

**INSTRUCTIONS TO CANDIDATES**

Answer Question 1 and any other two.

## Question 1

### World of Amazon

We all know Amazon. We've all shopped there. And the reason we return to their website, time after time, is because it's easy. Their one-click ordering makes it embarrassingly convenient to shop for a new product (or three) that you may or may not need, and their prime delivery is a complete life saver when you suddenly, at 7 on a Saturday evening, remember that Mother's Day is actually tomorrow. We have all been there, right?

The simple truth is that we continuously return to the alluring world of Amazon because they make it easy for us. Remembering your past purchases better than you do. Recommending products, you might need. Storing your card details and information for an effortless checkout. All of their online decisions reveal a streamlined buying process where they give their clients exactly what they want - in the easiest way imaginable.

Nonetheless, most people are not fully aware of just how massive Amazon actually is. In fact, it's being estimated that, at some point in the near future, more than 85% of the world's products will be available for purchase on Amazon. Few other online retailers can compete with that. Yet, the numbers only increase: of every \$1 Americans spent online in 2015, Amazon managed to capture 51 cents. Furthermore, it was recently revealed by Jeff Bezos, the founder of Amazon, that 25% of all-American households now holds an Amazon Prime membership. According to Bezos' estimations, this is a number that will most likely rise to 50% of all households by 2020.

Success is no accident, as the great footballer Pele once declared, and this is especially true for Amazon. Founded by Jeff Bezos in 1994, the original vision was to build a virtual shopping place for book lovers. Wise investments and a fool-proof business plan helped navigate the young company safely through the dot-com crash, and Amazon is now the largest internet retailer in the world as measured by revenue and market capitalization. And a lot of this success can be attributed to their dynamic CRM system.

More recently, CRM developers have added enhanced features like analytics and management modules, resulting in the systems that we have today: a database of prospects and leads which you can access from a range of devices.

Used wisely, it can open up communication between you and a potential customer, and it can build lasting relationships between companies, teams and individuals. Most importantly, different teams need different views. You need to be able to fine tune your CRM system to the needs of your business.

If you ever find yourself thinking of Amazon, chances are that these words immediately spring to mind. In fact, these factors are so imperative to the company's success that it would struggle if they no longer provided a user-friendly website, smooth communication operations, and their impressively high level of data storage. As you might have guessed from the headline, one of the secrets behind this is a good CRM system.

Financially, Amazon is operating with nearly unlimited resources. Instead of shopping around for the best software system on the market, Amazon invested valuable time and money to build an in-house software tailored to their specific needs. But don't let it trick you: while their software is certainly unique, thanks to software enhancements and constant innovation in the marketplace, it's now largely similar to most other good CRM systems on the market. It actively captures customer data - for example, all your previous purchases - in order to give their customers an accurate and streamlined shopping journey. Moreover, the customer journey involves basically no human interaction at all: in just a few clicks, you can access your previous orders, track your parcels or update your details. All of this reveals a system which is both quick, profitable and efficient - for Amazon and their clients alike.

### **Required:**

Briefly provide a report explaining on any five components that have been used to build a CRM system by Amazon. [40]

### **Question 2**

Report to the management of a just opened business on any four factors that can be applied in order to promote an effective Customer Relationship Management. [20]

### **Question 3**

'Customer Knowledge Management is essential for a business.' Discuss this statement looking at the four ways that can help a business to collect data for Customer Knowledge Management.

[20]

**Question 4**

‘Digital marketing is not the only means for effective CRM.’ In relation to this statement, highlight and explain other four ways of improving CRM for a business of your choice. [20]

**Question 5**

Provide a report to the management on the importance of database management in developing an effective CRM for a business of your choice. [20]

**END**