

# Eastern University, Sri Lanka

## Faculty of Commerce & Management

Fourth Year First Semester Examination in BBA /Specialization in Marketing Management

2018/2019 (August 2020) (P/R)

**MKT 4013 Strategic Marketing Management**

Answer all questions

Time: 03 Hours

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**Q1. Read the following case study and answer the questions given below.**

**The impact of Covid-19 pandemic on corporate social responsibility and marketing philosophy**

The impact of Covid-19 on the global economy is likely to be unprecedented since the 1930s Great Depression (Euro news, 2020). Therefore, probably the Covid-19 pandemic represents one of the most significant environmental changes in the modern marketing history, which could potentially have a profound impact on consumer ethics, and basic marketing philosophy. The short-term impact of Covid-19 is immediately and effortlessly felt, due to the widespread lockdown and social distancing measures globally. However, the pandemic will end, it is already set to have long lasting profound economic, social, political, and cultural impacts. What we do know is that the world has changed. Like other global events with planet-wide impact, Covid-19 could potentially change how we see the world, the ways in which we think, and how we conduct our lives. Notwithstanding the human tragedy of lost lives, broken families, and scarred communities, the economic and social changes caused by a pandemic-driven lockdown will constitute a cultural legacy which will live long in our memories and those of future generations.

In discussing the plethora of ways in which Covid-19 has changed our disciplines and practices, marketing is an interesting study. The effects of Covid-19 have been profound and pervasive so to structure our review, we explore how the pandemic has altered the core marketing concepts, the context of marketing, and marketing strategies. The wide-ranging and deeply-felt upheaval of the Covid-19 pandemic will affect the marketing discipline in multitudinous ways. As our very lives and societies are uprooted, changed, and shaped by

events, so will the philosophies, ideologies, and fundamental principles that define the marketing field. While much of this change is difficult to prophesize, it seems probable that future events will have a profound impact on core marketing philosophies, mindsets, and concepts. Marketing is grounded in the philosophy and ideology of the marketplace wherein we endeavour to identify and respond to the needs and wants of target customers better than competitors. More enlightened and progressive commentators and organizations have espoused variations of the societal marketing concept; wherein organizations balance short-run consumer wants with the long-run welfare of society. In the aftermath of Covid-19 it seems likely that consumers, societies, and organizations will critically re-evaluate and question such philosophies and priorities.

Post-pandemic theorists and practitioners are likely to face a radically different marketing landscape and much changed customers. Opinions, beliefs, values, habits, and behaviors will evolve due to both good and bad experiences; the Covid-19 outbreak will, sadly, have had a profound impact on all of these. Pre-Covid, marketers were fixated on the effectiveness of their value-capturing from customers in the form of customer loyalty, share of the market/customer, and customer equity. Post-pandemic, previously standard and seemingly incontrovertible metrics such as customer lifetime value, share of customer, and customer equity, are likely to be critically questioned.

The essence of marketing can be viewed as exchange. Such exchange pivots on trust, agreement, perceptions of value, and communication – each of which was radically challenged for many buyers and suppliers during the events of Covid-19. The dominance of face-to-face interactions and exchange which was (in many contexts) slowly being eroded by digital exchange was suddenly severely curtailed by many governments with online exchange suddenly dominant. Politicians and social commentators, many of whom had previously scolded consumers for abandoning high street shops and town centres, moved their stance regarding online exchange to the point where they acknowledged that pre-pandemic the impact of such a pandemic would have been two or three or even a hundred times greater. Communication means between buyers and suppliers immediately changed as lockdowns were imposed and travel restricted. Skype, WhatsApp, and Zoom (and a plethora of other digital tools) exploded in use and the digital age of online, mobile, and social media marketing was



pre-adolescent through a turbulent teenage right through to adulthood in matter of weeks. Future studies will map and deconstruct such events while the post-pandemic scenery seems likely to be very different.

Changes to the marketing environment and the marketing landscape forced organizations to develop a strategic agility pre-, during-, and post-pandemic. While strategists have long advocated agility in strategy making, the lightning speed of the spread of Covid-19 required organizations to develop such entrepreneurial agility as to constitute flexibility to the point of hypermobility! While innovative commentators lauded the need for strategic agility to create new markets that reach new consumers and customers – blue ocean strategy pandemic-inspired/forced/required agility required executives and managers to develop systems, operations, and tactics that reached customers (more life-water strategy than necessarily blue or red ocean).

Nonetheless, many organizations found previously hidden or untapped sources of entrepreneurial and innovative spirit that saw inventiveness in the face of adversity. Marketing strategy scholars will indubitably desire to explore such new-found agility and embed such flexibility in their strategic processes. While implementing change has always proved troublesome, impending crises appears to free previously untapped and much valued resourcefulness. Exploring, describing, and promoting such approaches should prove illuminating. What will the post-Covid-19 marketing strategy world involve? First, it seems probable that espoused organizational goals will change. Vision statements are supposed to be long-run and not subject to the vagaries of environmental blips.

### Case Study Questions

- i. ‘Organizations reflecting on the post-pandemic world will need to re-evaluate their visions, missions, and their objectives to account for the changes to their customers, competitors, amongst other shifts’. **Elaborate** this statement with your arguments.

(Marks 08)

- ii. ‘The essence of marketing can be viewed as exchange. Such exchange pivots on shared agreement, perceptions of value, and communication – each of which was radically altered for many buyers and suppliers during the events of Covid-19’. **Describe** how Covid -19 pandemic situation challenged Marketing with examples.

(Marks 08)

- iii. If you are the Marketing Manager of a profound company, **propose** how you manage the post-pandemic situation focusing on corporate social responsibility

(Mar  
(Total 28 M

- Q2 i) 'A growth strategy is a plan of action that allows you to achieve a higher level of profit share than you currently have'. **Propose** common growth strategies in business with examples.

(Mar

- ii) 'The development of technology is shaping the world around us in numerous different ways'. **Explain** how companies respond to Technological Revolutions in Strategic Marketing and adjustments?

(Mar

- iii) **Illustrate** the followings:

- a. Pioneering Advantage
- b. Corporate Umbrella Branding
- c. Creative Destructions

(Mark

(Total 18 M

- Q3. i) 'It is recognized that branding involves a great deal more than simply putting a name on a package, instead it is about creating, maintaining and proactively developing perceived consumer value'. **Discuss** the steps involved in developing and testing the brand.

(Mar

- ii) 'Corporate strategy is different from Marketing Strategy'. **Differentiate** the corporate strategy from the marketing strategy with suitable example.

(Mar

- iii) 'It is essential that marketing managers have information showing both the existing performance with regard to consumer profitability and prospects for the future'. **Illustrate** the steps in consumer profitability Analysis with example.

(Mar

(Total 18 M

Q4. i) 'The marketing organization ecocycle extends the model and applies it to managing change in the marketing environment'. **Appraise** the Eco-cycle of Marketing Organization.

(Marks 04)

ii) 'Every business today competes in two worlds: a physical world and a virtual world'.

**Describe** the internet and value chain and its far reaching impact with examples.

(Marks 06)

iii) *The term 'marketing environmental analysis' refers to a strategic analysis tool that helps to identify internal and external environmental factors that affect the organisation's abilities to work properly. Managers develop the organisation's structure, culture as well as policies to give clear guidelines to employees.* **Illustrate** the five stages in Marketing Environmental Analysis.

(Marks 08)

(Total 18 Marks)

Q5. i) 'Domestic and global strategies differ greatly from each other. Social forces encourage firms to operate under a domestic strategy, while the economic forces create pressure to use a global strategy'. **Compare** social imperative and economic imperative in this regard.

(Marks 06)

ii) 'Competition operating at different levels'. **Explain** the different levels of competition with example.

(Marks 06)

iii) **Discuss** the Emerging Marketing Trends in 2020 with examples.

(Marks 06)

(Total 18 Marks)