

# CIMG Programme Pathway 6 Professional Marketer

**Financial Services Marketing (PMS 601)**

**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**

National Investment Bank, now National Investment Bank Limited (NIB) was the first development Bank in Ghana that was set up in 1963 by an Act of parliament to act as a catalyst for Ghana's industrial growth. Agricultural Development Bank now ADB Limited was also established in 1965 by an act of parliament with the focus on the financing of Agro-Processing. The two Banks are currently Universal Banks and a limited liability company with Government holding majority shares.

The government of Ghana has more than 50% shares in NIB and Financial Investment Trust representing Bank of Ghana (BOG) has 44% and the remaining 6% held by other minority shareholders. On the other hand, the government of Ghana has 21.50% shares in ADB and the Financial Investment Trust has 64.05%.

The Government Domestic Debt Exchange (DDE) programme which was a major plank of the corrective action on the country meeting its debt sustainability targets and restoring macroeconomic stability and economic growth required by the IMF programme created major challenges for banks' liquidity and profitability last year. NIB has been seriously affected by this DDE programme.

According to Joy business news dated September 24, 2023, government is considering moves for ADB to take over the NIB. The decision was influenced by the government inability to continue to finance NIB which has been going through financial challenges since 2016. The government now is in a critical financial situation which has led it to go for a US\$3.0 billion loan from the International Monetary Fund (IMF) for its economic recovery. The takeover has also become necessary after several strategies to turn around NIB has not yielded the desired results. However, NIB will need a substantial infusion of capital to enable the bank to operate smoothly.

## **QUESTION 1**

In your role as a Marketing Consultant for the takeover, write a report to the newly appointed Managing Director of ADB on the following.

- a) Evaluate five Marketing Implications for such an expected acquisition. **(20 marks)**
- b) Prepare an outline 5-year Strategic Marketing Communication plan for the new ADB.

**(20 marks)**

## **PART B**

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

#### **QUESTION 2**

Any financial decision should aim at creating value so investment decisions by organisations and individuals are a search for investments which are worth more than they cost to exploit and thus create value. In your role as the Head of Business Development of a Bank of your Choice, explain any four factors to be taken into consideration by investors in making investment decisions. Include in your presentation four ways to convince investors to invest in fixed or time deposit of your bank instead of a Treasury Bill? **(20 marks)**

#### **QUESTION 3**

There has been intense competition among financial services organisations in the country over the past two decades as a result of deregulations. In your role as the Head of Marketing for any financial services organisation of your choice, your Managing Director has asked you to write a report explaining how the macro and micro environments have changed in the last five years. **(20 marks)**

#### **QUESTION 4**

You work for a financial services organisation of your choice and you have just conducted gap analysis and are planning to consider new distribution channels. In your role as the Head of Business Development, your Managing Director has asked you to write a report to:

- a) Explain the concept of gap analysis as used in marketing planning and explain how such gaps could be addressed by your Bank at the strategic level. **(10 marks)**
- b) Identify and explain three key issues which you need to consider when considering alternative or new distribution channels. **(10 marks)**

#### **QUESTION 5**

Selection of International Market entry method has an important bearing on company's strategy. It is worth noting that there is no single universal "best" foreign market entry strategy. The "best" strategy is the one which is situational best optimal/satisficing strategy. In your role as a Marketing consultant of a financial service organisation planning to enter the Ghana market to take advantage of the Africa Continental Free Trade Area initiative, write a report to the Chief Executive Officer explaining the six key factors to be considered before the company selects an international market entry strategy. **(20 marks)**

#### **QUESTION 6**

Marketing ethics affect customers rather than society at large and therefore it should be of much concern in taking marketing decisions of any organisation. In your role as the Head of Marketing of any financial organisation of your choice, your Managing Director has asked you to submit a paper on what ethics is, as applied to marketing. You should explain in your paper the distinction between legal and ethical behaviour before addressing any four implications of ethics to the marketing of financial services. **(20 marks)**