



MANICALAND STATE UNIVERSITY OF APPLIED SCIENCES

FACULTY OF AGRIBUSINESS AND APPLIED SOCIAL SCIENCES

DEPARTMENT: APPLIED BUSINESS SCIENCES

MODULE: SALES AND MARKETING MANAGEMENT

CODE: MARK 211

SESSIONAL EXAMINATIONS

NOV/DEC 2023

DURATION: 3 HOURS

EXAMINER: MR M SITHOLE

INSTRUCTIONS

1. Answer *All* questions in Section A
2. Answer *any three* questions in Section B.
3. Start a new question on a fresh page
4. Total marks 100
5. Credit will be given for appropriate use of examples

Additional material(s): None.

SECTION A: COMPULSORY

(Answer all questions in this section. Section A carries 40 marks)

Question 1

Read the following case study and answer the questions that follow:

BATTLE OF THE VIDEO HOME SYSTEM COMPANIES

A battle took place in the mid-1970s between manufacturers of video cassettes and their associated players. Although Philips was first to market with its Video Cassette Recording system released in 1972, Sony, as with its Walkman concept, was first to really attract the market with its *Betamax* video format released in 1975. It quickly gained market dominance until challenged by JVC's *VHS*. These two formats were joined a year later by the Philips *V2000*; all of these system being incompatible with each other. The Philips machine despite having several superior features never really gained significant market share - not all of the superior features were offered on the cheaper Philips models, which also suffered from poor video quality and a lack of mechanical reliability. For all these reasons the format never gained substantial market share and was withdrawn in 1985, leaving the Sony and JVC to battle it out for video supremacy.

Sony was confident that its superior performance and high market share would see it defeat the new JVC upstart, but it made the cardinal marketing blunder of not responding to the needs of its potential customers.

Although consumers were impressed with Sony's marketing and the quality of its players, they wanted something quite different. Sony initially restricted the recording

time of its player to one hour; suitable for television programmes, but not for the recording of films which formed the basis of a growing video rental market.

Movie and video studios turned their backs on Sony and JVC were able to offer by far the largest range of rental titles on its 'Long Play' system. In addition, consumers wanted an affordable video player. JVC had made the decisive strategic move of licensing its technology to a range of electronic manufacturers; competition between which kept the price of VHS recorders well below that of Sony's machines. Despite the perceived quality advantage of the Sony, demand was price sensitive and by 1981, the market share held by *Betamax* tapes had fallen to below 25%.

In 1988, Sony began to market its own *VHS* machines and at that point it was evident that the *Betamax* format was dead. In recent years, both *Betamax* and *VHS* have been replaced by DVDs. The last Sony *Betamax* machine was manufactured in 2002 and the last dedicated JVC *VHS* unit was produced in 2007.

Required

a) Define the following terms as used in the case study:-

i. Market share. (2 marks)

ii. Licensing. (3 marks)

b) Explain the importance of research and development in the process of new product development. (10 marks)

c) Evaluate the relationship between the product life cycle and the marketing mix. (12 marks)

d) As a marketing graduate trainee, advise senior management on how Sony could build its brand for the tech savvy customers using the STP strategy.

(13 marks)

[Total: 40 marks]

SECTION B

Answer any 3 questions from this section. Each question carries 20 marks

Question 2

Many companies fail to see change as an opportunity. They ignore or resist changes until it is too late. Their strategies, structures, systems, and organizational culture grow increasingly obsolete and dysfunctional. Corporations as mighty as General Motors, IBM, and Sears have passed through difficult times because they ignored macro environmental changes too long.

Based on the above scenario:

- i. Demonstrate your understanding of the term macro-environment. [5 marks]
- ii. Discuss the macro-environmental forces that affect an organization's ability to serve its customers in today's marketing landscape. [15 marks]

[Total: 20 marks]

Question 3

With reference to an organization of your choice, evaluate Porter's five-factor model of industry structure analysis. [20 marks]

Question 4

With the aid of examples, highlight the major differences between marketing and selling. [20 marks]

Question 5

Achieving brand equity should be a top priority for any organization. Discuss citing relevant examples. [20 marks]

Question 6

Some new-products experts maintain that getting close to customers through intensive research is the only way to develop successful new products. Other experts disagree and maintain that customers can't possibly provide useful feedback on what they don't know and can't provide insights that will lead to breakthrough products.

Based on the above case:

- i. Define the term new product. [4 marks]
- ii. Why do organizations come up with new products? [6 marks]
- iii. What are some of the possible sources of new product ideas? [10 marks]

[Total: 20 marks]

END OF EXAMINATION