

**UNIVERSITY OF ESWATINI
FACULTY OF COMMERCE**

DEPARTMENT OF BUSINESS ADMINISTRATION

RESIT EXAMINATION FEB 2020

FULL-TIME

**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****WHAT'S IN A LOGO? THE REAL WORK BEHIND REBRANDING**

Absa's new logo has been the focus of some animated, and at times cutting, news and social media debate. Not everyone has found it appealing. One Twitter user went so far as to say that it looked like it had been drawn by a toddler. It is, however, unlikely that the people behind the re-branding are taking this type of criticism too seriously. They know with the certainty of experience that within five years everyone will have accepted the logo and few people will even remember the old one.

The truth is that for any organisation going through a re-branding process, unveiling a new logo is not the end goal. It is just the start. Coming up with an attractive design, choosing the colour and deciding on a font are the easy part. What follows is what really matters – and it requires a long-term view.

A strategic decision

Given the enormous cost involved, it is safe to assume that the executives and board that signed off on the re-branding didn't do it just because they felt like a change. It only makes sense if it was a strategic decision based on a much broader argument – that Absa wants to change its business dramatically, that it wants to reclaim market share, shake off the past, move away from the association with Barclays, and position itself in an entirely new way – particularly outside of South Africa on the rest of the continent where it has undergone a name change from Barclays Africa to Absa. CEO, Maria Ramos, announced in March that the bank plans to double its market share of banking revenue on the continent to 12%. If it achieves this aim, then we will know the branding exercise has worked.

Follow-through

So how can Absa ensure it does not fall into this trap? With its new logo, the bank has tried to present an image that is fresh, youthful and technologically savvy. The choice of all lower case lettering in particular is unconventional, and a deliberate break from the conservative, all upper-case logo of the past.

The drone light show over Johannesburg took this even further. So did the opening of its new digitally-enabled branches with free Wi-Fi and virtual banking. Absa has also announced WhatsApp banking, a first for South Africa, as part of its digital banking strategy. This is a bold positioning, particularly for a bank – which by its very nature, is a conservative, bureaucratic, rules-based institution. Anyone who has applied for a home loan knows that you have to tick all the boxes, or you don't get the money. The parameters are set, and you have to meet them.

The challenge now is whether Absa is actually going to be bold and brave. Will it live that language? Because if it can't deliver the service and products to match its new image, then the re-branding will be a failure. A new logo is only symbolic. For a re-

brand to work, it has to follow through and deliver on its stated intentions and that is not easy. Any brand is about meaning. What is really important is not what a logo looks like, but what people think and feel when they see it.

That is why it will be years before we can know whether this re-branding has really been successful or not. Ultimately, it is not people's immediate reaction to the logo that matters, but their long-term response to Absa's performance and indeed, the bank's success in meeting its growth targets. The real power of the brand is not the design people see on Absa's door or on top of their bank statement. It is how they feel about the way the bank behaves, the reputation it builds and the trust it is able to inspire.

Source: <https://www.fin24.com/Opinion/whats-in-a-logo-the-real-work-behind-rebranding-20180727>

QUESTION 1

- a) Explain what rebranding is and then discuss why ABSA might have found it necessary to rebrand itself. **(20 MARKS)**
- b) Branding can be seen as a powerful means to secure a competitive advantage. How does the rebranding of its logo assist ABSA in securing a competitive advantage? **(20 MARKS)**

SECTION B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

The ultimate outcome of relationship marketing is the building of a unique company asset called a *marketing network*. Describe the parts of a marketing network for an organization of your choice. (20 MARKS)

QUESTION 3

Market segmentation is the process of dividing a market into groups of similar consumers and selecting the most appropriate group(s) of individuals for the firm to serve. Discuss the major segmentation variables commonly used by marketers.

(20 MARKS)

QUESTION 4

Discuss with examples, the elements of the strategic planning process.

(20 MARKS)

QUESTION 5

In general, a company should monitor three variables when analyzing competitors. Discuss the three variables? (20 MARKS)