**Value of Monitoring Market share**

Monitoring market share is a valuable metric for assessing a company's performance and competitiveness within its industry. Market share provides insights into a company's competitive position within its industry. Higher market share often indicates a company's ability to attract customers, potential investors and shareholders. Monitoring changes in market share over time helps identify whether a company is gaining or losing ground relative to its competitors. Positive trends suggest growth opportunities, while declining market share may indicate the need for strategic adjustments. A larger market share often allows a company to achieve economies of scale, resulting in cost advantages, increased profitability, and enhanced bargaining power with suppliers. A company with a substantial market share is perceived as having a solid foundation and the potential for long-term success.

1. Provides a benchmark for comparison: Tracking market share gives a good benchmark for performance comparisons with competitors. It offers insight into how much of the customers' purchasing power a business has relative to its competitors, which can help improve strategies and decision-making.

2. Determining customer preference: Monitoring market share will give the company vital information about what customers prefer in the market. It will allow businesses to understand customer needs and develop new products to meet those requirements.

3. Identify market trends: Analyzing market share trends over time provides insights into changes in the market. It allows businesses to determine if they are losing or gaining market share and helps identify emerging market opportunities and threats.

4. Competitive Advantage: Maintaining or increasing market share can be used as a competitive advantage when seeking new partnerships, recruitment of employees, and attracting investment. A company with a high market share is perceived as being successful and helps attract new customers.

However, using absolute measures of performance such as revenue figures, annual profits, or return on investment gives a measure of the company's financial performance. In addition, it can use to assess whether the company is financially stable over a given period. It also allows businesses to compare their performance with previous years, evaluating performance based on its financial goals.

In conclusion, both monitoring market share and using absolute measures of performance are valuable tools to measure a company's overall performance and financial health. However, monitoring market share is essential for analyzing competitive position and market trends, while absolute measures help determine the company's financial success and stability. Therefore, businesses must utilize both in their performance measurement framework.

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**Marketing audit**

A marketing audit is a comprehensive evaluation of an organization's marketing objectives, strategies, capabilities, and activities. It aims to provide an understanding of the organization's strengths and weaknesses and helps in developing a better marketing plan. The scope of a marketing audit can vary depending upon the organization's size, industry, and marketing environment. An effective marketing audit requires a comprehensive approach that should cover the following elements:

Environmental Analysis:

To conduct a marketing audit, an organization must evaluate both its macro and micro-environments. This requires an understanding of the wider industry landscape, including economic, political, legal, and technological forces. It also focuses on the micro environment, which includes customers, competitors, suppliers, and intermediaries. Examining the organization's environment will enable managers to identify threats and opportunities in the market and make changes to their strategy accordingly.

Marketing Communications Audit:

Communication is a critical component in the marketing mix. It involves analyzing key marketing communication messages and evaluating how they are conveyed effectively through various channels. The messaging should also be consistent and aligned with the organization's mission, vision, and values. A communication audit may include an evaluation of traditional media advertising, online advertising, social media, and public relations activities.

Product Analysis:

An organization’s product offering is critical in its success and is a key driver of revenues and profitability. A product analysis provides insights into an organization's existing product portfolio, including the brand, packaging, and pricing strategy. Such an analysis can evaluate the strengths and weaknesses of each product to identify areas of opportunity for improvement.

Pricing Analysis:

Pricing strategy can make or break an organization's success. Effective pricing needs to consider factors such as market saturation, elasticity, target market, and competitor actions. Pricing analysis will help determine pricing that is competitive while still profitable.

Distribution and Sales Audit:

Distribution and sales channels play a significant role in product sales. It influences customer purchase behavior, and, ultimately, the organization's bottom line. Distribution management plans allow managers to make an objective assessment of whether their current distribution channels are authoritative in promoting products, services, and branding.

Consumer and Market Research:

Market research is essential to understanding consumer behavior, attitudes, and preferences. This element of the marketing audit entails a comprehensive analysis of the market, covering consumer behavior, trends, preferences, and market segmentation. This research provides invaluable insights into existing and potential markets.

Marketing Performance Audit:

The marketing performance audit measures the success of a marketing campaign, its overall effectiveness, and its return on investment. This element of the audit should include metrics such as customer acquisition rate, conversion rate, and customer retention rate.

Internal Audit:

Internal audit assesses the organization's internal marketing systems and processes. It provides insights into the organization's structure, policies, procedures, communication, culture, and resources. A thorough internal audit will identify areas of marketing inefficiencies and recommend improvements to enhance marketing performance.

Market Analysis:

This element involves evaluating the organization's target market(s), customer segments, and market trends. It includes analyzing market size, growth rates, customer needs, preferences, and behaviors. Understanding the market dynamics helps identify opportunities for growth and potential threats from competitors. The analysis may include conducting market research, assessing customer satisfaction, and studying market segmentation strategies.

Competitive Analysis

Examining the competitive landscape is crucial for understanding the organization's position relative to its competitors. This element involves analyzing the strengths and weaknesses of key competitors, their marketing strategies, pricing, distribution channels, and customer value propositions. It helps identify competitive advantages, areas for improvement, and potential threats to the organization's market share.

Marketing Strategy Evaluation

This element focuses on assessing the organization's marketing objectives, strategies, and tactics. It involves analyzing the alignment between the organization's overall business objectives and its marketing goals. Evaluation of the marketing mix (product, price, promotion, and place) is essential to determine the effectiveness of current strategies and identify areas for optimization. This element may also include an assessment of the organization's brand positioning and differentiation strategies.

Marketing Communications and Promotions

Evaluating the organization's marketing communications activities is crucial for ensuring effective messaging and brand consistency. This element involves assessing advertising campaigns, public relations efforts, digital marketing initiatives, social media presence, and customer engagement strategies. Evaluating the return on investment (ROI) of marketing communications activities helps identify the most effective channels and messages for reaching target audiences.

Distribution Channel Analysis: Analyzing the organization's distribution channels is important for assessing their effectiveness in reaching customers and delivering products or services. This element involves evaluating the distribution network, channel partners, logistics, inventory management, and customer service processes. Assessing the distribution channel helps identify opportunities to enhance efficiency, expand market reach, and improve customer satisfaction.

Marketing Performance Measurement: Measuring and evaluating marketing performance is a critical element of the marketing audit. It involves analyzing key performance indicators (KPIs) such as sales revenue, market share, customer acquisition costs, customer lifetime value, customer retention rates, and brand awareness. This element may also include assessing the organization's marketing analytics capabilities and the use of data-driven insights for decision-making.

**Conclusion**

A marketing audit aims to evaluate an organization's marketing strategy holistically and provides recommendations for improvement. The scope of a marketing audit can vary depending on the organization's stage of development, industry, and objectives. Nonetheless, any marketing audit must address critical elements such as environmental, product, pricing, distribution, and sales audits, consumer, and market research and internal audits. By undertaking a comprehensive marketing audit, organizations can realize the effectiveness of their marketing strategy, identify areas for improvement, and streamline mechanisms crucial to their success

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