



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

COURSE CODE : MSTM513
COURSE TITLE : STRATEGIC MARKETING MANAGEMENT
DURATION : 3 Hours
DATE : 09 APR 2025

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. **Section A** is compulsory
3. Answer any **FOUR (3)** questions from **Section B**
4. Begin each question on a new page.
5. The number of marks for each question or part question is shown in brackets []

SECTION A: Case Study

NIKE

Nike is the largest sneaker manufacturer in the United States, surpassing Adidas and Under Armour. Its dominance in the sporting goods industry is unquestionable. It is also a well-liked brand among teenagers, adults, and everyone in between. Unique designs, great product quality, product and process innovation, and marketing have helped it achieve a strong competitive edge. Its financial performance has kept growing over the years which is evident in how Nike's revenue has grown over the past five years.

Nike's stated goal is to sell more directly to consumers on digital platforms. As a result, it has been investing into e-commerce, developing technology like a foot-scanning software that tells consumers their exact sizes, expanding its storefronts, and attempting to clean up third-party marketplaces like Amazon. Nike is also focusing on female consumers because the entire market for women's shoes and clothing in the United States is significantly larger than that for males. Female buyers still account for less than a quarter of Nike's total revenue.

Nike continues to grow at more than 10% annually even with sales of USD 44.5 Billion in Year 2021. Three ways I feel they have stayed current and continue to do so is:

1. Mission: "Bring inspiration and innovation to every athlete in the world (if you have a body, you're an athlete)." Nike understands the fact that they are not just catering to athletes but anyone who wants to achieve their personal best. Their inspiring mission goes beyond anything that they could have imagined while writing it and they inspire every person and will do so for the coming future so that people can achieve their aspirational goals.
2. Strategy: Nike's "category offence" is also an important aspect of the company's strategy. Nike realigned its operations around individual sports in 2008, and sales have increased by 70% since then, according to the firm. They dominate the athletic shoe market in a variety of sports, with a market share of 62 percent compared to Skechers' 5 percent.
3. Customer Focus: CEO of Nike, Mark Palmer, believes the reason why they are successful is only because they focus on what every athlete needs in every sport. Nike integrates researchers into sports teams at various levels. The researcher studies what athletes are seeking to achieve and determine where different items may fall short in assisting them in achieving their goals. Existing items aren't always enough, and occasionally a void remains unfilled owing to a lack of a product. This understanding of their target consumers' unmet demands allows Nike to apply their whole suite of technologies and skills to the market's most promising prospects, allowing them to fulfil their objective of "bringing inspiration and innovation" to athletes while dominating their markets.

One other way Nike stays current and on everyone's mind is by its dynamic marketing strategy. It has evolved its strategy with time, but its core stays the same. Nike made sure to stay current by changing with time. It is not just a strategy but a story and a story that sells.

Question 1

- a) Evaluate the market leader strategies followed by NIKE. (15 marks)
- b) Is NIKE pursuing a marketing philosophy? Justify. (10 marks)
- c) Basing on the above case briefly do a SWOT analysis for NIKE. (15 marks)

Total marks [40]

SECTION B: Answer any (3) questions

Question 2

As a newly appointed general manager of a specific strategic business unit of your own choice, you realise that the CEO and majority of functional managers are failing to distinguish between marketing and selling. Write a memo to the CEO juxtaposing marketing and selling using examples.

(20 marks)

Question 3

Examine the significance of Aaker (1991)'s brand equity theory as a foundational framework for organisational success.

(20 marks)

Question 4

'Market leadership is not a permanent phenomenon, it needs to be defended'. From the perspective of marketing, examine the worth of market leadership strategies to both firms and customers.

(20 marks)

Question 5

'The growth of business portfolios is not always predictable'. With reference to the BCG matrix, evaluate the possible routes (courses) of portfolio development and suggest possible strategies for a balanced portfolio.

(20 marks)

.....**END OF THE EXAMINATION**.....

13/3pm