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**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT AND BACHELOR
OF PURCHASING AND SUPPLIES MANAGEMENT AND BACHELOR OF
COMMERCE (PROCUREMENT)**

BPLM 400,BPLM 401,BENS 403: CUSTOMER CARE AND PUBLIC RELATIONS

STREAMS:

TIME: 2 HOURS

DAY/DATE: MONDAY 4/12/2017

8.30 A.M – 10.30 A.M

INSTRUCTIONS:

- **Section A: question one is compulsory**
- **Section B: Answer any other two questions**

SECTION A

QUESTION ONE (I) IS COMPULSORY (30 MARKS)

CUSTOMER COMPLAINTS ARE THERE TO BE HEARD

Ryanair's attempts to close down a website run by a disgruntled customer provide a cautionary tale for marketers thinking of getting heavy handed with the growing breed of digitally –savvy consumers.

No longer do hard done by customers have to rely on writing to their local MP or appearing on the BBC's watchdog to get justice. Now with a little technical nouns, consumer can establish virtual shrines to their grievances by launching a 'gripe' or 'suck' site with the ability to hear a brand's reputation to shreds.

At the end of last year, a panel on behalf of the world intellectual property organization concluded that one such gripe site www.ryanaircampaign.org, set up by Michael coulston, could remain under his ownership.

The budget airline had failed I its bid convince the panel that the site fulfilled the three criteria necessary for the domain to be transferred to it. First, that it had made use of the Ryanair trademark in bad faith, second, that it had no rights or legitimate interests in the business, and third, that it could be mistaken for the carrier's official site.

It is hard to see what Ryanair gained from pursuing the action. As well as resulting in the airline coming across as a corporate bully and suppressor of free speech, its action brought coulston's site to the media attention, which in turn has led to its attracting visitors in their droves.

Since the case came to light a few weeks ago, Coulston who set up the site after Rynair lost his luggage says the total number of visitors has surged from 12,000 to more than 31,000. He adds that he has been inundated with Ryanir horror stories to the extent that there is now a backlog to be posted on the site.

Nick Johnson, partner at media law firm Osborne Clarke, describes Ryanair's approach as heavy handed . There are times when this kind of action is justified if something misleading about your brand is being said, but the downside is that it gives that gripe more publicity and makes it seem more credible than it might be, he says. 'It probably left (the decision to pursue the case) to its lawyers, rather than its consumer brand people ,' adds Marc Giusti, creative director at digital agency good technology.

Website hosted stories of bad customer service experiences are now one of the most influential factors governing consumer behavior. According to Hotwire's Blog impact Barometer 2006, produced in conjunction with IPSOS/MORI , reviews written by customers or individuals on a blog are believed by 15 percent of consumer; conversely only 4 per cent would trust an email from a company.

Managing this flood of information is a priority for marketers and there are ways of doing so without resorting to litigation. Speech of response is one of the most important factors when dealing with negative online comment says Graham Lee, account director at online PR company immediate future. He suggests marketers should be ready to stand up to criticism, though he concedes that this 'required a degree of transparency that is difficult for some companies.'

A more brutal way of trying to suppress criticism is to anticipate the likely names of irk some websites and register them before the gripers do. Johnson points to the example of Procter and Gamble, which has registered ihateproctelandgamble.com, and interestingly febrezekillspets.com. however , he adds that this approach has limited effectiveness, as a Walmart found when it registered ihatewalmart.com, only to find that someone else then registered irealyhatewalmart.com.

Nevertheless, brand protection companies such as netnames.com are doing a successful trade in snapping up potentially damaging web addresses on behalf of companies; more that 30% of

firms in the FTSE 100 subscribe to its service, which aims to prevent these websites reaching the light of day.

Gripe sites and bloggers are also proving a lucrative source for digital consultancies, which are being called upon to provide marketers with more sophisticated ways to track what is being said about them.

Companies can receive alerts every time a site upgraded, while free tools such as Technorati.com trawl the blogosphere. Agencies such as good technology and market sentinel also use bespoke software that enables brands to 'listen' to what is being about them, identify opinion formers and receivers and offer advice on how to respond.

Simon Rogers, director of market Sentinel believes good customer service must sit at the heart of any response. The most obvious thing to do is talk to the customer and try to deal with the problem, instead of putting your finger in your ears, he says citing Dell's decision to ignore blogger Jeff Jarvis's complaints, allowing him to achieve a high profile and dominate its image online.

Although they make uncomfortable reading, consumer moans can provide insight t marketers on what customers really think of their brands. If a site's content is robust but fair companies have a choice between engaging with the disgruntled customer and making improvements or ignoring the criticism . With influence of the net rising all the time and the advent of the web 2.0 age, choosing to do the latter is extremely dangerous.

Required :

- (a) Did Ryanair do the right thing by pursuing the legal action? [10marks]
- (b) What might be the best response for companies such as Ryanair? [10marks]
- (c) Discuss how customer care can be used in above circumstances to create a competitive edge? [10marks]

SECTION B:ANSWER ANY OTHER TWO QUESTIONS

- 2. (a) You have been newly recruited public relations manager for co-operative bank of Kenya limited. Prepare year 2018 public relations plan for approval by managing director. [10marks]
- (b) You are working as a customer care manager at cooperative bank of Kenya. Explain strategies you will use to deal with angry customers in the banking hall. [5marks]
- (c) Discuss how standard and value impact on customer care in hospitality industry. [5marks]

3. (a) As the head /public relations in a five star international hotel in Kenya, a rumor going round the social media indicates that the hotel has cholera out break. Prepare a crisis management report to curb the negative publicity. [10marks]
- (b) Explain techniques and strategies in customer care that will be used to improve your listening skills. [10marks]
4. (a) As a consultant in Ndagani, a client has approached you on how she will organize a mega rally in Chuka town in December 2017, Explain to your client the event management planning decisions you will undertake . [10marks]
- (b) Discuss how the following key components of customer service environment contribute to customer care delivery.
- (i) Organizational culture. [5marks]
- (ii) Delivery system [5marks]
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