



Certificate in Marketing Skills

MANAGEMENT FOR MARKETERS

THURSDAY, MAY 21, 2009. 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)

The Changing Face of the High Street

The High Street is changing. Jim McCarthy, Chief Executive of Poundland, said: "There is a flight to value, no question. Consumer confidence is lower than I have ever known it. People are trying to spend less to maintain their lifestyles. We get a lot more A and B consumers through our doors now".

(The Times, 19 January 2009).

High Street stores such as Wilkinson which places emphasis on value and bargain stores such as Poundland stand to benefit with people changing where and how they purchase goods. Although Woolworths and its 807 stores have gone; other opportunists are rushing to fill the gap it has left. It seems the reluctance of many to buy at lower-price shops has changed in recent times and people are now happy to shop at stores offering value for money or bargain priced stores.

A few days ago, in Poole, Dorset - close to the millionaire residences of Sandbanks - a 99p shop opened opposite a £1 shop and shoppers rushed across the road from the £1 shop to save a penny at the new store! Consumer confidence is ebbing away but the new names are attracting their attention.

(The Times, 19 January 2009).

Mr Lanani, the commercial director of 99p Stores said: "The person in the street has the same amount of money in their pocket as before, but their confidence has gone completely. People are worried about their job security, their mortgages, their bills. And they are coming to us, whereas before they would have turned up their noses". (The Times, 19 January 2009).

P.T.O.

Last week 99p Stores opened three new stores in London and expects to open as many as 30 more nationwide this year, taking its total number of stores to about 100. At a time when the retail sector is supposed to be in crisis, this is incredible growth. Poundland, with 202 stores and 6,400 employees, also plans to open another 30 stores this year and has identified 650 possible shop sites in the UK.

Source www.thetimes100.co.uk

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.

1. (a) What sustainable competitive advantage does 99p Stores have?
- (b) Indicate how the company may have developed its competitive advantage by using the building blocks.
- (c) Write a mission statement for 99p Stores.
- (d) What lessons might Irish Retailers learn from this case study?

SECTION B (50%)

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

2. (a) Discuss the importance of creating the right environment for implementing change in an organization.
- (b) Outline your own experience of a change management process in either your working life or in a company you have knowledge of.
3. (a) Describe the importance of having a customer focused organization.
- (b) Using any organization with which you are familiar, discuss whether the organization is customer focused or not. Illustrate with examples to support your answer.

4. (a) What is leadership? Is there a difference between being a leader and being a manager? Give reasons for your answer.
- (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 expect a manager to have in this position? What sources of power might be important?
5. (a) In retailing, considerable time and effort is put into coming up with new added value services that might attract and retain customers. This could be something as simple as a delivery service to much more elaborate services like automatic re-ordering. List **three** of service innovations that you are familiar with. Now think of these services in terms of where you work or in terms of organisations you have knowledge of. What services could be introduced and what services might not be possible to introduce? Give reasons for your decisions.
- (b) When a service breaks down it can cause a customer to complain or even leave your company. Discuss why it might be important to encourage customers to complain and outline how complaints are dealt with where you work or in terms of an organisation you have knowledge of. Suggest the procedures that might result in more successfully dealing with customer complaints.