### PART A – Customer Relationship Management

<table>
<thead>
<tr>
<th>QUESTIONS</th>
<th>YOUR ANSWERS</th>
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| Developing a CRM strategy is discussed in chapter 8 of the Jessup book.  
- What changes are necessary for an organization to successfully implement a CRM? | A successful CRM strategy must include enterprise-wide changes, including policy and business process changes, customer service changes, employee training changes, data collection, analysis, and sharing changes. Organizations must develop organizational policies and procedures that reflect a customer-focused culture, key metrics for managing the business need to reflect customer-focused measures for quality and satisfaction as well as process changes to enhance the customer experience, employees from all areas must have a consistent focus that values customer service and satisfaction, and all aspects of the customer experience must be tracked, analyzed, and shared to optimize the benefits of the CRM. |

In chapter 8 of the Jessup book, the terms **analytical CRM**, **collaborative CRM** and **operational CRM** are introduced.  
According to the book,  
What is an **analytical CRM**?  
What is a **collaborative CRM**?  
What is an **operational CRM**? | Analytical CRM: Systems for analyzing customer behavior and perceptions in order to provide business intelligence.  
Collaborative CRM: Systems for providing effective and efficient communication with the customer from the entire organization.  
Operational CRM: Systems for automating the fundamental business processes such as marketing, sales, and support for interacting with the customer. |

List one function that a CRM performs for the sales organization (from the Microsoft site). | The dashboards function creates rollup and regional dashboards that help managers monitor their team’s performance. These dashboards can be used to examine regional sales data more closely. |

List one function that a CRM performs for marketing organizations (from the Microsoft site). | The Microsoft Outlook application allows users to track sales opportunities. The region sale dashboard provides a graph to... |
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<td>Which Sales Plan scenario provides the highest total revenue (printer &amp; ink cartridge) over the life of the product?</td>
<td>Sales Plan # 2 provides the highest total revenue for printer and ink cartridges over the life of the product.</td>
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<tr>
<td>Which Sales Plan scenario provides the highest level of total profit (printer &amp; ink cartridge) over the life of the product?</td>
<td>Sales Plan # 2 provides the highest total profit for printer and ink cartridges over the life of the product.</td>
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<td>Can it make sense to sell printers at a loss, in order to maximize revenue and profit? Why?</td>
<td>It makes sense to sell printers at a loss in order to maximize revenue and profit, because consumers are only going to buy a printer once every few years. Consumers would be buying ink cartridges more frequently than printers; therefore, the ink cartridges should be set at a price where they create a high profit margin to make up for the loss on printer sales.</td>
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<tr>
<td>As a manager using this DSS application, which Sales Plan would you choose? Why?</td>
<td>As a manager using the DSS application, I would choose Sales Plan # 2, because it produces the highest total profit for the company and allows the company to succeed in the printer and ink cartridge market. As a manager, I would want to maximize profit in order for the business to grow and remain competitive in the market.</td>
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**Table A**

Sales & Marketing Scenarios: To be used for your DSS evaluations.

**Sales Plan 1:**

*Price Assumptions*

- **Price:** $75
- **Average Printer Life(years):** 3
- **Printer Profit Margin:** -20%
Highest Expected Yearly Sales: 1,500,000

Cartridge Assumptions
Cartridge Price: $40
Frequency of Cartridge Purchase: 6 mos.
Cartridge Profit Margin: 65%

Sales Plan 2:
Price Assumptions
Price: $65
Average Printer Life (years): 3
Printer Profit Margin: -30%
Highest Expected Yearly Sales: 2,000,000

Cartridge Assumptions
Cartridge Price: $65
Frequency of Cartridge Purchase: 6 mos.
Cartridge Profit Margin: 70%

Sales Plan 3:
Price Assumptions
Price: $95
Average Printer Life (years): 3
Printer Profit Margin: 25%
Highest Expected Yearly Sales: 985,000

Cartridge Assumptions
Cartridge Price: $40
Frequency of Cartridge Purchase: 6 mos.
Cartridge Profit Margin: 45%

Sales Plan 4:
Price Assumptions
Price: $50
Average Printer Life (years): 3
Printer Profit Margin: 10%
Highest Expected Yearly Sales: 1,600,000

Cartridge Assumptions
Cartridge Price: $46
Frequency of Cartridge Purchase: 6 mos.
Cartridge Profit Margin: 60%
Sales Plan # 1

Sales Plan # 2

Sales Plan # 3
Which customer spent the least amount of money in February?
The customer that spent the least amount of money in February was Maria Lopez.

Which customer spent the most in February and which sales person was responsible for the majority of these sales?
The customer that spent the most money in February was Mathew Jones. The salesperson that was responsible for the majority of these sales was Jenkin.

Which product provided the most revenue?
The product that provided the most revenue was laser printers.

Which salesperson provided the most sales revenue?
The salesperson that provided the most sales revenue was Jenkin.