

MATRICULATION AND SECONDARY EDUCATION CERTIFICATE EXAMINATIONS BOARD

UNIVERSITY OF MALTA, MSIDA

MATRICULATION EXAMINATION
ADVANCED LEVEL
MAY 2015

SUBJECT:	MARKETING
PAPER NUMBER:	I
DATE:	14 th May 2015
TIME:	9.00 a.m. to 12.00 noon

Answer ANY FIVE (5) questions.

All questions carry equal marks (20 marks each).

1. (a) Which are the different types of consumer products? Discuss and provide examples. (4 marks)

(b) Discuss the marketing considerations relevant to each type of consumer product described in 1(a) above, with relevance to pricing and distribution. (16 marks)
2. (a) A computer store is in the process of preparing its pricing strategy for a new line of lightweight touch screen laptops. Define the three core pricing strategies available for consideration by the store. (6 marks)

(b) Discuss the elements of the different pricing strategies mentioned in 2(a) above, relating how they can be applied by the computer store when preparing the price lists for the laptops. (14 marks)
3. What are the elements of the communication process from the point when a marketing message is sent out to the point when it is received by the consumer? Discuss and provide examples. (20 marks)
4. (a) What is consumerism? Discuss and provide examples. (6 marks)

(b) Discuss what consumer rights should be protected in regulating tobacco marketing. (14 marks)
5. (a) What is the difference between exploratory, descriptive and causal marketing research? Explain and provide examples. (6 marks)

(b) In order to improve its understanding about its consumers, a local toy manufacturer with a global presence is to embark on a research project to determine untapped opportunities in the children's toy global market. Discuss any three types of primary exploratory research this firm may consider. (14 marks)

Please turn the page.

6. (a) What are the factors impacting on consumer buying behaviour when purchasing a smart phone?
(8 marks)
- (b) What is the process that a household goes through in deciding to buy and choose among different brands of photovoltaic solar panels?
(12 marks)
7. A local brewery is considering a vertical marketing system (VMS) to distribute its products in the local market. Define VMS and discuss the characteristics of the different types of VMS available to the brewery.
(20 marks)
8. (a) “Marketing is the process by which companies create value for customers and build strong customer relationships to capture value from customers in return” (Kotler, 2013). Discuss with examples the steps involved in the marketing process.
(14 marks)
- (b) Explain the concepts of customer needs, wants and demands, applied to the communications industry including telephony or the internet.
(6 marks)

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MATRICULATION EXAMINATION

ADVANCED LEVEL

MAY 2015

SUBJECT:	MARKETING
PAPER NUMBER:	II
DATE:	14 th May 2015
TIME:	4.00 p.m. to 7.00 p.m.

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

Section A – Answer ALL questions.

CASE STUDY

Chobani Greek Yoghurt

Little did the Turkish immigrant know that by turning an old food plant in upstate New York and add passion to his work, he would create a leading yoghurt brand in the US. Hamdi Ulukaya’s story is an inspiration to young entrepreneurs across the globe. It is a story about a man with a vision who can turn his fate from rags to riches at the price of vigour, passion, dedication and a willingness to walk that extra mile.

Before Chobani hit the grocery shelves, American yoghurt consumers had only rarely met and tasted something as unique as Greek yoghurt – thick, creamy with a slightly tart taste. Chobani’s launch in 2005 met an incredible welcome across the United States, with the brand growing meteorically to become the U.S.’s largest Greek yoghurt brand. Chobani accounts for around one in every five cups of yoghurt that American consumers relish. Greek yoghurt is a US\$ 800 million market, attracting upper income shoppers and women who prefer products (like Chobani) that have more protein and less sugar than products made by most U.S. firms.

Chobani and Fage (one of Chobani’s competitors) have assertive growth ambitions, involving expansion of their manufacturing plants in New York State to keep up with demand. Their growth also meant a significant boost to the local economy, attracting a third Greek yoghurt manufacturer to invest in the area. Apart from added employment, Chobani and its competitors created a dairy industry in New York State, resulting in a situation that predominates once in every two or three generations. Yoghurt output has flourished over recent years, growing at average annual rates ranging between 40% and 60%. The phenomenal growth has recently also attracted the larger U.S. firms to enter the Greek yoghurt market, with General Mills and Danone (among others) investing research and development efforts to launch their own range of Greek yoghurts.

From its modest start in 2005, Chobani grew from a small business of five employees to an enterprise with over 1,200 jobs. It sells around 2 million cases of yoghurt across the U.S. weekly and has invested heavily to expand its operations – such as a new plant in Idaho to ease distribution of products to the West and meet unabating demand.

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The firm remains devoted to its “Nothing but good” motto, dedicating energy and time to quality and paying individual attention to every batch of Greek goodness. Dedication to quality is evident in everything Chobani does in marketing its pioneering authentic, high quality, thick and creamy range of Greek yoghurt and associated products.

Chobani’s success did not mean that the firm could rest on its laurels. A voluntary recall of faulty products from the market in September 2013 over claims of mould-tainted products meant that the firm engaged in stricter quality assurance procedures and a concurrent aggressive media blitz. This campaign also meant that Peter McGuinness (Chobani’s Chief Marketing Officer) led a personalized response to about 150,000 people who contacted Chobani during its recall. More recently, Chobani secured a US\$ 750 million loan to fund its growing operations across different locations in the U.S., while expanding its range of Greek bliss into desserts and dips fit for Olympic athletes.

References

- Alden, W. (2014), ‘Seeking to grow, Chobani secures \$750 million loan’. New York Times, 163 (56481). pp. B7.
Gasparro, A. (2014), ‘Chobani expands to desserts, dips’. Wall Street Journal – Eastern Edition, 263 (92). pp. B7.
Kurtz, D.L. (2014), ‘Contemporary marketing’. 16th International Edition. Cengage Learning. pp 444.
Margolis, J.D., and Preble, M. (2012) ‘Chobani: Growing a Live and Active Culture.’ Harvard Business School Case 413-022.
Schultz, E.J., (2013), ‘After recall, Chobani touts quality in new campaign’. Advertising Age, 84 (38). pp. 12.

Answer ALL questions in Section A

1. List the elements of Chobani’s microenvironment and briefly describe how each element may have been managed to ensure the company’s growth. (12 marks)
2. Examine the three levels of a product with relevance to Chobani. (9 marks)
3. Chobani worked hard to establish a high level of brand equity. Explain what is meant by brand equity as applied to the context of this case. (5 marks)
4. Describe the types of advertising media Chobani could have used during its campaign to counteract the negative effects of the recall of faulty products from the market. (14 marks)

Section B

Answer ANY TWO (2) questions. All questions carry equal marks (30 marks each).

1. (a) What are the characteristics of a service? Explain with reference to a car wash firm. (10 marks)
- (b) In view of the characteristics of services, provide advice to the firm on how to develop an effective marketing mix to attract potential customers. (20 marks)
2. (a) Blue Thunder is a new sportswear brand that a local importer is planning to launch later this year. Briefly describe the four main types of segmentation the importer should consider when targeting the local consumer market. (8 marks)
- (b) Discuss the various components of each of the main types of segmentation with respect to how they can be used to obtain a better understanding of the sportswear market. (22 marks)
3. (a) Differentiate between consumer and organisational markets. (6 marks)
- (b) Discuss the stages of the business buying process. Describe how a company, which is seeking to purchase new office furniture for its branches across Malta, would go through the stages of the business buying process. (24 marks)
4. (a) Illustrate in diagram form the phases of the product life cycle. (10 marks)
- (b) A local cosmetics importer is currently reviewing the strategies employed in the marketing of a portfolio of cosmetics products that are in different stages of the product life cycle. What are the key aspects of the 4Ps (product, pricing, place and promotion) that the importer needs to contemplate at each stage of the lifecycle? Explain and illustrate your answer with examples. (20 marks)