

UNIVERSITY OF ESWATINI  
FACULTY OF COMMERCE  
DEPARTMENT OF BUSINESS ADMINISTRATION  
BUS425 MARKETING STRATEGY  
EXAMINATION 2019

TITLE OF PAPER: STRATEGIC MARKETING MANAGEMENT  
COURSE: BUS425 Full-time/BA434 IDE  
DEGREE AND YEAR: BCOM4  
TIME ALLOWED: THREE HOURS

**INSTRUCTIONS:**

1. This paper consists of Sections A and B.
2. Section A is compulsory. Answer ALL questions.
3. Answer any TWO questions from section B.
4. Lay your work out clearly using headings, subheadings, and numbering provided in the question paper.
5. Write legibly. Illegible responses will not be awarded marks.
6. This is a closed book examination. Neither books nor notes may be consulted during the examination.
7. Ensure that your UNESWA Student ID Number is indicated on your examination cover page. No names should be recorded anywhere on the examination book.
8. Failure to observe the UNESWA Regulations for examination will be considered cheating and will be handled according to UNESWA Regulations.

**THREE PAGES**

**THIS EXAMINATION PAPER SHOULD NOT BE OPENED UNTIL INVIGILATOR  
HAS GRANTED PERMISSION**

## **SECTION A**

### **APPLIED CASE (60 MARKS)**

#### **Growth through Market Expansion – The Nando's Example**

Nando's is a well-known South Africa-based fast food operator selling its renowned flame-grilled peri-peri chicken in various cities of the world such as Auckland, New Zealand, Chicago and Washington, DC in the U.S., London and Manchester in the U.K., and Vancouver, Canada. The chain has also spread into various countries in Asia—Singapore; Pakistan; India; Kuala Lumpur, Malaysia; and many locations in the Middle East—Qatar UAE; Oman and Bahrain; and especially into many countries in Africa which is seen as the best growth option for this company. Current African locations include Botswana, Mauritius, Namibia, Eswatini, Zambia, and Zimbabwe. Nando's global operations (i.e. outside the South African border) exceeded 40% of its total turnover in 2008.

Nando's has different target markets in different countries in Africa. This is due to income disparities in these countries. In Botswana, Nando's is very much a middle-class brand, while further north, Nando's is seen as more of a once-a-month treat to consumers, while it also gathers big support from expatriates who are seeking a quality fast food experience similar to what is available in South Africa.

Since gaining a new marketing manager in 2008, Nando's has been known for its somewhat irreverent advertising. In 2016, they found themselves in hot water over an ad campaign: "We don't mind if you touch our buns, our breasts, or even our thighs. Whatever you're into enjoying any Nando's meal with your hands is always recommended," read the advertisement. Another headline read: "Try something you can grab with both hands." (The India Express, Express web Desk, New Delhi 27 March 2016) In November 2018, Nando's again found itself in the news with its "Gigabyte meal" theme featuring a well-endowed plate. The ad read "Imagine this in your mouth."

1. a) Define the type of market expansion strategy is Nando's following? (15 MARKS)  
b) What are the benefits of this type of strategy? (5 MARKS)
2. a) Do you believe Nando's should adopt its irreverent local marketing communications strategy in the global sphere? Why or why not? (10 MARKS)  
b) Can Nando's adopt a standardized product approach across the world? Why or why not? (10 MARKS)
3. a) Define the one most appropriate pricing strategy you think Nando's could successfully implement in its African expansion countries as described in the case. (15 MARKS)  
b) How would this differ from country to country? (5 MARKS)

## **SECTION B**

### **ANSWER TWO QUESTIONS IN THIS SECTION (40 MARKS)**

1. The domestic and export marketing strategy of Eswatini Kitchen has been stringently examined this semester. Further, Strategic Business Unit growth is a very important priority for most business concerns. Please briefly define the following growth strategies and provide a specific example of how Eswatini Kitchen might implement each strategy:
  - a. market penetration, **(5 MARKS)**
  - b. market development, **(5 MARKS)**
  - c. product development, **(5 MARKS)** and
  - d. diversification **(5 MARKS)**
2. The concept of positioning is important in managing a firm's marketing strategy.
  - a. What is positioning and how is it accomplished? **(10 MARKS)**
  - b. Draw a perceptual map of the fast food outlets in Eswatini. You may use either price or quality on your map, but do not use both due to the relationship between the two. Be sure to clearly label at least 5 competitors on your map. **(5 MARKS)**
  - c. Based on your map, what type fast food outlet would you open in Eswatini? Explain. **(5 MARKS)**
3. The internet is a very useful tool for marketers. We are finding more and more new ways to utilize electronic means to contact our markets. Please name and elaborate/explain one way we can use electronic means to improve marketing strategy performance for each step in the Consumer buying decision process. Please choose a unique eMarketing tool for each step (do not repeat the same tool). **(20 MARKS)**