



EXAMINER'S REPORT

AUGUST 2003

MARKETING PLANNING & MANAGEMENT

Introduction

The objective of the Marketing Planning and Management course is to learn about the theory and practical application of the strategic marketing planning process. The examination paper tests candidates' knowledge of the strategic thinking that underpins marketing activities.

The examiner presumes that the student already has a grasp of the principles of marketing. The questions do not seek to examine marketing basics. Students are being examined on their ability to take a strategic decision-making approach to the marketing issues raised in the paper, either in the case study or in the exam questions.

A strategic perspective requires the student to be able to clarify the relationships between marketing strategies and the marketing environment and between marketing and other functional areas within the company. Students also need to be able to demonstrate their understanding of marketing's role in fulfilling corporate objectives.

To demonstrate this level of understanding, the student needs to be able to use analytical tools and processes to support their marketing decisions and to create a framework for examining the key issues. A candidate does not get marks for simply outlining a marketing tool, such as SWOT or Porters Five Forces, in a question. You have to show why a specific tool can provide valuable insights by outlining what the tool is for, applying it to the problem in hand and then drawing conclusions. It is not good enough to drop in an analytical tool and not connect it to the question in hand.

The course draws extensively from the learning covered in earlier courses. Students are also expected to have a good knowledge of current market developments in Ireland and at a global level. Students who achieved higher grades were able to draw on their learning and experience to provide answers that demonstrated sound strategic thinking combined with market experience.

Question 1 – Case Study

A case study offers the student an opportunity to demonstrate a knowledge of marketing principles and to apply that learning to a practical example. The Judy Greene Pottery Case Study was very interesting in that Judy Greene had become successful without any formal planning procedures. A typical entrepreneur, she built up her business through hard work. The key issue for marketing students was: what impact did Judy Greene's lack of formal planning have on her business?

The first part of the case study required students to critically assess Judy Greene's performance and competence as a marketer of her own company and its products. Amazingly, very few students mentioned the fact that she had started her business without any formal business plan. This oversight is extraordinary, given the fact that the course focuses on marketing management and planning. Generally, the analysis was weak, tending to tell the story of the pottery company rather than providing any qualitative analysis of her competencies and weaknesses. The examiner has already read the case study and does not need to have the story retold in the exam scripts.

The second part of the case study required students to assess demand for hand-crafted pottery in the Irish market and to comment on changing consumer trends. This required the student to review the quantitative and qualitative data provided in the case study. Those who achieved higher marks pointed out the risks and opportunities for Greene and highlighted the areas which showed the greatest potential for sustained demand.

The final part of the case study required students to suggest an export strategy to reduce Judy Greene's dependence on domestic sales. The very good answers provided separate analyses of the UK and US markets, her principal target markets.

Question 2

A question on the macro- and micro-business systems asked students to assess the key value and purpose of analysing the two systems. To show the relationship and interdependency between the two systems it is necessary first of all to explain the terms and their scope. The key benefit of analysing the two systems is that a company can seek more opportunities to add value and create and sustain competitive advantage. The macro-business system helps the marketer understand how to become more differentiated from competing 'commodities' so that the company is working at higher margins. The micro-business system can be viewed as a value chain made up of different functions and competencies. The marketer must choose between making or buying products or services and only concentrate on those where the company has existing or potential competitive advantage. The micro-business system must be analysed in the context of the macro-business system so that the manager can identify challenges faced not only by his own company but by his competitors.

Question 3

A straightforward question on market measurement and forecasting attracted only those students who knew the answer. Vital market measures include market size and share as well as market trends. Rather than analysing these measures at the overall market level, the marketer must evaluate these measures by market segment. The information on which forecasts can be developed are based on what people say, do and what people have done in the past. Inevitably, creating forecasts around people's behaviour and opinions means that forecasts cannot be entirely accurate. For this reason, forecasters use sensitivity analysis and scenarios.

Question 4

The key steps to conducting a competitive positioning strategy are to establish customer purchase criteria, find customer preferences on each, and then find out their perceptions of the competition. Most students were able to provide this information and support their answers with illustrations of how a company could visually track preferences and compare them to customers' attitude towards competing products and services. There were, however, other students who thought they could reach the answer by guesswork. Once customers' preferences have been established, the company can decide to either fill market gaps with new products, reposition existing products or alter buyers' perceptions of the market. Students should support such answers with examples.

Question 5

Many students completely ignored the requirement to present their case on branding to their Managing Director in a memo format. The point of this question was that students had to give a commercial argument to support their view that branding was an investment in an asset. The language needed to be simple and straightforward, rather than textbook style. Many students gave text book answers to a question that was never asked: students were not asked to write an essay on branding, but to write a rationale for expenditure on branding at a time when the company was cutting costs. The fact that the product was a fast moving consumer good (FMCG) was of great relevance to the argument to support continued spend on branding.

Question 6

To answer a question on how knowledge of the consumer purchase process can help marketers develop a communications strategy, candidates should have discussed how an understanding of each phase of the purchase decision process requires an adjustment in the communication strategy. The strategic changes are set out very clearly in Murray and O'Driscoll.