



## Certificate in Marketing Skills

### MANAGEMENT FOR MARKETERS

FRIDAY, MAY 13, 2005. TIME: 2.00 pm - 4.00 pm

**Please attempt Section A and TWO questions from Section B.**

(If more than the specified number of questions are attempted, delete those you do not wish to have marked. Otherwise the Examiner will mark **QUESTION 1** and the next **TWO** questions in your Answer Book).

All questions carry equal marks.

Do **NOT** repeat question in answer, but show clearly the number of the question attempted on the appropriate page of the Answer Book.

#### SECTION A (50%)

(All questions carry equal marks)

1. 

Superquinn has built itself a reputation for innovation. In 1973 it pioneered the idea of in-store food manufacturing adding a whole range of specialist fresh food departments including delicatessens, pizza, pasta, salad, bakers and sausage kitchens where food is prepared fresh every day. They also pioneered Ireland's first retail loyalty scheme, SuperClub ([www.superclub.ie](http://www.superclub.ie)) back in the early 90's. It was the first grocery retail multiple to offer on-line shopping through Superquinn4food ([www.superquinn4food.ie](http://www.superquinn4food.ie)) in October 2000 and its on-line wine warehouse Superquinn4wine ([www.superquinn4wine.ie](http://www.superquinn4wine.ie)) brings the world of Superquinn's wines & spirits to the entire Republic of Ireland.

#### Company Mission

"To be a world class team renowned for excellence in fresh food and customer service."

*Superquinn is dedicated to the highest standards of customer service.*

They keep close to the customers' needs through consumer panels in every store. Services such as playhouses for customers' children, bag packing, rainy day umbrella service and the removal of sweets from checkouts are examples of initiatives that demonstrate the company is truly consumer-led. Superquinn is

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recognised throughout Ireland as a company that understands and responds to the customer. Building customer loyalty is at the heart of Superquinn's philosophy - which is to focus the business on persuading customers to come back again, rather than on maximising profit from their current visit.

Superquinn's central focus has always been on building Customer loyalty and building a successful loyalty programme. The SuperClub loyalty programme recently celebrated its tenth anniversary. This was Ireland's first loyalty scheme in the retail trade.

*Superquinn is dedicated to fresh foods.* While it stocks a remarkably wide range of packaged grocery brands, fresh food is its speciality.

*Superquinn is dedicated to its store management and staff.* Responsibility and authority reside with staff at the point of contact with customers. The company encourages, trains and rewards staff to serve the customer profitably with food of the highest quality and with a level of service that will generate loyalty.

#### **Awards:**

- Best Web Design in E-commerce at the McGowans GDBA Irish Design Effectiveness Awards 2004 (Superquinn.ie)
- O2 Digital Media Award 2004 - Design (Superquinn.ie)
- O2 Digital Media Award 2003 - Consumer Innovation (Superquinn.ie)
- Global Retail Technology Forum 2002 – Best in e-commerce innovation for Superquinn4food (Superquinn.ie)
- FAS Excellence Through People Awarded to Superquinn Blackrock
- FBD Insurance ‘Supermarket of the Year Award’ 1999-2000, 2000-2001
- British Council of Shopping Centres Award.
- National Sausage, Checkout and Bakery Awards.
- The John Sainsbury Award.
- FMI International Award of Excellence.

#### **Innovation**

Superquinn (as the original "Quinn's Supermarket" became in 1970) soon built itself a reputation for innovation. In 1973 it pioneered the idea of in-store bakeries, where customers could actually see that the bread was fresh because it was baked under their own eyes.

Over the years a whole range of specialist fresh food departments grew up around the central area of the supermarket where packaged goods are sold. These include delicatessens, pizza kitchens, pasta kitchens, salad kitchens and even sausage kitchens where sausages are made in the shop to a traditional Irish recipe. All this

is in addition to staffed departments that provide a very wide range of fresh fruit and vegetables, meat, bacon and seafood.

### **Customer Service**

Feargal Quinn's retailing philosophy is based on customer service, founded on a determination to keep close to the customer and to build an organisation that would always try to see things from the customer's point of view.

Top of his priority list is the need to stay close to the customer, and he feels that this is a lesson that everyone in business can learn. One of the ways he does so himself is through regular stints in each of his shops packing bags for customers, and fortnightly customer panels at which he listens to groups of volunteer Superquinn shoppers who will tell him how they think the group could serve them better.

### **People are the key**

A notable feature of Feargal Quinn's stores, in comparison with most other supermarkets, is the number of people that they employ. Feargal Quinn has always believed that customers want a high level of interaction with humans rather than machines. He has proved that investment in people pays off in terms of increased business that pays for the additional staffing costs.

It is perhaps this aspect of Superquinn above all others that has attracted attention from abroad - the fact that a high-service supermarket operation can be provided without charging higher prices for it. In other markets, the received wisdom has been that a high level of service is something the customer has to pay for in higher prices, but in Ireland this has always been impossible because the grocery trade is so competitive.

(Based on [www.Superquinn.ie](http://www.Superquinn.ie))

You are required to answer **each** of the following questions.

Jones and George (2003) say that the four building blocks of competitive advantage are superior efficiency; quality; speed, flexibility and innovation; and responsiveness to customers.

- (a) What sustainable competitive advantage does Superquinn have?
- (b) Indicate how Superquinn has developed its competitive advantage by using the building blocks.
- (c) How would you describe Feargal Quinn's leadership style?

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## **SECTION B**

**(Please attempt TWO questions. All questions carry equal marks.)**

2.
  - (a) Write a short note on the importance of quality in a customer focused organization.
  - (b) Why are complaints important to an organization? Think of an occasion when you made a complaint. Describe how the complaint was dealt with. Was there a satisfactory outcome.
  
3.
  - (a) Consider the company you work for. What are the different factors at which your company is better than its competitors? What factors are they worse than the competitors? Describe how these different issues impact on the overall performance of the organisation.
  - (b) Now imagine that you are responsible for the overall management of your organisation. Outline some changes you would make in areas where you are under performing giving reasons for your choices.
  
4.
  - (a) Outline the reasons as to why people resist change. Discuss the importance of creating the right environment for change.
  - (b) Consider the industry you currently work in or any industry with which you are familiar. Think about how that industry is changing and describe changes you have noticed. Outline the reasons that these changes were necessary.
  
5.
  - (a) What is leadership? Describe briefly three people you consider to be a good leader stating why you think this.
  - (b) Imagine you have been appointed to a leadership position in a large company. You are responsible for a team of 50 people divided into 5 different groups. They deal with various functions relating to customer service. The job is very stressful and requires staff to be very focused on their job. What traits would you bring to this type of position? What sources of power might be important ?