

AP Degree Programme in Marketing Management
Exam assignment 2nd semester 2018
Testing theme 4 and theme 5

AP Degree Programme in Marketing Management

1st external case exam – interdisciplinary written exam

Written exam 8th February 2018 at 8.30am to 14.30pm

The case company must not be contacted

This paper consists of three exam questions and they are all included in the total assessment of the exam paper by the following indicative weighting:

Exam question 1: 45%

Exam question 2: 35%

Exam question 3: 20%

Total: 100%

This exam paper consists of 3 pages

6-hours' written case exam



Jakobsens A/S launches new product versions on a current basis and the product "Barbecue time – honey for barbecue marinade" is a new addition to the product range offered by Jakobsens A/S. As the name suggests the product is suitable for your barbecue and it is honey with added natural chili and lime aroma.

"Barbecue time – honey for barbecue marinade" is aimed at all people who appreciate barbecue and cooking. Jakobsens A/S sees a great potential in the male segment where relatively many have a passion for barbecue. For the time being the marketing department at Jakobsens A/S is busy with the planning of the promotion activities prior to the coming barbecue season 2018 and the sales department is working hard on finding the right distribution channels. Both departments focus on choosing the right channels so that Jakobsens A/S targets its marketing activities at the male barbecue enthusiasts in the best possible way.

Jakobsens A/S is of course very much interested in launching the new product successfully. You work as a consultant and help companies find workable solutions. Therefore, Jakobsens A/S has contacted you to give them advice on how to market the product to male barbecue enthusiasts. You suggest specific recommendations and account for how you believe Jakobsens A/S should market its product "Barbecue time – honey for barbecue marinade".

Exam question 1: Marketing

On the basis of the new product "Barbecue time – honey for barbecue marinade" prepare a relevant and well-founded parameter mix targeting male barbecue enthusiasts. Prepare an action plan showing the activities you recommend. You are to prepare a tactical and an operational marketing plan for the product "Barbecue time – honey for barbecue marinade" for the barbecue season 2018 in Denmark.

Exam question 2: Economy

Jakobsens A/S has so far priced its goods based on a wish to obtain a profit margin and to get an impression of the customers' willingness to pay. The reason for the introduction of marinade with honey for your barbecue is that Jakobsens A/S wants to optimise its earnings. Therefore, Jakobsens A/S is interested in pricing the marinade with honey optimally compared to market prices.

Earlier this year Jakobsens A/S introduced a new product for your barbecue: marinade with honey. After having investigated prices for its marinade with honey, Jakobsens A/S decided to price its honey at DKK30.00 each glass and the company estimates to sell 12,500 glasses of marinade with honey for your barbecue.

The table below shows the correlation between price, sales and costs (Appendix 1, excel spreadsheet enclosed).

Correlation between price per unit and sales		
Price	Sales	Variable unit costs
DKK per unit	Unit	DKK per unit
38.00	7,500	20.00
34.00	10,500	20.00
30.00	12,500	20.00
26.00	16,000	20.00
22.00	20,000	20.00

Task 2.1

Mention and explain the purpose of optimizing and account for the different methods of optimizing you can apply to find the optimal price (See the above table).

Task 2.2

Explain the market structure that Jakobsens A/S faces and explain how it affects optimization of price and amount.

Task 2.3

Calculate the optimal price based on the data shown in the above table.

Task 2.4

Mention and describe (no calculations) what other methods you can apply when pricing products.

Task 2.5

Based on your suggestion for price and sales Jakobsens A/S has decided to increase its marketing activities regarding marinade with honey for your barbecue and budgets for DKK50,000 to be spent on marketing activities.

Calculate break-even sales for the marketing activities and describe the meaning of your calculation.

Exam question 3: Logistics/SCM

This exam question is based on another scenario than the previous questions:

You are employed as a logistic Assistant at the Danish producer of honey Jakobsens A/S in Aulum. Your manager has asked you to help him look at the logistic efficiency and possible new suppliers for the "Marinade with Honey"

At the recent food trade fair Food expo held in Herning, the Logistic Manager was contacted by a number of German food suppliers who all showed a genuine interest in the products sold by Jakobsens A/S and in particular in the new product "marinade with honey – honey for your barbecue". They would like to be suppliers for this marinade, with their broad range of food products. .

The Logistic manager knows that you studied logistics on the AP Degree Programme in Marketing Management. The German food suppliers are possible candidates for supplying ingredients, but you are asked to assess what is important when it comes to establishing partnerships with new suppliers.

What should Jakobsen A/S take into consideration, now they want to find new suppliers for their marinade with Honey?