Marketing Case Analysis

Case Analysis for Marketing Courses

Why do we choose to use cases as a part of our pedagogical toolkit? Cases are a well established and well accepted way of providing the student with information that approximates "real world" experience in business. Careful analysis of the situation presented in the case(s) and the development of strategies to solve extant and/or potential problems in the relatively risk-reduced environment of the classroom, when combined with the feedback of peers and the instructor, serves to prepare the student for his/her future.

Most of the cases that you will examine have multiple problems, some of which are not of a marketing nature (e.g. finance, production, management, etc.). While you may choose to address these problems in a peripheral fashion, they should not form the basis for the majority of your analysis in a Marketing class. Your report should address marketing problems and their solution.

If you approach the case analysis as a learning experience, you should earn the following benefits: 1) enhanced problem-finding and analytical skills; and 2) increased ability to recognize management assumptions and to generate your own solutions. Remember, a problem that is well-defined is half solved. All of this requires the willingness to carefully prepare your analysis, participate in the discussion of the solution and to state your own conclusions. You must be willing to make mistakes and recognize faulty conclusions (both your own and others') for learning to take place.

The following discussion is quoted from Cases in Marketing Management, Issues for the 1990's, 2nd ed., Hinkle, et al., Prentice Hall. Material in parentheses has been added for clarification. As you examine the case--skimming first for highlights and then reading it thoroughly, preferably (at least) twice, for understanding--and list(ing) the principal features relating to what you see as the central issues, several tentative solutions may evolve.

The following suggestions are intended to help you examine the case, pinpoint problem areas, and devise solutions and recommendations. **Point out in your analysis (in writing) your specific understanding of these areas, particularly if you lack data and have to make assumptions. IN OTHER WORDS, this is a check list that you should use to help you avoid forgetting something that could**

be crucial to your understanding of the case. It won't always fit everything but then, what does?

YOU ARE EXPECTED TO ANSWER THE FOLLOWING QUESTIONS, IN YOUR ANALYSIS, TO THE BEST OF YOUR ABILITY! YOU ARE EXPECTED TO "FLESH OUT" THIS BARE-BONES STRUCTURE SO THAT YOU WILL HAVE A DETAILED UNDERSTANDING OF WHAT IS HAPPENING IN THE CASE AND CAN WISELY ADVISE THE ACTION PEOPLE IN THE CASE. If you fail to do this, you fail the case.

1. Examine the firm's management, services, financial structure, and general and specific goals. Remember that companies do not do things; people do. Consider the managers' value systems, and estimate their (value systems') impact upon objectives, policies, and strategies.

2. Take the customers' viewpoints and try to understand such factors as the following:

a. Who are the customers? Classify them according to pertinent socioeconomic, demographic, and marketing characteristics. (These tell you more about why they patronize the firm)

b. What products and services do they use?

c. Where do they buy these products and services? Consider market geography, regional differences, and types of companies patronized.

d. When do they buy? What is the frequency of use? Time of the day and week? Are there seasonal (cyclical) influences?

e. How do they buy? Is help required to make the purchase? Do customers seek advice because of their lack of experience? Does personal selling play an important role?

f. Why do they buy? You may not be able to infer motivations, but you can consider related literature, findings of the behavioral sciences, and your (personal) experiences that pertain to the product and/or service and to the circumstances in the case.

3. Define the nature of the product/service.

a. What are its similarities to, and differences from, competitive offerings? (Me too products are harder to sell)

b. After carefully evaluating how people choose and use the products and services, ask the question, "How can the firm's marketing system adapt its product-service capabilities to the requirements of the buying-using (consumer/end user) system?"

4. Given the composition of the markets and the company's product-service capabilities, what seems to be the most desirable ways to close the gap between company and customers? (Be realistic, because pie-in-the-sky solutions that the firm can't afford won't be successful)

a. What marketing elements--services, research, advertising, personal selling, publicity (etc.)--are available? (And affordable in terms of the 3-m's-- men, materiel, & money)

b. Will marketing operations provide adequately for the outgoing flow of the product-service, and the incoming flow of money and information? (Can you handle the business and will it pay for itself?)

5. By now you should be able to define, and rank order by urgency, the problems facing the firm. *List* all those issues that are important; pay particular attention to those that are critical.

6. Lay out a proposed program, maintaining an acceptable cost-price-profit relationship (remember the real world). Justify your preferred solution. Balance the risks and potential returns in keeping with (this firm's) corporate policies and available resources (the three m's).

Since perfect information is never available, you might wish to seek case-related information, but it is preferable to deal with the study as it is presented rather than to acquire postcase data on the company.

If you make assumptions about information that is not presented in the case, you must state those assumptions in your write-up. The basic process of solving a case should follow the scientific method that you learned in high-school: 1) Analyze the case; 2) define the problem(s); 3) formulate alternative solutions to the problem(s); 4) analyze the consequences of each possible alternative; and 5) select the most appropriate solution(s).

HOW TO WRITE-UP YOUR CASE

The majority of your work is in the analysis and definition of the problems. Unfortunately, much of the effort that you put into the analysis and definition has no place in the final report that you will be preparing. It is quite natural to want to demonstrate that you have gone into exhaustive detail. However, the typical manager to whom you will report will have neither the time nor the inclination to wade through your report to find a short recommendation and the support necessary for its adoption. For this reason, it is imperative that you learn the skill of presenting your recommendations and findings in as brief a space as possible. (As an aside, this is an instruction manual, not a brief, hence it is longer than I would prefer.)

One of the primary goals of your written submission is to communicate your findings and recommendations in a manner that will insure their adoption and your swift promotion. Because of this, it is critically important that your report is written clearly and concisely, using correct spelling and grammar. Each error in your spelling and grammatical construction reduces your personal credibility and decreases the positive impact that your report will have.

A well accepted form of business correspondence which provides you with the structure necessary for clarity and brevity is the memorandum. **You are required to adhere to the following format in your case write-ups. If you fail to follow the prescribed format, the *penalties may be dire*.**

The basic format for a business memorandum (memo) is as follows: (*The information in parentheses is explanatory and is NOT to be included in your write-up!*)

DATE: 5/23/06 (use the date on which you prepare the case)

TO: M. K. Businessperson, Pres. *(Use the "action person" from the case. Never write to your instructor or use his/her name. The instructor is merely an observer, never a participant.)*

FROM: Kevin R. Coulson, Instructor *(This should be YOUR NAME plus a relevant title, or your group's names and titles, never a made-up name. The names here get the grade.)*

SUBJ: Memoranda format *(The subject line should identify the major point of the case, e.g. "The loss of market share for A. B. Firm.")*

REC: 1) Follow the prescribed format. *(The recommendation(s) should identify key actions to perform to alleviate problems, take advantage of* *opportunities that you have identified in your analysis of the case. Each recommendation should be a complete sentence.*

For example, "1) Reformulate the product to take advantage of lower cost ingredients." is acceptable while

"2) More research." is not.)

2) Check your spelling and grammar.

The first paragraph of your memo should briefly summarize the current situation and its ramifications. DO NOT repeat the case because the person reading the case (remember, this is the "action person") will be aware of the overall problem and will not want a blow-by-blow detailed description. This serves to waste his/her time and your space/credibility.

The second and following paragraphs should serve to describe in detail your reasons for recommending your proposed solutions and the intended results. Where appropriate, you should explain why you have NOT chosen what might seem to be particularly obvious and/or desirable solutions. In this case, there would usually be some repercussions that might occur in the future that have caused you to reject that particular solution.

Remember, you do not have sufficient space to delineate and explain each alternative that you considered and the reasons for its adoption or rejection. Hit the high points and explain them and their consequences. If you had to perform calculations (market share, etc.), or feel that greater explanation is needed for a particular recommendation, the information should always be included in an appendix or in multiple appendices. Don't make the assumption that you can decide upon a solution to a case without examining in detail the "numbers." You can, but your grade is almost certainly bound to suffer, just as in the business world, where a failure to "run the numbers" will cost you dearly.

The main body of your memo should be no more than 1 page long. If you include appendices (and you should when calculations are possible), they are referenced in the heading section of the memo. For example:

REC:.....

REF: See attached calculations.

Or

REC.....

APP: 1) Financial Calculations

2) Market Share Analysis

Suggestions:

Make sure that your appendices are properly labeled and self explanatory. If the case has numbers in it, it probably requires math. DO IT! Use the knowledge that you acquired in other classes, including other business courses. Read all available literature and take notes. Make specific page references for all relevant data in your notes so that you can find it when you complete your write-up. Cool off for a day or two after you've written the case. ***Go back and edit your work. Check for spelling and grammatical errors. Review for ease of comprehension*** (remember, the reader never knows exactly what you were thinking of when you wrote your memo so you have to be clear in your explanations). Make certain that the terminology that you use is appropriate and used correctly. Buzz words are ok in some places, not in others. Ask someone else to review and critique your materials before final submission (make use of your significant other or ask your instructor to look at the work). Above all, start early so that you have time to prepare a well-reasoned memo.

How to avoid a poor grade:

Never assume that your audience sees things the same way that you do. Make each point clear by providing an organized document that is easy to read and to understand. Set up the situation, indicate your proposed (recommended) solutions, and explain why these recommendations will overcome current and future problems. **NEVER waste space on "Memorandum" headings and "Have a nice and profitable day, signed A. Consultant" footers**. If your document looks like trash, why should anyone place their faith and confidence in your work? That means follow the required format, use 1" margins and legible type, and always, always check your work for spelling, grammatical and logic errors.

A BAD EXAMPLE (I have seen every error on this example at least ten times)

OFFICIL MEMORANDA
January 4, 1996

To. A. Student
FROM: Y.R. Instructor

SuBJ: Bad writin

Reccomendations; Try to follow. The from is important because it eases the resipieents understanding and helps too get you're mesage acrost there thick skull and if you cant get the idee across how'll you get a good grade and get into grade school?

My recommedationz are good. Ifyou follow them your shure to have a sucessssfullll carer. Ifi can be of furrthur servise pleze cll me at 55-54321.

Your obedent servent,

signed, Y. R, Instructr

GOOD EXAMPLE

Date: March 3, 2004
To: D. Uit Wright, Student
From: Kevin Coulson, Associate Professor of Marketing
Subj: Writing a credible memorandum
Rec: 1)Use the memorandum format that your audience expects.
2)Honor yourself and your audience by spelling all names and titles correctly.
3)Show your intelligence by proofing your work for spelling and grammatical errors.
4)Never repeat information that is well known to the audience unless you need to emphasize a point.
5)Each recommendation should be a complete sentence that clearly indicates a specific plan of action for the audience.
6)Use Appendices and/or Attachments to provide further clarification when necessary.
Some of your peers have difficulty in seeing the difference between a report that they might write to and for an instructor in High School or Junior College, and a memorandum to someone for whom they work. A report to an instructor is typically written about someone or something that is not directly related to either the recipient (the instructor) or the writer (the student). In this case the object being discussed is most often described in the third person, (he knows, they know), e.g., the frog is, or Ford Motor Company has . . .

When writing to someone that you work for or are being paid to consult for, either you or your audience is involved directly with the subject at hand. In such case you will normally use either the first person, (I know, we know), or the second person (you know), or both in your report, although you may occasionally use the third person as well. For example, Since I (1stP.) am writing to you (2nd P.) about constructing an effective memorandum, it seems silly, doesn't it, to write 'D. Uit Wright (3rd P.) should follow my instructions!' since you are reading this sentence?

In my classes I want you to take on the aspect of a consultant or an employee working for someone or that of an employer providing solutions for an employee. Since I am an observer, not a participant, you don't write a report to me, you write a memorandum to someone who can do something about the problems.

If your memo contains vague recommendations or is full of misspellings and grammatical errors, your audience will not get your point(s). They will place little faith in your abilities since you seem indecisive and uneducated. If you use a nonstandard format for your memo or waste time by repeating what is common knowledge to all who are involved, your audience will think you are a simpleton. Your audience adopts a particular memo format for the convenience of all who use it because it standardizes what information will be presented and tells them where to expect it each time. Finally, if you misspell their name, use the wrong title for them (or leave it off), or spell your own name wrong, you will be forever on their list of incompetent fools. People are proud of their names and their accomplishments and expect you to be proud of yours.

END OF EXAMPLE MEMO