



GRADUATE ACCOUNTING AND COMMERCE CENTRE

DIVISION OF ECONOMIC AND FINANCIAL STUDIES

MKTG814:
MANAGING CUSTOMER RELATIONSHIPS

UNIT OUTLINE

Block Course

Semester 2, 2008

Lecturer: Paul Benning

COURSE OBJECTIVES

This unit is designed to explore the concept of managing customer relationships.

The objectives of the course are to:

1. Develop students' understanding of the concept of managing customer relationships
2. Promote a deeper understanding of the process of managing customer relationships
3. Encourage students to develop a sensitivity to the value of developing deep relationships with customers and the value of these relationships in the long term success of any business

It is assumed that each student has a basic understanding of the fundamentals of marketing, marketing communications and financial analysis.

FORMAT

The unit will be a combination of conventional lectures and class discussion – a seminar approach – as well as short group presentations with discussion to follow. Students are encouraged to participate as fully as possible in all discussions.

ASSESSMENT

Group Written Report:	20%
Group Presentation:	10%
Individual Assignment:	30%
Final Exam:	40%

ASSESSMENT IN DETAIL

Group Written Report (20%)

Each group is to select an appropriate organisation, to investigate the current Customer Relationship Management (CRM) strategy being undertaken and to provide insight as to how it may be modified over the next 3 years.

The report should address the following major areas in detail, in addition to any other areas that are considered relevant to the organisation:

1. The type of CRM strategy the organisation currently has in operation and what its objectives appear to be
2. If the current CRM strategy employed by the organisation is successful, if so why, if not why not
3. How could the CRM value chain model be appropriately utilised by the organisation
4. Forecasting over the next 3 years to provide advice to the organisation concerning what changes if any, should be made to their CRM strategy

In addressing these areas, the report should draw on all relevant areas covered in the course, such as:

1. Why is a CRM strategy required by the organisation?
2. What is the level of importance for the organisations CRM strategy?
3. What are the organisations competitors doing in terms of CRM initiatives?
4. What resources are required?
5. What are the budget implications and ROI?
6. How can the CRM strategy be implemented, improved or managed over time?

In terms of the format and submission of the report:

- The due date is 25th October
- There is no word limit, whatever is necessary to succinctly communicate all areas of the report
- The report must be prepared as a formal business report, written from the perspective of your group being consultants to the organisation
- A softcopy of the report must also be submitted, by email to the lecturer

Group Presentation (10%)

To accompany the submission of the group report, each group must present a brief presentation, highlighting the key areas of their report.

The presentation is to be no longer than 15 minutes, with an additional 5 minutes for questions from the class.

Presentations will occur in class on the 18th October.

Individual Assignment (30%)

Students will have a choice between three options, these being:

1. Industry Report

- Select an industry to base your report on, such as banking, airlines, telecommunications, etc and perhaps limit to a specific geography, such as Australia, Thailand, France, Asia Pacific, Europe etc
- Identify the key organisations in the industry and detail the divergent CRM strategies that are used by the key organisations
- Provide insight as to which CRM strategies appear to be the most successful in the industry
- Provide insight as to what changes in the organisations CRM strategies may occur in this industry over the next 3 year period

OR

2. Benchmark Report

- Select two competing organisations to base your report on, such as Virgin Blue and Jetstar
- Compare their CRM strategies in detail
- Identify strengths and weaknesses of each organisation's CRM strategy
- Provide insight as to what are the best aspects of each organisations CRM strategy
- Provide insight as to which organisation's CRM strategy will be the most successful over the next 3 year period

OR

3. Article

- Write an article suitable for a business publication based on CRM, the article could be similar to those appearing in:
 - BRW, CFO Asia, Advertising Age, New World Marketing etc
- The scope of the article could have a broad perspective of CRM, or could focus on a specific area.
- Possible topics could include:
 - How CRM could be successfully applied to an industry
 - You can choose what industry
 - The future of CRM
 - State what you believe some future developments will be in CRM

In terms of the format and submission of the reports:

- The due date is 18th October
- There is no word limit, whatever is necessary to succinctly communicate all areas of the report or article
- The industry and benchmarking reports must be prepared as a formal business report, written from the perspective of you being a consultant to the organisation
- The article is expected to be less words than the industry or benchmarking reports, prepared similarly to those appearing in business publications
- A softcopy of the report must also be submitted, by email to the lecturer

Final Exam (40%)

There will be a two-hour final examination worth 40% of your grade for the unit. All of the topics covered in the course will be addressed in the examination and you will have to complete two questions: one worth 20% and one worth 10% of the overall grade.

The questions are designed to examine your recollection and your understanding of the lecture content, your reading from the recommended reading list as well as the textbook, class discussion, group presentations and the group discussions of the topic, together with any further thought you have given the topic. Extra consideration will be given to original thinking over and beyond what is covered in class.

RECOMMENDED READING

Textbook:

- Buttle, F., Customer Relationship Management: Concepts and Tools (Elsevier, 2004)

Beyond the designated text, it is strongly recommended that students refer to the following books:

- The Customer Revolution – Patricia B. Seybold with Ronni T. Marshak and Jeffrey M. Lewis
- Managing the Customer Experience - Shaun Smith & Joe Wheeler (FT Prentice Hall 2002)
- Customer Experience Management: A revolutionary approach to connecting with your customers – Bernd H. Schmitt
- Texts from Don Peppers and Martha Rogers:
 - The One to One Manager: Real-World Lessons in Customer Relationship Management
 - The One to One Fieldbook
 - The One to One Future
 - Managing Customer Relationships: A Strategic Framework

Other recommended texts include:

- Keeping Customers for Life – Joan Koob Cannie with Donald Caplin
- The Loyalty Effect: The Hidden Force behind Growth, Profits, and Lasting Value – Frederick F. Reichheld
- Managing Customer Value: Creating Quality & Service that Customers Can See - Bradley T. Gale
- The Only Thing That Matters: Bringing the Power of the Customer into the Center of Your Business – Karl Albrecht
- Market-Based Management: Strategies for Growing Customer Value and Profitability – Roger J. Best

In addition, a number of articles have been reserved for students:

- Zero Defects – Alan W. H. Grant and Leonard A. Schlesinger
 - Harvard Business Review Sept-Oct 1990
- Realise Your Customers' Full Profit Potential – Alan Grant & Leonard Schlesinger
 - Harvard Business Review Sept-Oct 1995
- Business Marketing: Understand What Customers Value – James C. Anderson & James A. Narus
 - Harvard Business Review Nov-Dec 1998
- Co-opting Customer Competence – C.K. Prahalad & Venkatram Ramaswamy
 - Harvard Business Review Jan-Feb 2000
- Putting the Service-Profit Chain to Work - James L. Heskett, Thomas O. Jones, Gary W. Loveman, W. Earl Sasser, Jr., and Leonard A. Schlesinger
 - Harvard Business Review March-April 1994
- Spend a Day in the Life of Your Customers – Francis J. Guillard and Frederick D. Sturdivant
 - Harvard Business Review January-February 1994

LECTURER

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