NOTE: IT IS A SET OF REVIEW QUESTIONS, TO HELP YOU REVISE AND PREPARE FOR THE EXAM.

Define each of the following terms:

Closed-loop CRM, Customer churn, customer acquisition, on-line analytical processing (OLAP), data warehouse, data mining, customer-centric data warehouse, data quality, data cleansing, customer segmentation, customer optimisation, clustering, decision trees, dimensional modelling, market-basket analysis, clickstream analysis, analytically derived customer segments, rule discovery, geographic segmentation variables, association analysis, customer lifetime value, collaborative CRM, event-based marketing

Contrast the following terms:

mass marketing; targeted marketing
segmentation variables: demographic vs behavioural patterns
supervised data mining; unsupervised data mining
up-selling; cross-selling
customer behavioural data; customer circumstances
analytical CRM; operational CRM
Traditional Target Marketing; Customer Needs Marketing
predictive data mining; descriptive data mining

Outline the stages in the customer life cycle.

What is the definition and purpose of a CRM system?

List and describe objectives of CRM.

Why is CRM more difficult now than in the past?

What is the motivation for introducing CRM systems in organisations?

Discuss the importance of Close-Loop CRM

What is churn? What impact does it have on a business?

Describe the architecture and technologies for analytical CRM.

Describe the role of data warehouse in analytical CRM

Modelling of customer data has been described as the most challenging problem for any data warehouse (Kimball, 2002). Explain why.
Describe and discuss the challenges for the development of a data warehouse for CRM.

Discuss the weaknesses of using dimensional modelling for modelling a data warehouse for CRM.

Describe Todman’s approach to modelling a customer-centric data warehouse.

Why is data quality so important in a CRM data warehouse environment?

What are neural networks? Describe how neural networks can be used for:
   a. marketing campaign
   b. credit risk assessment
   c. churn modelling

What are decision trees? Describe how decision trees can be used for data mining for CRM.

Describe how data mining can be used for churn modelling (refer to the DataCruncher exercise from Groth)

How can analytical programs in CRM systems be used in a win-back strategy?

Describe the role of visualisation in analytical CRM

Describe the process of developing predictive models for predictive data mining.

Describe a scenario in which data mining predictive models can be integrated into a marketing campaign.

Describe typical problems in integrating data mining into business processes.

How can data mining be used at each stage of the customer life cycle?

What is market basket analysis and how is it applied in CRM?

CRM holds great hope for large enterprises and their attempts to use customer information strategically. Discuss CRM, and its likely impact on such large commercial enterprises as major banks, retailers and insurance houses.

List and describe typical criteria for a CRM product selection

Describe the difference between traditional target marketing and event-based marketing.

Describe the product to customer shift.