METHODOLOGY AND SCOPE

The planning work for this study looked into the following aspects:

a) The methodology for the collection of the required data.

b) The scope for the collection, analysis and conclusions that could be drawn from this data.

c) Presentation of the data.

d) Testing the hypothesis.

2.1 COVERAGE AND SELECTION OF SAMPLES: Being Pune based, it was decided that coverage for this study will mainly come from here. Pune is a rapidly growing industrial centre with a large number of industries which could fit in small, medium, and large scale categories. Again, these industries are of various types i.e. manufacturing industrial, as well as consumer goods, service industries etc.

The most important task in this exercise was the selection of samples which will do justice to
the purpose of this study - the testing of the hypothesis. The procedure adopted to ensure the same was as follows:

a) It was decided to restrict the number of samples to four only. The reason behind this is that the Marketing Audit is a costly and time-consuming process. An exhaustive Marketing Audit of a big company may require as much as five to six months. The Marketing Audit also requires confidential information. It was felt that only for academic purposes, a large number of samples may not give confidential information especially on costing, pricing, profitability and few other aspects.

The samples were selected from large and small limited companies. This was for the fact that such companies have to publish their annual reports. A lot of information can be collected from annual reports of the companies.
While selecting the samples, it was decided to select at least one representative unit from an engineering industry, consumer goods industry and service industry. This was done purposely to fulfill one of the objectives that is to study the applicability of Marketing Audit to different types of industries and businesses.

b) Maximum effort was made to collect complete information from the selected samples. This included information regarding their products, customer, market, history of the business unit etc. Needless to say that this called for repeated visits to the company’s offices, dealers, customers etc.

c) Thus, the data for this study came from primary sources, which included the respondents operating in marketing system as listed above. Secondary sources included annual reports of the companies, sales promotion literature and any other published information relevant to the companies.
2.2 DESIGNING OF THE QUESTIONNAIRE:

A questionnaire as shown in Annexure, was designed for depth interviews. The questionnaire was necessary to ensure that the data collected from all the samples is of uniform nature and also exhaustive. It covered information mainly on six points as listed below:

a) Changes in the macro-environment i.e. economy, technology, social and cultural changes and other environments such as markets, customers, distributors/dealers, suppliers etc.

b) Marketing strategy - dealing with marketing objectives, and strategies.

c) Marketing Organisation - covering formal structure of the marketing organisation of the company, functional efficiency and interface efficiency.

d) Marketing systems - Dealing with marketing information, marketing planning, marketing control system and the system of development of new product.

e) Marketing productivity - covering profitability analysis and cost-effectiveness analysis.
f) Marketing functions covering products, pricing, sales force, advertising, sales promotion and publicity.

2.3 INTERVIEWS:

Many discussions were held with the marketing executives of the selected samples. For this the selected units were visited frequently to obtain answers to the questions in questionnaire and all the necessary data, subject to the availability of the same and respondents.

2.4 ANALYSIS AND PRESENTATION:

All the cases are presented as they have been narrated by the respondents, regarding the working of the company. At the end, specific problems, if any faced by them have been highlighted.

A detailed analysis was then made of the interviews and financial accounts to find out:

a) Problem areas – i.e. whether there are problems in any of the marketing functions of the company and reasons for the problems.
b) Whether the business units are aware of the problems and their severity or not.

c) Steps, if any taken by the business units to solve the problems and their results.

2.5 CONTENTS

This thesis is divided in five chapters. A brief outline of each chapter is given below:

Chapter I - It establishes the overall need for a Marketing Audit.

Chapter II - It discusses the scope of this thesis and methodology adopted for completing the same.

Chapter III - As the concept of Marketing Audit is not much familiar to Indian business units, it was decided to give a detail explanation of the same. This chapter covers difference between marketing and selling, the concept of Audit, limitations of the financial audit, necessity of the Marketing Audit, definition, purpose, scope and process of carrying out the Marketing Audit and problems involved in it.
Chapter IV - This section covers the Marketing Audit of the sample units, that is brief history of the sample units, feedback on the questionnaire, observations and recommendations on the answers given by the marketing executives of the sample units, quantitative analysis - comprising capacity utilisation analysis, sales analysis, marketing expenditure analysis, product line contribution analysis for the period of last five years and inter firm comparison, and their interpretation.

Chapter V - Conclusions and Recommendations:

This section offers conclusions and recommendations. Based on the data collected on different companies different conclusions are drawn on different problem areas; for each of the company studied. This leads to recommendations. These will be on long term as well as short term strategies, which the companies should adopt to fulfil the objectives of improving marketing performances, the profitability of the company.
Chapter VI - This section puts the hypothesis to test. The recommendations offered to these companies were communicated to them informally and the trends on the performance were observed. The effects of the same have been studied too.