



Roll No.....

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

**POST GRADUATE DIPLOMA IN MANAGEMENT (2024-26)
MID TERM QUIZ EXAMINATION (TERM -V)**

Subject Name: Customer Relationship Management

Time: **01.00 hrs**

Sub. Code: PGM 53

Max Marks: **20**

Note:

- 1. Writing anything except Roll Number on Quiz paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.**
- 2. There is no negative marking for wrong answers.**
- 3. Tick marks the correct answer.**

Attempt all questions. All questions are compulsory.

40×0.5 = 20 Marks

Q1. Customer Relationship Management (CRM) is best described as:

CO1, L2

- A software used only for sales automation
- A short-term promotional strategy
- A comprehensive strategy to manage customer interactions and relationships
- A customer complaint handling mechanism

Q2. The primary objective of CRM is to:

CO1, L2

- Increase customer acquisition costs
- Maximize product variety
- Enhance long-term customer value and relationships
- Reduce organizational hierarchy

Q3. Relationship Marketing differs from Traditional Marketing mainly because it emphasizes:

CO1, L4

- Mass advertising
- One-time transactions
- Long-term customer engagement
- Price competition

Q4. A firm focusing only on quarterly sales targets without investing in customer retention is following:

CO1, L3

- Relationship marketing
- Strategic CRM
- Traditional transactional marketing
- Collaborative CRM

Q5. Which CRM level is primarily responsible for automating sales force, call centers, and service requests?

CO1, L1

- Strategic CRM
- Analytical CRM
- Operational CRM
- Collaborative CRM

Q6. Strategic CRM focuses mainly on:

CO1, L2

- a) **Data mining tools**
- b) **Customer-centric vision and value creation**
- c) **Complaint resolution systems**
- d) **Partner communication platforms**

Q7. A retail chain using customer purchase data to design loyalty offers is practicing: **CO1, L2**

- a) Operational CRM
- b) Analytical CRM
- c) Collaborative CRM
- d) Traditional marketing

Q8. Collaborative CRM is most useful when an organization aims to: **CO1, L3**

- a) Reduce service staff
- b) Coordinate customer interactions across multiple channels
- c) Automate internal reporting
- d) Improve production efficiency

Q9. The IDIC model begins with “Identify” because firms must first: **CO1, L2**

- a) Customize products
- b) Understand who their customers are
- c) Increase retention rates
- d) Analyse profitability

Q10. In the IDIC framework, “Differentiate” helps managers to: **CO1, L4**

- a) Treat all customers equally
- b) Segment customers by value and needs
- c) Reduce customer data complexity
- d) Improve service speed

Q11. According to the CRM Value Chain model, value is created mainly through: **CO1, L2**

- a) Cost leadership
- b) Strong customer relationships
- c) Mass production
- d) High advertising expenditure

Q12. At which stage of the customer lifecycle does a firm focus on attracting first-time buyers? **CO1, L1**

- a) Retention
- b) Development
- c) Acquisition
- d) Win-back

Q13. Cross-selling and up-selling strategies are mainly used in which CRM lifecycle stage? **CO1, L3**

- a) Acquisition
- b) Retention
- c) Development
- d) Exit

Q14. A bank redesigning its services based on customer feedback is leveraging CRM to improve: **CO1, L3**

- a) Internal efficiency
- b) Customer satisfaction and loyalty
- c) Employee productivity only
- d) Market penetration

- Q15. One of the most common reasons for CRM failure is:** **CO1, L4**
- a) Lack of customer demand
 - b) Overemphasis on technology without strategy
 - c) Too much customer data
 - d) High employee motivation
- Q16. Which factor is most critical for successful CRM implementation?** **CO1, L5**
- a) Expensive CRM software
 - b) Top management support and cultural alignment
 - c) Frequent discounts
 - d) Large customer base
- Q17. CRM considers customers as organizational:** **CO1, L2**
- a) Liabilities
 - b) Cost drivers
 - c) Long-term assets
 - d) External variables
- Q18. A company coordinating email, social media, and call-center communication is mainly using:** **CO1, L3**
- a) Operational CRM
 - b) Analytical CRM
 - c) Strategic CRM
 - d) Collaborative CRM
- Q19. CRM evolution reflects a shift from:** **CO1, L2**
- a) Customer focus to product focus
 - b) Product focus to customer focus
 - c) Service focus to production focus
 - d) Relationship marketing to transactional marketing
- Q20. CRM strategy is best aligned with which marketing philosophy?** **CO1, L4**
- a) Production concept
 - b) Product concept
 - c) Societal marketing concept
 - d) Customer-centric marketing concept
- Q21. Customer Information Systems mainly capture data related to:** **CO2, L1**
- a) **Competitors**
 - b) **Suppliers**
 - c) **Customer transactions and interactions**
 - d) **Employee performance**
- Q22. Customer segmentation helps managers to:** **CO2, L2**
- a) Increase product variety
 - b) Group customers with similar characteristics
 - c) Eliminate low-income customers
 - d) Reduce CRM costs
- Q23. Segmenting customers based on usage rate and loyalty status is an example of:** **CO2, L3**
- a) Demographic segmentation
 - b) Geographic segmentation

- c) Behavioural segmentation
- d) Psychographic segmentation

- Q24. Customer profiling enables firms to:** **CO2, L2**
- a) Replace market research
 - b) Create detailed personas of target customers
 - c) Reduce database size
 - d) Eliminate churn
- Q25. Customer profitability analysis is most useful for:** **CO2, L4**
- a) Uniform pricing
 - b) Identifying high-value customers
 - c) Increasing acquisition cost
 - d) Expanding markets
- Q26. A customer generating high revenue but very high service costs is:** **CO2, L4**
- a) Always profitable
 - b) Always unprofitable
 - c) Profitable only after cost analysis
 - d) Automatically loyal
- Q27. Customer Lifetime Value (CLV) represents:** **CO2, L2**
- a) Annual customer revenue
 - b) Total profit from a customer over the relationship period
 - c) Customer satisfaction score
 - d) Acquisition cost
- Q28. Increasing customer retention rate will generally:** **CO2, L2**
- a) Reduce CLV
 - b) Increase CLV
 - c) Have no impact on CLV
 - d) Increase acquisition cost
- Q29. Which variable is NOT directly used in a basic CLV calculation?** **CO2, L4**
- a) Purchase frequency
 - b) Contribution margin
 - c) Retention rate
 - d) Brand awareness
- Q30. Discounting future cash flows in CLV reflects:** **CO2, L2**
- a) Inflation
 - b) Customer satisfaction
 - c) Time value of money
 - d) Market volatility
- Q31. Customer satisfaction occurs when:** **CO2, L2**
- a) Price is low
 - b) Expectations exceed performance
 - c) Performance meets or exceeds expectations
 - d) Brand awareness is high
- Q32. Customer loyalty is best indicated by:** **CO2, L2**
- a) Awareness
 - b) Repeat purchase and emotional attachment

- c) Price sensitivity
- d) Complaint frequency

Q33. Retention rate measures: **CO2, L1**

- a) New customer acquisition
- b) Percentage of customers retained over time
- c) Customer satisfaction
- d) Service quality

Q34. Net Promoter Score (NPS) primarily measures: **CO2, L2**

- a) Customer profitability
- b) Customer effort
- c) Likelihood of recommendation
- d) Purchase frequency

Q35. A high churn rate suggests: **CO2, L4**

- a) Strong CRM performance
- b) High customer loyalty
- c) Poor retention strategies
- d) Effective analytics

Q36. Predictive analytics in CRM is used to: **CO2, L2**

- a) Store historical data
- b) Forecast future customer behaviour
- c) Replace CRM strategy
- d) Eliminate customer complaints

Q37. Predicting which customers are likely to leave a telecom service is an example of:

- a) Descriptive analytics **CO2, L1**
- b) Diagnostic analytics
- c) Predictive analytics
- d) Prescriptive analytics

Q38. Data mining in CRM helps firms to: **CO2, L4**

- a) Store large databases
- b) Discover hidden customer patterns
- c) Automate billing
- d) Increase advertising reach

Q39. Which metric focuses on long-term customer profitability rather than short-term sales?

- a) Sales volume **CO2, L5**
- b) Market share
- c) Customer Lifetime Value
- d) Average order value

Q40. Effective use of customer analytics enables firms to: **CO2, L5**

- a) Reduce customer interaction
- b) Deliver personalized offerings and improve retention
- c) Focus only on acquisition
- d) Eliminate managerial judgment

Mapping of Questions with Course Learning Outcome

Question Number	COs	Bloom's taxonomy level	Marks Allocated
Q. 1:	CO-1	L-2	0.5
Q. 2:	CO-1	L-2	0.5
Q. 3:	CO-1	L-4	0.5
Q. 4:	CO-1	L-3	0.5
Q. 5:	CO-1	L-1	0.5
Q. 6:	CO-1	L-2	0.5
Q. 7:	CO-1	L-3	0.5
Q. 8:	CO-1	L-3	0.5
Q. 9:	CO-1	L-2	0.5
Q. 10:	CO-1	L-4	0.5
Q. 11:	CO-1	L-2	0.5
Q. 12:	CO-1	L-1	0.5
Q. 13:	CO-1	L-3	0.5
Q. 14:	CO-1	L-3	0.5
Q. 15:	CO-1	L-4	0.5
Q. 16:	CO-1	L-5	0.5
Q. 17:	CO-1	L-2	0.5
Q. 18:	CO-1	L-3	0.5
Q. 19:	CO-1	L-2	0.5
Q. 20:	CO-1	L-4	0.5
Q. 21:	CO-2	L-1	0.5
Q. 22:	CO-2	L-2	0.5
Q. 23:	CO-2	L-3	0.5
Q. 24:	CO-2	L-2	0.5
Q. 25:	CO-2	L-4	0.5
Q. 26:	CO-2	L-4	0.5
Q. 27:	CO-2	L-2	0.5
Q. 28:	CO-2	L-3	0.5

Q. 29:	CO-2	L-4	0.5
Q. 30:	CO-2	L-2	0.5
Q. 31:	CO-2	L-2	0.5
Q. 32:	CO-2	L-2	0.5
Q. 33:	CO-2	L-1	0.5
Q. 34:	CO-2	L-2	0.5
Q. 35:	CO-2	L-2	0.5
Q. 36:	CO-2	L-2	0.5
Q. 37:	CO-2	L-3	0.5
Q. 38:	CO-2	L-4	0.5
Q. 39:	CO-2	L-5	0.5
Q. 40:	CO-2	L-5	0.5