

# CIMG Programme Pathway 6 Professional Marketer

**FMCG Marketing (PMS 603)**

**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**

#### **The Global Chocolate Market and Industry**

The Confectionery market is very competitive globally worth USD130 billion in 2022. With big global players like Nestle, Mondelez etc all driving their confectionery brands in various markets the stage is set for even greater competition, reduced margins, and a focus on key differentiators especially in the sourcing of raw material in the supply chain or the production of confectionery.

Chocolate is the crown jewel or the most important driver of confectionery production and consumption globally. With an appeal that is one of the most emotional across all segments and demographics of consumers its appeal and effect is even more dominant in “Gen Z” consumers, across the globe-a very positive indicator of sustained growth in the industry going into the future.

While most strategic decisions of the confectionery industry are concentrated in the United Kingdom and Switzerland in London and Vevey, two West African Countries, La Cote D’Ivoire and Ghana control 70% of the global supply of Cocoa. These two Countries face common problems with regard to the value their economies and indigenous businesses derive from Cocoa. These two neighbours have sought to collaborate to increase the value they derive from the supply of cocoa to the market through increased collaboration and common legislation in their countries.

#### **Chocolate Industry in Ghana**

Data from the Financial Times shows that less than US\$2billion of the total US\$130billion from the world chocolate industry goes to Ghana. This represents just 1.3 percent of the global chocolate industry’s worth. Meanwhile, the retail market value of chocolate is expected to grow to US\$189.89billion by 2026, the Sustainable Commodities Marketplace Series has projected.

There is an increasing demand for “originality” in the premium chocolate market in all segments and demographics in Ghana and globally. This has tied in strategically with global drivers of tourism for Ghana like the “Year of Return” originated in 2019 to boost and drive visitors and Tourists to Ghana. Ghanaian Chocolate is one of the most enduring symbols of the country’s rich history and cocoa industry.

There are however challenges to effective chocolate production in Ghana. Illegal mining popularly called “galamsey”, the absence of a dairy industry, high cost of doing business, the alleged use of minors in cocoa production and little awareness of the high global regard and demand for Ghana’s chocolate among Ghanaian consumers all pose challenges. Energy is more expensive and only recently reliable, and the tropical nature of the country means added investment into storage to ensure chocolate produced is kept safe and cool.

With two major Ghanaian owned players in the industry, the government owned Cocoa Processing Company and Niche Cocoa, Adom Chocolate is also an emerging Ghanaian

business looking to take advantage of both the demand for chocolate across the globe and its various differentiators.

Adom Chocolate has established a factory in the North of Accra, investing a total of USD 10million and aims to source and produce chocolates responsibly for the Ghanaian and Global Market. It looks to take advantage of government policies for industrialisation and to position its chocolates as a premium alternative to competition from other chocolate producers. Additionally, Adom Chocolate is looking to promote the health benefits of chocolate and to grow its brand by targeting younger health-conscious consumers.

The CEO of Adom chocolate succinctly captured the company's vision when he attended the Global Chocolate Conference in Vevey Switzerland as- "We are proudly a Ghanaian business, offering a premium chocolate experience in sustainable ways". He is very optimistic of growing market share and being a global player in the near future.

### **QUESTION 1 - COMPULSORY**

a. The CEO for Adom Chocolate has just returned from Switzerland and has requested for a strategic marketing plan that will position Adom Chocolate as a leader in the Ghanaian Chocolate market. As the Marketing Director for Adom Chocolate, you have been requested to submit this plan to the CEO by means of a report urgently. **(20 Marks)**

b. Evaluate the risks identified in the chocolate industry and how they could serve as strategic barriers to Adom Chocolate's plans of growing its brand and market share in Ghana and abroad. **(20 Marks)**

## **PART B**

### **ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION**

#### **QUESTION 2**

The regulation of Fast-Moving Consumer Goods and the certification of brand claims and assertions are pivotal to marketing success in the FMCG industry in Ghana. You are about to launch a new Strategic Key Unit for Ghana's leading lager beer manufacturer. Identify and explain 5 key issues/areas the regulator will need to certify for your new product before you can launch it to the public. **(20 Marks)**

#### **QUESTION 3**

Rapid Change and Innovation has characterised Ghana's FMCG industry. You work in Ghana's leading homecare business, specialising in the production of laundry bars and powders. You have recently received reports on how harsh your laundry bar is on the skins of users and you need to be innovative and make changes to the product. Outline the process for this New Product development that is required. **(20 Marks)**

#### **QUESTION 4**

Joy Milk Ghana Ltd, Ghana's leading frozen yoghurt producer recently received consumer complaints about the quality of its product on the market, leading to a batch withdrawal of products and the intervention of Ghana's Food and Drugs Authority. As the Marketing Manager of the company, you are required to draw a communication plan, in a memo to the Managing Director, in which you reassure consumers of the quality of Joy Milk's products. **(20 Marks)**

#### **QUESTION 5**

Ghana recently implemented a domestic debt exchange programme (DDEP), as part of an International Monetary Fund supervised programme of economic recovery. Explain 5 ways, the DDEP can affect consumer dynamics and buyer behaviour for FMCG products in the Ghanaian economy. **(20marks)**

#### **QUESTION 6**

As the Head of Marketing for Ghana's leading tea business. You recently ran a consumer sales promotion to drive sales volume and awareness of your brand among the Muslim community during the holy period of Ramadan. Outline how you will measure the effectiveness of your recent consumer campaign. **(20 Marks)**