

# CIMG Programme Pathway 4 Professional Advanced Diploma in Marketing

**Mastering Marketing Metrics (PADM 407)**

**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**

#### **CLASSIC FRUIT COMPANY LIMITED**

Classic Fruits is a fruit processing company located in Somanya. The company, which started producing in July 2022, is jointly owned by private investors and the Government of Ghana. Classic Fruits product mix include classic mix, classic mango, classic pineapple, and classic orange. Classic Fruits plans to start exporting its products by the end 2024.

The first 6 months of the company were largely successful as the company experienced an increase in sales figures and market share. As a result, the company recruited more people to handle other services such as management, production, sales among others. Unfortunately, some of the people recruited have no or little experience in the industry. This has affected both the financial and market performance of the company. For instance, the net sales of Classic mango reduced from GH400.000 to GH300.000 despite increasing the Salesforce from 8 to 15 within the same period.

In addition, the management of Classic Fruits does not provide a higher-level view of the effect of the firm's operations on stakeholder value. Consequently, these neglects have affected the reputation of the company following agitations of some key stakeholder groups.

At an emergency meeting held at the Royal Senchi hotel, the Board of Directors of Classic Fruits recommended that a Marketing Manager must be recruited to assist in improving the fortunes of the company.

#### **QUESTION ONE**

As a Marketing Manager recruited to assist Classic Fruits, you are required to write a **REPORT** to the Senior Management Team (SMT) on the following:

- a. Explain **TWO (2)** consequences of measuring the wrong metrics and **TWO (2)** methods that may enhance the validity of metrics **(10 Marks)**
- b. Calculate the Salesforce effectiveness of Classic Fruits and discuss the marketing implications **(10 Marks)**
- c. Suggest **FOUR (4)** quantitative metrics that could be used to measure the effectiveness of individual Salesforce performance **(10 marks)**
- d. Recommend **ONE (1)** key internal stakeholder metric and **THREE (3)** key external stakeholder metrics that Classic Fruit must focus on to improve its image **(10 Marks)**

## **PART B**

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

#### **QUESTION TWO**

The weekly sales for a hotel you work for in Ada as a Marketing Manager indicate that the total weekly sales recorded for the restaurant and room bookings over the period under review were GH20,000 and GH5,000 respectively. The overall weekly revenue for the hotel was GH30,000.

- a. Calculate the Net Sales Contribution of both divisions of the hotel and discuss the marketing implications **(8 marks)**
- b. Discuss the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> order metrics which may be captured by a good metric system introduced by the hotel **(6 marks)**
- c. Explain **THREE (3)** factors that influences the level(s) of metrics to be captured **(6 marks)**

#### **QUESTION THREE**

You work as a Marketing Director for a company that manufactures palm oil in Twifo. The company has decided to increase the per unit selling price of one of its products from GH 500.00 to GH 600.00 following an increase in average cost from GH200 to GH400.00 per unit.

- a. Explain the concept of contribution **(4 marks)**
- b. Calculate the contribution per unit for the product and discuss the result. **(4 marks)**
- c. Identify and discuss **FIVE (5)** promotional metrics that can be use to measure the effectiveness of the firm advertising campaign **(12 marks)**

#### **QUESTION FOUR**

A roofing company you work for as a Marketing Manager has two Salesforce. Asamoah works for 140 hours per month generating GH 20.000 of net sales and Asantewaa works for 170 hours contributing GH 25.000 of net sales per month.

- a. Calculate the individual sales productivity of the two salesmen **(10 marks)**
- b. Discuss **THREE (3)** qualitative metrics that may be used to measure the performance of the two salesmen **(10 marks)**

### QUESTION FIVE

As a Marketing Consultant to a newly established Sachet water company in Sunyani, you have been tasked to write a report to the Managing Director indicating the following:

- a. Explain how the firm can apply the concepts of up-selling and cross-selling to grow the business **(10 marks)**
- b. Calculate the cross-selling ratio if the firm opened 10 retail accounts in the first month of implementing these two concepts leading to the sale of 30 additional products, to 10 retail customers in total **(6 marks)**
- c. Recommend **FOUR (4)** customer-oriented practices that the firm must adopt to successfully implement the up-selling and cross-selling concepts **(4 marks)**

### QUESTION SIX

The company you work for as a Marketing Manager is contemplating investing in Big data. You have been tasked by the CEO to submit a report on the following:

- a. With the help of the **Vs model**, discuss the usefulness of big data **(10 marks)**
- b. Using examples (in percentages), explain the concept of bounce rate to the CEO **(10 marks)**.