



MASTERING MARKETING METRICS
MARCH 2023
MOCK EXAMS
<p>Time: 5:30PM – 8:30PM</p> <p>Date: 03 June</p> <p>Three hours duration</p> <p>The mock has TWO Parts.</p> <p>Part 1 is worth 40% of the total marks available.</p> <p>Part 2 is worth 60% of the total marks available.</p>
<p>You are required to give your answers in the GSM answer book provided. Do not repeat the task in your answer but show clearly the number of the task attempted on the appropriate pages of the answer book. Please start each task on a new page.</p> <p>Rough work and notes must be written in the answer book or on supplementary sheets and must be clearly identified.</p>



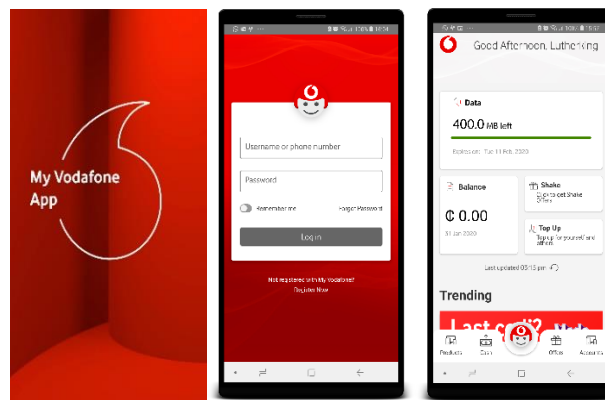
CASE STUDY

QUESTION ONE (1) COMPULSORY

CONTEXT

In addition to being one of the largest and leading tech and mobile telecom company in Ghana, ranked second in voice market share with 14.51%, and data market share with 13.20% (NCA, 2023), Ghana Telecommunications Company Limited (Vodafone Ghana) is a great example of continuous innovation in its digital services.

THE VODAFONE APP – MEASURING THE WRONG THING



Source: Google Play Store (2023)

In May of 2023, Vodafone Ghana introduced a new 'SuperApp' called the My Vodafone (Ghana). My Vodafone App is a mobile application that allows you access to an unlimited number of Vodafone Services. With this application users can manage all your Vodafone services, top up and transfer airtime, access bills and payments, locate the nearest retail shop with a built-in store-finder feature, purchase a bundle or bundle for someone (one-time or auto renewable bundles, shake bundles) etc. Customers have an easy-to-use app for everything Vodafone and they will not have to memorise a wide range of USSD codes for various services. New features were scheduled to be added to the app every month to improve the digital experience of all Vodafone customers.

To gain the mobile digital market share in the Ghanaian telecom space, the mobile app was upgraded and uploaded onto both Play Store and Apple Store for customers to download and utilise. Some problems emerged in the early months after the update. A huge number of customers could not check their account balances and do transactions on the mobile application due to app crashes, high loading time, and confusing user interface.

Although Vodafone Ghana had access to a new update which could have potentially solved the issues, it chose not to implement the update, which would have cost

GHS9.3 per download mobile app, despite evidence that the upgrade would have resulted in 3.6 million more installations.

The decision was based on a cost/benefit analysis that compared the costs of making the change (GHS9.97m) against the nominal costs to customers (i.e., inconvenience, bad reputation, and loss of business) which was estimated at GHS4.7m. Subsequent legal cases brought against Vodafone Ghana resulted in GHS12.6 million in compensatory damages along with an initial GHS63 million in punitive damages.

Although the punitive damages were later reduced, the impact on Vodafone Ghana's reputation was significant and resulted in a series of other court cases and huge media coverage of Vodafone Ghana's unethical approach – measuring two very different outcomes, the cost of upgrades and the cost of customer inconveniences, bad reputation, and loss of businesses using the same basis of measurement.

Q1.

- a. Explain how Vodafone Ghana went wrong with the application of best-fit metrics in deciding the implementation of the Vodafone Ghana App update.
(10 Marks)
- b. State three (3) best practices Vodafone Ghana can adopt in the implementation of metrics across their product management activities.
(10 Marks)
- c. Advise Vodafone Ghana on how to prepare a robust control system to monitor the progress of a marketing activity regarding the Vodafone Ghana App.
(10 Marks)
- d. State three market and customer metrics that will assist Vodafone Ghana in measuring the performance of the Vodafone Ghana App.
(10 Marks)

SECTION B

Q2. In your recent role as the Marketing Analytics Manager in your company, you were tasked by the CEO to prepare a robust **implementation metric plan** that will enable effective marketing decision-making. With **illustrations**, prepare an **implementation metrics** plan for your company.

(20 Marks)



Q3. In your recent role as a relationship marketing executive, you are tasked by your CEO to make use of the following client data to make crucial marketing decisions for the company who are beginning the financial year with 12,500

Items	Retention rate	Survival rate	Survivors
Period 1	0.48		
Period 2	0.40		
Period 3	0.78		
Period 4	0.83		

- Explain the concept of survival rate and explain one merit and flaw of the metric.
- Compute the survival rate for each period
- Compute the number of survivors for each period.
- Advise management on what to do regarding the survival rate and the decline of survivors.

(20 Marks)

Q4. Whiles preparing your annual marketing report for a management meeting in your company, you noticed that the company started the new financial year with 79,000 customers. Over the year, your marketing efforts yielded 52,012 new customers, but the number of customers as of now (end of the year) is 120,000.

- Explain the concept of retention and defection rate. State one main difference between them.
- Explain one merit and flaw of retention rate.
- Compute the retention rate for your company
- Explain what is happening to management and suggest an appropriate marketing programme for the way forward.

(20 Marks)

Q5. In your recent role as a Product Manager of Latex Foam, you are tasked to ascertain the innovation rate of the firm and advice management on the next course of action.

Items	Units sold	Revenue (GHS)
Adinkra Couch	145,000	542,000
Ama Dressing Mirror	110,000	456,000
Adepa Bed	90,000	321,300
Adasa Headboard	87,000	297,700
Asa Pillow	12,000	43,124
Total		

- Compute the innovation rate of Latex Foam.
- What are the implications of this rate on Latex Foam’s product management decisions?
- Identify the data sources of the innovation rate metric you used.
- State one flaw of this metric and recommend an additional metric needed to ensure a more robust analysis regarding the measurement of Latex Foam’s innovation programmes.

(20 Marks)

Q6. In your recent consulting undertaking with Go TV Ghana, you are task estimate the income the firm accrues per month regarding their packages.

Monthly payment-based product	Number of customers	Monthly Subscription Revenue
Access	244	GHS17
Family	209	GHS30
Compact	304	GHS60
Compact Plus	904	GHS105
Premium	1209	GHS130

- Compute for Go TV’s monthly recurring revenue
- Advise management on the marketing decisions to make concerning each product.
- Why is the MMR metric relevant to GoTV? Are there any flaws with the MMR metric?
- Which industry is MMR best fit for?

(20 marks)