

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS****EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE****BCOM 427: RELATIONSHIP MARKETING****STREAMS: BCOM Y4S2****TIME: 2 HOURS****DAY/DATE: WEDNESDAY 12/04/2023****11.30 A.M – 1.30 P.M**

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**INSTRUCTIONS:****Answer question one and any other two questions****QUESTION ONE (30 MARKS)**

Customer relationships are the core of any business, and when your actions yield unhappy customers, it can be a major roadblock to growth. A new relationship is like a new life. You're very excited, and you have a lot of anticipation. You have all these ideas of how it will go and how much fun it will be to start this new journey. The last things you see on the horizon are any obstacles. Even with the best intentions, things can and do go wrong in business. If, for some reason, you are unable to honour a deliverable, cannot meet the agreed – upon deadline or have to go back on your word, then take ownership of the situation. Get a hold of the customer immediately, explain the reasoning and give the update by which you can realistically have completed.

- (a) Explain the benefits of creating and maintaining customer relationships to a firm.

[10 marks]

- (b) The author quotes 'The last things you see on the horizon are any obstacles. Even with the best intentions, things can and do go wrong in business'. Explain the challenges of managing customer relationships.

[10 marks]

- (c) Explain the phases through which relationships evolve.

[10 marks]

**QUESTION TWO**

- (a) The main objectives of relationship marketing is to identify, establish, maintain and enhance relationships. Discuss any six dimensions that support the achievement of this goal. [12 marks]
- (b) Discuss the relationship drivers that organizations use in modelling and building different relationship situations. [10 marks]

**QUESTION THREE**

- (a) Relationship marketing seeks to build a chain of relationships within the organization and create the value that customers want. Explain six characteristics of a relationship marketing oriented firm. [12 marks]
- (b) Explain any four customer relationship management (CRM) strategies adopted by banks in Kenya. [8 marks]

**QUESTION FOUR**

- (a) Many organizations stress out the importance of all employees and their influence on the end customer, even if they do not contact the customer directly or they are not involved with conventional marketing activities. Discuss five relationship activities of employee empowerment in managing customer relationships. [10 marks]
- (b) Relationship marketing aims at building long term strong relationship with customers to cultivate and foster customer loyalty that will benefit both the customers and the organization. Explain how customer loyalty and retention improves the performance potential of a firm. [10 marks]
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