

### MKF3151 Exam Review Questions

<p>Week 1: Describe the <u>marketing alternatives</u> that marketing practitioners might pursue. (Chapter 1)</p>	<p>Week 2: When determining market segment attractiveness, what is the multi factor that can be used as strategic tools for deciding on which markets to enter? (Chapter 10)</p>
<ol style="list-style-type: none"> <li>1. <b>Product-push marketing:</b> Pushing product into the market, actively encouraging customers to buy the products. Firm aims to be the product leaders, moreover, be more efficient and increase the sustainability of its profitability. In this marketing strategy, customer is not the focus.</li> <li>2. <b>Customer-lead marketing:</b> Firms chase customers, understand and identify what they need, and satisfy those desires at any costs. The attributes might be lower price deals, more choices, heavy promotions or aggressive sales targets. Customer-led marketing has a short-term orientation where firm might be facing risks of losing its market position by being too close to its customers.</li> <li>3. <b>Resource-based marketing:</b> Firms who undertook resource-based marketing aims to balance market need with firms' ability to serve it. It's a long-term view which appreciates and recognise customers' need but also be selective when choosing which market to serve in order to maximise shareholder value and organisational resources.</li> </ol>	<ul style="list-style-type: none"> <li>• <u>Market factors:</u> <ul style="list-style-type: none"> <li>- Size of segment: forecasting volume of sales &amp; economies of scale in production and marketing</li> <li>- Segment growth rate: sales growth rate (preferred in growing market).</li> <li>- Stage of industry evolution: future potential, profitability</li> <li>- Predictability of market – more turbulent = less easy to predict the potential value of a segment.</li> <li>- Price elasticity and sensitivity: markets with less price sensitivity and where price elasticity of demand is low = more attractive.</li> <li>- Bargaining power of customers: (recall Porters 5 Forces): Seasonality of demand – the extent to which demand fluctuates affects attractiveness of potential segment.</li> </ul> </li> <li>• <u>Technology/economic factors:</u> barriers to entry and exit + Bargaining power of suppliers + Level of technology utilisation</li> <li>• <u>Competitive factors:</u> intensity, quality of the competition and the degree of differentiation.</li> <li>• <u>The general business environment:</u> exposure to economic, political, social and environmental impact and uncertainty.</li> </ul>

<p>Week 3: What are the main steps in a benchmarking process? Explain with example. (Chapter 10)</p>	<p>Week 3: Identify and describe the activities in a competitor analysis. (Chapter 5)</p>
<p>(1) Decide who to benchmark against?</p> <ul style="list-style-type: none"> <li>• Industry leaders: accessing their key to success and how they do things differently to make them different from others.</li> <li>• Lesser players: mainly the new entrants to the market, they might be good in some specific activities such as customer services, promotional activities or distribution channel.</li> <li>• Particular business activities: may be purchasing, use of technology, production or warehousing.</li> </ul> <p>(2) What aspect of business to benchmark? All aspects of the value chain of the business can be benchmarked against. Due to time restraints, usually focus on some key areas such as: processes that are making a significant loss or impact to the customers &amp; any room for improvements.</p> <p>(3) Collect relevant data to enable the processes and operations to be compared: Data including published sources from gov., market report or industry can be useful. Other forms of data including interviews with customers, industry experts or even competitors &amp; data sharing from conferences or industry forums.</p> <p>(4) Comparison the data with own processes: based on steps 1-3, identify the areas of improvements and the areas that are doing good. Moreover, established measurable targets of improvements.</p>	<ol style="list-style-type: none"> <li>1. Access competitor's current and future objectives: understand what the competitor is setting out to achieve can give clues as to the direction it would take and the level of aggressiveness it would pursue.</li> <li>2. Access competitor's current strategy: what strategies are used, what opportunities and threats can be identified</li> <li>3. Access competitor's resource profile: shows what they are able to do at the moment and give access to predict the availability of further resources that can be used by the competitor.</li> <li>4. <u>Predicting competitor's future strategies</u>: combining the information and understand the potential strategy that can be used by the firm.</li> </ol>