

# **BINDURA UNIVERSITY OF SCIENCE EDUCATION**

## **FACULTY OF COMMERCE**

### **DEPARTMENT OF MARKETING**

E-MARKETING 2

MKT 513

TIME: 3 Hours

#### **INSTUCTIONS TO STUDENTS**

1. Answer question number one and any other three.
2. Start each question on afresh 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:**

Toys "R" Us Fails to Deliver

Problem 1

P.R. - December 12, 1999

I placed my order on the Toys "R" Us website on 11/22. I ordered two Game Boy Colour and based my sons' Christmas shopping around this order (games, accessories, adapters, etc). I visited the site on a daily basis to check the status of my order. It showed it was sitting in the warehouse. I e-mailed them 3 to 4 times a week with the response being the standard from letter. Finally, I called and spent 2 ½ hours on hold. When I finally got a real person. Today I received notice that I would not get them. I was told that my order must have gotten "stuck in processing". I've searched fruitlessly for them. They are not to be had. As a result, my children will have some wonderful games and accessories on Christmas morning and nothing to play them on. Is this fair? I ordered early and checked frequently. This is the first order I have ever placed online and it left a really bad taste in my mouth.

**Problem : 2**

K.C. - December 17, 1999

I ordered 2 items from Toysrus.com in 11/24/99. I received one right away. When I hadn't received the other within two weeks, I contacted their customer service (30 minute wait on the phone) and they assured me it would be out within 4 days. After 4 days I checked my order status online. It still hadn't shipped. I called customer service (only 20 minutes this time) and I was told it was shipping that day (at 8pm) without my even telling them what my order number was. When the order did not arrive as had been promised, I called again (40 minutes). I was told that either I could cancel the order or wait for it. They couldn't find any reason why my order hadn't shipped within 3 weeks or do anything to check up on the order or re-prioritise it. I was told that a supervisor would be contacted, but nothing has happened. I have left messages on their website and only get automated responses. I was informed that the last message I left outlining my problem was too long and I would have to trim it down. Customer service can only tell me that my only option is to either wait or cancel my order. I would like a name, address, or phone number where I could reach someone who cared. As I write this I am on hold with them once again.

I hope that this experience will help other people who are considering ordering from Toysrus.com ... DON'T.

Here is how Toys R Us responded to the problems:

Toys R Us Coughs Up \$100 for Missed Gifts

December 22, 1999

NEW YORK (Reuters) - Toys R Us Inc. (TOY.N) is discovering electronic commerce is far from child's play.

The popular toy retailer, which has been relying on its Web site to starve off growing online competition, said Wednesday it is dishing out \$100 coupons to some disappointed Internet shoppers who will not be getting their gifts in time for Christmas.

Toys R Us said overwhelming volume prevented it from processing and fulfilling the entire batch of orders placed on or before Dec. 10, its deadline for Christmas delivery by standard shipping.

“Basically e-commerce had a phenomenal year” said a spokesperson for the Paramus, J.J. - based toy retailer. “Due to the volume, Toys R Us has been doing as many transactions as they can, but couldn’t get through all the order.”

Toys R Us has notified the affected customers by e-mail, explaining they could cancel their orders for a refund or use 100 Geoffrey dollars, named for the company’s giraffe mascot, toward purchases at its retail locations. One Geoffrey dollar translates into one U.S. dollar.

### **Case Study Questions**

- 1a) From the two problems in the case, explain why customization and personalization are essential when engaging in e-commerce? **[10 marks]**
  - b) Is Toys R Us’ explanation of failing to deliver the online orders to customers on time justified? Motivate your answer. **[5 marks]**
  - c) Suggest strategies that could have been adopted by the company to handle the overwhelming orders. **[10 marks]**
  - di) Comment on Toys R Us’ service recovery strategy. **[3 marks]**
- (ii) Will the company be able to attract and retain customers? Support your answer. **[4 marks]**
- e) E-commerce eliminates face to face contact between the buyer and seller. Why is customer 2 in the case insisting for Toys R Us’ personnel contact details on the company’s website? **[8 marks]**

### **QUESTION TWO**

Explain **four (4)** tangible and **four (4)** intangible benefits of introducing e-marketing to an organisation of your choice. **[20 Marks]**

### **QUESTION THREE**

Examine the aspects that determine the quality of a good website. **[20 Marks]**

### **QUESTION FOUR**

Discuss the main potential inhibitors to the adoption of e-marketing by SMEs in Zimbabwe. **[20 Marks]**

**QUESTION FIVE**

Compare and contrast Customisation and Personalisation in e-commerce. **[20 Marks]**

**QUESTION SIX**

Explain how bidders can use Tender Portals in conducting their online businesses.  
**[20 Marks]**

*END OF PAPER*