

**FINAL
ALTERNATIVE ASSESSMENT**

Session	:	April 2021
Programme	:	Diploma In Business (DIB) Diploma In Marketing (DMKT) Diploma In Interactive Multimedia with Animation Design (DIMA) Diploma In Graphic Design (DGD) Diploma In Mass Communication (DMC/DMCN) Diploma In Hospitality Management (DHMN) Diploma In Culinary Arts (DCAN) Diploma In Accounting (DIAN) Diploma In Finance (DIF) Diploma In E-Commerce (DEC)
Course	:	MKT1102: Fundamentals of Marketing
Date of Examination	:	
Time Start	:	July 27, 2021 (Tuesday) @ 12.00pm
Time End	:	July 28, 2021 (Wednesday) @ 12.00pm
Duration	:	24 Hours
Special Instructions	:	
		There are TWO (2) case studies, Case Study 1 and Case Study 2 . Answer ALL questions in BOTH case studies.
Material permitted	:	Nil
Materials provided	:	Nil
Examiner(s)	:	Lee Koon Yoong , Tan Mei Jia, Virgilia Lee, Nazlina Mirsultan, Norulashikin Ismail, Jaccie Koh Bao Meng, Muhammad Rajaie, Clemment Foo and Shazeel Ali
Chief Moderator	:	Steve Lam

This paper consists of 4 printed pages, including the cover page

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MKT1102: FUNDAMENTALS OF MARKETING
 FINAL ALTERNATIVE ASSESSMENT: APRIL 2021 SESSION

Instructions: There are **TWO (2)** case studies, **Case Study 1** and **Case Study 2**. Answer **ALL** questions in **BOTH** case studies.

Case Study 1:

Founded in 1866, Nestlé is the largest food and beverage company in the world. Initially, the company sold only infant's cereal, but they quickly diversified to include a variety of products including chocolate, coffee, soup, yogurt, water, and frozen foods in their portfolio. The organization employs nearly a quarter of a million people from 70 different countries around the world. Nestlé operates in almost every part of the world. They have reached an impressive global audience both through their own efforts and through joint ventures with companies like Coca-Cola. Nestlé's success has been driven by a combination of product innovation and business acquisition. It is their motivation for growth and diversity that has allowed Nestlé to become the key player in nutrition that it is today.

Nestlé has come a long way from its 19th-century Swiss-German origins in nutritious gruel to become one of the biggest production conglomerates in the world. Nestlé has carried with them their spirit of innovation and nutrition from the 19th century into the 21st century. Today, Nestlé owns more than 2,000 brands that are sold in more than 197 countries around the world. They have a clear objective to be the leader in health and wellness. The company has not limited itself to nutrition but moved into the beauty and health categories in order to create a truly diverse company.

Source: Cleverism. 2021. *The History of Nestlé*. [online] Available at: <<https://www.cleverism.com/the-history-of-nestle/>> [Accessed 29 April 2021].

(Students will need to provide their answers in relation to the given scenario and context)

Question 1

Assume that you are the marketing manager for Nestle in Preparation for the Hari Raya Aidilfitri celebration. Explain how would you help your company to increase market share by using **FIVE (5)** Product Mix Pricing Strategies. Justify your answer with relevant examples.

(25 marks)

Question 2

- (a) Explain **FOUR (4)** different types of vertical marketing systems with relevant examples. (16 marks)
- (b) Based on the answer given in Question 2(a), choose **TWO (2)** vertical marketing systems that best suits Nestle's direction for the Hari Raya promotional campaign. Justify your answer with relevant examples. (9 marks)

Case Study 2:

While the Swedish car company Volvo (part of the Holding Group AB Volvo) was established way back in 1927, its recent history has been somewhat turbulent. Acquired by Ford, the quintessentially American company, in 1999. Volvo was sold to the Chinese company Zhejiang Geely Holding Group in 2010. Since then, Geely's love affair with the Volvo brand has only grown stronger, with Geely having acquired an 8.2 percent stake in AB Volvo (the parent company of the Volvo car division), a major manufacturer of trucks, in December 2017 for \$3.2 billion. This move made Geely AB Volvo's largest shareholder and, by the same token, a strategic decision-maker in terms of future market moves.

Volvo benefits from its reputation of Scandinavian values of safety, environmental concern and classic understated design, while at the same time it tries to appeal to affluent Chinese buyers who demand more luxury and performance from their cars.

Chen Lizhe, Sales Chief at Volvo Car Greater China, announced in July 2018 that the company would launch an imported all-new XC40 compact sports utility vehicle (SUV) in the Chinese market before the end of the year and start local production of the model in China at the start of 2019, followed by S60 mid-size sedan and XC90 SUV. The goal of all these strategic moves being pursued by Volvo is to grow its market share in the largest automotive market in the world. In addition to its attempts to blend Scandinavian sensibilities with Chinese demands for luxury and to move upmarket, Volvo recently announced its intention that fully electric cars will make up half of its sales by 2025. In 2017, Volvo announced an industry first by stating that all new models released from 2019 will be mild hybrid, plug-in or battery electric vehicles. Chief Executive of Volvo Cars, said in 2017 that 'The past 90 years have been exciting, but the 10 years left until the 100-year anniversary may come to be more exciting, as industry focus shifts to autonomous driving, electrification and connectivity'.

Since 2014, Volvo has also made an effort to improve its digital platform in order to better communicate with, engage and serve its customers. The company upgraded its online platform in order to better integrate the online brand experience with the in-showroom brand experience. Customers who go online are given standard-choice model which they can personalize and upgrade, designing the eventual car they would like to buy. They received a short video showing what the car will look like when finally delivered. However, cars bought online will still have to 'pass through the

dealer network'. These efforts were put on display by Volvo with the launch of its XC40 model in November 2017 at the L.A. Auto Show. The company presented an app called 'Care by Volvo' with the following pitch: 'The official Care by Volvo app lets you customize and subscribe to your new Volvo right from your phone. Just download, subscribe, and drive. Your subscriptions include personalized options, insurance, maintenance, wear and tear, and roadside assistance. 'It is a revolutionary way to look at car ownership,' said Krstina Vasandani, Volvo's Manager of Campaigns and Digital Marketing. The plan for Volvo is to kill two marketing birds with one stone: introduce a new model while also helping to make life less complicated for its customers.

Source link: Jobber, D. and Ellis-Chadwick, F. (2020). *Principles and Practice of Marketing*. 9th Ed. London: McGraw-Hill, pp.476-477.

(Students will need to provide their answers in relation to the given scenario and context)

Question 3

- (a) Describe **THREE (3)** levels of product for the model of Volvo XC90 SUV with relevant examples. (9 marks)
- (b) With an aid of a diagram, explain the **FOUR (4)** different stages of product life cycle for Geely AB Volvo's. Provide your answer with relevant examples. (16 marks)

Question 4

Assume the position of the marketing manager for Geely AB Volvo, in preparation to promote sales for Volvo's S60 mid-size sedan, explain how would you help your division to improve sales by using **FIVE (5)** promotional strategies. Provide your answer with relevant examples. (25 marks)

~ The End ~

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