



**2<sup>ND</sup> SEM. 2004/2005**

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**UNIVERSITY OF SWAZILAND**

**FINAL EXAMINATION PAPER**

**PROGRAMME : BACHELOR OF SCIENCE IN HOME ECONOMICS YEAR V**

**COURSE CODE : TAD 506**

**TITLE OF PAPER : INTRODUCTION TO MARKETING, ADVERTISING & PROMOTION**

**TIME ALLOWED : TWO (2) HOURS**

**INSTRUCTIONS : ANSWER QUESTION ONE (1) AND ANY OTHER (2) QUESTIONS**

**DO NOT OPEN THIS PAPER UNTIL PERMISSION HAS BEEN GRANTED BY THE CHIEF INVIGILATOR**

**SECTION A: COMPULSORY**

READ THE FOLLOWING CASE AND ANSWER THE QUESTIONS BELOW

**SHOPRITE SUPERMARKET**

Shoprite Checkers is one of the leading retailers in the city of Mbabane. It is situated at the Swazi Plaza, which is an ideal location as it is in the city centre. Within close proximity to its location is the bus rank, commercial banks, furniture shops and apparel or clothing stores. Shoprite is an all service supermarket. It offers a wide variety of products through several departments to cater for all the needs and wants of its customers. Products offered include essentials such as fruits and vegetables, dairy, confectionaries, butchery, groceries and other household necessities. Nonessentials include an entertainment department, which offers music and videos, children toys and stationery. There is also a clothing section that offers shoes, ladies and gentlemen clothing.

Shoprite has recently been experiencing stiff competition from existing and new comers in the retail industry. The major competitor is the Spar supermarket located at the Emphalwini Mall just a stone throw away from the plaza. Although the Spar supermarket is slightly smaller in size, and offers a lesser variety of products than Shoprite, it has managed to capture a larger portion of the market share. The Spar supermarket has become the favourite shopping place for many consumers, some of which whom were once Shoprite's loyal customers. This has baffled Shoprites management, as there are no significant differences in the two retail stores.

You have been hired as a marketing consultant to advise Shoprite's management.

**QUESTION 1**

- A. Briefly explain, with examples, how "needs" are different from "wants". (10marks)
- B. What could be causing the migration of Shoprite's customers to the Spar supermarket? (10 marks)
- C. Advise Shoprite's management on marketing activities that can be pursued to regain market share leadership. (20 marks)
- D. Is it advisable for Shoprite to have a clothing department in the same floor as a food department? (10 marks)

**SECTION B**

**ANSWER ANY TWO QUESTIONS FROM THIS SECTION.**

**QUESTION 2**

- A. What benefits can a company expect to gain from segmenting its market? (10 marks)
- B. Describe, with examples, the major variables that can be used in segmenting consumer markets. (15 marks)

**QUESTION 3**

Discuss the major factors that affect consumer buying behaviour. (25 marks)

**QUESTION 4**

- A. Discuss the three general pricing approaches. (15 marks)
- B. What is market skimming and when is it most effective? (10 marks)

**QUESTION 5**

Describe the major decisions involved in developing an advertising program. (25 marks)