

**UNIVERSITY OF ESWATINI
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
MBA BUS634 ECOMMERCE AND INTERNET MARKETING
EXAMINATION 2019**

**TITLE OF PAPER: ECOMMERCE AND INTERNET MARKETING
COURSE: BUS 634
DEGREE AND YEAR: MBA II
TIME ALLOWED: THREE HOURS**

INSTRUCTIONS:

1. THIS PAPER CONSISTS OF SECTIONS A AND B.
2. SECTION (A) IS COMPULSORY.
3. ANSWER QUESTION #4 AND ANY OTHER QUESTION FROM SECTION (B).
4. LAY YOUR WORK OUT CLEARLY USING PROVIDED HEADINGS, SUBHEADINGS, AND PARAGRAPH NUMBERS. ANSWER THE QUESTION AS ASKED. NOT USING THE SUBHEADINGS WILL RESULT IN NO MARKS BEING RECORDED FOR THAT SUBHEADING, e.g. a), b)...
5. ENSURE THAT YOUR ID NUMBER IS INDICATED ON YOUR EXAMINATION COVER PAGE. NO NAMES SHOULD BE RECORDED ANYWHERE ON THE EXAMINATION BOOK.

SIX PAGES

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HAS GRANTED PERMISSION**

ECOMMERCE AND INTERNET MARKETING 2019

SECTION A

Read the case and answer all questions in this section (50 marks)

NetFlorist

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Overview

NetFlorist sees sending flowers and gifts as an expression of emotion, and pride themselves on delivering beautiful bouquets, arrangements, hampers, gifts, and gourmet fruit baskets on behalf of their customers. To make a purchase at NetFlorist, one simply needs to browse through their online catalogue of products to see all the wonderful items they have on offer. The team at NetFlorist is passionate about making people happy, either by delighting their customers with great service, or delighting their recipients with beautiful fresh flowers, delicious hampers and thoughtful gifts.

The early days

In February 1999, <http://www.NetFlorist.co.za> was set up as a test site to determine the correct online retail model for Makro. Flowers were used to pilot the site, which quickly became a favorite with online shoppers wanting to buy last minute flowers or special gifts. Soon after the site was launched, it became evident that the e-tailing technology that NetFlorist had used to facilitate transactions was not going to handle the volume of orders they were already receiving. Before long, NetFlorist had established itself as one of the leading online flower and gift sites in South Africa.

The name NetFlorist (although it is confusing because NetFlorist doesn't only sell flowers) will most probably never change. The fact that they also sell other, non-floral products is the result of a drive to grow the company and expand their markets. The website includes NetFlorist, NetGifts, NetJewel, and NetPerfume.

NetFlorist is focused on growing global market share in the floral and gifting arena, and they partner with globally focused software and service companies to ensure that they remain at the cutting edge. They also continually search the globe to gain access to the highest quality gifts, flowers, perfumes, and jewelry, all of which they are able to deliver. NetFlorist's international reach stretches as far as the UK, Australia, the US, Singapore, and Malaysia.

With the challenges of e-commerce and the initially low levels of consumer confidence in internet shopping, NetFlorist had to take steps to maintain its position and stay profitable. This made the company look at new ways of encouraging traffic to the site, making the online experience more secure, and winning the trust of its customers. It was at this point that NetFlorist approached and entered into a comprehensive agreement with M-Web Business Solutions (part of the M-Web group).

The agreement resulted in the integration of M-Web Business Solution's Safe Shop e-commerce platform into NetFlorist, and the incorporation of NetFlorist into M-Web's online shopping mall.

This not only enables NetFlorist to expand its payment options, it also increased traffic to the NetFlorist site.

During October, 2011, NetFlorist solidified its extensive online presence with the launch of a second sister site NetJewel (www.netjewel.co.za), which made Natal Wholesale Jeweller's (NWJ) popular retail jewelry range available online (NetJewel no longer exhibits NWJ products). Established in partnership with NWJ, NetJewel was launched less than a year after the successful introduction of NetGifts (www.netgifts.co.za), home to NetFlorist's range of over 450 gifts. Since its inception, NetGifts has attracted over 16 500 customers, and an excess of 35 000 orders have been placed on the site. There is also NetPerfume (www.netperfume.co.za), which sells over 250 leading men's and ladies' fragrances.

Shopping online

NetFlorist offers a wide range of gifts (fruit hampers, jewelry, wine, and watches). Users are rerouted to country-specific catalogues after choosing (on the home page) where they would like to have gifts delivered. Orders can also be placed over the phone, through a smart phone app, or through NetFlorist's mobi site.

Customers can repeat purchases, choose recipients from an address list, and specify delivery dates. The online purchasing form also allows users to leave special instructions for deliveries to hospitals, businesses, and hotels.

Existing users enter an email address and password which allows NetFlorist to better customize their user experience. While NetFlorist respects the privacy of its customers, the website does require certain information which

- Allows NetFlorist to learn about users' shopping preferences and tailor its product and services offerings
- Enables NetFlorist to offer promotions and specials of possible interest
- Ensures that NetFlorist are able to provide their services quickly and efficiently, while offering high standards of quality and excellence
- Helps NetFlorist to introduce new services which could provide additional value.

Registering on NetFlorist

Registered NetFlorist members can customize the NetFlorist site to create a more convenient and friendly shopping experience, and have access to the following benefits:

- Express Checkout with no need to re-enter personal and billing information
- Online order tracking
- An order history which allows them to see what items they have previously purchased, and to whom they were delivered
- An online address book where they can store delivery information
- A reminder list that allows them to set up timed reminders
- Regular promotional offers and special discounts

The site's registration form requires contact information, billing information, and demographic information. Information about occasion types and products purchased is also collected, as are

the names, addresses, and telephone numbers of gift recipients. This information is used as follows:

- Contact information is used for queries, and to send news about updates, promotional offers, and special discounts
- Demographic information is used to customize content according to user preferences
- Visitors' IP addresses are used to identify them and their shopping carts
- Cookies are used to keep track of users' shopping carts so that relevant content can be delivered.

Striving to deliver the best customer service

Customer satisfaction is NetFlorist's top priority. NetFlorist strives to provide world-class customer service at all times and to ensure that their website and product range continues to meet users' needs. In order to measure how well they are achieving these goals, NetFlorist asks for feedback via online surveys from time to time. Online surveys may request additional contact or demographic information and user preferences regarding certain topics of product categories.

NetFlorist also occasionally runs contests in which they ask visitors for contact and/or demographic information. This information is used to notify contest entrants of winners and to send further information about products and services. Visitors are free to unsubscribe from email lists at any time.

NetFlorist values any comments, suggestions, or feedback users may have and invite users to send them an email at any time. NetFlorist's fresh, high-quality flower arrangements and other products are backed by 100% guarantees. If users are not happy with the service, NetFlorist offers refunds and replacements on request, and if either the customer or the person receiving the gift is not completely satisfied, NetFlorist customer service representatives can be contacted.

Managing Delivery

NetFlorist delivers in South Africa, the United Kingdom, Australia, the United States, and Germany.

Flowers are delivered through NetFlorist's network of preferred florists—a selection of South Africa's best florists, chosen to handle customer needs with care and dedication. International deliveries are arranged through international florist networks.

NetFlorist's hampers and gifts are all assembled locally and distributed via their courier network. Flowers can also be delivered internationally.

NetFlorist's flowers are hand-picked and they only use the best quality flowers available on the day. NetFlorist always tries to stick to the flower selections in the product descriptions but florists may make substitutions at their discretion if stock is not available.

In general, floral orders placed before twelve noon on Mondays to Saturdays can be delivered on the same day. Orders placed after twelve noon on Saturdays or Sundays are delivered on Mondays. Normal florist delivery times are on weekdays between 9h00 and 14h00. NetFlorist guarantees that orders for hampers, jewelry, gifts, and baskets placed before twelve noon on weekdays will be delivered the next day.

NetFlorist delivers for occasions like Valentine's Day, Mother's Day, Father's Day, Christmas, birthdays and anniversaries. The large volumes of orders handled on some of these occasions sometimes make same-day delivery impossible, preventing NetFlorist from guaranteeing same day delivery after normal cut-off times. For customer convenience, NetFlorist always attempts to make their cut-off times as close as possible to the special day in question.

If recipients are not available to take delivery, NetFlorist contacts them to arrange alternate times. There are also certain days on which deliveries cannot be made in some countries. These are also indicated where relevant. Local customs and availability of stocks may vary, and while every effort is made to ensure that arrangements are as close as possible to those pictured on the site, substitutions may be necessary. The price of floral arrangements may also vary from country to country. NetFlorist has a list of delivery countries available, but if customers wish to send a bouquet to a country not listed, pricing is checked and delivery is made, if possible.

QUESTIONS

1. Write a SWOT analysis of NetFlorist based on the information provided. (20 MARKS)

List at least three characteristics each:

- a) S: (5 marks)
- b) W: (5 marks)
- c) O: (5 marks)
- d) T: (5 marks)

2. Describe NetFlorist's delivery model. (20 MARKS)

3. Based on what you've learned in class this semester, what would be your next step with NetFlorist as their E-Commerce and Internet marketing consultant? (10 MARKS)

SECTION B

Answer QUESTION#4 AND ONE OTHER question in this section (50 Marks)
(ANSWER A TOTAL OF TWO QUESTIONS)

4. You are interviewing for a position in the Corporate Relations Department at the University of Eswatini (UNESWA). They ask you a question about the meaning of Social Media and online Marketing. As you have taken Prof. Jackson's class, you consider yourself an expert. Define each of these terms with respect to what they mean in the context of UNESWA.
- a) Online presence (10 marks)
 - b) Search engine marketing (10 marks)
 - c) Multimedia marketing (10 marks)

5. a) Explain the Elaboration Likelihood model (ELM) (14 MARKS)
b) How can the ELM be used to formulate content for Internet Marketing?
(6 MARKS)
6. Explain instrumental conditioning (14 MARKS)
Describe a real-life example of how online marketers can motivate consumer learning with this concept. (6 MARKS)

TOTAL 100 MARKS