

UNIVERSITY OF SWAZILAND  
FACULTY OF COMMERCE  
DEPARTMENT OF BUSINESS ADMINISTRATION  
MAIN EXAMINATION PAPER MAY 2006

TITLE OF PAPER : MARKETING COMMUNICATIONS  
DEGREE AND YEAR : B. COM. V  
TIME ALLOWED : THREE (3) HOURS  
COURSE CODE : BA 524  
INSTRUCTIONS : 1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER (6)  
2. SECTION A IS COMPULSORY. ANSWER ANY TWO QUESTIONS FROM SECTION B  
3. THE MARKS TO BE AWARDED FOR EACH QUESTION ARE AS INDICATED ALONGSIDE THE QUESTION

NOTE: MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH AND FOR ORDERLY AND NEAT PRESENTATION OF WORK. FURTHER MARKS WILL BE AWARDED FOR THE USE OF RELEVANT EXAMPLES

SPECIAL REQUIREMENTS: NONE

THIS PAPER SHOULD NOT BE OPENED UNTIL PERMISSION TO DO SO HAS BEEN GRANTED BY THE INVIGILATOR.

## SECTION A CASE STUDY      CATCHING THE CONSUMER'S EYE IN-STORE

Marketers are continually trying to do something memorable with their packages to keep people coming back to the product. Today the vast majority of products are sold through self-service supermarkets, but this environment has created an impersonal relationship between the product and customer.

Money-off coupons are one of the most popular of all on-pack promotions. However, marketers feel that even though it is the most popular form of in-store promotion, it is not in the long term the way to build brand loyalty. Cutting the price effectively down-marks your product. In the long term you have to have a much more organised and thoughtful brand image-building campaign.

Competitions, particularly active campaigns, have grown enormously. Active competitions are a means of talking to and motivating the customer. But it is important to bear in mind when doing a promotion that effectiveness is not simply directed at the final consumer. An important part of any type of promotion is to provide incentives for the distribution chain and sales force.

Promotions do not just mean give-aways. Promotions include information, which is a very valuable way of building relationships. By using promotions in coupon form and as an information piece, brand loyalty and identity will be built and the result will be far more effective than just giving a straight money-off.

Research based on the interviewing of 10,000 people who entered a store showed that more than 50% of decisions are finally made inside the supermarket. The intended purchases of the respondents were recorded (when they came out of the store) and checked to find out what was actually bought. Indications were that 42.6% were specifically planned, 13.5% were generally planned, 4.6% were substitute purchases and 34.4% had not planned to buy, but purchased on impulse inside the store. That's the reason why most supermarkets look like Christmas trees - it's like fairyland with special offers. Therefore, the place for talking to the customer is inside the store.

One of the most exciting things to come out of recent surveys is the effect of men on shopping habits. With changing patterns - more women working, the pattern of monthly and weekly shopping where the husband accompanies the wife shopping - we notice men are absolute suckers for promotions and good presentations. If people handle the product, 60% of them go straight into the shopping basket. Male shoppers have a major impact on what is happening.

The objective of most promotions is not just to effect immediate sales, but to gain access to customer names and addresses. The swing from above-the-line promotions (media advertising) to below-the-line promotions requires good quality updated direct mail lists. With on-pack promotions, companies find their genuine purchaser and they can continue to talk to them, which is vitally important in the day of the impersonal supermarket. If you can create personal contact with a customer, you can build loyalty and turn a suspect to a prospect, turn a customer into a client and then an advocate. Therefore, it is imperative that the above-the-line and below-the-line promotions work together effectively. Yes,

you have to amuse them, inform them through the media and tell them where the product is available, but equally important is that you talk to them inside the supermarket.

Unfortunately, there is a lot of resistance in South Africa by the big three retail groups to in-store promotions. However, once one goes, they all go!

### **QUESTIONS**

- i) Why has the relative importance of above-the-line promotions declined while that of below-the-line increased? **[5 marks]**
- ii) How can you use sales promotion to help you build brand loyalty? Give examples of the types of promotional tools and explain how they are used. **[10 marks]**
- iii) How can you use the research results of the shopping habits of men when developing a marketing mix strategy? **[10 marks]**
- iv) What is the relation between sales promotion and direct marketing? **[5 marks]**
- v) Why is it important to offer sales promotions to the distribution chain as well as the sales force? Give examples of promotional tools that can be used. **[10 marks]**

### **SECTION B ANSWER ANY THREE QUESTIONS FROM THIS SECTION**

#### **QUESTION TWO**

Use the model of the marketing communications process to promote a fundraising project for the Marketing Club at UNISWA **[20 marks]**

#### **QUESTION THREE**

“Environmental consciousness is something marketers ignore at their peril.” Discuss this statement with specific reference to the Green Marketing Concept, and show how companies are responding to environmental problems **[20 marks]**

#### **QUESTION FOUR**

- a) Explain the cognitive, conative and affective components of an attitude **[5 marks]**
- b) Suppose you are the manager of a new restaurant located in your university that caters primarily to the campus community. Your restaurant cannot afford media advertising, so your promotional strategy will rely mainly on stimulating positive word-of-mouth communications. Design a strategy for how you will go about stimulating the positive word-of-mouth **[15 marks]**

**QUESTION FIVE**

Use the various creative advertising strategies to develop an advertising campaign for a product of your choice **[20 marks]**

**QUESTION SIX**

“Packaging has sometimes been referred to as the 5<sup>th</sup> P of marketing.” Discuss the role of packaging in the success of a new product in the market. How would you use the VIEW model to evaluate packaging? **[20 marks]**