



EXAMINER'S REPORT

MAY 2005

MARKETING IN PRACTICE Certificate in Marketing Skills

General Comments

The purpose of the Examiner's Report is to guide students towards improved performance. It would be wise for students who will be sitting the *Marketing in Practice* paper in the autumn or at some future date to read this report carefully with due reference to the May 2005 paper.

This was the first *Marketing in Practice* paper of the Marketing Institute's new Certificate in Marketing Skills programme. In order to complete the paper successfully, students needed to demonstrate an ability to apply their knowledge gained from the programme to theoretical and practical questions. While the Certificate in Marketing Skills is complete in itself, those who perform well across all four subjects have the option to proceed to the Foundation Certificate in Marketing or Selling with an exemption from Stage 1.

The standard of scripts in *Marketing in Practice* was very high, with a significant number of students achieving a B or A grade. Those who did well demonstrated a clear understanding of marketing theory and successfully applied that theory to the case study and questions that had a practical application of marketing theory. The majority of students have gained a very thorough grounding in marketing from the programme and show potential for further studies. Students' personal experience of business added a welcome common sense approach to many of the problems set.

Question 1. Case Study: Ryan's Alehouse

A short case study on the segmentation of the customer base of a public house was well answered by most candidates. The case study, carrying 50% of the total marks, asked the students to answer three questions on a segmentation strategy for the pub. Those who had difficulty with the questions were confused about what a segment means. The most common error was to cite a segmentation base as a segment. In order to segment a market, one needs to identify relevant segmentation bases, such as geographic, demographic, psychographic or behavioural variables. These are not segments, however, rather they are the variables you might use to group your customers into different clusters or segments.

A segment is a group of customers with similar needs, behaviours or characteristics who might require separate products or marketing mixes. Some identified segments such as families with younger children, the business community or young adults as segments. These were valid and relevant to the pub because the Ryan's Alehouse could create a special offering for each of these groups.

Question 2

Almost all those who attempted question two were able to discuss the extended marketing mix for services, that is product, price, promotion, place *and* physical evidence, people and process. Most discussed the services marketing mix of their own companies although Ryanair was also a popular example.

Question 3

A question on the promotion mix proved popular with most candidates attempting the question. Those who performed very well described the merits of each element of the mix and the benefit of using particular elements to address different business issues.

Question 4

The product life cycle model tracks the course that a product's sales and profits take over its lifetime. The value of the PLC is that it can help a company to recognise the need to adjust its marketing strategy through the life of the product as well as helping companies to quickly see the percentage of their products in the introduction, growth, maturity and decline phase. A highly innovative company may require a high percentage of products in the introduction and growth phase, while companies selling well known detergent brands may be hold products in the mature stage for many years. Those who attempted the question generally answered the question very well and were able to present a properly labelled diagram of the PLC.

Question 5

Marketing distribution decisions are among the most important decisions that management faces. However, the subject of distribution often seems to leave students cold. This paper was no exception, with few students attempting a very simple question on distribution channels. Equally, companies can make the same mistake and pay too little attention to distribution decisions. The Examiner will endeavour to keep distribution uppermost in people's mind in future exam papers.