

Exam assignment AP Degree in Marketing
Summer admission 2015, 2. semester, Examination in Theme 4 and Theme 5

AP degree in Marketing Management

1. External Case examination – Written exam

Written exam June 10th. 2016 at 08.30 - 14.30 hours

Case company must not be contacted!

The case assignment contains four questions. The four questions are weighted as follows in the total evaluation of the assignment.

Question 1: 45%

Question 2: 20%

Question 3: 10%

Question 4: 25%

Total: 100%

The case assignment contains 8 pages, including the cover page and appendices

6 hour written exam

1st External – Case Exam

Facts about the exam according to the curriculum

1st external consists of 1 exam held at the end of 2nd semester. The exam consists of:

- An individual interdisciplinary exam based on a case relating to a specific company

The interdisciplinary case exam is a 6-hour test taken after 24-hours' preparation. The case exam tests the range of the learning objectives for the compulsory programme elements of 2nd Semester (Tactical and Operational Marketing B2C and B2B). Great emphasis is placed on the student's ability to methodically choose and apply relevant theory from several subject areas to solve a specific problem.

The basis for the 24-hours' preparation is a brief that includes:

- The name of the company under analysis
- The main issues to be addressed
- Introductory links to information about the company and/or the relevant market

On the day of the exam, the student will be asked one or more questions, which should be methodically answered according to the information gathered and any supplementary information provided on the day of the exam.

Examination form and scope

24 hours before the examination, the students receive a company, an overall problem area and relevant case material.

The following day a 6-hour written examination is held at the Academy, where taking its point of departure in the overall problem area, one or more specific questions must be addressed.

Supplementary material relating to the assignment may be provided on the day of the exam.

The case material about the company is made public via Wiseflow at 0830hrs 24 hours before the written exam and is simultaneously available at the administration office.

The answer must introduce an outline listing all the relevant disciplines. The student is expected to include several disciplines if relevant for the assignment. The student must also explain which areas will be dealt with in detail and justify any exemptions.

The scope of the reply is approximately 24,000 keystrokes including spaces, footnotes, figures and tables, but excluding front page, table of contents, list of sources and documents.

Admission to the exam

Student i.d. card and USB must be shown to gain access to the exam room.

Student i.d. card must be visible during the entire exam. Arrive in

	<p>ample time before the examination. Exam rooms will be announced on Fronter.</p>
Aids	<p>All aids are allowed, including the use of Internet. It is not allowed to communicate with others either physically or electronically during the exam. Cell phones are not allowed and students may not wear headphones during the exam. Moreover, neither the company nor its partners may be contacted. Failure to comply will be considered cheating and the student will be expelled from the exam. Identical replies will not be accepted. Students are allowed to work together during the first 24 hours and to use prefabricated material, but each student's answer must be 100% his/her own and any identical answers will be registered in the plagiarism control system.</p>
IT-equipment	<p>Each student is responsible for accessing Wiseflow in connection with receiving the assignment. It is therefore important to have a working password. Each student must bring a computer, power supply and USB connector for the exam. Students are responsible for their own computers. The academy cannot help if any technical problems with the computers arise.</p>
Margin and line spacing	<p>Margin: recommended 2.54 cm at head, foot and sides Line spacing: recommended 1.15</p>
Header information	<ul style="list-style-type: none"> · Name of the exam: 1st External, Case Exam · Name of student · Class designation · Exam date · Number of pages
Delivery of exam paper	<p>Electronic delivery: The exam paper must be delivered in Wiseflow as a PDF.</p>
Assessment	<p>One mark according to the 7-point grading scale will be awarded and will appear on the exam certificate. Marks will be issued via Wiseflow within 4 weeks after the exam.</p>
Re-exam	<p>If the ordinary exam fails, or a student has not been able to perform due to illness, the student automatically is registered for the next re-exam.</p>
Further information	<p>See examination regulations and curriculum on Fronter.</p>



1. Marketing

The brand JUUCE has been established at hair salons and has had success selling the products to women. For 2017 an area of focus is to establish the brand among men interested in personal grooming. COSS has identified fashion conscious men as a target group for JUUCE. The target group is characterized by how critical it finds choice of fashion products, grooming products, food and bodily fitness. The target group actively looks for information on trends and personal care, in both print and online media.

The target groups has an above average willingness to pay for care products and values the storyline of environmental friendliness and reduction of allergens. The target group frequents hair care professionals more often than the average male in the age group 25-40 year old. The management of COSS wishes to market the existing JUUCE product line to the target group to capitalise on unisex product trends in the market.

1.1 To the above described B2C target group, develop a relevant and well argued marketing mix, including a suggestion to a marketing plan for 2017 and an overview of recommended activities in Denmark.

2. Law

2.1 JUUCE has a number of presentation videos on their website. In one of the videos the former handball national team player Lars Rasmussen appears. He used to have problems with hair loss, and at one point he was completely bald - but by using a product from JUUCE his hair grew back in just four months.

Which legal challenges might JUUCE face according to the Danish Marketing Practices Act?

2.2 If you shop via shop.juuce.dk - then, in connection with a purchase, you will automatically be signed up for their newsletter - as "Yes, I want to receive newsletter"* field is pre-filled.

Is the pre-filled field in accordance with applicable law?

* "Ja tak, jeg ønsker at modtage nyhedsbrev" in screenshot in appendix

3. Supply Chain Management

3.1 Make recommendations on logistics and supply chain for the distribution of JUUCE product line for both B2B and B2C

4. Economics

COSS has decided to add a new product to the JUUCE product line. The sales price per unit in the salons has been set at 195 DKK incl. VAT¹. The pricing decision is solely based on the prices on similar products by competitors.

COSS has been in contact with a potential supplier based in China. However, before management engage in negotiations with the supplier, they require an analysis of the maximum unit price they can pay. The analysis should be based on the following information:

- The standard contract with the hair salons specify that their contribution margin ratio is 20 % (based on the unit sales price in the salons excl. VAT)
- The hair salons cover freight costs from COSS's warehouse to the salon.
- COSS's contribution margin ratio should be 40 % (based on the unit sales price in the salons excl. VAT).
- The freight costs from China to Denmark are equal to 6 DKK per unit.
- Research has shown that there are no custom duties on hair products from China.

4.1 Calculate the maximum unit price ex factory that COSS can pay the Chinese supplier (retrograde calculation).

Now assume that COSS pays the supplier the maximum unit price as calculated above. Hence, the COSS's contribution margin ratio is equal to 40 % (based on the unit sales price excl. VAT).

In addition, COSS expects to allocate 100.000 DKK on marketing of the new product in the first year. Apart from marketing costs, the new product is expected to increase other capacity costs by 40.000 DKK per year. As the product fulfills a specific need with the consumers, it is not expected that it will influence the sales of other products.

4.2 Calculate the number of units that COSS has to sell in the first year, for the new product to break even.

COSS wants to make an analysis of whether the unit sales price of 195 DKK incl. VAT is optimal in the current situation. As mentioned above the pricing decision has until now been solely based on the competitors' prices on similar products.

4.3 Discuss briefly which other factors COSS should include in their pricing analysis.

¹ Danish VAT is 25%