

IB Business Management – Marketing

4.1D: The Role of Marketing: Activity



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4.1 THE ROLE OF MARKETING: ACTIVITY D

Read the case study information below and answer the questions that follow.

THE CLASSIC WATCH COMPANY



The Classic Watch Company was in trouble in 2014. Sales had fallen in each of the last three years. The founder of the company, Harry Brainch, could not understand the reasons for this. His business had been making the Classic Ladies' wrist watch for the last 20 years. The current model had been updated but was still essentially the same design as the original watch. Consumers had been attracted to its simple, robust design and good value. These were very important qualities during the economic crisis that

country had had suffered from for much of the last few years.

More recently, consumer incomes had started to rise. Old manufacturing industry had been replaced by service sector businesses that offered many supervisory and managerial jobs. Youth unemployment, in particular, had fallen and young consumers had much more money to spend than previously. Both men and women were becoming much more fashion conscious as their consumer tastes changed with higher incomes. Harry knew his business had to change, but he did not know which new style of watches to introduce. He almost wished a return to the good old days when shoppers were happy to buy a recognised design at a reasonable price.

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QUESTIONS: 20 MARKS, 35 MINUTES

1. Explain whether the Classic Watch Company **product orientated** or **market orientated**.
[4 marks]
2. Analyse why Harry's original marketing strategy no longer increases sales. [6 marks]
3. Evaluate possible marketing objectives the Classic Watch Company may wish to consider.
[10 marks]