

CIMG Programme Pathway 4 Professional Advanced Diploma in Marketing

Mastering Marketing Metrics (PADM 407)

DECEMBER 2023

DURATION: 3 HOURS

The examination comprises of two parts:

Part A - a compulsory case study, worth 40 marks

Part B - answer any three questions, worth 60 marks in total

PART A

CASE STUDY – COMPULSORY

SKY BANK LIMITED

SKY Bank Limited is an indigenous Ghanaian Bank which has been operating in Ghana since 2002 with the aim of making profits. The bank was funded by Mr. Sackitey Bernard, Mr. Kwakye Frederick and Mr. Yeboah Alfred to provide world class financial solutions to the Ghanaian banking sector. SKY Bank provides a broad range of financial services to individual customers, large corporations, small and medium sized enterprises, and public sector institutions. SKY Bank has over 50 ATMs across Ghana and approximately 500 highly skilled professional workers who were trained to deliver efficient and excellent customer service in 24 branches all over the 16 Regions of Ghana.

SKY Bank's range of services include SKY electronic banking solutions, standing orders, utility payment, and salary processing solutions. Other range of services include SKY Kiddy Save Account, SKY Student Account, SKY Foreign Account, and SKY Premium Account. The rest are SKY Investment Solutions, SKY Remittances, and SKY Insurance policies.

SKY Bank's promise is to provide the best financial solutions to commercial, personal and corporate clients in Ghana and beyond. SKY Bank was very profitable and received several awards in the early years of its inception due to its customer-centric and innovative approaches to service delivery. SKY Bank continuously drive the Ghanaian banking industry and was the bank of choice for many clients in Ghana and beyond.

However, over the past few years, the banking industry has experienced intense competition, changing customer behaviours, and technology breakthroughs that threaten and disrupt traditional business models. As new opportunities arise, competing firms adapt quickly enough to capitalize on digital strategy, relationship marketing, innovations and enhanced customer service. These developments adversely affected the performance of SKY Bank.

Banking experts suggest that even though the company's products seem to be appealing, marketing is ineffective. A few months ago, SKY Bank conducted a survey with 3,000 participants using the Net Promoter Score (NPS). At the end of the survey, 1000 responded and the results were as follows: Number scoring 0-6 = 390 (39%), Number scoring 7- 8 = 130 (17%), Number scoring 9-10 = 480 (48%).

Following these developments, SKY Bank decided to hire the services of a Marketing Executive with good knowledge in metrics to assist in changing the fortunes of the Bank. It is expected that successful implementation of digital strategy and enhanced quality service will increase profits by 51% over the next three years.

QUESTION ONE (COMPULSORY)

As a Marketing Executive recruited to assist the marketing team, you are required to write a **REPORT** to the Senior Management Team (STM) on the following:

Required:

- a. Complete the Net Promoter Score (NPS) process stated by SKY Bank and advice the SMT accordingly **(8 marks)**
- b. Outline **FIVE (5)** characteristics of a good metric that management must consider in designing the new metric system **(10 marks)**
- c. Identify the **THREE (3)** types of innovation metrics that must be embedded in the new digital system to measure innovation success **(10 marks)**
- d. Demonstrate how the SERVQUAL model could be used to enhance service quality. **(12 Marks)**

PART B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION.

QUESTION TWO

As a recent graduate recruited to the Marketing Department of PERFECT SKIN LTD, a cosmetic company in Ghana, you have received a request from the Marketing Manager for a report that addresses the following:

- a. Assess how the extended management model can be used to successfully implement a new metric programme for the company. **(14 marks)**
- b. Using example for each, explain the difference between inside-out perspective and outside-in perspective metrics **(4 marks)**
- c. Provide **TWO (2)** limitations of outside-in perspective metrics. **(2 marks)**

QUESTION THREE

As the Marketing Manager of STAR TV, a proposal from an agent suggests that there are 20 people in a new locality who are prepared to pay GHS120 monthly for STAR Basic and 10 people who are also prepared to pay GHS260 monthly for STAR Super.

- a. Calculate the Monthly Recurring Revenue (MRR) for STAR TV. **(5 marks)**
- b. Discuss **FOUR (4)** customer socioeconomic factors that may be used to determine profit potentials of customers at the new market. **(8 marks)**
- c. Identify **THREE (3)** market metrics that may be used to determine strategic decisions at the new market at the end of the first year **(7 marks)**

QUESTION FOUR

As a Marketing Manager for an automobile company that manufactures vehicles in Ghana, a sport event sponsored by your company last month cost GHS20,000 and created only GHS60,000 in new incremental sales at a 15% profit margin,

- a. Calculate the Return-on-marketing investment and advise the company accordingly **(6 marks)**.
- b. State **ONE (1)** strength and **ONE (1)** limitation of using this metric to measure the success of the sponsorship **(2 marks)**

- c. Demonstrate how your company may apply the **TWO (2)** types of innovations for future models **(6 marks)**
- d. Identify **TWO (2)** internal and **TWO (2)** external sources of ideas for the future models. **(4 marks)**

QUESTION FIVE

A private school you established four years ago started the 2022/23 academic year with 500 students. During the academic year, it admitted 100 new students and lost 50 which resulted in the school having 550 students at the end of the academic year.

- a. Calculate the churn rate for the school **(6 marks)**
- b. Assess how the McKinsey 7S model can be used to review the internal marketing environment of the school. **(14 marks)**

QUESTION SIX

The CEO of the company you work for is interested in the concept of closed loop marketing. As a Marketing Executive of the company, provide a report to the CEO that projects the following:

- a. Explain the concept of Closed loop marketing, including its benefits **(4 marks)**
- b. Discuss the **FOUR (4)** primary steps that can be applied to all customer entry points as they travel on a digital journey **(10 marks)**
- c. Identify **THREE (3)** strategic tools or essential factors needed to successfully implement a closed loop system **(6 marks)**