



NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING

BRAND MANAGEMENT

CBU 4204

Second semester examination paper

April 2015

This examination paper consists of 4 pages

Time allowed: 3 hours 15 minutes

Total Marks: 100

INSTRUCTIONS TO CANDIDATES

Answer question **one** and any other **three** questions.

INFORMATION TO CANDIDATES

- (i) Question **one** carries **40** marks and all other questions carry **20** marks each.
- (ii) Questions may be answered in any order.
- (iii) As much as possible, use relevant examples.
- (iv) This paper contains **seven** questions.

MARK ALLOCATION

Question	Mark Allocation
1	40
2	20
3	20
4	20
5	20
6	20
7	20
Total (for four questions)	100

Question 1 -Compulsory

CASE STUDY: APPLE IN CONTROL OF IPAD'S EUROPE LAUNCH

Apple will begin selling its iPad tablets computer in the UK, Germany and seven other countries today, promoting the international debut with the same rumours of tight supply that helped create long lines of buyers in its home US market last month.

Apple has sold more than 1m of the touch screen devices in the US. Buyers are unable to buy iPads at many of its own stores and at Best Buy retail outlets.

Apple has said it was overwhelmed by demand, although orders placed with suppliers show it hopes to sell as many as 10m annually.

The company also said that international pre-orders have not used up the stock for any other country.

Analysts believe Apple faced legitimate supply constraints at least in the first days after iPad went on sale. But they also said the company has a knack for stocking an exaggerated sense of urgency among shoppers.

“The availability from an output standpoint has improved,” said Morgan Stanley analyst Katy Huberty, although she added that US stocks were low because Apple had shifted shipments overseas.

Half of Apple's iPhone sales in the first year were outside the US and Ms Huberty said that the iPad could be even more popular elsewhere because customers could use more telecom carriers.

She said Apple's first year internal sales goals of 10m was realistic.

So far sales have been stronger than initial iPhone sales.

Among the many uncertainties around the iPad's international launch, however, is what applications will be available on the first day.

While Apple got all the main book publishers to contribute titles to an electronic book store in the US, sources said not all UK houses were following suit.

Secrecy is a key aspect of Apple's extreme control for the retail and marketing process.

In the UK, which is expected to be the second strongest market for the iPad, the computer will be available in Apple's shops and for 60 days at PC World and Currys stores, both owned by DSGi. But DSGi has been unable to promote the launch before today, or even confirm it, under the terms of its deal.

“It's all very tightly controlled by Apple,” said one person close to the company. “Apple will announce their partners. They are controlling every aspect of the communications. It's the Apple way.”

Apple said the DSGi stores would be the key outside UK outlet, while Media Markt, owned by Germany retail giant Metro, will play the same role in that country and FNAC will get the task in France. The gadget will also be launched on Friday in Australia, Canada, Italy, Japan, Spain and Switzerland.

Picking just a few chains for initial distribution helps Apple with logistics, further propagates the air of scarcity and likely gets Apple better terms from retailers willing to pay in order to generate floor traffic.

The telecommunications carriers offering data plan that will allow buyers to surf the internet from the iPad will not sell the devices in their own stores, Apple said, with the exception of exclusive ally and No. 2 carrier Softbank in Japan.

Apple is generally sticking with the same carriers that have supported the iPhone, although it is adding Three in the UK and O₂ in Germany. Four of the UK's five mobile network operators will offer plans for the iPad, with prices ranging between £25 (\$36) and £7.50 per month, depending on the operator and data allowance.

Source: The Financial Times, Friday 28 May 2010

Required:

- (a) What brand marketing strategy is Apple using? **(10 marks)**
- (b) Why do you think this strategy would work in favour of Apple? **(15 marks)**
- (c) Identify four immutable laws of branding that are consistent with the activities of Apple in the case. **(15 marks)**

Question 2

“What is brand equity? Identify and explain the components of the brand equity concept. Also explain why the concept is valuable to a marketer”. **(20 marks)**

Question 3

Justify de Chernatony's (1998) suggestion of passing from brand management to identity management by placing special importance on the internal aspect of brand building. **(20 marks)**

Question 4

Review Melin's (2004) process of building a brand from:

- a) The brand owner's perspective; **(10 marks)**
- b) The consumer's perspective. **(10 marks)**

A figure of the process would be an added advantage.

Question 5

Discuss the **three** principal ways by which sustained change in nation brands can take place.
(20 marks)

Question 6

Analyse the **four** approaches an organisation can pursue in developing a brand strategy.
(20 marks)

Question 7

Distinguish the law of publicity from the law of advertising.
(20 marks)

END OF EXAMINATION