



SUBJECT:	Marketing
PAPER NUMBER:	I
DATE:	9 th June 2021
TIME:	9:00 a.m. to 12:05 p.m.

SECTION A

Answer ALL questions in this section.

This section carries 50 marks.

1. Define customer needs, wants and demands. (6)
2. What is marketing myopia? (4)
3. Explain what is meant by customer-perceived value. (4)
4. List **FOUR** types of publics that may have an influence on an organisation's ability to serve its customers. (4)
5. Distinguish between habitual buying behaviour and variety-seeking buying behaviour. Provide an example of each. (6)
6. What is market targeting? (4)
7. Explain what a product line is. Provide **ONE** example. (5)
8. List the participants in the business buying process? (5)
9. What are the main objectives of advertising? (6)
10. What is a vertical marketing system? (6)

(Total: 50 marks)

SECTION B

Answer TWO questions from this section. This section carries 50 marks.

All questions carry equal marks.

11. Marketers use the three levels of a product to make strategy decisions, adding more customer value at each level.
 - a) Briefly describe the **THREE** levels of a product. (9)
 - b) Discuss the decisions involved at each level by making reference to **ONE** product or service of your choice. (16)
- (Total: 25 marks)**
12. a) List and describe **THREE** types of market research objectives. (9)
 - b) Why is it important to set objectives for research? (4)
 - c) Which research objectives could a supermarket manager set to find out why in-store sales have been decreasing in the past few months? Discuss. (12)
- (Total: 25 marks)**
13. a) Define the term brand and briefly explain why branding is important for a product. (9)
 - b) Building a strong brand involves taking important decisions. Discuss the decisions involved in developing a brand strategy. (16)
- (Total: 25 marks)**



SUBJECT:	Marketing
PAPER NUMBER:	II
DATE:	9 th June 2021
TIME:	4:00 p.m. to 7:05 p.m.

Answer **ALL** questions in Section A and any **TWO** questions from Section B.

SECTION A

This section carries 50 marks.

Case Study: Marks & Spencer - marketing for a sustainable future

Marks & Spencer (M&S) is a major retailer in the UK, that has become renowned internationally by introducing a host of offerings such as branded clothing items, food items and home products, to a large number of consumers all around the world. Delivering such a wide range of goods is done through a worldwide network of over 1,000 physical stores, franchise activities and online via its website, M&S.com.

From the viewpoint of business operations, M&S has generated revenue and delivered value for its shareholders through a number of accountable businesses. Each one of its commercial divisions is led by its own integrated management team, with functional accountability for different business segments such as marketing, finance, supply chain and technology. The company mainly sells its own-branded items, which are solely manufactured and marketed under the M&S brand with innovation, quality and trusted value.

M&S adopted various kinds of marketing strategies including product/service innovation, customer experience, and marketing investment, that has helped its brand to grow.

The company mainly follows a competitive pricing strategy in its marketing mix for different types of products. Such a strategy provides consumers with greater choice to select their preferred products in a very competitive marketplace. At times, the company also offers discounts on products to attract more customers during particular periods of the year.

In its communication strategy, M&S utilises television advertisements, print media, mobile advertising and social media campaigns, besides its own website to promote its brand. The focus tends to be on having a consistent message across all media channels and supporting this in store and online. Through its website, consumers have access to a lot of product information together with several blogs and fashion related content. Furthermore, M&S runs a loyalty scheme called 'Sparks', where customers benefit from special discounts and earn reward points on money spent.

M&S has a Corporate Social Responsibility (CSR) programme in place which focuses on sustainability by adhering to various environmental objectives. These include 'becoming carbon neutral, extending sustainable sourcing, improving the lives of more individuals, encouraging employees and consumers to have healthier lifestyles, and keeping clothes out of landfills through its charitable 'shopping' scheme, where consumers are encouraged to recycle clothes instead of throwing them away. It also raised consumer awareness of the source, nature and effective usage of its different products by promoting the 'Look Behind the Label' campaign to ensure consumers made informed choices. Every M&S employee is equipped with adequate CSR skills in order to support the company's goals.

Ethics and sustainability in fashion are becoming more important and even legislation is being contemplated to fix fast fashion by boosting clothing recycling facilities and supporting the development of fabrics with a lower environmental impact.

In 2018, M&S reviewed its marketing strategy and decided to focus on digital and social media as opposed to the traditional 'blockbuster' television advertisements. As part of the company's five-year transformation plan, it announced a new 'Technology Transformation Programme' to become more agile, flexible and responsive. It collaborated with innovation firm 'True' and Tata Consultancy Services to become a digital-first commercial entity and also partnered with 'Decoded' to set up the M&S Data Academy to enable its employees to learn new efficiencies that would promote digital transformation across the company.

In 2019, M&S introduced an AI-powered visual search technology for its mobile website. Measures were also taken to relaunch its 'Sparks' loyalty scheme as an app based digital first service facility and offer immediate rewards to members. This required significant investment in data analytics and digital capabilities to gain consumer insight and improve customer experience.

In 2020 management aggressively moved towards digital platforms for marketing of its different items. Consequently, the company shifted most of its budget allocation on digital channels as opposed to traditional marketing practices. The objective was to develop and embed a modern digital mindset and culture across the business and generate a third of the company's business online.

The fashion sector in general was significantly hit due to COVID-19. Supply chains were broken, sales dropped, unsold stock built up, retail outlets closed and some companies even went out of business. Consumer habits and attitudes also shifted, as the public demanded more sustainability in the sector.

M&S experienced a significant decrease in consumer demand due to the global pandemic and anticipated that revenue from its UK clothing and home operation segments could decline by as much as 70%. Sales were mainly online and the tough market conditions led to the announcement in August 2020 of 7,000 job cuts.

In October 2020, M&S started selling the independent eco-fashion brand 'Nobody's Child' in its largest stores and on its website as part of a plan to reinvigorate its struggling clothing arm. The decision to stock an outside brand is part of plan to broaden its appeal through sustainable fashion and boost online growth.

However, it still remains to be seen if its digital marketing strategy, CSR initiatives and promotion of sustainable fashion would pay off by attracting more diverse consumers and increasing brand value.

(Compiled from various sources including M&S reports and Media releases and international press coverage).

Answer ALL questions

1. Using the **FOUR** core elements of the 'Marketing Mix' explain how M&S plans to build a sustainable and successful business for the future. (16)
2. M&S has undertaken and invested in a number of digital and online initiatives. Explain how this focus on technology will benefit the company in increasing revenue and brand value? (18)
3. Should M&S focus on retaining existing customers or try to attract new ones? Discuss. (8)
4. Is M&S embracing the principles of marketing ethics? Support your answer with examples from the case study. (8)

(Total: 50 marks)

SECTION B

Answer TWO questions from this section. This section carries 50 marks. All questions carry equal marks.

5. Outline and elaborate on the purchasing stages an individual consumer would typically go through when buying a new high involvement product of your choice. (25)

(Total: 25 marks)

6. There is an opportunity to open a new music themed boutique hotel in the capital city. However, before considering this any further it was agreed that more information is needed about the potential demand, feasibility and overall sustainability of the project.

(a) Why is marketing research important? (8)

(b) Explain what data one would need to obtain from research to assess the given situation. (17)

(Total: 25 marks)

7. (a) Briefly explain the Product Life Cycle (PLC) tool. (10)

(b) Describe what strategy one would use for a very successful technological device that has entered into the maturity stage of the PLC. (15)

(Total 25: marks)