THE UNIVERSITY OF NEW SOUTH WALES

FACULTY OF COMMERCE AND ECONOMICS

School of Marketing

MARK1014: CUSTOMER RELATIONSHIP MANAGEMENT

Semester 2, 2002

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Consultation Times: Wednesday 2:00pm – 4:00pm;
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MARK 1014: CUSTOMER RELATIONSHIP MANAGEMENT

COURSE OVERVIEW

Customer relationship management (CRM) is at the core of consumer and business-to-business markets. According to IBM[1], managing the customer experience is consistently rated a top priority in surveys of marketing executives. However, among many business executives, managing the customer experience is still perceived as a marketing and services issue. There is an emerging area of research and practical experience arguing that strategies focussing on the design and delivery of customer experiences create superior value and contribute to sustainable customer preferences, in contrast to traditional marketing and service-centric strategies. However, companies can avoid managing these strategies in a systematic way. MARK 1014 focuses on understanding the strategies that companies in a range of industries can utilise to improve the overall customer experience. The overarching objective of this course is to introduce you to the principles of CRM and the key concepts, tools, and relationship management skills.

COURSE OBJECTIVES:

The course has the following major objectives. Upon completion, students will:

- Develop practical skills in relationship-building & management including commercial negotiations & conflict resolution, personnel selling, & team building.
- Understand the importance and roles of CRM in many business environments
- Develop an understanding of contemporary relationship management and relationship-building theories and frameworks
- Apply relationship management and relationship-building theories and frameworks to case studies of companies and industries, and specific business situations & contexts
- Develop critical research and analytical skills through investigating a relationship management issue, by undertaking secondary and primary data collection and presenting the findings in a written report
- Develop and apply a range of generic skills needed in any commercial business environment in interpersonal negotiation & team-work, verbal and written communication, analytical decision making, research, critical evaluation & synthesis of information, application of conceptual ideas & frameworks to business problems, critical evaluation, & time management

STRATEGIES & APPROACHES TO LEARNING

This course has three learning streams and each has a learning strategy:

a) the lectures impart to students key concepts, theories, and ideas dealing with relationship management and relationship-building in both business-to-consumer (B2C) and business-to-business (B2B) markets. These conceptual frameworks are illustrated with short case studies in a range of industries. It is expected that students will attend lectures having prepared by reading the relevant text and other assigned

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[1] See: (http://www-1.ibm.com/ibm/palisades/abi/courses/mc-ee.html)

readings, and reflect on the concepts and ideas by relating these to your own personal experiences.

b) a series of guest lectures and presentations from industry professionals who offer practical experiences about the operationalisation of relationship marketing theories in real-world settings. This is an opportunity to meet industry leaders and it is expected that you will make guests feel welcome by listening attentively to their presentations, engaging in questions & discussion, and participating in any activities they have prepared. As students, you are ambassadors for the School of Marketing, and UNSW as a whole. Please behave appropriately – be on time – do not arrive late and interrupt a presentation! Do not engage in negative criticisms of presentations, do not talk/chat during presentations. Have courtesy for the guest (and your classmates) and be attentive, interested, willing to participate, and enthusiastic.

c) a series of experiential skills-based workshops and activities that are designed to provide students with some practical workplace skills that are applicable in any relationship management business context. These skills include commercial negotiations, conflict resolution, team building and working in teams, and personnel selling. The workshops can be effective and have a beneficial learning experience only if students have completed the required preparation and actively participate and cooperate in workshop activities.

LECTURE TIMES & LOCATION:
Friday 11:00am – 2:00pm, CLB 1

REQUIRED TEXT: Available in the UNSW campus bookshop.
John Egan. 2001. Relationship Marketing: Exploring relational strategies in marketing. Pearson Education, Harlow. ISBN: 0273-64612-5

In addition to the text, the following required journal article readings are held in the open & internet reserve sections of the UNSW library:

J. Galbreath. 2002. "Twenty-first century management rules: The management of relationships as intangible assets", Management Decision, 40: 116-126.

C. Gronroos, 1997. "From marketing mix to relationship marketing – towards a paradigm shift in marketing", Management Decision, 35: 322-339.

RB. Woodruff. 1997. "Customer value: The next source for competitive advantage", J. of the Academy of Marketing Science, 25: 139-153.

MT. Hansen, N. Noria, & T.Tierney. 1999. "What's your strategy for managing knowledge?", Harvard Business Review, (March-April), pp.106-116.

J. Abbott. 2001. "Data data everywhere – and not a byte of use? Qualitative Market Research: An International Journal, 4: 182-192.

M. Robertson, C. Sorensen, & J. Swan. 2001. "Survival of the leanest: intensive knowledge work and groupware adaptation", <u>Information Technology & People</u> 14: 334-352.

D.J. Pauleen & P. Yoong. 2001. "Facilitating virtual team relationships via the internet and conventional communication channels", <u>Internet Research: Electronic Networking Applications and Policy</u> 11: 190-202.

J. Swan, M. Bowers, & L. Richardson. 1999. "Customer trust in the salesperson: an integrative review and meta-analysis of the empirical literature", <u>J. of Business Research</u> 44: 93-107.

M. Edwardson. 1998. "Measuring consumer emotions in service encounters: an exploratory analysis", <u>Australian Journal of Market Research</u> 6 (2): 34-48.

JH Gilmore & BJ Pine. 1997. "The Four Faces of Mass Customization", <u>Harvard Business Review</u>, (Jan-Feb), pp.91-101.

J. Galbreath & T. Rogers. 1999. "Customer relationship leadership: a leadership and motivation model for 21st century business", <u>The TQM Magazine</u>, 11: 161-171.

L. Ryals & S. Knox. 2001. "Cross-functional Issues in the Implementation of Relationship Marketing Through Customer Relationship Management", <u>European Management Journal,</u> 19: 534-541.

N. Archer & Y. Yuan. 2000. "Managing business-to-business relationships throughout the e-commerce procurement life cycle", <u>Internet Research: Electronic Networking Applications and Policy</u>, 10: 385-395.

ASSESSMENTS
During the course of the semester, students will complete the following assignments for grading:

- Team Research Report: 25%
- Team Research Report Poster Presentation: 10%
- Skills Exercises & Activities (graded individually): 20%
- Final Exam: 45% (held in the examination period)

Team Research Report 25% (due week 12 in class, 25 October, Submit to me in the lecture) Length: 2500 words of main text (executive summary & references extra).
Working in collaborative teams of 3 or 4 colleagues, you are required to research and produce a research report on one (1) of the topics listed. The list of topics will be distributed in week 1. Peer assessment applies (read the notes below), and you must attach a group participation sheet (attached at the back of this course outline).

Format: Your report must be type-written and double-spaced. It should be well-organised into sections using headings (e.g. executive summary, introduction, literature review, discussion of findings, conclusions, references). Where relevant and useful to explain and support your arguments, graphs, tables, and flow diagrams may be useful. It is the responsibility of the group to make and keep a photocopy of the report. Two (2) copies must be submitted: 1 will be marked and returned to the group; the other kept on file by me. Do not bind the reports in any way - simply attach pages together with a staple or clip in the upper left corner!

These are major research reports, and although it may be important for you to consult web sites, it will be expected that a substantial portion of your research material & content (especially the literature review section) will be derived from searching the electronic academic databases on the UNSW library homepage (e.g., Emerald, Expanded Academic Abstracts, ABI Inform/Proquest, Current Contents, APAIS, etc). Your report should have a minimum of 6-8 academic research references, sourced from marketing and management academic databased as noted above. You should also consider arranging to undertake some primary research by interviewing business personnel within the companies you select as case studies.

The format of your final report should include the following parts:
1. Title page & title reflecting what report topic is focused on, & authors

2. The key components in the body of a properly structured research report are:

- *Introduction (200 words):* State clearly what the area of research involves, and the key issues addressed. The purpose is to introduce the reader to the research.

- *Research Framework based on a literature review (1000 words):*

- *Discussion of Research Findings (1000 words):*

- *Conclusions & Recommendations (300 words):* This section should be devoted to what has previously been presented in your report. The purpose of this section is to tie the research together, & explain the conclusions that can be drawn from the evidence. What are some recommendations pertaining to your report for others (companies, other stakeholders)?

- *References List*

You MUST provide an alphabetical list of all the authors whose work you have used to support your case. In most marketing & management disciplines it is customary to follow the Harvard method. Note the different ways in which books, journal articles, magazines, videos, and newspapers articles are referenced. **Reports that are not thoroughly referenced throughout the report, and do not contain complete and proper bibliographic details of sources cited and used will constitute plagiarism & cheating and will be severely penalized possibly leading to failure.** Read the notes dealing with cheating and plagiarism below.

Other important points to remember:
- The report should have at least 6 academic research references.
- You must include the peer-assessment page and grade allocation sheet (attached at the back of this course outline)
- Reports with improper and/or incorrect referencing & bibliographic citations; and excessive spelling, grammatical errors, and poor organisation will be severely penalised
- Late submission will not be accepted – extensions will NOT be granted, and late assignments will be penalised at a rate of 10% per day late including weekends.
- You will no doubt be preparing your report on a computer. Make sure that you back up your files every time you make changes & have several disks with copies, and make sure that your back-up disks are kept in at least two different safe places—perhaps one set at home and the other somewhere else.
- YOU MUST keep all rough copies/drafts of your report, & copies of research materials used, any notes made from your research, etc. I may call on you to provide these as evidence that all work is indeed your own.

Topics: TBA – a list will be distributed in week 1.

Poster Presentation of Research Report 10% - details and guidelines TBA in week 1

Relationship Management Skills Exercises 20%
Practical workshops emphasize the development of skills needed to become a CRM professional. These skills are developed through practical activities in-class, and through

demonstrations from CRM professionals who are guest speakers in the class. These practicals will be collected for grading from everyone in the class any number of times without notification throughout the semester – so you must come prepared! Late submissions will not be accepted.

Final Exam (held in the end-of-semester examination period; closed book, study notes not permitted) 45%
The final examination is comprehensive and covers all course content from weeks 1-14: i.e. lectures, guest lectures, videos, skills exercises, the text and other assigned readings, etc. Further details as to the format of the exam and study preparation will be provided once semester two has commenced.

NOTES ON PEER ASSESSMENT
Working in groups is a valuable experience for students in that it reflects working life, however, it presents some difficulties for markers. In particular, the marker is not present at any of the group meetings, and so does not see the contributions of the individual members. The marker will mark the project, but will rely on information from each group to generate individual marks. To provide an assessment of each group member's contribution to the project two things are to be handed in as part of your project.

1) Each student is to write up to one page outlining their own contribution to group projects and include it in an appendix to the project. All team members must read these statements, and sign them to indicate their agreement with the team member's contribution.

2) The group members are to agree on the contribution made by each member and sign off on their decision using the attached sheets at the back of this course outline. This information is to be included on the assignment cover sheet. If the group considers that all members have contributed equally, then each member will put 100% as their contribution and all members will be given the same grade as the marker gives the written assignment. If, for example, the group considers that one person has contributed significantly more than the others then that person will put down 100% as their contribution, and the others will put down something less than 100%. Another example would be where the group agrees than one member has done significantly less than the others, in this case that person would put down something less than 100% as their contribution.

The group mark for the project will then be multiplied by the contribution % for each member of the group to arrive at an individual mark for each student. So, if a student has a contribution of 100%, and a group project mark of 75, then the student will be given an individual mark of 75 (75 x100%). If, however, a student has a contribution of 90%, and a group project mark of 75, then the student will be given an individual mark of 67.5 (75 x 90%).

When assessing each member's contribution it is important to take a balanced view, recognising that there are various roles, skills and stages involved in the assignment. The project will involve information gathering, familiarisation with theory, synthesis of ideas, analysis of information, writing of the project report and finally word processing the project report. When working in groups it is usual for people to take on various roles (leader, scribe, idea generator, etc). While some roles are more visible than others, none is any more important than the others. Unless all are done well, the result will be flawed. It is up to the group to negotiate amongst itself how the work will be allocated in an equitable manner, making the best use of people's strengths. There are three things that we would give weight to when assessing group members contributions, firstly their attendance at group meetings, secondly their punctual delivery of the work that the group has assigned them, and thirdly whether or not their contribution to discussions are based on the theory.

ADMINISTRATIVE MATTERS

Students may e-mail me about academic or other matters; however assignments will ***not*** be accepted if submitted by e-mail. All assignments are due in class on the due date. Late submissions will be penalised at a rate of 10% per day late; students with extenuating reasons must provide relevant written support documentation.

STUDENT SUPPORT

Student counselling services, the Learning Centre, the UNSW Library resources, and other resources available to students at the UNSW are outlined in the UNSW Calendar 2002. Students who require some adjustments in their teaching or learning environments should seek the advice of the Equity Officer (Disability) in the EADU (phone 9385 4734) and myself at the commencement of the semester.

ACADEMIC MISCONDUCT

Students are bound by the rules relating to academic misconduct in the University of New South Wales Calendar, 2002. Students should be aware of the nature of plagiarism; students are bound by the rules relating to it in the University of New South Wales Calendar, 2002.

The dangers of cheating and plagiarism and how to avoid them

Cheating and plagiarism are regards as attempts to gain an unfair advantage over your fellow students and will not be tolerated. To cheat in the context of university assignments, tests and examinations is to attempt to gain an unfair advantage by violating the principles of intellectual and scholarly integrity. Cheating also encompasses plagiarism, which is the appropriation or imitation of an another person's ideas and manner of expressing them.

What is cheating?

You will be guilty of cheating if you do any of the following:

1. Copy from another student during a test or examination. This is cheating whether or not there is collusion between the students involved. Collusion with another student who wishes to cheat from you exposes both parties to penalties under University Regulations.
2. Use or paraphrase the work of others, including any document, audio-visual or computer-based material, when preparing an assignment or writing an examination, and pretend it is your own work by not acknowledging where it came from.
3. Copy from another student's coursework whether that copying be with or without the knowledge of that student. This includes:
    - copying all or part of someone else's assignment
    - allowing someone else to copy all or part of your assignment
    - having someone else do all or part of an assignment for you
    - doing all or part of someone else's assignment for them.
4. Make up data and fabricate results in research assignments.
5. Impersonate someone else in an examination or test, or arrange such impersonation.

6.   Use forbidden material in a test or examination, whether in printed or electronic form. For example, attempting to use a non-standard calculator in a restricted calculator examination.

Why is it wrong?

If you take and use the work of another person without clearly stating or acknowledging your source, you are falsely claiming that material as your own work and committing an act of plagiarism. This is wrong because: a) it violates the principle of intellectual and scholarly integrity; and b) it devalues the grades and qualifications gained legitimately by other students.

Preventing cheating

All students and staff have a responsibility to prevent, discourage and report cheating. Typically students cheat because they are having difficulty with the unit content, the language of the unit, or both. Cheating and/or plagiarism can be a temptation when students are experiencing difficulty with a heavy workload in the unit and seek to save time by using others work.

To avoid having students resort to cheating, the University provides many services to help students with their course or to make thoughtful decisions about whether to continue. Students should first seek assistance from their tutor and/or lecturer.

There is a difference between getting help and cheating. You are encouraged to get help if you need assistance to understand the material and any set work so that you are in a better position to create your own answers.

How to play safe

To maintain good academic practice, so that you may be given credit for your own efforts, and so that your own contribution can be properly appreciated and evaluated, you should acknowledge your sources and you should ALWAYS:

(i)   State clearly in the appropriate form where you found the material on which you have based your work, using the system of reference specified by the School in which your assignment was set;

(ii)   Acknowledge the people whose concepts, experiments or results you have extracted, developed or summarised, even if you put these ideas into your own words;

(iii) Avoid excessive copying of passages by another author, even where the source is acknowledged. Find another form of words to show that you have thought about the material and understood it, but remember to state clearly where you found the ideas.

There is nothing wrong with working with other students in a group; indeed sometimes you will be encouraged to do so. But after a certain point, each student must work on their own to produce their own written answers. If no specific guidelines for group-work have been given, a reasonable interpretation is that it is acceptable for two or more

students to discuss a problem among themselves or with a staff member. The group may then agree that the answer should include certain points. But then each member of the group must independently write their own answer to the problem.

Penalties
Students who are guilty of cheating and plagiarism will be penalised. Depending on the nature of the offence, the unit coordinator will determine the penalty. For example, extensive plagiarism may result in zero marks for an assignment. Repeat offences will be referred to the University Discipline Committee and may result in failure or expulsion from the university.

(This material has been compiled from the existing plagiarism documents of Macquarie University and University of Auckland.)

Some useful Web sites are:
http://www.cio.com/forums/knowledge/index_content.html
http:// www. knowledgebasemarketing.com/impact/analytics.htm
http:// www. crmguru.com
http://www.ibm.com/services/crm
http:// www. ac.com/services/crm
http:// www. eloyalty.com
http:// www. qii.com

LECTURE STREAM AND READING PROGRAM

Date	Week #	Lecture Topic & Readings	Lecturer	Skills Workshop/ Guest Speakers
2 Aug	1	Course administration; Introduction to CRM Readings: Egan Chap 1; Gronroos, 1997; Galbreath 2002	Dr. Pierre Agnes (PA)	
9 Aug	2	Theories of relationships; the customer-centric economy Readings: Egan Chap 2 & 4; Woodruff 1997;	PA	
16 Aug	3	Knowledge Management, Customer Acquisition & Retention Readings: Egan Chap 3;	PA	Guest Speaker – Pinpoint?
23 Aug	4	Partnerships with customers Readings: Egan Chap 6;	PA	
30 Aug	5	Consumer Emotion and Trust in Relationship Marketing Readings: Egan Chap 5; Edwardson, 1998; Swan et al., 1999	Guest Speaker: Mr. Michael Edwardson	
6 Sept	6	Personal Selling & Direct Marketing Readings:	PA	Mr. Peter Mattick, Joint MD – Salmat Direct Marketing
13 Sept	7	Commercial Negotiations Readings:	Dr. George Holmes?	
20 Sept	8	Partnerships with Suppliers Readings: Egan Chap 8; Archer & Yuan, 2000;	PA	
27 Sept	9	Collaborative External Partnerships Readings: Egan Chap 9	PA	Guest Speaker – Qantas?
28 September – 7 October: Mid-Semester Break				
11 Oct	10	Internal Partnerships Readings: Egan Chap 7; Ryals & Knox 2001.	PA	
18 Oct	11	Change Management for CRM: GDSS and team building relationships Readings: Pauleen & Yoong, 2001; Robertson et al., 2001	Ms. Sheri Evans	
25 Oct	12	Technology & CRM Readings: Egan Chap 10	PA	
1 Nov	13	Technology & CRM Readings:	PA	Guest Speaker – IBM?
8 Nov	14	Course Synthesis; Exam Review Readings: Egan Chap 11	PA	None

MARK 1014: CUSTOMER RELATIONSHIP MANAGEMENT

GROUP RESEARCH REPORT SUBMISSION SHEET

Lecturer: Dr. Pierre Agnes

Research Report Title:

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Student Name	ID Number	Work Participation Score %	Student Signature
		/100	
		/100	
		/100	
		/100	
		/100	
		/100	

MARK 1014: CUSTOMER RELATIONSHIP MANAGEMENT

GROUP POSTER PRESENTATION SUBMISSION SHEET

Lecturer: Dr. Pierre Agnes

Student Name	ID Number	Work Participation Score %	Student Signature
		/100	
		/100	
		/100	
		/100	
		/100	
		/100	