THE CO-OPERATIVE UNIVERSITY OF KENYA

END OF SEMESTER EXAMINATION DECEMBER -2022

EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE

UNIT CODE: BMKT 4116

UNIT TITLE: STRATEGIC MARKETING

DATE: FRIDAY, 23RD DECEMBER, 2022

TIME: 2:00 PM – 4:00 PM

INSTRUCTIONS:

- **Answer question ONE (compulsory) and any other TWO questions**

QUESTION ONE

AMAZON

Being an online retail business, Amazon primarily uses its official e-commerce website and Amazon books to reach its customers. However driven by customer preferences, the company has also opened other physical bookstores in some locations that allow customers who want to evaluate their products before purchase. In addition, beyond their online place and some physical locations, the company also organizes customer outreach events such as the Annual Amazon Web Services (AWS) Summit (USSEC, 2016) in order to reach potential customers, interact and convince them to pay for their online products. In this respect, Amazon's marketing mix relies heavily on the organization's strong online presence to reach its target customers.

This strategy focuses on advertising, personal selling, sales promotion, public relations. Under Amazon’s promotional mix, the company basically uses different tactics to convince customers to visit and pay for its online products and services. Among these strategies, advertising is the most important together with sales promotion and building public relations as well as implementing direct marketing.

In this regard, the company uses its affiliate program to cooperate with different website owners to display their product advertisement with links to their e-commerce website so that the third-party can earn revenues on sales. This strategy that helps the company to reach many target customers, is complemented by sales promotion where Amazon uses special offers or discounts to generate sales. Again occasionally, through Amazon smile, the company offers part of its sales to charity organizations in order to rise its brand and increase customers’ positive perception (Amazon, 2017). All of these strategies are used to attract and satisfy customers’ needs and wants, to eventually promote repeat sales.

Briefly this strategy allows Amazon to effectively communicate to its target customers in a way that persuades them to visit and buy their online products.

Required:

a) From the case, explain three objectives of AMAZON strategic plan **(6marks)**

b) Using the case, argue three forms of strategic plan that AMAZON can adopt **(9marks)**

c) From the case study, examine the process of developing a strategic plan for AMAZON **(10marks)**

QUESTION TWO

a) Examine five components of a strategic plan **(10marks)**

b) Highlight five characteristics of a good strategic plan **(5marks)**

QUESTION THREE

a) Explain the difference between a vision and mission statement **(5marks)**

b) Highlight five reasons for core values in a strategic marketing plan **(10marks)**

QUESTION FOUR

a) Discuss any four internal strengths of firms that succeed in a differentiation strategy **(10marks)**

b) Highlight five items that a company can identify as weaknesses in a situational analysis **(5marks)**

QUESTION FIVE

a) Examine four purposes of market penetration strategies **(8marks)**

b) Explain any three measures a company can use to measure its strategic marketing performance l **(7marks)**

QUESTION SIX

a) Explain four essential elements for firms to achieve strategic marketing objectives **(8marks)**

b) Discuss three threats or challenges companies can identify in strategic marketing environmental analysis **(7marks)**