



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER II
SESSION 2022/2023**

COURSE NAME : PRINCIPLES OF MARKETING

COURSE CODE : BPA 11603

PROGRAMME CODE : BPA

EXAMINATION DATE : JULY/AUGUST 2023

DURATION : 3 HOURS

INSTRUCTION : 1. ANSWER ALL QUESTIONS.

2. THIS FINAL EXAMINATION IS
CONDUCTED VIA **CLOSED BOOK**

3. STUDENTS ARE **PROHIBITED** TO
CONSULT THEIR OWN MATERIAL
OR ANY TYPE OF EXTERNAL
RESOURCES DURING THE
EXAMINATION

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

TERBUKA

Q1 Three decades ago, Howard Schultz hit on the idea of bringing a European-style coffeehouse to America. He believed people needed to slow down, "smell the coffee and enjoy life a little more." The result was Starbucks. This coffee house does not just sell coffee. It sells the Starbucks experience- one that enriches customers' lives. The smells, the hissing steam, and the comfy chairs,- all contribute to the Starbucks ambiance. Starbucks gives customers what it calls a third place- away from home and away from work- a place for conversation and a sense of community. As a result, Starbucks has transformed coffee from a commodity to a \$4 splurge, and the company's sales and profits have risen like steam off a mug of hot java.

(Source: Armstrong and Kotler (2018). Marketing an introduction. Page 231)

- (a) Differentiate between products and services. (6 marks)
- (b) Discuss **THREE (3)** levels of Starbucks's products and services. (9 marks)
- (c) Explain **TWO (2)** ways how Starbucks can expand its product line. (5 marks)
- (d) Discuss **TWO (2)** choices for Starbucks to develop its brands. (5 marks)

Q2 The major airlines struggle with complex pricing strategies in these tough air-travel times. Pricing strategies vary widely. However, one airline appears to have found a radical new pricing solution that customers will love. Make flying free! That's right. Micheal O Leary, CEO of Dublin-based Ryanair, has a dream that someday all Ryanair passengers will fly for free. And with an average price of \$42 per ticket, compared to \$87 for the closest competitor easyJet. Ryanair is getting closer. Even without entirely free flights, Ryanair has become Europe's most popular carrier. Ryan's low-cost strategy is the secret. Ryanair is constantly on the lookout for new ways to cut costs.

(Source: Armstrong and Kotler (2018). Marketing an introduction. Page 307)

- (a) Define price. (2 marks)
- (b) Analyse the pricing strategies adopted by Ryanair. (8 marks)
- (c) Explain **FIVE (5)** price adjustment strategies to Ryanair CEO on how he can adopt when facing constantly changing environments. (15 marks)

- Q3** Delia's is a clothing retailer that targets teenage girls. The company runs coordinated promotions for its catalogs, Website, and retail outlets. It uses the same models in its catalog, print ads, and Website. Delia's works to make sure its public relations activities, as well as its sales promotions, harmonize with its advertising in all aspects. From this information, we can infer that Delia's uses integrated marketing communication (IMC). Today, more companies are adopting the concept of IMC, which incorporates its communication channels to deliver a clear, consistent, and compelling message about the organization and its brands.

(Source: Armstrong and Kotler (2018). Marketing an introduction. Page 413)

- (a) Analyse **FIVE (5)** marketing communications mixes used by Delia's to communicate customer value and build customer relationships persuasively. (15 marks)
- (b) Discuss **FIVE (5)** advertising execution styles that Delia's could implement to capture its target market's attention and interest. (10 marks)

- Q4** Sony (Malaysia) Sdn. Bhd. began operations in Malaysia on 31 October 1973. The company specializes in marketing, sales, and service for a wide range of consumer electronics products and broadcast & professional products and solutions. There are two Sony Stores and 35 Sony Centre outlets nationwide, offering consumers the latest Sony products and services. Today, its staff strength has grown to +/- 200 people and specializes in marketing, sales, and services located in Midvalley Megamall Sony Malaysia office. With over 500 Sony authorized dealers and 35 Sony Centres, Sony Malaysia has two direct stores, Sony Stores at Suria KLCC and The Curve in Petaling Jaya. The Sony Store at KLCC is the first Sony Store in South East Asia, offering a closer communication channel with customers through its innovative products, solutions, and services.

(Source: Sony Malaysia, 2021)

- (a) Define vertical marketing channels. (3 marks)
- (b) Discuss **FOUR (4)** ways how the intermediary channel members could add value to Sony Malaysia. (10 marks)
- (c) Outline **TWO (2)** strategies in determining the number of channel members for Sony. (6 marks)
- (d) Explain **THREE (3)** methods that Sony could apply to evaluate its channel members' performances. (6 marks)

- END OF QUESTIONS -