

CIMG Programme Pathway 5 Professional Postgraduate Diploma in Marketing

Strategic Marketing Management (PGM 503)

JUNE 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

ABT BANK ‘MOST CUSTOMER FOCUSED’ IN GHANA

ABT Bank (Ghana) Ltd was registered in Ghana in October 2004 and obtained its universal banking license from the Bank of Ghana on 23rd February 2006, thereby paving way for commencement of operations.

The Bank is a subsidiary of ABT Plc., one of the foremost banks in Nigeria, the first indigenously owned Sub-Saharan banks to be quoted on the London Stock Exchange. In 2008, ABT Bank Plc, became the first-generation indigenous African bank to obtain a banking license to carry out fully-fledged commercial banking activities in the United Kingdom.

Due to its consistency in building a strong, profitable and respectable brand in Ghana, ABT Bank within the 16 years of its operations, has grown to become a reference point for good business practice and a role model in the financial services industry.

ABT Bank (Ghana) Limited has been named as the most customer-focused bank in Ghana in a survey conducted by KPMG on customer satisfaction in Africa’s banking industry in 2012.

Similarly, ABT Bank Plc, Nigeria, and ABT Bank, Sierra Leone, also emerged tops in their respective countries making the ABT Bank dominate in the area of customer satisfaction in West Africa, the survey report revealed.

Following in order is Zenith Bank, Cal Bank, Bank of Africa and Fidelity Bank. The rest are SG-SSB, UBA, Prudential Bank and Standard Chartered Bank. The top three banks are relatively new to the market and thus have been working hard to win over customers from the older banks, while also targeting the unbanked population.

The survey was conducted across 14 countries in Africa between June and December of 2012, with the exception of Nigeria and Zambia where it was conducted earlier in 2012. Countries surveyed include Angola, Botswana, Cameroon, Chad, Cote d’Ivoire and Ghana. The rest are Kenya, Nigeria, Senegal, Sierra Leone, Tanzania, Uganda, Zambia and Zimbabwe.

The inaugural KPMG Africa-wide Banking Industry Customer Satisfaction survey interviewed 25,000 respondents in person across the 14 countries. A key consideration in selecting the sample size was the banking population of each country and survey locations were selected based on the level of commercial activity and bank branches.

Customers surveyed were asked to judge their banks across five key areas that hold the greatest influence over customer satisfaction: customer care; convenience; transaction methods and systems; pricing, products and services. In the case of Ghana, ABT Bank ranked first in all these five key areas.

Defunct UT Bank came second in three categories – customer care, convenience, and transaction methods and systems- while Zenith Bank placed second in two namely pricing, products, and services.

Zenith also placed third in customer care and convenience, with Bank of Africa coming third too in transaction methods, systems and pricing. Cal Bank was ranked third in the products and services category.

ABT Bank with its multi-country presence in West Africa, has succeeded in replicating high service delivery performances across all the markets it plays in. The success can be partly attributed to the bank's strong knowledge of the local market and its leveraging of technology in the delivery of superior customer satisfaction, the report said.

Managing Director of ABT Bank Ghana Arthur Manuel explained that after rigorous and painstaking exercise, the bank eventually came up with the five-year plan – the dominant theme of which was aimed at deepening its unrivalled customer service delivery; reorganizing marketing functions to make them more focused and sharper in the marketplace; and also intensifying existing relationships.

Consequently, the bank grew its pre-tax profit by about 140 percent, rising from GHC 20 million in the previous year to GHC50 million in December 2012. Again, the bank was able to grow its pre-tax profit by 80.7 per cent, rising from GHC385 million in 2020 to GHC477 million in December 2021.

Reacting to news of the bank having been cited in the KPMG report as the Most Customer-focused bank in Ghana. Mr. Manuel reiterated that “the most manifesting explanation has been our customers who continued to show growing confidence in our franchise, and this was evident in the increased rate of customer sign-ons in 2012 and the number of new customers that came through referrals from existing customers.

He added “This news is a general testimony of our customers on their expectation of what is expected of us, and we shall endeavor to further deepen our customer service delivery to the highest level.”

In the 16 years of its existence in Ghana, ABT Bank has established itself as an icon in the banking industry, especially in the delivery of superior customer service. As recognition of its leverage on its robust IT infrastructure to roll out customized e-banking products and services, it has won several awards. It was adjudged Bank of the Year in Ghana two consecutive times in 2009 and 2010, winning alongside key category awards in the areas of Customer Care, IT/ Technology, Product Innovation, Advisory Services, Competitive Pricing and Loan Financing. The bank was also awarded the Ghana Information Technology and Telecommunication Awards, Technology Advanced Bank of the Year from (2014 to 2017). The bank has also for two consecutive years, been named the Best Digital Bank-Ghana award winner in 2017 and 2018. Again in 2018, the bank was named the:

- Best Online Platform-Ghana Bank Africa Awards
- Best Corporate Bank-Ghana Bank Africa Awards
- Best Commercial Bank-West Africa –Bank Africa Awards
- Best Financial Service Provider-Ghana Shippers Awards

In 2019, the bank had the Excellence in Innovation and Technology Award at the Ghana Business Awards, the Best Digital Bank 2019 conferred by the International Centre for Strategic Alliance(ICSA), Customer Experience Bank of the Year (2019)--Ghana Finance

Innovation Awards (GFIA) 5th edition. In 2021, the bank was named the winner of Excellence and Innovation and Technology--Ghana Business Awards, Banking company of the Year (Technology and Innovation--Corporate Ghana Awards 2021).

The bank presently operates from 32 locations spread across the length and breadth of the country and is built on the strength of its staff, its structures, policies and procedures. It has also deployed over 40 ATMs in key locations to serve its customers and the general public.

The bank's products include: Fixed and Tenured Deposits, Loan syndication, ABT Bank instant account, Money market instruments, ATM banking services, ABT travel services, Unity- link Money transfer, Ria Money transfer and funds in transit.

In true ABT tradition, ABT Bank (Ghana) Ltd maintains a culture of excellence which includes professionalism, integrity and ethics, and superior service delivery. As its tag line, ABT Bank (Ghana) Ltd says it is available to help you with any of your banking needs and "we make every effort to ensure reaching us is as easy as possible".

Question1 - Compulsory

- a. Outline and discuss any three (3) forms of innovation and any four (4) degrees of innovativeness and demonstrate their influence on ABT bank's strategic decisions.

(20marks)

- b. Using the Innovation Audit to assess the bank's performance in terms of newness, write a report to the management of the bank, as a newly appointed consultant, in which you discuss the factors to consider in measuring ABT's current performance and demonstrate their impact on the bank's level of creativity and innovation.

(20marks)

Total [40 marks]

PART B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

Question 2

You are a consultant to the board of ABT Bank (Ghana). In a presentation format, discuss with the management team what it means to say that the bank is market-led. **(20marks)**

Question 3

Relationship marketing recognizes the importance of the lifetime value of a customer. As a consultant to any insurance company in Ghana, using briefing notes, employ the six-market model as a basis for building effective relationships with customers to influence value delivery and sustainable competitive advantage. **(20marks)**

Question 4

The impact of developments in ICT have influenced the education industry, particularly post COVID-19. As a consultant to the Ghana School of Marketing (GSM), using a presentation format, identify and illustrate how GSM can employ Technology to grow its business.

(20marks)

Question 5

You are a marketing consultant to any fast-moving-consumer-goods (FMCG) company. Using a report format, evaluate how the McKinsey 7s, leadership and culture framework can impact the operations of the company to become customer focused. **(20marks)**

Question 6

As a marketing consultant to any company of your choice, write a report to the management of that company, explaining:

- a. How the macro environment (using any five (5) factors) affects the industry at large, and the strategic implications to your chosen company.

(10marks)

- b. How the proximate macro/ task or MESO environment (using any four (4) factors) affect the operations of the chosen company and the strategic implications thereof.

(10marks)

Total [40 marks]