



HERBERT CHITEPO SCHOOL OF LAW AND BUSINESS SCIENCES.
Department of Management and Hospitality

BACHELOR OF COMMERCE

PART 4 SEMESTER 2

MODULE NARRATION

STRATEGIC MARKETING

CODE

GREAT ZIMBABWE UNIVERSITY

HMM421

DATE

RECEIVED

2024

DURATION

-- NOV 2024

3 HOURS 30 MINUTES

EXAMINATIONS OFFICE

INSTRUCTIONS TO CANDIDATES

1. ANSWER ALL QUESTIONS IN SECTION A AND ANY THREE QUESTIONS FROM SECTION B
2. AS MUCH AS POSSIBLE **CITE RELEVANT** EXAMPLES

SECTION A: COMPULSORY

DISCOUNT RETAILING ARENA

For seven years, Joseph Antonini led a discount store to battle against what appeared to be its twin. The two chains looked alike, sold the same products, and sought each other's customers. The competition, however, was over: Sam Walton's Wal-Mart Stores Inc. had won. So bleak were the prospects for Kmart Corp. that in February 1995 an advertising agency bidding for its business, N.W. Ayer & Partners, recommended that it stop competing against Wal-Mart and transform itself into a big convenience chain where customers could go for milk and cigarettes. "It seems that the only way for [Kmart] to survive is to find a different niche," summarized the N.W. Ayer's presentation. Kmart, of course, rejected the idea.

Though the new leader could spark high hopes for ringing cash registers, Kmart still had major operational and managerial issues to deal with. While an air of inevitable defeat had recently settled over Kmart, a short look back found many observers believing deeply in Kmart and Mr. Antonini. In fact, many of the investors who demanded his ouster as president and chief executive officer had gambled on him to outfox his counterparts at Wal-Mart not so long ago. They questioned some of the strategies of Mr. Walton,

Wal-Mart's founder. They also thought Mr. Antonini had more pizzazz, better locations, and a solid turnaround plan. "He's taken a tired, dispirited company and revived it," declared a prominent retail analyst in a 1991 Forbes magazine article that described WalMart's stock as overpriced and Kmart as a good bet. Considering the similarity of their stores and missions, analysts attributed the different fates of Kmart and Wal-Mart primarily to management. Sam Walton, they said, was smarter than Mr. Antonini.

When Mr. Antonini took the reins of Kmart in 1987, he had his hands full. He inherited some stores that were as old as 17 years, with water warped floors, broken light fixtures, shelves placed too close together, and cheap displays set in the middle of aisles. Also, his predecessors had neglected to implement the sophisticated computer systems that were helping Wal-Mart track and replenish its merchandise swiftly and efficiently. Overall, however, Kmart was way ahead. It had nearly twice as many discount stores, 2,223 to 1,198. The Troy, Michigan, chain also had sales of \$25.63 billion, compared with \$15.96 billion for Wal-Mart. Thanks to advertising and its large urban presence, Kmart and its red "K" logo also had greater visibility.

QUESTION 1: ANSWER ALL QUESTIONS

- (a) What is referred to as discount retailing arena? (5)
- (b) Evaluate the strategy employed by Kmart to fight competition. (7)
- (c) Based on the case study, what could be the possible benefits and demerits of visibility? (8)
- (d) Why are visionary leaders vital in ailing firms? (10)

SECTION B: ANSWER ANY THREE QUESTIONS

QUESTION 2

Evaluate dimensions included in a market analysis.

(20 marks)

QUESTION 3

Using practical examples, discuss strategies to build market share for a product in the declining stage of the product life cycle. (20 marks)

QUESTION 4

Assess the key success factors of the industry you are familiar with. (20 marks)

QUESTION 5

Discuss the framework of a typical strategic marketing plan. (20 marks)

QUESTION 6

Evaluate the 6w model using any firm of your choice. (20 marks)