**How to Perform a Marketing Case Analysis**

A marketing case is a description of a business in which some organization is attempting to create or enhance an exchange relationship with a group of customers. These descriptions are usually both quantitative and verbal. The description is a collection of facts, opinions, and other bits of data, some of which are more relevant and reliable than others. While the description is most always incomplete, you must recommend some course of action for the organization.

To write a good case analysis, you must first construct a model of the situation (your definition of the problem). You construct this model from the relevant facts you find in the case and from the relationships among those facts that you are able to discern. If you overlook relevant facts and/or fail to recognize some key relationships among the facts, your model will be inaccurate and the resulting analysis flawed. Following are some rules that may help you develop a good working model (i.e., define the problem) of the situation and write an appropriate and compelling analysis.

***RULE #1: KNOW THE CASE FACTS.*** Read the case, as many times as necessary. Underline, take notes, and do whatever is necessary to register the facts in your mind. Actively look for relationships (logical or casual connections) among the facts. This is an active, creative, and effortful process that is essential for producing a good model of the case situation.

***RULE #2: ACTIVELY LOOK FOR CONNECTIONS AMONG THE FACTS.*** Discerning relationships among relevant facts is the key to defining the problem (constructing your model). There are really only two kinds of marketing problems: 1. occurs when a firm has been doing something (trying to sell a new product) and the results are unsatisfactory (nobody buys it); and 2. a firm wants to do something (introduce a new product) but is uncertain about what needs to be done to get satisfactory results. Despite the fact that there are only 2 types of marketing problems, they occur in endless variety and they are usually quite complex. For this reason it is difficult to describe a marketing problem with precision. However, if your description or model fits reality too poorly, the course of action you recommend will likely be inappropriate.

***RULE #3: DEFINE THE PROBLEM AS PRECISELY AS POSSIBLE.*** The best way to define a marketing problem is in terms of controllable marketing variables that are either: 1. incorrectly set or adjusted (first type of marketing problem), or 2. inadequately specified (second type of marketing problem). Thus, “falling sales” is a poor statement of the problem. “The product fails to satisfy changed customer needs” is better. The ability to make precise and appropriate statements of marketing problems is a practiced art, accomplished with hard work and smarts.

***RULE #3A: DEFINE THE PROBLEM AS PRECISELY AS POSSIBLE IN TERMS OF THE MALADUJUSTMENT OR UNDERSPECIFICATION OF CONTROLLABLE MARKETING PROBLEMS.*** Why is this a good idea? Because the marketing manager takes action by changing or specifying one or more controllable marketing variables. The manager can do nothing else. Thus, your recommendation to the manager must be made in terms of controllable variables for it to be of actionable value.

What are controllable variables?

* Marketing Objectives
* Marketing Strategies
* Marketing Mix and in a supporting role
* Marketing Information
* Marketing Organization

These variables are manipulated in such a way that is intended to adapt successfully to the conditions imposed by a set of uncontrollable variables that include:

* Customers
* Competitors
* Macro environmental variables (economic, political, legal, social, cultural and technological factors)

Together, these sets of controllable and uncontrollable variables provide a checklist for describing the firm’s situation and identifying its marketing problems.

***RULE #4: USE THE CONTROLLABLE AND UNCONTROLLABLE MARKETING VARIABLE CATEGORIES TO HELP ORGANIZE YOUR THINKING ABOUT THE SITUATION AND THE MARKETING PROBLEMS.*** If you have defined the marketing problem(s) appropriately, the task of proposing a course of action is greatly simplified. However, in all instances you will probably recognize that several alternatives appear plausible. Do not exclude plausible alternatives from your analysis so as too severely limit your choice.

In the end,of course, you must pick a single alternative course of action. In doing this you must present a rationale that demonstrates convincingly why the alternative you selected is the superior one. This rationale may involve economics (more profit), risk (higher probability of success or less financial exposure), strategic considerations (more compatible with the firm’s image or less vulnerable to competitive reaction) or, as is usually the case, some combination of all of these.

***RULE #5: ATTEMPT TO RECOGNIZE ALL PLAUSIBLE ALTERNATIVE SOLUTIONS.***

***RULE #6: CHOOSE THE ONE ALTERNATIVE YOU BELIEVE IS BEST AND JUSTIFY YOUR CHOICE.***

**FORMAT FOR WRITTEN CASE ANALYSIS**

Sections of the Analysis (in order):

* Executive Summary
* Problem Definition
* Analysis of Alternatives
* Plan Development

Executive Summary

This section should define the problem, state the chosen alternative, and briefly explain why the chosen alternative is the superior alternative. The Executive Summary should not contain background material from the case. Write the Executive Summary for your audience – the executives of the company. They are, of course, well-informed about the situation. This section will usually be only 2 or 3 paragraphs in length.

Problem Statement and Statement of Alternatives

Adequately and appropriately defining the problem is the key to the case analysis. A problem definition should be framed as a decision to be made. Therefore, “sales have fallen off” is not a properly defined problem. The problem should not be defined so narrowly that good alternative courses of action are not considered. Therefore, “should we increase advertising” is too narrowly defined to result in a thoughtfully considered decision. The problem definition should contain three key elements: decision objectives; success measures; and decision constraints. For example: how can we maintain our quality brand image (objective); and regain our lost market share (success measure); given limited funds for advertising and sales promotion (constraint)?

This section should identify the alternative courses of action to be investigated. This section should also list the major dimensions, or states of nature in a decision theory framework, of the decision (i.e., those factors on which the choice of an alternative will largely depend). These states of nature are uncertain and, for the most part, are uncontrollable: competitor actions, consumer needs and response, and turns in the economy are examples. The potential payoff of any alternative depends on the “true” state of nature. This section will most likely be about 1 page in length.

Analysis of Alternatives

This section may contain qualitative as well as quantitative analyses. In a decision theory sense, this section seeks to calculate the expected payoff of each alternative. Therefore, you must sift through the case information to find those pieces of information relevant to the decision to be made. Here, you are really constructing the states of nature, estimating probabilities of the state of nature, determining cell payoffs, and calculating the expected values of each alternative. It is proper to place actual calculation, exhibits, etc. in the appendices and simply refer to your findings in the body of the paper. This section will ultimately identify the chosen alternative strategy or course of action. This section will normally be 2 to 3 pages in length.

Plan Development

Once the alternative strategy is selected, you must develop a plan for its implementation. Basically, this involves specifying the marketing mix to be employed. This section will be 1 to 2 pages in length.