



SUBJECT:	<b>Marketing</b>
PAPER NUMBER:	I
DATE:	29 <sup>th</sup> April 2025
TIME:	4:00 p.m. to 7:05 p.m.

## SECTION A

**Answer ALL questions in this section. This section carries 50 marks.**

1. Explain what is meant by customer-perceived value. (5)
2. Define customer equity and briefly explain why it is important for businesses. (5)
3. List the **SEVEN** elements of the extended marketing mix. (7)
4. Briefly describe **TWO** elements in the macroenvironment of a company. (4)
5. What is secondary data in market research? Provide **ONE** example. (5)
6. Who are the gatekeepers in the business buying process? (5)
7. Explain what is a target market. (4)
8. Briefly describe **TWO** characteristics of a service. (4)
9. Distinguish between retailing and wholesaling. (6)
10. What are the general principles of consumerism? (5)

**(Total: 50 marks)**

## SECTION B

**Answer TWO questions from this section. This section carries 50 marks.**

**All questions carry equal marks.**

11. "Marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return." (Kotler, P.)
  - a) Explain the **FIVE** steps of the marketing process. (15)
  - b) Using the example of a small local bakery, discuss how the marketing process can be applied to create value for customers, build strong customer relationships and capture value from customers in return. (10)

**(Total: 25 marks)**

12. Marketers make important decisions when developing individual products and services, including product attributes, packaging, and others.
  - a) Briefly describe **ALL** the key decisions involved in developing individual products and services. (15)
  - b) Discuss how a luxury hotel could apply these decisions to enhance its offerings to its customers. (10)

**(Total: 25 marks)**

13. a) Define public relations (PR) and explain its role in a company's marketing strategy. (12)
- b) Discuss how a technology startup could use PR to build its brand reputation and handle a potential crisis effectively. (13)

**(Total: 25 marks)**



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SUBJECT:	<b>Marketing</b>
PAPER NUMBER:	II
DATE:	30 <sup>th</sup> April 2025
TIME:	9:00 a.m. to 12:05 p.m.

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Answer **ALL** questions in Section A and any **TWO** questions from Section B.

## **SECTION A**

**This section carries 50 marks.**

### **Case Study: Decathlon's Global Ambition**

"At Decathlon, we want to have a greater positive impact on humans, society and the planet by Moving People Through the Wonders of Sport."

*Barbara Martin Coppola, Global CEO, Decathlon.*

In 1975 Michel Leclercq parted his ways from his family business to pursue his dream of selling affordable sports gear. This resulted in the birth of Decathlon, whose purpose was to bring all sports under one roof.

Decathlon opened its first store in Northern France in 1976 and then moved into other European countries before venturing into the US, India, Japan and China. The company followed a careful global expansion strategy. It pursued a localised approach but also remained loyal to its core business ethos and followed a uniform product and marketing strategy.

In Financial Year 2023 Decathlon generated \$15.6bn in revenue resulting in \$931m net profit. It had 97,000 employees, a presence across 72 countries with more than 1,700 stores, selling equipment for 85 different sports.

Decathlon is now the world's third largest sports retailer after Nike and Adidas.

The time was considered right to better leverage its brand equity and become truly global with the aim of having more impact and reaching more people irrespective if they are beginners or high-level athletes.

After extensive research, in 2024 Decathlon launched a new logo, 'The Orbit', which captured the dynamism of the brand which stood for 'movement, circularity, and proximity to nature'. It also introduced a new tag line, "Ready to Play?" that conveyed emotionally positive vibes and had a universal appeal.

Decathlon is often perceived as a mere distributor of sports goods at competitive prices. However, it wanted to shed this image and be recognised globally as a designer and manufacturer of authentic sporting goods with an iconic brand.

Decathlon continuously invests in research and product development and maintains very high-quality standards. It sells a vast range of products to a diverse customer base of all ages, genders and backgrounds through its own brands and other global brands.

A decision was taken to prioritise its own products as this gave it greater control to ensure it could integrate environmental considerations and offer affordable goods. However, to fulfil its ambition, it needed to become more profitable, more digital, and more environmental. That is why in 2024

***Passage continues on the next page.***

it simplified and streamlined its product portfolio into 9 different areas. This was expected to smooth out the digital experience for customers and lower stock-related costs.

When it comes to pricing, Decathlon highlights the quality of the cheapest product and the low price of the top-of-the-range product. Whether it is online or at a physical store, it divides its products according to the frequency of weekly exercise: primary athletes, intermediate athletes and advanced athletes. According to customers' needs, anyone can find the right product at the right price. Decathlon keeps its prices around 20% lower than its competitors without compromising quality by leveraging economies of scale, eliminating non-essential human resources, through vertical integration, and ethical direct sourcing.

Decathlon adopts a comprehensive promotional strategy to build brand awareness and engage with its target audience. It invests much less in marketing than its major competitors to save costs and keep prices low. Campaigns focus on showcasing the joy and benefits of sports, inspiring customers to lead an active lifestyle. The brand also leverages content marketing by sharing informative articles, tutorial videos, and customer stories to educate and engage with its audience.

In-store, Decathlon utilises effective visual merchandising techniques, such as attractive displays and interactive product demonstrations, to engage and educate shoppers about their offerings.

Decathlon has also participated in sporting events, sponsored athletes, and collaborated with sports clubs, to reinforce its brand presence. It was also an Official Partner of the Paris 2024 Olympic Games which contributed to maximising exposure. However, visibility remains significantly lower than its competitors.

Decathlon employs a multi-channel distribution strategy, ensuring convenient access to its products. The company operates a vast network of physical stores, strategically located in urban centres, shopping malls, and sports complexes. Despite operating across many geographic locations, an immersive in-store experience for its customers is emphasised which acknowledges local culture and diversity.

Additionally, Decathlon has a strong online presence, offering e-commerce services through a revamped website, providing customers with the flexibility to shop from anywhere at any time. By leveraging advanced digital tools such as its 3D App and embracing social media, Decathlon has extended its reach, enhanced brand awareness, and fostered greater customer loyalty.

Decathlon is committed to corporate responsibility and sustainability. It has a commitment to reach its Net Zero carbon emissions goal by 2050. This will be achieved through decarbonising its supply chain and enhancing product lifecycles. It also introduced rental services and buyback schemes to help more communities enjoy participation in sports and encourage a culture of 'reuse, repair and recycle'.

Despite intense competition and other challenges in the macro-environment, Decathlon has revealed to the world that its new purpose is to "Move People Through the Wonders of Sport", and the strategy behind this bold ambition is to bring innovative and sustainable sports to everyone. Only time will tell if Decathlon's goals and ambitions will be achieved.

*Compiled and adapted from various sources including "Decathlon's transition to a 'multi-specialist company': From logo to store concept", S. Lijbaart (2024); "Decathlon unveils global rebrand as it overhauls logo, stores, and business model", E. Hill (2024); "Decathlon's Evolutionary Brand Strategy in the Sport Retail Industry", A Kumar (2023); Decathlon's Annual Report 2023; [www.decathlon.com](http://www.decathlon.com); and international press coverage.*

**Answer ALL questions**

1. Decathlon's is pursuing an ambitious growth plan to become truly global and have an iconic sports brand. With examples from the case study, assess and explain how Decathlon is achieving this in terms of the **FOUR** core elements of Marketing Mix. (20)
  2. Explain how Decathlon uses the **FOUR** main segmentation variables in the context of the case study. (12)
  3. Explain what is meant by brand equity? What affects Decathlon's brand equity? Support your answer with examples from the case study. (10)
  4. Do you agree that in pursuit of its global growth ambition, Decathlon is adopting a societal marketing business orientation? Support your answer with references from the case study. (8)
- (Total: 50 marks)**

**SECTION B**

**Answer TWO questions from this section. This section carries 50 marks. All questions carry equal marks.**

5. When setting a price for a product or service, several factors need to be considered to be able to select the best strategy.
  - (a) Explain what is meant by customer value-based pricing and cost-based pricing. (10)
  - (b) Explain how a white goods manufacturing company and a marketing agency would use customer value-based pricing and cost-based pricing strategies. (15)

**(Total 25 marks)**
6. A technology company has decided to produce a new Smart TV. Explain the stages that the company has to go through in order to develop this new product. (25)

**(Total 25 marks)**
7. Outline and explain the stages of the business buying process a car manufacturing company needs to go through to purchase specific parts and components from a new supplier. (25)

**(Total 25 marks)**