



PAN AFRICA CHRISTIAN UNIVERSITY

**END OF SEMESTER EXAMINATION FOR THE DEGREE OF
MASTER OF ARTS IN LEADERSHIP**

MAY – AUGUST 2017

CAMPUS: ROYSAMBU

DEPARTMENT: LEADERSHIP AND GOVERNANCE

COURSE CODE: MAL604

COURSE TITLE: MISSION, MARKETING & QUALITY

EXAM DATE: SATURDAY 29th JULY 2017-TUESDAY 1st AUGUST 2017

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- ANSWER **question ONE** and **any other ONE** question

QUESTION ONE [10 MARKS]

A few years ago, Airtel Ltd jolted the mobile telephone service sub-sector by engaging Safaricom in a fierce price war; which resulted in a significant drop on calling rates in Kenya. At that time, market analysts had anticipated a major shift in customer loyalty from Safaricom to Airtel on account of highly discounted calling rates offered by Airtel. Their prediction was not only based on price cuts but also the superior services by Airtel in terms of wide infrastructural coverage and clear signal. The recent market share analysis in that sector however revealed that while Airtel could have momentarily shaken the market, Safaricom still remains dominant in that subsector. In light of this scenario:

- a) Discuss the reasons that could have drawn Airtel into such warfare with Safaricom
- b) Describe why Airtel's strategy did not fully succeed
- c) Assuming you were hired as a Marketing Manager by Safaricom during this period, discuss some of the strategies that you could have deployed to reinforce market dominance

QUESTION TWO [10 MARKS]

Talking of household names in Kenya, Bata Shoe Company and Eveready stands out. These two firms had become synonymous with high quality products that matched the market needs for many years. However, today, these firms are only a shadow of their original selves. While Bata has turned to cheap imports from China to supplement their shelves, Eveready has already closed down their factory in Nakuru and presently sources for products from their subsidiary company based in Egypt. Pundits have attributed this turn of events to proliferation of cheap and counterfeit supplies from Asia in the Kenyan market. While this may have been true, the management of these two firms have also been criticized for employing a kneejerk approach in dealing with the situation at hand. Assuming you have been engaged as a marketing consultant of any of these firms, write a brief marketing plan to the board of directors detailing how the firms could boost the sales volume and ultimately return to profitability.

QUESTION THREE [10 MARKS]

Jon Dwight Jones has just graduated from business school and is eager to start his own cosmetics business. His target customers are the young people aged below 35 years. He had studied a unit on e-commerce and online marketing in college and he intends to exploit these two techniques to promote his business. However, he does not exactly know how to go about it and has approached you for assistance.

- a) Describe to him what the two concepts mean.
- b) Explain to him how he should go about employing the two techniques for the benefit of his enterprise.
- c) Highlight to him the possible pitfalls that he may encounter in the process of conducting his business using the techniques.

QUESTION FOUR [10 MARKS]

British American Tobacco (BAT) is one company that has faced a lot of sanctions and restrictions in doing her business. These restrictions are associated with enactment of anti-smoking, health, environmental conservation and taxation laws ostensibly aimed at promoting healthy living among the populace. Presently, BAT cannot openly advertise her products, neither can they effectively participate in corporate social responsibility (CSR) with an

agenda of promoting their organizational image. Under these circumstances, you have been head-hunted by BAT for appointment as Marketing Director with instructions to grow the sales book of the firm over the next three years.

- a) Briefly describe how you would accomplish your task.
- b) In doing so, describe the short term (quick-wins), medium term and long term strategies you will employ in handling your task.