



EXAM

<u>PROGRAMME</u>	: BCOM MARKETING MANAGEMENT MARKETING MANAGEMENT
<u>MODULE</u>	: MARKETING 2A
<u>CODE</u>	: MAR22A1/MMA12A2
<u>DATE</u>	: 2016
<u>DURATION</u>	: 2 HOURS
<u>TIME</u>	: -
<u>TOTAL MARKS</u>	: 100
<u>EXAMINER</u>	: MRS BE STIEHLER-MULDER
<u>MODERATOR</u>	: DR I LUBBE
<u>NUMBER OF PAGES</u>	: 10 PAGES
<u>INSTRUCTIONS</u>	: QUESTION PAPERS MUST RETURNED

INSTRUCTIONS TO CANDIDATES:

- Please answer all the questions.
- Please answer the MCQ questions on the sheet provided at the end of this question paper (tear it off and hand in with your answer script).
- Please read the case study at the back of the paper.
- This is a closed book assessment.
- Read the questions carefully and answer only what is asked.
- Write neatly and legibly and number your answer clearly.
- Structure your answers by using appropriate headings and sub-headings.
- The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.

QUESTION 2

[20 MARKS]

- 2.1 Discuss the three (3) principles that define the essence of the marketing concept. [6]
- 2.2 Culture can be transmitted through various social institutions. Describe each of these four (4) elements and provide an example to support your answer. [8]
- 2.3 Describe the three (3) reasons why customers generally associate with certain reference groups by providing an example of each reason to strengthen your answer. [6]

QUESTION 3

[22 MARKS]

- 3.1 Describe the four (4) segments into which women can be classified into. [8]
- 3.2 There are many different levels of consumer decision-making. Discuss three (3) distinct types of decision-making that can be recognised. [6]
- 3.3 Organisational buying behaviour depends on the nature of the buying situation. Describe the three (3) basic buying situations. [6]
- 3.4 There are two major reasons why brand preferences exist. Briefly describe each reason. [2]

QUESTION 4**[28 MARKS]**

4.1 Discuss the four (4) stages of the perception process by applying it to the context of a person being exposed to a Chesa Nyama advertisement in the media. [12]

4.2 There are six distinct roles in the household decision-making process. Discuss any four (4) of these roles by applying your answer to a family considering to purchase Chesa Nyama takeaways. [8]

4.3 Assist the Chesa Nyama management team with a CRM strategy, by explaining the features that a well-designed CRM strategy should incorporate. Support your explanation by providing examples of how Chesa Nyama can use each feature in their specific business. [8]

TOTAL 100

CASE STUDY

Chesa Nyama takes SA's meat lovers by storm



The Chesa Nyama franchise is making the South African favourite flamed grilled A-grade meat served with traditional pap and gravy or chips a lunch national past time at both higher and lower end of the fast food market.

The two-year-old franchise is giving household brands like Spur, Steers, Kentucky Fried Chicken (KFC) a real run for their money and without also sparing apron-clad informal trader aunties and mamas at taxi ranks.

The aunties and mamas' tired menu of coal flame braai-ed meat or potatoes, beef or mutton stews with beetroot or Atchaar, often carried in rickety trolleys in shiny metal pots, is fast falling out favour.

If the informal fast food traders don't wake up too in time, they will be a dying business not only at taxi ranks but soon also at country's soccer stadia in the same mould.

"I noticed that the grilled meat market was very informal and the fast food industry didn't cater towards the niche market of proper flame-grilled meat – it was burgers, pizza or chicken. I knew from experience that high quality products at affordable prices would make the concept work across wide LSM markets"

The Chesa Nyama franchise, which positions itself as a "nyamalicious" treat, already has close to 190 stores countrywide and noticeably continues invading shopping complexes and high-density areas.

Currently, the closest competitor on paper to the Chesa Nyama franchise is the Shisanyama restaurant, which launched seven years ago in Midrand for the middle-class to upper-class customers looking for township (kasi) experience in the northern suburbs of Johannesburg on the "local is lekker" ticket, but is conspicuous by its absence in high-density areas. The Shisanyama restaurant franchise has a paltry eight stores in three provinces and one in Swaziland.

These statistics make Goldbrands marketing manager Ernest Moshodi to confidently tell Getbiz that: "Without sounding like we are blowing our own horn, actually we have no direct competitor."

What sets Chesa Nyama apart?

He explained that they were bordering on having 200 Chesa Nyama franchises and in advanced stages to branch out to the Western Cape and Northern Cape.

"We already have three enquiries from the Western Cape. It will be one of our biggest milestones to open one of the biggest distribution kitchen centres in the Western Cape," Moshodi said.

He said Goldbrands, which owns Chesa Nyama franchise, has numerous other fast food brand stores that include Pitaland, 1+1 Pizza and Wild Wings, the latter a mixture of flamed grilled meat and fried chicken, all A-grade.

Spur was founded in 1967 by Allen Ambor. The first outlet, named Golden Spur, was in Newlands, Cape Town. It soon developed a reputation of being a provider of tasty, nutritious,

value for money meals. Spur has 256 local and 37 international restaurants, some of them in the United Kingdom, Australia and Mauritius.

Steers, priding itself on friendly atmosphere, great service and top quality food, has helped almost 500 franchisees set up successful businesses across the country.

Moshodi is adamant that the experience of Goldbrands' Nathanael brothers in the fast food industry has contributed to the Chesa Nyama franchise's good reception in the market. Its founders, Stelio Nathanael (MD) and Praxia Nathanael (CEO), are well versed in the food industry, with Stelio having been involved in the food game since he was 16.

When Stelio started Chesa Nyama in Wits University in Johannesburg in February 2012 as a flamed grilled meat takeaway franchise, he said the concept was based on the premise that South Africans are meat lovers with a word for it "braai-mania".

"I noticed that the grilled meat market was very informal and the fast food industry didn't cater towards the niche market of proper flame-grilled meat – it was burgers, pizza or chicken. I knew from experience that high quality products at affordable prices would make the concept work across wide LSM markets," Stelio explained.

Moshodi is emphatic that Chesa Nyama's competitive advantage is its offer of A-grade meat at an affordable price, effective marketing, and hands-on operation assistance to franchisees before the setting up of the franchise right up to the launch of the business.

"We have a Chesa Nyama Academy. We train and offer technical and financial assistance. We monitor sales for three months from the opening of the franchise to make sure things run smoothly," said Moshodi.

Clearly, Chesa Nyama's "nyamalicious" fever is finding real favour among many meat lovers who crave an authentic African meal, whether they are professionals in their high-rise offices or blue collar workers at a construction site.

Adapted from: Sangweni, S. (2014). *Chesa Nyama takes SA meat lovers by storm*. Available from: <http://www.getbiz.co.za/index.php/biz-news/business-and-economy/68-chesa-nyama-takes-sa-s-meat-lovers-by-storm-2> (accessed 20 March 2016).