

**BINDURA UNIVERSITY OF SCIENCE EDUCATION**  
**FACULTY OF COMMERCE**  
**GRADUATE SCHOOL OF BUSINESS**  
**MASTER OF BUSINESS LEADERSHIP**  
**EXECUTIVE MASTER OF BUSINESS LEADERSHIP**  
**MASTER OF SCIENCE IN ENTREPRENEURSHIP AND INNOVATION**  
**STRATEGIC MARKETING MANAGEMENT MBL519**  
**EXAMINATION PAPER**  
**DURATION: 3 HOURS 30 MINUTES**

 **MAR 2024**

**Instructions and Information to Candidates**

1. Section A is compulsory and carries 40 marks.
  2. Answer 'Question 1' from Section A and any three (3) questions from Section B.
  3. The paper carries six questions.
  4. All Questions in Section B carry equal marks of 20 each.
  5. The use of cell phones is not allowed in the examination.
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## **SECTION A : [COMPULSORY]**

### **QUESTION 1**

#### **CASE STUDY: FINDING, TRAINING, AND KEEPING BEST SERVICE WORKERS**

Pulling up to the Zim-Zum Welcome hotel in Harare, Zimbabwe and you will find the red-blazer Tony ready to help you with your luggage. But please do not call this 23-year-old a doorman. He is now a multitalented “guest service associate” (GSA).

Provided you have used a credit card to pre-register over the telephone, Tony or one of his four GSA colleagues can check you into the hotel, picking up your key and paperwork from a rack in the lobby and then escorting you directly to your room. Problems or requests Tony once referred to his supervisor or another department – you asked for a king-bedded chamber with a commanding view but got a single over-looking the parking lot – he can now resolve.

The five-year Zim-Zum veteran can also arrange tickets to a play or a table at your favourite restaurant. Says Tony, a college graduate who earns \$10 per hour (including tips): I am a bellman, a doorman, a front-desk clerk and a concierge all rolled into one. I have more responsibilities. I feel better about my job, and the guest gets better service. At a time when service counts more than ever, companies are rediscovering the importance of the people who actually deliver it – the tens of millions of sales clerks, waiters, deliverymen, telemarketing reps, and theme park attendants who staff the frontlines. These legions of customer contact workers make up one of the fastest-growing, and least appreciated segments of the labour force. Pressed to “delight” their valued customers, companies are scrambling to hire, train and retain ordinary mortals who can perform feats of extraordinary service. “It is not easy finding these people”, says Steve Gapa, the Managing Director of Zim-Zum which rejects 90 per cent of would-be guest associates. “But we are willing to be patient. It is so critical to the success of the hotel that our associates be committed and enthusiastic”.

The following suggest how to build in excitement:

Delve into the psychological makeup of applicants to match their passion with the task. Uncover and emphasize the emotional content of the service jobs. Make orientation meaningful and fun. It is your first – and best shot to inculcate excellence.

Redesign work so that superior service satisfies both the employee and the customer. Moving in the right direction means being extra careful in hiring workers, paying much more attention to matters of personality and psychology. It means investing employees with more authority, providing them with more training, and tying at least part of their pay to customer satisfaction. Zim-Zum is redesigning virtually every job in its hotels, placing more workers in contact with more guests more of the time.

Other organisations like Walt Disney are stressing anew the importance of encouraging employees to connect emotionally with customers.

“Far too many companies continue to think of frontline employees as mindless drones”, says a university lecturer and professor of business studies. “Most companies require little more than a pulse” And pay them little more than a pittance. One-fourth of all retail workers, for example, have no medical aid and 40 per cent earn less than \$300 per month. Yet companies call on these employees to perform monotonous, rigidly scripted tasks, all the while telling them to smile brightly and tell customers to have a nice day. Is it any wonder that they sound insincere? Or that they do not stick around? Annual employee turnover rates of 100 per cent or more are common in many stores, hotels and restaurants. Says Kapa, an economist, “For the most part, service companies view frontline workers as a disposable resource rather than an economic resource”. The cost of this employee churning is mounting. Zim-Zum, which annually loses about 60 percent of the frontline staffers in its flagship, estimates that it costs as much as \$3,000 to recruit and train each replacement. The total bill runs into thousands of dollars each year. Zim-Zum human resources manager says; “When someone leaves, it messes up the service you provide to your guests”. In an effort to improve service, and increase profit, Zim-Zum has begun radically changing the way it hires, trains and deploys frontline workers. When managers began examining exactly what waiters and waitresses did during the breakfast shift, for example, they discovered that servers were spending as much as 70 per cent of their time not waiting on tables. Usually they were in the kitchen, picking up orders, making toast, or rummaging around the freezer for new containers of orange juice – leaving their bewildered customers to wonder why on earth it was

taking so long to get another cup of coffee. These days servers in Zim-Zum hotel never enter the kitchen. The culinary staff take care of all food preparation. When a meal is ready the kitchen beeps the server (they all wear pagers), and a “runner” delivers the food, which the server puts on the table. Says Bora, the Zim-Zum human resources manager: “We have changed the job so a waitress can do what she is supposed to do, provide service to customers”.

As Zim-Zum reshapes jobs, it is redefining the skills required of the people who do them. Take Tony’s responsibilities as part of the “first ten” programme, which the hotel management chain has been phasing in all its hotels over the past ten years. The name stands for the often aggravating first ten minutes that guests spend trying to check in. Since most customers now pre-register over the phone, they can bypass the front desk with its seemingly interminable queues. The front desk has not disappeared altogether. Nor have the teeth-gritting waits that can come from arriving at a hotel just as three busloads of veterinarians alight for their annual convention. But Zim-Zum does say that guests now make it from curb to room in as little as three minutes, down from 15 minutes under the old system. Superseding most of the clerks who formerly staffed the desk are guest associates like Tony. Says Bora, the human resources manager:

We used to hire people who were good at the keyboard, good at processing information. Now we want associates who can look you in the eye, carry on a conversation, and work well under stress.

Selecting employees who would not leave soon after they are hired is one of Zim-Zum’s biggest concerns. Until recently more than 40 per cent of the new employees who left Zim-Zum departed during the first three months on the job. That proportion is falling steadily, a trend he credits in part to a whole new approach to one of the most neglected areas of the employment experience – orientation. “We used to have new associates come on, tell them about their benefit plans, then put them out in front of it”, he remarked. In the spirit of guilty until proven innocent, an associate’s first three months on the job was known as “probation”.

Now all fresh recruits attend an eight-hour initial training session, the highlight of which is an elegant lunch, served by hotel veterans. To guide them through the next 90 days, each

associate is assigned a mentor, known as a ‘buddy’. Every member of the entering class attends refresher courses after the first and second months. Once new hires reach day 90, the hotel treats the whole class to a banquet.

Companies that excel at managing frontline workers understand that excellent service is more than just a transaction. It is an experience, one that ought to satisfy the employee as well as the customer. Observes Kagoro, a consultant specializing in change management: ‘You cannot expect your employees to delight your customers unless you as an employer delight your employees’.

**Required:**

- a) Describe Zim-Zum Welcome Hotel’s competitive advantage over other hotels in Harare? (10 marks)
- b) Analyze how the hotel market itself to internal and external customers. (10 marks)
- c) Describe different methods used to delight customers at Zim-Zum Welcome Hotel. (10 marks)
- d) Citing examples from the case study explain why some companies’ employees do not connect emotionally with customers. (10 marks)

[Total: 40 marks]

**SECTION B: Answer any three (3) questions from this Section.**

**Question 2**

- a) Giving practical examples, describe the strategic importance of public relations in the marketing of products and services. [10 marks]
- b) Describe the practical difficulties associated with the test marketing stage of the new product development process. [10 marks]

**QUESTION 3**

Examine Michael Porter's three (3) generic strategies that can be pursued to overcome competition. Give practical examples to suggest how each can be used to overcome competition from the five competitive forces. **[20 marks]**

**QUESTION 4**

Giving practical examples, analyze the major steps covered in a marketing research process and their implications for strategic marketing management. **[20 marks]**

**QUESTION 5**

Strategic marketing planning is core in strategic marketing management. Describe the components of strategic marketing planning, giving practical examples of an organization of your choice. **[20 marks]**

**QUESTION 6**

You are a newly appointed Marketing Manager of a new financial institution in Harare. The Director has asked you to do market segmentation for the bank's customers. Discuss the benefits and limitations of the two market segmentation methods you are going to use. **[20 marks]**

**END OF EXAMINATION PAPER**