



**ZIMBABWE EZEKIEL GUTI UNIVERSITY**

**FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING**

**DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT**

**EXAMINATION PAPER**

**COURSE CODE** : CMA407  
**COURSE TITLE** : BRAND MANAGEMENT  
**DURATION** : 3 HOURS  
**DATE** : 06 OCT 2022

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue.
2. Answer **QUESTION ONE (1)** and any other **THREE (3)** questions.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets [ ]

## SECTION A

### A Case of Pepsi Company

PepsiCo works in the industry where it is hard to provide the healthiest food and beverage directly to consumers. However, the company tries to do all possible to achieve good results in nutrition. They make everything possible to create a balance between the consumers and shareholders, who are interested in products with good taste and financial profitability, and special-interest groups and regulators that are more interested in nutrition (Daniels Fund Ethics Initiative, 2011).

PepsiCo manufactures and sells 18 brands of beverages and foods and generates over 98 billion dollars in retail sales (Daniels Fund Ethics Initiative, 2011). The main line of products is the snack food, which is not the most health food, but it can satisfy the consumer's need; therefore, it brings big profit to the company. On the other hand, this food is terrible unhealthy, so it is important to produce the line of nutritional food for special interest groups such as the people who want to reduce their weight or only to eat healthy food. Therefore, PepsiCo should reduce sugars, fats, and other unhealthier ingredients of its products (PepsiCo,).

To find the balance between different groups of people, the company hires health officials for researching what ingredients are healthy enough for the snacks produced by the company. The result is the development of non-caloric sweetener that earned 100 million dollars, and therefore, it was able to meet both financial and taste needs of stakeholders (Daniels Fund Ethics Initiative, 2011).

The history of PepsiCo began with producing sugary carbonated beverages. Now, this company expands its product portfolio with healthy foods and beverages. The issue of health has always been one of the most important ones for PepsiCo. At the same time, it has caused many problems for the company as PepsiCo has been greatly criticized for the unhealthy ingredients in its products.

Now, PepsiCo helps people make reasonable choices and lead a healthy lifestyle. It tries to be a social responsible company by placing the information about calories and nutrients on the packaging of all its foods and beverages. PepsiCo also expands the assortment of such products that can help to control the consumption of the calories, for example, via size portions. In

addition, the company supports parents and caregivers in making appropriate decisions for their children.

PepsiCo cares about children by advertising to them only such products that meets all scientifically justified standards of global supply. In addition, the company employs workers from the World Health Organization and the Mayo Clinic, and it is an official sponsor of Academy of Nutrition and Dietetics. The greater breakthrough was to remove the bromated vegetable oils from products and to offer the alternatives for baked foods (Daniels Fund Ethics Initiative, 2011).

PepsiCo tried to become a responsible and ethical company, but the distribution of the mobile app named AMP up before You Score was a greater step back. This app started to damage the reputation of company because her marketing campaign was not too well thought and designed. The main idea of the mobile app was the promotion of energy drink AMP. PepsiCo attempted to reach its target market (males between 18 and 24 years) by creating a mobile app like Facebook that could help to make new communications between young people. In such a way, it distributed the product without an appropriate control from the people who were worried about the reputation of the company. It should be noted that PepsiCo acted as the company with socially responsible and ethical behaviour and removed the app from the market. The main reason for it was people's negative response that Pepsi needed to become a better corporate citizen and understand that viral marketing could become viral condemnation. Therefore, the company had to take into consideration all social aspects and to get rid of the ineffectual app (Coursey, 2009).

### **Question 1**

- a) Carry out a SWOT analysis for Pepsi Company **(10 marks)**
- b) How effective do you think Pepsi Company has been in responding to stakeholder concerns about nutrition and sustainability? **(15marks)**

### **Question 2**

Using relevant examples, Justify and show the significance of Porters Diamond framework  
**(25 marks)**

**Question 3**

Discuss the six stages in brand building process

**(25 marks)**

**Question 4**

Brands succeed through promotional mix. Justify.

**(25 marks)**

**Question 5**

Discuss the importance of branding with reference to a company of your choice **(25 marks)**

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