



FINAL EXAMINATION NOVEMBER 2022

COURSE TITLE	MARKETING MANAGEMENT
COURSE CODE	BMKT4213
DATE/DAY	14 FEBRUARY 2023 / TUESDAY
TIME/DURATION	02:30 PM - 04:30 PM / 02 Hour(s) 00 Minute(s)

INSTRUCTIONS TO CANDIDATES :

1. Please read the instruction under each section carefully.
2. Candidates are reminded not to bring into examination hall/room any form of written materials or electronic gadget except for stationery that is permitted by the Invigilator.
3. Students who are caught breaching the Examination Rules and Regulation will be charged with an academic dishonesty and if found guilty of the offence, the maximum penalty is expulsion from the University.

(This Question Paper consists of 4 Printed Pages including front page)

*****DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO*****

This question paper contains ONE (1) section. Please answer ALL questions.

[100 MARKS]

SECTION A

(100 Marks)

There are THREE (3) questions in this part. Answer ALL questions in the answer booklet.

Case Study 1

Tuenti was founded in 2006 as a start-up run by five young friends and it quickly became the most popular social network in Spain among young consumers. Between 2009 and 2012, with more than 13 million active users, its mission was to offer the most secure, private, and high-quality social communication platform possible for users. For instance, unlike the common social networks, which use banner advertising, Tuenti always used alternative and less invasive advertising, aiming to respect the privacy of the users and the usability of the website. The name 'Tuenti' was chosen to target users aged between 20 and 25 and because of its similarity to the phrase tuenti ('your identity'). Indeed, the slogan of the company was, 'What happens on Tuenti stays on Tuenti', emphasizing the idea of privacy as a key differentiator from other social networks.

The company's initial success caught the eye of larger Spanish companies. In 2010, Telefónica, one of the largest telephone operators and mobile network providers in the world, acquired 90 per cent of Tuenti. A few months later, the company announced the launch of Tuenti as a mobile operator. At the same time, investments in the social network were reduced and some of its functionalities disappeared. Telefónica's intention was to take advantage of Tuenti's market niche (young users) and get the social network customers to sign up to a new mobile operator, which it named Tuenti. Telefónica already had its own successful mobile brand, Movistar, but perceived acquiring Tuenti as a perfect opportunity to target young consumers with a more tailored offer.

The move was largely unsuccessful. Tuenti users responded by switching to other social networks, such as Twitter, Instagram, or Facebook, which had continued to invest in and innovate their services. Despite several rebranding attempts, the new telephone operator remained a niche player, and there was no evidence of a positive synergy between the original social network platform and the new mobile phone provider.

Finally, in February 2017, Tuenti announced the complete closure of the social network. This was a complex task because it required managing all customers' information and giving users the opportunity to retain some of the materials (e.g., Photos, Messages, etc.) that they had previously posted on the website.

Sources: Berengueras (2013); Dans (2016); Otto (2016).

Question 1

(40 Marks)

Why Tuenti acquisition proved highly unsuccessful for Telefónica?

Case Study 2

Global spending on social media influencers is estimated to reach \$15 billion by 2022 as more than two-thirds of multinational brands around the world plan to increase expenditure on influencer marketing within the next few years. Popular influencers include, for instance, Zoella-beauty influencer (11 million YouTube subscribers), PewDiePie-gaming influencer (103 million YouTube subscribers), and Rosanna Pansino-food influencer (4.6 million Instagram followers). With such extensive followings, influencers enable corporate brands to widen reach in an increasingly cluttered social media environment.

In a more recent trend, brands have leveraged on their partnerships with influencers-especially macro influencers-in their crisis communication efforts. Crises are moments that put a spotlight on brands' failings.

Whether it is a potentially harmful ingredient in a cosmetics brand, as in the case of Colgate Total toothpaste formulated with Triclosan, a dangerous antibacterial ingredient, defective batteries in Nokia's mobile handsets, or the use of consumer data for profit as in the Cambridge Analytica case, crises can disrupt consumers' trust and result in long-lasting damage to the customer-brand relationship. In response, brands often acknowledge responsibility, while showing ingratiation-communicating the brand's past good deeds and bolstering the brand's goodwill. Seeking to "protect" the brand-influencer partnership, influencers reinforce the brand's ingratiation messages.

Brands can sometimes seek the help of influencers when responding to unforeseen corporate crises that put the brand's reputation at risk. A case in point concerns McDonald's. Following a consumer backlash during the launch of Masala Dosa Brioche breakfast in India, the brand employed well-known food influencers to act as social advocates of their new offering and to turn consumers' sentiment around.

While influencers grow in popularity, consumers are aware of their affiliation to brands. Employing influencers to deliver a brand's persuasive messages is prevalent consumers are familiar with such practice.

(Sources: Anon,2017a; Anon, 2018; Singh et al.,2020)

Question 2

(30 Marks)

Evaluate whether the practice of engaging influencers is beneficial to a brand in crisis.

Case Study 3

Over the past few years, a number of car manufacturers have announced innovative plans to develop autonomous cars, for example, Tesla's development of an autopilot system and Audi's 'Level 3' autonomy technology. By using various technologies, including radar, lasers, geographical positioning systems (GPS), and computer vision, an autonomous vehicle (also known as the driverless car, self-driving car, or robotic car) has the ability to sense and navigate its surroundings without the need for human control. Even though autonomous vehicles haven't fully made an appearance on public roads, test programmes have been scheduled in many countries worldwide. For example, as part of the pilot scheme in the UK, small autonomous vehicles have moved people around the city centre of Milton Keynes. In Sweden, Volvo has launched its autonomous driving trial programme in Gothenburg, with a plan to expand it to London in early 2018.

Autonomous vehicles could introduce an improvement to transportation and society, including a reduction in car accidents, more effective transportation, and an increase in road capacity. With autonomous vehicles, customers may come to see it as a service rather than as a product they must own, because customers will be able to call for a car via a click on their mobile app. Just as they do with Uber now, but without a driver, in the future, the desire to own a car could become passé; hence, this development would influence the marketing of cars generally. It would mean appealing to consumers on the basis of the quality of the features of the mobility service rather than the traditional selling of the benefits of vehicle ownership.

Sources: Beckwith (2016); Khanna and Barrett (2017); Mercer (2017); Navigant Research (2013); Somasegar and Li (2017).

Question 3

(30 Marks)

What are the questions that may arise with regards to implementing the Autonomous Car concept?

*** END OF QUESTION PAPER ***