



STRATEGIC MARKETING MANAGEMENT

OCTOBER 2021

MOCK EXAMS

Time: 5:30PM – 8:30PM

Date: 9th OCTOBER 2021

Three hours duration

The Mock will be 3 hours in duration

The mock has **TWO** Parts.

Part 1 is worth 40% of the total marks available

Part 2 is worth 60% of the total marks available.

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.

Rough work and notes **must** be written in the answer book or on supplementary sheets and **must** be clearly identified.



SECTION A: COMPULSORY QUESTION

CASE: DeBoat Catering Supplies Company

DeBoat Catering Supplies Company is a specialist supplier of ready-prepared meals which are then reheated before serving. The company operates with four principal strategic business units serving the airlines, restaurants, hotels and educational markets; selected sales and market data appear in Figure 1.0

Figure 1.0 : Selected sales and market data

	Sales (2018-2019) GHC, million	Forecast annual market growth rate 2019 -2022 (%)
Airlines	190	12
Hotels	163	10
Restaurants	120	8.5
Educational institutions	<u>105</u>	6.2
	578	

The company has grown rapidly over the past few years and has seen little need for detailed environmental analysis. Equally, little thought has been given by management team to the development of an explicit marketing strategy. Instead, they have operated with a strong sales orientation and what they believe is an instinctive and unerring feel for the market which has led to the company identifying and exploiting a series of market opportunities.

The company's selling proposition centre around the quality of its products, innovate recipes, strong service back-up and a high value for money offer. Although DeBoat is not a market leader in any of the sectors in which it operates, the company is seen by industry analysts to be a major player in all four of its markets.

Over the past two years, a number of changes have occurred in the catering supplies market, the three most significant of which been the entry to the market of several new competitors; the takeover of two medium-sized firms by cash-rich and growth-oriented firms; and the merger of three of the smaller players. The net effect has been the structure of the market has begun to change fairly dramatically, as have the nature and bases of completion.

Although Deboat has not previously viewed its competitors as a real threat and has relied instead upon its strong market position and established reputation, there is now recognition that patterns of competition in the future will be very different. The company has recently lost two of its most profitable airline and hotel customers to medium-sized and aggressive organisations, and has been unsuccessful in five of the last six contracts for which it has submitted tenders. The majority of these tender appear to have been lost to relatively small companies that have been market niching within the airlines and hotels markets.

Because of this, an element of panic has hit the company and there now recognition of the need for a far more offensive approach to its markets. In commenting on this, the managing director said, 'As a company, we're fat, lazy and complacent. If we carry on this like this, we simply won't survive'.

Questions

As the firm's marketing manager, you have the responsibility for advising on the development and implementation of a new and more offensive marketing approach. You therefore have two tasks:

- A. Prepare a briefing paper for the main board outlining the dimensions of an offensive marketing strategy and, in particular, how the company might fight off emerging market challengers and nichers. You should also include within the paper comments on the organizational and cultural implications of adopting a more offensive competitive stance. **(25 Marks)**
- B. In response to the findings of a market research exercise (see Figure 1.1), prepare a report for the managing director outlining the principal dimensions of a relationship marketing programme and how such a programme might most effectively be implemented. **(15 Marks)**



Figure 1.1: A summary of the market research findings

Debaot's customers' perception of Deboat Catering Supplies
Company

	2018	2020
Product quality	4.3	3.1
Product innovation	4.6	3.3
Customer support	4.0	2.9
Value for money	4.2	3.7
Breadth of the product range	4.1	3.6

(Note: Ratings are based on five-point scale: 1=very poor, 5= very good)

SECTION B: Answer any THREE Questions

Question 2

In the current environment of particularly rapid change, companies increasingly find their strategies becoming out of date. Using relevant examples identify the reasons for this and evaluate how companies can try and avoid 'strategic wear-out'.

(20 Marks)

Question 3

The majority of products spend much of their life cycle in the mature state of the Product life Cycle. To what extent does current thinking and research on the product life cycle provide marketing managers with worthwhile guidelines on how best to manage product during this phase? **(20 marks)**

Question 4

As a corporate strategist with a worthy of experience over a wide range of industries across the world, you have been invited by the CIMG as Facilitator of a seminar of Senior Marketing and Brand Managers. Evaluate how a multi-national company is using or can use the Generic competitive strategies in a keen competitive environment.

(20 Marks)

Question 5

It has been suggested that the majority of SWOT analyses are far too bland and of little real planning value. Explain how you would go about conducting a rigorous SWOT analysis and how the results might be used strategically.

20 Marks

Question 6

Several models have been developed to provide a more flexible approach to portfolio Analysis than that developed by Boston Consulting Group's (BCG) matrix. What are the weakness of the BCG approach? Using an alternative model of your choice, show how it tries to overcome the limitation of BCG.

20

Marks

Question 7

Making reference to examples, discuss how lifestyle and geodemographic approaches to market segmentation might be used by a marketing to develop a detailed understanding of a market.

20 Marks

