

CRM (BUSM&L 4212)

Instructor: Dr. Nino Hardt
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 Office hours: Wed, 2-4pm
 Course website: <https://carmen.osu.edu/>

Class Schedule (location) TuTh 2:20PM - 3:40PM Schoenbaum Hall 305

Course Materials

1. Kumar and Reinartz, 2012, "Customer Relationship Management: Concept, Strategy and Tools", 2nd edition, Springer
 ISBN-10: 3642201091, ISBN-13: 978-3642201097 (also check out the cheaper kindle edition of the book)
2. Case Studies, (<https://hbsp.harvard.edu/import/558425> (CRM 2018))
3. Additional readings provided on course page

SPSS

We will use SPSS for the lab assignments. While we will use the lab or mobile lab for the scheduled lab session, I recommend that you also install it on your own personal computer. Both PC and OSX versions are available for free through the OCIO. Please follow the steps in the OCIO self-service (<https://ocio.osu.edu/software/software-request-instructions>) to obtain a license and download link. You will also find instructions on how to obtain it on the Carmen course page.

Communication

- I use Carmen / Canvas extensively. I will post all course materials there.

If you would like to contact me ...

- E-mail: The fastest way to contact me outside class is via email. You can send email directly or through Carmen, whatever you prefer.
- In person:
 - o If you stop by during office hours, you do not have to make an appointment. While not required, I do appreciate if you let me know in advance, so I know how many students to expect.
 - o If you would like to see me at another time, I recommend that you send me an email ahead of time. Usually I am in my office 5 days of the week, and I am happy to schedule same day appointments whenever possible.

Tentative Schedule

Below is a tentative overview of the class schedule. Please refer to the course page on Carmen/Canvas for all details and the most up-to date version of the schedule. The schedule **may be subject to change** as I try to **accommodate guest speaker(s)**.

#	Date	Topic	book	Assignments	
1	1	8/21	Welcome and Introduction	1	
	2	8/23	Conceptual foundations of CRM & Overview of Metrics	2,5	
2	3	8/28	The LTV/CLV concept	6.1, 6.2	
	4	8/30	Filene's basement case study		Case 1: FB due
3	5	9/4	Logistic Regression	6.3	
	6	9/6	Logistic Regression lab		Lab 1: QWE (in class)
4	7	9/11	Pilgrim Bank case study		Case 2: Pilgrim due
	8	9/13	RFM	6.2	
5	9	9/18	RFM lab		Lab 2: RFM (in class)
	10	9/20	Discussion of Models, Model comparison and advanced models	7	
6	11	9/25	Implementation of CRM and Loyalty programs	10	
	12	9/27	Guest speaker		
7	13	10/2	Harrah's case study		Case 3: Harrah's due
	14	10/4	tba		

Course Objectives

Recently, the unit of analysis in marketing activities has been shifted to individual customers. Key drivers to this phenomenon are: i) markets became mature, so firms cannot expect that traditional mass marketing works for customers' differentiated needs and wants, and ii) information and data technologies have been significantly developed, so marketing managers are able to take advantage of individual level transaction data at lower costs.

Therefore, in order to maximize marketing performance by improving customer experience and focusing on profitable customers, firms are required to identify different types of customers especially in terms of their tastes and financial values and develop specific strategies to interact with individual customers. Customer values can be quantified by such measure as elapsed time between purchases, purchase frequency within a given time period, and the net amount spent at each time of purchase.

This class mainly focuses on the strategic applications of Customer Relationship Management to managerial decision problems. First, we need to understand the importance of change from traditional Marketing concept toward *customer centric concept*. Then, we will discuss empirical methods and applications that evaluate customer lifetime value and customer equity to maximize firms' profitability.

In modern marketing decision-making, customer orientation and consequent empirical methodology are critical, because they enable firms to achieve better per person ROI, acquisition and retention of profitable customers, and reactivation of dormant customers, which will eventually contribute to market performance of a firm.

The main sections of this course include the following: customer-centric concept, customer lifetime value, customer equity and operational CRM.

Having successfully passed this class, students should be capable of

- explaining the need for customer centricity
- understanding the role of CRM in managerial decision making
- performing simple empirical analysis of customer values using SPSS and/or Excel
- interpreting statistical results for decision making in real world problems
- assisting the implementation of value-based marketing

Course Format

The course will cover various aspects of customer relationship management. It will involve lectures, class discussions, computer classes, and tests. You will be involved in both individual and team assignments and projects. You are expected to read the designated chapter(s) in the textbook and HBR case(s) before attending class session. This will assist your learning, and help you contribute to class discussions and score well on the tests.

Course Requirement and Grading

Final grades consist of the following components:

Final Exam		40%
Lab reports (groups of 2-3)	Logistic Regression / QWE	5%
	RFM	5%
Analytics Assignment (in teams)		20%
Case Studies (groups of 2-3)	Filene's Basement	10%
	Harrah's	10%
	Pilgrim Bank	10%

Exam

The final exam is designed to test students' understanding of the conceptual and analytic material presented in class. There will be one exam in the week of final exams. It will include all contents from the textbook discussed in class (use slides for guidance). It may also include general questions about the methods applied during labs. The exam will consist of multiple-choice questions.

Example questions will be provided.

Analysis project

This is a team project. Please work in groups of about 5 students. You will apply RFM and Logistic regression to an actual dataset, discuss the findings, identify customers for future campaigns and compare different customer cohorts. Lab reports will prepare you for the application. Due at the end of the term.

Lab reports

During the labs, you replicate the models shown in class and/or apply it to new data. Instructions will guide you through the analysis, and the lab reports consist of filling out answer sheets. Work in groups of 2-3.

Case Studies

Read and discuss Harvard case studies in small groups and prepare a write up with answers to questions posted on Carmen. There is a 2 page limit for the write up. The assignments prepare for a lively classroom discussion. Work in groups of 2-3.

Tentative Schedule

The schedule may still change, depending on student needs and learning speed. Guest speaker scheduling still pending at time of finalization of syllabus.

Also make sure you **check the official final exam schedule** for the corresponding time slot of this class.

BE A PROFESSIONAL IN CLASS

A part of your grade will be determined by your contribution to class. Along with actively participating in class discussions, it will not hurt you to be “a professional” in class. For instance, come to class on time, do not engage in side conversations during class, and turn off cell phones or other communication devices. Inappropriate behavior, such as being rude or disruptive, may result in a lower grade for the class participation component.

Class absence

You are responsible for your own success. This means that it is your responsibility to attend, participate and absorb the materials. I count on your responsibility; therefore you may miss up to three classes for any reason (no need to present or even invent excuses). If you miss more than 3 times, there will be a proportional participation grade deduction – unless you can present evidence of valid excuses. Again, if you don't miss more than 3 times, there is no need to ever present any excuse. However, you are responsible for catching up. If you need assistance, use the office hours or contact me via email.

As for the lab assignments, make sure you hand in an answer sheet even if you cannot make it to the scheduled lab session. Materials will all be posted and the software is available for download.

DROP

Fisher College of Business strongly enforces University attendance policies. As per University rule 3335-8-33, any student may be disenrolled from a course for failure to attend by the first Friday of the term, or by the 3rd instructional day of the term, or by the second class meeting, *whichever occurs first*.

<https://trustees.osu.edu/rules/university-rules/chapter-3335-8-instruction.html>

Honor Code

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute “Academic Misconduct.”

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: “Any activity that tends to compromise the academic integrity of the University, or subvert the educational process.” Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an “excuse” for academic misconduct,

so I recommend that you review the Code of Student Conduct, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

In this course, it is also expected that each student will behave in a manner that is consistent with the Fisher Honor Statement, which reads as follows:

"As a member of the Fisher College of Business Community, I am personally committed to the highest standards of behavior. Honesty and integrity are the foundations from which I will measure my actions. I will hold myself accountable to adhere to these standards. As a future leader in the community and business environment, I pledge to live by these principles and celebrate those who share these ideals."

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

STUDENTS WITH DISABILITIES

Any student who feels she/he may need an accommodation based on the impact of a disability should contact me privately to discuss specific needs. Please contact the Office for Disability Services at 614-292-3307 in room in 098 Baker Hall to coordinate reasonable accommodations for students with documented disabilities. It is your responsibility to discuss this with me well in advance of an assignment due date or an exam.