



Certificate in Marketing Skills

MANAGEMENT FOR MARKETERS

FRIDAY, AUGUST 18, 2006. 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)

Case Study: Coca-Cola

Introduction

The Coca-Cola Company is the world's largest drinks company. It markets four of the world's top five soft drinks brands: *Coca-Cola*, *Diet Coke*, *Fanta* and *Sprite*. Its success is built on five factors:

- a unique and universally recognised brand
- high quality products
- creative marketing
- global availability
- continued innovation in new products.

Strategy

The goal of The Coca-Cola Company is '*to be the world's leading provider of branded beverage solutions, to deliver consistent and profitable growth, and to have the highest quality products and processes.*'

It has developed a strategy to achieve this through:

1. More growth of the carbonated drinks market, led by *Coca-Cola*.
2. Developing a wider range of products such as water, juice and coffee.
3. Growing system profitability and capability together with the bottlers.
4. Helping customers to build businesses.
5. Investing in growing markets.
6. Developing efficient large scale production to control costs
7. Enabling its people to achieve extraordinary results everyday.

P.T.O.

Organisation Structure

The Coca-Cola Company is a global company and organises itself to reflect this. It also wants to meet the needs of regional markets, for example, each country has its own requirements. It needs an organisational structure that is strong but flexible to meet both global and local needs. At the top of the structure is the corporate segment (Head Office) which gives direction and support and makes important strategic decisions. The 12 member Executive Committee each has responsibility for a major region or specialism e.g. finance.

Regional Structure

The Company operates five geographic operating segments – also called Strategic Business Units (SBUs) covering each world region. Each is then subdivided into smaller regions. At a local level, management is divided into functions such as marketing and finance. There is thus some central direction but the structure is also flexible and focussed at a local level where it can take account of factors like languages and culture.

Structure and culture

The structure has to work with external partners as well as internally. The Coca-Cola Company has a number of external partners including its bottling partners. The Coca-Cola Company manufactures concentrates and syrups. These are then generally sold to bottling partners, which are authorised to manufacture, distribute and sell branded products. Important aspects of the culture at The Coca-Cola Company are an emphasis on teamwork and empowerment. It has built flexible structures which encourage teamwork. The Company sees its employees as its most important asset. Motivated employees help the company to grow. There are also good communications channels through which employees are encouraged to comment and make suggestions.

Coca-Cola Quality System

The Coca-Cola Quality System is a worldwide initiative involving every aspect of their business. Everyone who works for or with Coca-Cola is empowered and expected to maintain the highest standards of quality in products, processes and relationships. Coca-Cola state that they are never content to let their standards become static. The Coca-Cola Quality System mandates in-depth self-assessment throughout the operations, by all their business units. This enables Coca-Cola to raise their standards even higher.

In the ingredient evaluation laboratories, for example, they perform precise analyses of fruit juices and other ingredients sent by their suppliers, to ensure and to improve product quality. Their processes, too, undergo constant scrutiny, to safe-guard the water used in their products and the packaging that carries them to their consumers. They inform and educate their business partners about these standards, so that they meet the highest quality requirements. Under the Coca-

Cola Quality System, quality is the highest business objective and their enduring obligation.

Conclusion

The Coca-Cola Company has developed a strategy and structure that suit its operations globally and locally. Alongside this it has a culture of innovation, teamwork and trust.

The above case study is based on The Times100 Case Study published by The Sunday Times.

Based on the information in the above case please answer **all** of the following questions.

1. (a) What competitive advantage does Coca-Cola have over its competitors? Briefly explain the reason for your answer.
- (b) Graphically present an organisational structure for Coca-Cola.
- (c) Write a brief mission statement for Coca-Cola based on the company vision contained in the case study.
- (d) What in your opinion defines quality in Coca-Cola?

SECTION B

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

2. (a) Write a brief note on the functions that managers carry out in an organisation.
- (b) Using any organisation with which you are familiar describe how the functions of management are practised.
3. (a) Describe the business planning process an organisation can use when setting out its future strategy.
- (b) Imagine you are the manager of the business where you are or were previously employed. List a number of SMART objectives for this business.

P.T.O.

4. (a) Discuss the different types of conflict you may come across in a work situation.
 - (b) Consider a situation from your work or personal life where there was an area of disagreement and argument. What was the underlying reason for the argument? How was the situation managed? How was it resolved?
5. (a) What is the difference between being a leader and being a manager?
 - (b) Outline some characteristics of a manager you have worked for. What style of management has been most effective in your experience?