

**UNIVERSITY OF ESWATINI
FACULTY OF COMMERCE**

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST SEMESTER EXAMINATION 2019

FULL-TIME & IDE

TITLE OF PAPER : MARKETING MANAGEMENT
COURSE : BUS221/BA221/BA321
DEGREE AND YEAR :BCOM2/ IDE BCOM 2/BEDSEC 2&3
TIME ALLOWED :THREE (3) HOURS

INSTRUCTIONS:

- 1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B)**
- 2. SECTION (A) IS COMPULSORY**
- 3. ANSWER ANY THREE (3) QUESTIONS FROM SECTION B**

**NOTE; MARKS WILL BE AWARDED FOR GOOD
COMMUNICATION IN ENGLISH AND FOR ORDERLY
PRESENTATION**

**THIS EXAMINATION PAPER SHOULD NOT BE OPENED UNTIL
INVIGILATOR HAS GRANTED PERMISSION**

SECTION A [COMPULSORY]

READ THE FOLLOWING CASE AND ANSWER THE QUESTIONS BELOW

TELKOM HAS A NEW CUSTOMER SERVICE HEAD, SO WHY ARE CUSTOMERS STILL COMPLAINING?

Although Telkom appointed a new head of customer service in June this year - who promised to have a task force in place by August to resolve consumer complaints - many customers are still complaining that their complaints are not resolved, with no feedback about what is being done to help.

Serame Taukobong, the new head of customer service, reportedly said communication was paramount. This is exactly what Mduduzi Hlomuka complains about: no communication about his complaint, apart from generic text messages.

He complained in October about an issue with the LTE network and two months later his complaint has not been resolved. According to Hlomuka, nobody from Telkom has called him to say if any progress has been made with resolving his complaint. He says when he calls Telkom, he is sent from pillar to post and nobody wants to give him Taukobong's number to complain.

When Hlomuka complained for the first time, he says, Telkom promised to send a technician to his house within a week, but the technician never showed up. When he wanted to cancel his contract because he is not getting any service from Telkom, he says he was threatened with cancellation penalties. He pays R1 200 per month for a service he is unable to use.

He further says his mother was sold a contract in-store with a phone she did not need. Because she knows nothing about technology, he claims, she took the offer. When her children pointed out that she was sold a "nonsense" phone and she tried to return it, staff at the store asked her why she opened the box if she did not want it. "Telkom is very abusive to customers and takes us for granted," Hlomuka says.

Asked if its complaint management system reminds staff of complaints that are taking very long to resolve, Telkom responded that it has an online process for logging faults and cancellations. Customers can access Telkom's self-diagnosis guide, troubleshoot their issues, submit queries online or call the contact centre.

The spokesperson explained that all online queries are tracked, but said human error can slip in when consumers log complaints through the call contact centre or at a store. Consumers are therefore encouraged to complain online, because all online cases are traceable and can be tracked end to end.

Telkom did not say if it has a system to give consumers feedback on their complaints or comment on the alleged inaccessibility of senior staff regarding customer complaints.

Contrary to what Hlomuka relates, Telkom says although cancellation fees may be

charged in some cases, requests for cancellation are considered on an individual basis, especially when there are coverage issues. The spokesperson says customers can cancel their service at any time by giving 30 days' notice.

According to Section 19 of the Consumer Protection Act (CPA), it is an implied condition of an agreement that the supplier is responsible for performing the services on the agreed date and time or within a reasonable time at the agreed place at the agreed cost. If the supplier does not agree on another delivery time, the consumer can cancel the agreement without penalty.

Adapted from: <https://www.fin24.com/Companies/feature-telkom-has-a-new-customer-service-head-so-why-are-customers-still-complaining-20181225>

QUESTION 1

- a) Identify the customer service challenges facing Telkom and how you would resolve them. (20 MARKS)

- b) Explain to the new head of customer service the costs of poor customer service to Telkom. (20 MARKS)

SECTION B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Consumers often have many needs that are not readily obvious. Just observing their behavior inside a retail store is not enough to get a true feel for their “needs.” Describe with examples the five types of needs that most consumers have. (10 MARKS)
- b. A key driver of shareholder value is the aggregate value of the customer base. Identify the five strategies employed by winning companies to improve the value of their customer base. (10 MARKS)

QUESTION 3

Brand elements are those devices that can be trademarked and serve to identify and differentiate the brand. Most strong brands employ multiple brand elements. Discuss the six criteria used in creating brand elements. (20 MARKS)

QUESTION 4

Michael Porter has identified five forces that determine the intrinsic long-run attractiveness of a market or market segment. Deliberate on the characteristics of the five forces. (20 MARKS)

QUESTION 5

Using an organization of your choice, discuss the five determinants of service quality. (20 MARKS)