

SECTION A

CASE STUDY

ZEWUZE Oil company Limited (ZOC) operated in price-regulated fuel market until early part of year 2015. In the price-regulated market, the government through the National Petroleum Authority, fixes retail prices for all petroleum products sold at the retail fuel stations. ZOC differentiates its brand on quality of its products and accurate delivery of fuel quantities to customers at its retail stations. This strategy worked well for ZOC until year 2015.

In the later part of the year 2015, the government in its bid to free up fiscal space (cutting subsidies on fuel) decided to deregulate the petroleum industry. This decision paved the way for Oil Marketing Companies (OMCs) to determine own prices at the retail stations. In effect, the OMCs are now in full control of the marketing mix. The price deregulation policy presents both opportunity and threats to all marketing industry players. ZOC requires a sound brand positioning strategy to maintain and grow its brand equity in the new business environment.

You are a Marketing Consultant at XYZ Partners, a consulting firm that specializes in the oil marketing industry. You have been tasked to work on ZOC account as the lead consultant.

SECTION A - COMPULSORY

Question ONE

Write a report to the Marketing Manager of ZOC on how it (ZOC) should go about positioning the brand after-price deregulation of the petroleum retail market where price sensitivity becomes higher among the various customer segments. **(40 marks)**

SECTION B – ANSWER ANY THREE QUESTIONS FROM THIS SECTION

As a Brands Engineer, write a report to the Marketing Manager of ZOC to:

QUESTION ONE

Discuss your assessment of the tactical marketing (marketing mix) implications for the brand if ZOC management decided to move away from quality seeking customer segment to rather serve penny-pinching (price conscious) segment only. **(20 Marks)**

QUESTION TWO

Assess the marketing mix adjustments to be carried out if ZOC elects to keep its focus on serving quality believers' segment (customers who believe only in quality fuel products and are ready to pay for it) in the new business environment. **(20 Marks)**

QUESTION THREE

Evaluate effects of ZOC's management decision to compete on price on other marketing mix variables. **(20 marks)**

QUESTION FOUR

Discuss and **explain** the quote "Brand Positioning Statement is the nexus that links Strategic Marketing to Tactical Marketing". **(20 Marks)**

QUESTION FIVE

"Brand positioning sets the direction of marketing activities and programmes of the brand"
Discuss and Explain. **(20 marks)**