



**ZIMBABWE EZEKIEL GUTI UNIVERSITY**

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**FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING**

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**DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT**

**EXAMINATION PAPER**

**COURSE CODE** : CMA406  
**COURSE TITLE** : RELATIONSHIP MARKETING  
**SPECIAL REQUIREMENTS** : NONE  
**DURATION** : 3 HOURS  
**DATE** : 30 JUN 2022

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue.
2. Answer **QUESTION ONE (1)** and any other **THREE (3)** questions.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets [ ]

## QUESTION ONE [COMPULSORY]

### CASE STUDY

#### The Hotel Group

In the beginning of the 1990s, the hotel sector in Sweden suffered a reduction in room reservations. The hotels in the town of Östersund were hit hard and the managers of two of the largest hotels decided to start a local hotel network, the Hotel Group. There were 12 hotels and 2 guesthouses in Östersund varying in size from 7 to 177 rooms with 10 different owners, all but one being privately owned, and 7 belonging to chains. All the hotels in town joined the Hotel Group.

In addition, the Tourist and Congress Office, operated by the local government, became part of the group. The network has been successful in balancing the interests of its members to jointly market Östersund as a destination, but at the same time keeping individual freedom to compete for guests. The members agree that three basic principles are vital for the network: show enthusiasm, give time and participate actively, and contribute to financing. The outcome was increased reservations of available rooms from 48 per cent in 1996 to 54 per cent in 2001 and 57 per cent in 2002, considerably more than in the rest of Sweden. In 2002, the Hotel Group was awarded the local prize “ Businessman of the Year ” because of their success in attracting tourists to the destination to the benefit of all local businesses.

*Adapted from Gummerson, E (2008). Total Relationship Marketing, 3<sup>rd</sup> Edition, Elsevier Ltd.*

Required;

- a) With reference to the '30 Rs of Relationship Marketing, classify the relationship/s in the case study (Paragraph 1, lines 1 to 6). **[5 marks]**
- b) What is the type of competition demonstrated in the case study? Justify your answer. **[5 marks]**
- c) With reference to the case study, apply the Industrial Marketing and Purchasing (1980) model's;
  - i. Actor bonds
  - ii. Resource ties

iii. Activity links

[15 marks]

## QUESTION TWO

Discuss any five (5) strategies for terminating customer relationships.

[25 marks]

## QUESTION THREE

Evaluate the impact of Kotler's 6 forces framework in the external marketing environment of an organisation of your choice.

[25 marks]

## QUESTION FOUR

What do you understand by the following Customer Relationship Management (CRM) concepts?

- a) Operational CRM [5 marks]
- b) Analytical CRM [5 marks]
- c) Collaborative CRM [5 marks]
- d) Strategic CRM [5 marks]
- e) Moments of truth [5 marks]

## QUESTION FIVE

Using your understanding of the Service Profit Chain, demonstrate the significance of internal marketing to an organisation of your choice.

[25 marks]

**END OF PAPER**