

ENGINEERING TRIPOS PART IIA

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Friday 3 May 2013 9.30 to 11.00

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Module 3E2

MARKETING

*Answer not more than two questions.*

*All questions carry the same number of marks.*

*The **approximate** percentage of marks allocated to each part of a question is indicated in the right margin.*

*There are no attachments.*

STATIONERY REQUIREMENTS

Single-sided script paper

SPECIAL REQUIREMENTS

None

You may not start to read the questions printed on the subsequent pages of this question paper until instructed that you may do so by the Invigilator

- 1 (a) Discuss how a marketing channel with intermediaries could increase market efficiency over a scenario in which manufacturers always sell directly to consumers. [20%]
- (b) With reference to the major course reading “What is the right supply chain for your product?” (Fisher, 1997, *Harvard Business Review*), describe functional products and innovative products. Explain the type of supply chain that is most appropriate for each of these two categories of products. [40%]
- (c) Some famous global brands, such as Apple, set up and manage their own retail stores in many international locations to sell directly to consumers. From the perspectives of supply chain management and other aspects of marketing, discuss the pros and cons of such a practice. [40%]
- 2 (a) Describe the three pillars of integrated marketing communications proposed in the major course reading “Towards a new definition of Integrated Marketing Communications (IMC)” (Kliatchko, 2005, *International Journal of Advertising*). [20%]
- (b) “Websites with user-generated content, such as social networking sites, in general do more harm than good for marketing communications.” Discuss. [40%]
- (c) Coca-Cola is one of the most popular brands in the world. We may assume that Coca-Cola the drink – the flagship product of the company – is effectively universally known, and there is no need to communicate to consumers what it is. Discuss why, in spite of that, the Coca-Cola company continues to launch expensive marketing communication campaigns for its flagship product. [40%]
- 3 (a) Describe ethnographic research as a type of marketing research. [20%]
- (b) “Ethnographic research is necessary in marketing Western products to the ‘bottom of the pyramid’.” Discuss. [30%]

(c) Consider the following scenario: a new unit of a UK-based medical apparatus company has developed a new “autoinjector”, a painless and safe drug-delivery device that could replace common syringe injection. At present the company aims to sell the device in the UK market only, and has targeted a drug that usually needs to be injected once every day in the arm of patients recovering at home from bone surgery. Currently the injections are either done by the patients themselves, or by nurses who visit them daily just to do the injections properly. Describe how ethnographic research might be carried out for this product, and discuss the pros and cons for the company of carrying out such ethnographic research before launching the product in the UK.

[50%]

4 (a) Describe how prospect theory characterises people’s perceptions of gains and losses.

[40%]

(b) Give two substantially different marketing-related examples that illustrate how an alternative in a choice task can become more attractive after a change in the framing of the alternatives.

[30%]

(c) “Customer satisfaction is reference dependent.” Discuss this statement and its marketing implications.

[30%]

**END OF PAPER**