

# **BINDURA UNIVERSITY OF SCIENCE EDUCATION**

## **FACULTY OF COMMERCE**

### **DEPARTMENT OF MARKETING**

NOV 2023

STRATEGIC MARKETING

I

BS427

TIME: 3 Hours

#### **INSTRUCTIONS TO STUDENTS**

1. Answer question number one and any other three.
2. Start each question on a fresh page.
3. Credit will be given for the use of relevant examples.
4. No cell Phones are allowed in the Examination Room.

#### **QUESTION ONE**

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

##### **Marks & Spencer**

Marks & Spencer was founded by Michael Marks as a penny bazaar in Leeds and grew to become a multinational retailer with over 700 stores in the UK and 360 stores spread across 40 other countries worldwide. Up until 1998, the company had enjoyed a long period of uninterrupted growth and financial success. Its core business centered on providing customers with good quality, classic (rather than highly fashionable) and affordable clothing.

At the end of 1998, this pattern of success was dramatically interrupted by a 23 per cent fall in half-year profits. A number of factors contributed to this change in fortunes but the main problem was that the company lost touch with what customers wanted. As the company expanded into overseas markets, it based its operations on the tried-and-tested formula that had worked well in the UK, without paying sufficient attention to local customer requirements.

In the UK, the company was slow to recognize and respond to market changes. At the top end, new competitors such as Gap, Next and Oasis began to poach customers by offering them up-to-date fashions at prices that were not too dissimilar for those charged by M&S for their less inspiring classical ranges. At the bottom end, discount stores such as Matalan and supermarkets such as Tesco and Asda (with its highly successful 'George' range) began to

make inroads into M&S's market share by offering customers a well-designed range of value-for-money clothing. The *Financial Times* (16 January 1999) reported that M & S had been too complacent and ignored changes in its domestic market, and on 1 November 2000, BBC Two's *The Money Programme* reported a fall in customer satisfaction from 71 per cent in 1995 to 45 per cent in 1999.

- a) 'Marks & Spencer follows the marketing philosophy.' Discuss this claim in light of the case above. [20 Marks]
- b) Suggest the strategic marketing moves which Marks & Spencer could take to rejuvenate its business performance. [20 Marks]

## QUESTION TWO

'Before formulating a strategy, you only have to do the environmental analysis.' Evaluate this proposition using examples. [20 Marks]

## QUESTION THREE

Discuss at least any six (6) steps taken in positioning a firm. [20 Marks]

## QUESTION FOUR

Evaluate giving relevant examples the market segmentation process. [20 Marks]

## QUESTION FIVE

Critically examine the significance of Michael Porter's five forces model as a tool for industry analysis, citing examples of the contemporary interconnected industries. [20 Marks]

## QUESTION SIX

Examine the extent to which Kaplan and Norton (1993) Balanced Score Card is desirable in setting the Marketing objectives? [20 Marks]

*END OF PAPER*