



FACULTY OF
BUSINESS AND ECONOMICS

MKTG814
Managing Customer Relationships

First Semester, 2011

Department of Business

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT GUIDE**

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|--|-------------------------|
| Year and Semester: | 2011, Semester 1 |
| Unit convenor: | Paul Benning |
| [Prerequisites / Corequisites:] | None |
| Credit points: | 4 |

Students in this unit should read this unit guide carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

- This unit will develop students' understanding of the concept of Customer Relationship Management (CRM); promote a deeper understanding of the process of CRM; encourage students to become sensitive to the value of developing deep relationships with customers and the value of these relationships in the long-term success of any business. Students will analyze current international case studies.
- The area of Customer Relationship Management (CRM) has become an increasingly important area for most organisations as they operate in increasingly competitive environments where they must attract, retain and develop customers.

TEACHING STAFF

- Convenor: Paul Benning
- Email: pbenning@efs.mq.edu.au
- Telephone: 9850-8526
- Fax: 9850-9956
- Consultation Room: E4B104

CONSULTATION TIMES

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. You may, however, phone staff during their consultation hours.

In order to gain access to staff located at levels 1, 2 and 3 of building E4A during their consultation hours please ring the staff member from the phones available in the lobby (phone numbers of relevant staff members will be provided on Blackboard and are available next to the phones).

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

Consultation is available from 2pm – 4pm every Friday before the weekend's class in room E4B104.

CLASSES

- The unit consists of 6 days of class, where each class is 6 hours duration, held on a Saturday or Sunday, commencing at 10am and finishing at 5pm.
- The dates for the classes will be:
 - Day 1: Saturday 5th March (Room E6A102)
 - Day 2: Saturday 19th March (Room E6A102)
 - Day 3: Sunday 20th March (Room E6A102)
 - Day 4: Saturday 30th April (Room E6A102)
 - Day 5: Saturday 14th May (Room E6A102)
 - Day 6: Saturday 4th June (Room E6A102)
- The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/>

PRIZES

- None

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Prescribed Textbook:

- Buttle, Francis., Customer Relationship Management: Concepts and Technologies, 2nd Edition (Butterworth-Heinemann, 2008) ISBN: 978-1-85617-522-7

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

- 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:

- 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
- Spend a Day in the Life of Your Customers – Francis J. Guillard and Frederick D. Sturdivant
 - Harvard Business Review January-February 1994

TECHNOLOGY USED AND REQUIRED

- The technology requirements for students to access materials and complete all assessment will be:
 - Personal Computer (PC or Mac)
 - Internet access
 - Word Processing software (Word, Pages etc)
 - Presentation software (PowerPoint, Keynote etc)

UNIT WEB PAGE

- Course material is available on the learning management system (BlackBoard)
- The web page for this unit can be found at: <https://learn.mq.edu.au/>
- Students log into Blackboard using their Student ID Number and myMQ Portal Password
 - Click on MKTG814 to access this unit's resources
- Available on the unit web page will be:
 - Lecture presentations
 - Articles
 - Case studies
 - Examples of individual assignments
 - Examples of group presentations
 - Examples of group reports
 - Past semester's final examinations for the unit

LEARNING OUTCOMES

The learning objectives of this unit are to explore the concepts, theories and current issues pertaining to Customer Relationship Management (CRM), specifically:

1. Understand the main concepts and theories of CRM
2. Obtain competence in understanding the role of CRM, in the framework of how public and private organisations utilise CRM in their operations
3. Understand how customer loyalty is developed and maintained by organisations
4. Understand the concept of Total Customer Experience
5. Determine global trends and developments that are occurring in CRM
6. Gain sufficient knowledge to be able to practically apply CRM strategies to a wide range of organisations

In addition to the discipline-based learning objectives, all academic programs at Macquarie University seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:

- a. Critical, analytical and integrative thinking
- b. Problem solving and research capability
- c. Creative and innovative thinking
- d. Academic writing
- e. Business report writing
- f. Presentation skills

GRADUATE CAPABILITIES

Graduates are expected to know the above-mentioned 6 learning outcomes, in addition to the above-mentioned 6 discipline-based learning objectives.

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this by developing the following graduate capabilities:

- 1 Discipline Specific Knowledge and Skills
- 2 Critical, Analytical and Integrative Thinking
- 3 Problem Solving and Research Capability
- 4 Creative and Innovative
- 5 Effective Communication
- 6 Engaged and Ethical Local and Global citizens
- 7 Socially and Environmentally Active and Responsible
- 8 Capable of Professional and Personal Judgement and Initiative
- 9 Commitment to Continuous Learning

TEACHING AND LEARNING STRATEGY

- The unit is taught in a seminar style format
- The unit consists of 6 days of class, where each class is 6 hours duration, held on a Saturday or Sunday, commencing at 10am and finishing at 5pm.
- Specifically, classes will comprise:
 - Lecture presentations
 - Class tutorials
 - Class discussions
 - Case study discussions
 - Group presentations
 - Guest lecturer presentations (Unilever and/or Westpac)

In order to optimize the value of learning, it is strongly advised to prepare before each class, enthusiastically participate in each class and then reflect on each class. The amount of time spent out of class will vary for each individual, depending on competencies and proficiency in any area. An approximation is between 80-120 hours per unit, which is an average of 8-12 hours per class. Effective learning requires interaction between you, your lecturer and your peers. The better prepared you are before each class the greater the learning value from more focused questions and discussions. In addition, reflecting on what you have learned is an important process for you to confidently apply your newly learned skills. Therefore, in order to gain the most learning value from the synergistic relationship between your support materials and your specific unit material it is highly recommended you follow these steps for each class:

Before Each Class

1. Read the chapters of the prescribed text and any other materials that the lecturer has advised
2. Pre-read the lecture presentation that will be available for download on the unit web page, which can be found at: <https://learn.mq.edu.au/>
3. Complete any group work that is required for the class

During Each Class

1. Contribute to each session with focused questions and discussions
2. Identify clearly what you learnt and what you may be unsure of from the class
3. Ask your lecturer about any questions or problems from the current or any previous classes
4. Ensure that you understand what is required of you for the next class

After Each Class

1. Review the content covered in the class
2. Identify clearly what you learnt and what you may be unsure of from the class and try to resolve anything that you are unsure of
3. Prepare for the next class, such as reading the relevant chapters from the prescribed text, or any other materials such as articles or case studies
4. Try to work on assessment tasks after the class, when concepts, theories and current issues from the class are fresh in your mind

A summary of the topics covered in each class is provided in the table below.

| LECTURE | TOPIC |
|----------------|--|
| Day 1 | Introduction to CRM Role of CRM in Organisations Evolution of CRM CRM Value Chain Model: Overview |
| Day 2 | CRM Value Chain Model: Primary Stages CRM Value Chain Model: Supporting Conditions |
| Day 3 | Customer Loyalty Total Customer Experience Case Study (HSBC) Guest Presentation |
| Day 4 | Recent Concepts and Theories in CRM Global Trends and Developments in CRM Industry Best Practice |
| Day 5 | Group Presentations Revision of the course |
| Day 6 | Guest Presentation Case Study (Toyota) Revision of the course |

RESEARCH AND PRACTICE

- This unit uses research by Macquarie University researchers
 - L. Ang
 - P. Benning
 - F. Buttle
- This unit uses research from external sources
 - Harvard Business Review
 - Journal of Marketing
 - Journal of Consumer Research
- This unit gives you practice in applying research findings in your assignments
- This unit gives you opportunities to conduct your own research

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The assessment for this unit has been designed to help students learn and apply the concepts, theories and current issues pertaining to CRM.

The purpose of the assessment is to assess:

1. The extent to which the concepts, theories and ideas introduced are understood
2. The ability to apply these concepts, theories and ideas to public and private organisations
3. The ability to develop critical analysis, problem solving and creative thinking skills related to the area of CRM through common forms of business communication

A summary of the assessment, due dates and the marks for each is provided in the table below.

| ASSESSMENT | MARK (%) | DUE DATE |
|----------------------------|-----------------|-----------------------|
| Customer Experience Report | 10% | 1 st April |
| Group Presentation | 10% | 14 th May |
| Group Report | 20% | 20 th May |
| Individual Assignment | 20% | 27 th May |
| Final Exam | 40% | Date to be advised |

Should an extension be required regarding the submission of an assessment item, the lecturer must be advised before the due date, by email, with a full explanation of the reason that the extension is sought.

Assessment items that are submitted late without having been granted an extension by the lecturer will be subject to a daily penalty of 10% of the overall grade.

Detailed information pertaining to each piece of assessment is provided on the following pages.

| | Assessment 1 | Assessment 2 | Assessment 3 | Assessment 4 |
|--|---|---|---|---|
| Title/Name | Customer Experience Report | Group Presentation | Group Report | Individual Assignment |
| Description (<i>including length or similar if applicable</i>) | The report is to make the student aware of the interactions that a customer has with a variety of organisations and to commence developing a critical analysis of these experiences | The presentation is a summary of the group report, it is to be a formal presentation as would typically occur to senior management within an organisation | The report is to have students investigate the CRM activities of an organisation in detail, to evaluate what is being undertaken and to determine if any improvements could be made | There are three options for the individual assignment, a benchmarking report, an industry report or an article, where the student can pursue an in-depth analysis of a topic in CRM |
| Due date | 1 st April | 14 th May | 20 th May | 27 th May |
| % Weighting | 10% | 10% | 20% | 20% |
| Grading method | The marking criteria will be commensurate to how the objectives of the assessment are met (provided on subsequent pages) | The marking criteria will be commensurate to how the objectives of the assessment are met (provided on subsequent pages) | The marking criteria will be commensurate to how the objectives of the assessment are met (provided on subsequent pages) | The marking criteria will be commensurate to how the objectives of the assessment are met (provided on subsequent pages) |
| Submission method | Email to lecturer | In class | Email to lecturer | Email to lecturer |
| Feedback (<i>type, method, date</i>) | Email to student by 11 th April | In class on 14 th May | Email to student by 30 th May | Email to student by 4 th June |
| Estimated student workload (hours) | 10 hours | 5 hours | 20 hours | 20 hours |
| Learning outcomes assessed | | | | |
| 1 | Understand the main concepts and theories of CRM | Understand the main concepts and theories of CRM | Understand the main concepts and theories of CRM | Understand the main concepts and theories of CRM |
| 2 | Obtain competence in understanding the role of CRM within organisations | Obtain competence in understanding the role of CRM within organisations | Obtain competence in understanding the role of CRM within organisations | Obtain competence in understanding the role of CRM within organisations |
| 3 | Understand how customer loyalty is developed and maintained | | | Understand how customer loyalty is developed and maintained |
| 4 | Understand the concept of Total Customer Experience | | | |
| 5 | | Determine global trends and developments in CRM | Determine global trends and developments in CRM | Determine global trends and developments in CRM |
| 6 | | Gain sufficient knowledge to practically apply CRM strategies | Gain sufficient knowledge to practically apply CRM strategies | |
| Graduate capabilities assessed | | | | |
| a | Critical, analytical and integrative thinking | Critical, analytical and integrative thinking | Critical, analytical and integrative thinking | Critical, analytical and integrative thinking |
| b | | | | Problem solving and research capability |
| c | Creative and innovative thinking | | Creative and innovative thinking | Creative and innovative thinking |
| d | | | | Academic writing |
| e | Business report writing | | Business report writing | Business report writing |
| f | | Presentation skills | | |

Customer Experience Report (10%)

As customers, we are frequently in contact with a wide range of organisations in our daily lives such as banks, insurance companies, electricity and gas providers, telephone and Internet providers, airlines, hotels, doctors, dentists, schools, universities and government such as public transport and city councils.

The purpose of this customer experience report is to make you more aware of the interactions that you as a customer have with a variety of organisations and for you to commence developing a critical analysis of these experiences from the perspective of a customer.

The report should address the following major areas, in addition to any other areas that you may consider relevant:

- Provide an overview of 3 experiences that you, as a customer, have had with a range of organisations in recent weeks
- Describe in detail how you perceived your customer experience with each organisation, such as if they were above your expectations, below your expectations, or if they were merely adequate
- Determine if each organisation used some form of a customer relationship management strategy; if a CRM strategy was used, describe it and state if you believe it to be successful or not; conversely, if a CRM strategy was not used, state if you believe the organisation could employ one and if so, what they could do
- If you believe that some or all of the organisations could improve the customer experience that you encountered, provide a brief overview as to what they could do to improve

In terms of the submission and format of the Customer Experience Report:

- The due date is 1st April
- The Customer Experience Report must be submitted by email to the lecturer (in any common file format) submitted to: pbenning@efs.mq.edu.au
- The limit is 3,000 words
- All referencing must conform to the *Journal of Marketing* reference standards, details of which are provided within this unit outline
- Examples of reports are available on the unit web page, which can be found at: <https://learn.mq.edu.au>

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, where:

- Presentations will occur in class on the 14th May
- The presentation is to be no longer than 15 minutes, with an additional 5 minutes allocated for class discussion relating to the presentation
- PowerPoint or Keynote should be used in the presentation
- Examples of presentations are available on the unit web page, which can be found at: <https://learn.mq.edu.au>

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:

- The type of CRM strategy the organisation currently has in operation and what its objectives appear to be
- If the current CRM strategy employed by the organisation is successful, if so why, if not why not
- What concepts, theories, trends and developments may be suitable for the organisation to utilise
- 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:

- Why is a CRM strategy required by the organisation?
- What is the level of importance for the organisations CRM strategy?
- What are the organisations competitors doing in terms of CRM initiatives?
- What resources are required?
- What are the budget implications and ROI?
- How can the CRM strategy be implemented, improved or managed?

In terms of the format and submission of the report:

- The due date is the 27th May
- The group report must be submitted by email to the lecturer (in any common file format) submitted to: pbenning@efs.mq.edu.au
- The report must be prepared as a formal business report, written from the perspective of your group being consultants to the organisation
- For the report, there is no word limit
- All referencing must conform to the *Journal of Marketing* reference standards, details of which are provided within this unit outline
- Examples of reports are available on the unit web page, which can be found at: <https://learn.mq.edu.au>

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

2. Benchmark Report

- Select two competing organisations to base your report on, such as Qantas and Singapore Airlines
- 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

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 a specific industry
 - The future of CRM in consideration of developments in IT

In terms of the submission and format of the individual assignment:

- The due date is 27th May
- The individual assignment must be submitted by email to the lecturer (in any common file format) submitted to: pbenning@efs.mq.edu.au
- The industry and benchmarking reports must be prepared as a formal business report, written from the perspective of yourself being a consultant
- The article is expected to be prepared similarly to those appearing in leading business publications
- There is no word limit, whatever is necessary to communicate all areas of the report or article
- All referencing must conform to the *Journal of Marketing* reference standards, details of which are provided within this unit outline
- Examples of reports and articles are available on the unit web page, which can be found at: <https://learn.mq.edu.au>

Final Examination (40%)

A final examination is included as an assessment task for this unit to provide assurance that:

- i) the product belongs to the student, and
- ii) the student has attained the knowledge and skills tested in the exam

A 2 hour final examination for this unit will be held during the University Examination period.

Successful completion of the unit is conditional on a satisfactory assessment in the final exam.

The University Examination period in the First Half Year 2011 is from 6th June to 24th June 2011.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on special consideration process is available at http://www.mq.edu.au/policy/docs/special_consideration/policy.html

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Faculties may wish to signal when the Faculties' Supplementary Exams are normally scheduled.)

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at: <http://www.mq.edu.au/policy/docs/examination/policy.htm>

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- All academic work claimed as original is the work of the author making the claim
- All academic collaborations are acknowledged
- Academic work is not falsified in any way
- When the ideas of others are used, these ideas are acknowledged appropriately

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

GRADES

Macquarie University uses the following grades in coursework units of study:

HD - High Distinction
D - Distinction
CR - Credit
P - Pass
F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at: <http://www.mq.edu.au/policy/docs/grading/policy.html>

GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

http://www.businessandconomics.mq.edu.au/for/new_and_current_students/undergraduate/admin_central/grade_appeals

SPECIAL CONSIDERATION

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: http://www.mq.edu.au/policy/docs/special_consideration/procedure.html

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.