

The
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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF COMMERCE/ BACHELOR OF
MANAGEMENT AND LEADERSHIP

MKT 424: RELATIONSHIP MARKETING

DATE: 14TH APRIL 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

Masicomi PLC, Kenya's largest telecommunications provider, has built its reputation on innovation, customer loyalty, and wide network coverage. Over the past two decades, the company has grown from a basic mobile telephony provider to a diversified enterprise offering mobile money, broadband services, and enterprise solutions. Its flagship service, **M-Pesa**, has transformed Kenya's financial landscape by enabling millions of people to transact digitally.

Despite its dominant market position, Masicomi is facing increasing pressure from both local and international competitors. Airtel and Telkom Kenya are aggressively cutting prices to attract price-sensitive customers, while emerging digital-first providers are leveraging mobile apps and data-driven marketing to appeal to young, tech-savvy consumers. As a result, Masicomi's long-held advantage in customer loyalty is being challenged.

The company has invested heavily in strengthening its Customer Relationship Management (CRM) strategy. This includes rolling out advanced CRM systems that collect and analyze customer data to deliver personalized promotions. For example, customers who frequently use data bundles are targeted with special "daily bundle" offers, while long-term clients benefit from the "Platinum" loyalty program, which provides discounts and exclusive services.

Yet, these initiatives are not without challenges. Many customers have raised concerns about how their personal data is being collected and used, especially as data protection laws in Kenya become stricter. At the same time, customer complaints on social media platforms about high call rates, poor customer service, and network downtimes have become increasingly visible, putting pressure on the company to improve its service delivery.

Masicomi also faces the challenge of managing relationships with multiple stakeholders. Individual consumers demand affordability and convenience, corporate clients seek reliability and advanced ICT solutions, regulators focus on compliance and consumer protection, while employees expect motivation and career growth. Investors, on the other hand, require sustainable returns and strong

governance practices. Balancing the needs of these diverse groups is proving to be a delicate task.

Digital transformation offers both opportunities and risks. Masicomi is experimenting with AI-driven customer service chatbots, using mobile apps for customer engagement, and employing social media listening tools to track customer sentiment. While these tools improve responsiveness and efficiency, critics argue that technology alone cannot build strong relationships without trust, transparency, and consistent service quality.

Moreover, the company's CRM strategy must evolve in line with changing consumer behavior. Urban consumers demand cutting-edge digital experiences, while rural customers continue to value affordability, reliability, and community engagement. Masicomi must therefore tailor its relationship marketing strategies to fit different customer segments without alienating either group. As a consultant hired to evaluate Masicomi's CRM journey, you are tasked to provide actionable recommendations that will strengthen the company's relationship marketing strategy and help sustain its competitive advantage.

Required:

- a) Identify and explain the relationship marketing challenges facing Masicomi. **(6 marks)**
- b) Using the relationship management chain, analyze how Masicomi can improve relationships with at least three key stakeholder groups. **(9 marks)**
- c) Recommend two CRM strategies Masicomi could adopt to balance personalization with customer trust. **(6 marks)**
- d) Explain how technology and social media can enhance Masicomi's relationship marketing, giving practical examples. **(4 marks)**

QUESTION TWO

A mid-sized Kenyan bank is struggling with customer retention as fintech startups attract its young customers with digital wallets and flexible loan apps.

- a) Propose a CRM framework that the bank can use to retain customers. **(7 marks)**
- b) Explain how customer data analytics can help the bank design effective retention programs. **(8 marks)**

QUESTION THREE

- a) Describe how value propositions can be applied by a Kenyan airline (e.g., Kenya Airways) to strengthen customer relationships. **(7.5 MARKS)**
- b) Discuss how co-creation can be applied by a Kenyan airline (e.g., Kenya Airways) to strengthen customer relationships. **(7.5 MARKS)**

QUESTION FOUR

A university wants to improve its relationships with multiple stakeholders (students, alumni, employers, and staff).

- a) Using the six markets stakeholder model, explain how the university should manage these relationships. **(9 marks)**
- b) Recommend ways in which internal marketing can enhance staff engagement. **(6 marks)**

QUESTION FIVE

- a) Discuss how social media can be used to build trust and long-term relationships in the hospitality industry. **(7.5 MARKS)**
- b) Elaborate how CRM systems and mobile apps can be used to build trust and long-term relationships in the hospitality industry. **(7.5 MARKS)**

QUESTION SIX

Relationship selling has become a key driver in B2B markets. Assume you are advising a Kenyan ICT firm supplying cloud services to corporates:

- a) Explain the elements of relationship selling relevant to this context. **(7 marks)**
- b) Assess how relationship selling creates value for both buyer and seller.

(8 marks)