

MATRICULATION AND SECONDARY EDUCATION CERTIFICATE EXAMINATIONS BOARD
UNIVERSITY OF MALTA, MSIDA

MATRICULATION CERTIFICATE EXAMINATION
ADVANCED LEVEL
SEPTEMBER 2012

SUBJECT:	MARKETING
PAPER NUMBER:	I
DATE:	4th September 2012
TIME:	9.00 a.m. to 12.00 noon

Answer ANY FIVE [5] questions.
All questions carry equal marks [20 marks each].

1. The Marketing Concept holds that “*the key to achieving organizational goals consists of being more effective than competitors in integrating marketing activities toward determining and satisfying the needs and wants of target markets*”. (P. Kotler). Do you agree that all companies have to adopt this marketing philosophy? Give examples to substantiate your arguments. (20 marks)
2. Outline the various stages of the process a typical consumer goes through when purchasing a family holiday. Illustrate your answer with examples. (20 marks)
3. Illustrate how consumer electronics companies may apply the ‘Product Life Cycle’ tool to market their products effectively. (20 marks)
4. Does the concept of ‘pricing’, as part of the marketing mix, lend itself to a non-profit organization? Give reasons and examples to substantiate your arguments. (20 marks)
5. Explain, by way of specific examples applied to **one service product** of your choice, how the various elements comprised in a company’s extended marketing mix may be applied effectively. (20 marks)
6. Should marketing research be solely conducted before the product/service is launched on the market? Discuss and give examples to substantiate your arguments. (20 marks)
7. By way of examples, explain how the different parts of the Marketing Plan are linked together. Discuss the importance of producing an effective and integrated marketing plan to a company. (20 marks)
8. List the salient marketing communications tools. (8 marks)
Explain and illustrate, by way of applied examples, how companies may make effective use of salient marketing communications tools. (12 marks)

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MATRICULATION CERTIFICATE EXAMINATION
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SEPTEMBER 2012

SUBJECT:	MARKETING
PAPER NUMBER:	II
DATE:	5th September 2012
TIME:	9.00 a.m. to 12.00 noon

Answer ALL questions in Section A and ANY TWO [2] questions from Section B.

Section A – Answer ALL questions.

SaksFirst Builds Customer Relationships

It's Wednesday afternoon, and as usual, Gwendolyn has a fitting room ready for Mrs. Johnson. She has picked out some of the new items in Mrs. Johnson's size that came in the previous week. She has everything from scarves to jewellery to shoes ready to go along with the outfits.

"Good evening, Mrs. Johnson. So how was your birthday?" Gwen asked.

"It was wonderful. My husband took me to Italy. Thank you for the card."

"I pulled some new items for you to try on," Gwendolyn said.

"Thank you, Gwen. You are the best!" replied Mrs. Johnson.

The reason Mrs. Johnson has such a friendly relationship with Gwen is because Mrs. Johnson is a regular customer and a *SaksFirst* member.

Saks Fifth Avenue started in the early twentieth century. *Saks* is considered the epitome of class, style, and luxury. When customers go to *Saks*, they receive excellent customer service; when they join *SaksFirst* – started in 1994 – they also receive a lot of additional benefits. *SaksFirst* is a preferred customer programme that helps facilitate more personal customer – sales associate relationships.

To become a member, a customer has to have a *Saks Fifth Avenue* credit card, and once she or he spends at least \$1,000 dollars a year, the customer is automatically enrolled. For every dollar spent, the customer will receive a reward point. At the end of the year, preferred customers receive 2, 4, or 6 percent in bonus points based on how much they charged that year above \$5,000 at *Saks*.

SaksFirst customers receive many exclusive benefits. The tangible benefits include the points, rewards, and discounts. Customers also receive complimentary shipping and delivery for catalogue and online orders, advance notice of sale events, the *SaksFirst* newsletter, catalogues, promotions and giveaways, double- and triple-point events, and double points on their birthdays. The intangible benefits include recognition and preferential treatment.

For the retailer, the main purpose of the *SaksFirst* programme is to promote excellent customer service. The better the relationship between the customer and the sales associates, the more money loyal customers will spend. Every year there is a triple-point event in the first week of November. That one-day event accounts for the highest volume sales day of the year, higher than the day after Thanksgiving or Christmas Eve. Knowing this, the company understands the importance of the preferred programme.

The *SaksFirst* programme can also be used by sales associates as a selling tool. If a customer is uneasy about purchasing large-ticket items, the sales associate can remind the member of the bonus certificate that will return a percentage of the cost. Sales associates are motivated to enrol as many of their customers as they can because they are given incentives such as “lottery tickets” that are redeemed for cash.

Source: Adapted from text prepared by Teresa Scott, University of Florida, Levy M & Weitz B, Retailing Management.

Answer ALL questions of Section A

QUESTIONS:

1. Based on the facts presented in the case, how does *SaksFirst* build loyalty for *Saks Fifth Avenue*? (10 marks)
2. Illustrate the effectiveness of the *SaksFirst* programme in developing customer loyalty. (15 marks)
3. Is the *SaksFirst* programme worth what it spends giving back to customers? Substantiate your arguments. (15 marks)

Section B

Answer ANY TWO [2] questions. All questions carry equal marks [30 marks each].

4. Packaging is defined as “*The activities of designing and producing the container or wrapper for a product.*” (Kotler P). Does this mean ‘packaging’ has no relevance to **services companies**? Substantiate your arguments with applied examples. (30 marks)
5. As a leading sales & marketing consultant, you have been asked to deliver a 30-minute talk to local importers on the importance of sales in the face of today's highly competitive market conditions. It is important that you explain and illustrate, by way of applied examples, the essential stages of the personal selling process. Prepare in detail the notes and examples you will be using when giving this talk. (30 marks)

6. As the newly-engaged Marketing Manager of a shoe manufacturer, you have decided to draw up a report addressed to your Managing Director explaining the importance of applying the target marketing and product positioning process. In your report, you will explain and illustrate the effectiveness of each phase by giving examples related to your company. Write this report. (30 marks)
7. Explain the role/function of **each** of the following and indicate how they may be used by companies to market products more effectively by giving examples to substantiate your arguments:
 - a. quantitative and qualitative research (10 marks)
 - b. DMU (10 marks)
 - c. consumerism. (10 marks)