



UNIVERSITI
TEKNOLOGI
PETRONAS

**FINAL EXAMINATION
SEPTEMBER 2013 SEMESTER**

COURSE : GCB1043 / GBB1043 – PRINCIPLES OF
MARKETING
DATE : 09th JANUARY 2014 (THURSDAY)
TIME : 2.30 PM – 5.30 PM (3 hours)

INSTRUCTIONS TO CANDIDATES

1. Answer **ALL** questions in the Answer Booklet.
2. Begin **EACH** answer on a new page.
3. Where applicable, show clearly steps taken in arriving at the solutions and indicate **ALL** assumptions.
4. Indicate clearly answers that are cancelled, if any.
5. Do not open this Question Booklet until instructed.

Note : There are **SIX (6)** pages in this Question Booklet including the cover page.

1. Describe each of the following terms.

a. Organizational buyers [2 marks]

b. Trademark [2 marks]

c. Lifestyle [2 marks]

d. Competition [2 marks]

e. Product differentiation [2 marks]

f. Target market [2 marks]

g. Global brand [2 marks]

2. Successful companies do allocate resources effectively and they know where they want to go. They convert plans into actions through strategic marketing process and improve on any deviations. You are required to analyze the **THREE (3)** steps of the planning phase of the strategic marketing process in those successful organizations.

[9 marks]

3. Cycling has been accepted as one of the recreational activities. Bicycles that were used as the means of transportation have long gone. The product improvement adapted in this market niche has been an innovative marketing strategy for extending the life cycle of the bicycle. Discuss how the marketing strategies change during a product life cycle at the **growth** stage of a mountain bike.

[9 marks]

4. There are various forms of competition, and each company must consider its present and potential competitors in designing its marketing strategy. Differentiate the **FOUR (4)** forms of competition that exist in a market place.

[12 marks]

5. You are planning to purchase the latest Apple Computer for your new office. Propose the stages of the decision process for the purchase.

[10 marks]

6. Describe the key characteristics of organizational buying that make it different from consumer buying.

[6 marks]

7. Read the following article and answers all the questions.

Good service will keep patrons coming back for more

There is customer service, and then there is the branded customer service experience. The difference is vast when it comes to how customers interact and associate with a brand. "It's not enough for customers to like a brand or service, they have to love it because then they will come back for more. They will also spread the word to the people they know, and your business will grow. Do not underestimate the power of social media because that's where word of mouth can either ruin or boost a company's reputation," said TMI Consultancy Malaysia chief executive officer George Aveling. In this day and age, the service industry is fiercely competitive and if a company doesn't put extra effort in understanding its clients and providing great service, then it would lose out sooner than later.

Malaysian companies in the services-retail line could take heed of this advice as there are often times when the services are nothing more than transactional and impersonal. "There needs to be a shift from just handing over the change with little or no eye contact to a more human and interactive service. Just a simple smile, a please or thank you is a good start and can make a big difference but it is not common. The irony is that while a company's brand image portrays friendly and caring service during and after sales, that is not what customers' experience. The brand image then becomes redundant," said Aveling, an Australian. While heading the consultancy that helps its clients create effective customer service experiences, he has noticed the service performance of many companies fails to reinforce or represent the brand. "When a brand advertises that its services are of a certain quality but customers do not experience that, it can tarnish the image and reputation of the company. "As a business builds a brand, it must also carefully build its branded customer service to make customers happy and keep them coming back," said Aveling, who started TMI in Malaysia from a tiny photocopy room in early 2005 and has since grown it into a sought-after organization.

Aveling recalled a particular food company that wanted to increase profits not by downsizing staff, but by building product knowledge and improving the quality of its training in order to serve customers better. "When most businesses see a decline in profits, they would usually cut employee numbers or their salaries. "Instead, this company invested more in its people as it envisioned giving great service by training and providing incentives to its employees, which led to better service, more customers and an increase in profits," Aveling said. To create a win-win situation of happy employees and happy customers, Aveling said that "organizations need to make their employees have a sense of belonging and purposefulness. For example, a sales executive for an insurance company shouldn't just see his job as a mundane affair of documenting papers and filling up forms. This creates a strong sense of purpose and fulfillment for the sales executive and that is immediately transformed in his approach to work.

This transformation will help the salesman build trust and rapport with his clients," Aveling explained. Unfortunately, he feels that some big companies are too focused on making money and treat customer service as a front-line problem. They do not realize that the impact of the customer experience is crucial to boost a company's image and, ultimately, led to an increase in sales in the long run. For a micro, small to medium enterprise (SME), creating that branded customer service experience starts from the top where. Aveling outlined several steps on how to achieve this. According to him, the owner, director or leader needs to be the number one ambassador and flag-waver for good service. "He has to walk the talk and treat his employees well by getting to know them and making them feel like they belong to the company," he said. Aveling also cautioned leaders to be discerning of whom they hire as interpersonal skills and attitudes were important. He added that training programs should also be put into place to allow employees to understand what great customer service was. He said a key step was defining what good service meant for a company, as the service experience would be different in different situations.

(Source: The STAR Online 31/10/2013)

- a. Discuss how marketing discovers and satisfies consumer needs in service industry.
[6 marks]
- b. Propose the alternative branding strategies in service industry.
[12 marks]
- c. McDonald's drive-through is getting popular in Malaysia because it is convenient and most customers are on the move. Evaluate the different services offer by McDonald's on branded customer service and customer service.
[6 marks]
- d. Discuss the statement made by George Aveling "The irony is that while a company's brand image portrays friendly and caring service during and after sales, that is not what customers' experience. The brand image then becomes redundant."
[4 marks]
- e. Emirates wins the prestigious title as the World's Best Airline in the 2013 World Airline Awards at the Paris Air Show. You are planning to apply for internship at Emirates in London and you are required to propose a marketing mix strategy on improving their services in sustaining their future business.
[12 marks]

-END-OF-PAPER-