

UGANDA MARTYRS UNIVERSITY
FACULTY OF BUSINESS ADMINISTRATION AND
MANAGEMENT

DEPARTMENT OF MANAGEMENT SCIENCES
SEMESTER ONE 2018/19 FINAL EXAMINATION

BAM 3 Nkozi & Lubaga Day

COURSE UNIT: Marketing Strategies

DATE: Monday, 10th December 2018

DURATION: Three (3) Hours

TIME ALLOWED: 02:00pm – 05:00pm

Instructions to Candidates:

Read the following before answering the examination questions.

1. Do not write anything on this question paper
2. **Question One is compulsory** and carries 40 marks
3. Select **any other three questions**
4. Attempt **Four (4) Questions** in total
5. Use of practical examples is a must

QUESTION ONE (COMPULSORY)

Samsung Electronics Company

Samsung Electronics Company is worldwide leading consumer electronics brands which have very high opponents in the same business field like HTC, Sony, Panasonic, and Nokia. With the help of its creative products and services it is attracting lot of customers. It was founded in 1938 by Lee Byung-chull as a trading company. In 1969 it was established and developed the different business to electronic market that make Samsung flourish into the world's leading electronic brand. Samsung became the leading electronic manufacturers in Korea by catering to the international market. It makes Samsung to be a champion to international market with high-tech products. Later on in 1993 Samsung became the world's best popular because of joining the LCD industry.

Samsung set up its branding strategy by Chairman Kun Lee who planned to originate universal program to make Samsung an international brand in 1996. For increasing its brand awareness in the world, Samsung paid budget to the investment in marketing and branding and it's about US 3 billion. (Business Week, 2006)

Samsung has spent lot of money in sports for its brand image for example, it sponsored the Olympic Games in 2000, and 2004 in Sydney and Athens respectively. Samsung also supported tools and distributed 14,000 cell phones during the games. Afterwards, Samsung has joined Yahoo Company in strategic marketing. In 2001, Samsung is to be voted to the number one in 100 brands by Business Week. To highlight on its brand awareness, Samsung encourage the official sponsor of Chelsea, the popular English Premier League football club in 2005. To continue to increase perception of brand, Samsung became the official sponsor of 2010 Guangzhou Asian Game.

In the past years, Samsung changed its all-new brand slogan "Turn on tomorrow", to chase of a better future. This new slogan started from mid of July a series of promotions was showed to every customer to improve Samsung's new brand strategy Samsung's has the largest marketing budget in the competition and this fact partially explains the leadership position of the business in terms of market share. Samsung spent a total of USD10.2 billion (11.5 trillion won) on marketing in 2016 alone. This included USD3.9 billion (4.4 trillion won) toward advertisements, a 15% increase from 2015. Samsung marketing strategy integrates various forms of advertising, events and experiences, public relations, direct marketing and personal selling as discussed further below in more details. The multinational electronics company has 53 global sales bases worldwide.

Samsung marketing strategy is based on the following principles:

- Samsung 7ps of marketing places greater emphasis on product element of the marketing mix, compared to other elements such as process, people and physical evidence. Specifically, with 34 R&D centres worldwide and 53 global production bases, the multinational electronics company attempts to ensure the continuous pipeline of new products with innovative features and capabilities.
- Samsung segmentation targeting and positioning strategy integrates multi-segment, imitative and anticipatory positioning techniques.
- Samsung marketing communications strategy, as it is illustrated in figure below, comprises two steps and each step involves a set of separate activities. It has to be noted that legal review as an important element of marketing communication process is present in both steps – production and execution. This is because neglecting legal implications associated with the development and delivery of marketing communication messages can cause considerable damage to the brand image with severe financial implications.

Just a few years ago Samsung was struggling to catch up in the smart phone market. Now it makes more of them than anybody else and has Apple on the back foot, in addition to being the world's largest technology company by revenue.

The heavily hyped launch of its flagship "Galaxy J and S series "smart phone is the latest step as it tries to overtake Apple, and they've gone all out with a massive screen and impressive new features. Samsung is better than anybody else at learning from its competitors. "A market reader is sort of the classic fast follower," explains Barry Jaruzelski, senior partner at Booz & Co and the co-author of the Global Innovation 1000. "It doesn't mean they ignore their customers, but they're very attuned to what competitors are doing and what other people are bringing to market first and observing what seems to be gaining traction, then very rapidly coming up with their own version of that innovation."

The company combines market research and unparalleled execution with, despite its reputation, a lot of innovation of its own. Samsung was second only to IBM in the number of U.S. patents filed last year, and filed 150 patents related to the new technology in the Galaxy S4. The company pivots and produces quickly, coming out with a variety of devices. It sees what the market responds to, pushes successes, and kills failures. And now, rather than just providing a cheaper and lesser iPhone, it's differentiated itself with larger screens, different features, successful marketing, and delivering what consumers want. The Note is a perfect example. The company found through market research that Asian-language speakers in particular wanted a device that they could hand-write on, because drawing

characters is easier with a pen. The result was a combination phone/tablet ("phablet") that's been an unexpected hit.

When Samsung wants to get behind something, it can do so with considerable weight.

That's certainly been the case for its flagship Galaxy phones. Samsung's advertising push has been absolutely massive. Samsung is so much more than a smart phone-maker. It is a conglomerate, a manufacturer, and the world's largest chip-maker. It makes many of the components that go into its smart phones giving it a cost advantage and allowing it to be much more flexible in terms of what it produces and when

Required:

- 1a. Discuss why it would be necessary for Samsung Company to continuously develop new products. **(10 marks)**
- 1b. Samsung company has positioned itself as the number one company in the electronic business, what strategies have they based on to achieve a positive market position. **(10 marks)**
- 1c. Describe the critical factors contributing to the success of new products put on the market by Samsung Company. **(7 marks)**
- 1d. Identify five factors that would be considered in managing different brands offered by Samsung Company to the target customers. **(10 marks)**
- 1e. Advise on the marketing channels this company can utilize to distribute its products and remain competitive. **(3 marks)**

QUESTION TWO

- a) With practical examples, explain the sociological factors which influence the buying behaviour of individuals. **(10 marks)**
- b) Using the knowledge of marketing you have attained, advise on how they can segment their market in order to satisfy them proficiently. **(10 marks)**

QUESTION THREE

- a) With relevant examples, identify and explain the various marketing strategies an organization will employ when a new product is in the growth stage of the product life cycle. **(10 marks)**

- b) Elaborate on the reasons why an organization should have a fully-fledged marketing department. **(10 marks)**

QUESTION FOUR

- a) For organizations to be successful they need to set goals and strategies. Identify and explain what organizations need to consider in formulating these strategies. Use relevant workplace examples to support your answer. **(10 marks)**
- b) With relevant examples, State and explain the key changes in the macroeconomic environmental factors an organization needs to understand in order to achieve its market growth. **(10 marks)**

QUESTION FIVE

In order to establish where an organization is placed in its environment with respect to its competitive position, it is necessary to examine various aspects of its competitor's. State and explain how you can carry out competitor analysis. **(20 marks)**

QUESTION SIX

- a) Customer relationship management is perhaps the most important concept of modern marketing; Different types of customers require different relationship management strategies. The goal is to build the right relationships with the right customers". In relation to the above statements, explain how organizations can build customer relationships. **(10 marks)**
- b) Advance the various promotion strategies which an organization can use to remain competitive. **(10 marks)**