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KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR FOURTH YEAR SECOND SEMESTER MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCM 422

**COURSE TITLE: BRAND MANAGEMENT
STRATEGY**

DATE: 02/09/2022

TIME: 9.00 – 11.00AM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

THE VALUE OF LUXURY POSEURS

In the mid-nineties, Burberry faced an unusual problem: too many people were wearing its signature pattern. B-list actors, hooligans —they were all going around in the company's iconic beige, red, and black check, sometimes in counterfeit form. This diminished the pattern's status in the eyes of high-end shoppers. "It was so successful that everyone had it, and if everyone has it then the people who normally can afford luxury items don't buy it," KettyMaisonrouge, a marketing professor at Columbia University, told me. Burberry executives decided that something had to change. It's the perpetual dilemma of the luxury brand: How do you sell more stuff without desecrating your name? Samsung, Pepsi, and Tide presumably prefer their products in the hands, mouths, and washing machines, respectively, of every person on the planet. But high-end goods require exclusivity. Last year, Kelefa Sanneh profiled the Harlem haberdasher Dapper Dan, who copied luxury brands' logos onto his own styles and, in return, "was raided and sometimes sued by virtually all the companies whose logos he used."a.Han, Nunes and Drèze wrote a paper about signalling status with luxury goods.

QUESTION ONE

- a) Describe why Burberry fears too many people wearing its signature pattern. (10marks)

- b).In a paper written by Heath et al 2005, it was found that downward brand extensions do not have a negative impact on the flagship brand per se. Examine the driving factors that led to this result. Could this also be applied to Burberry's situation? (10marks)

- c.) Assess the different ways firm could prevent its competitors from prototyping their brands (10marks)

QUESTION TWO

- a) Brands are usually identified by their individualized differences which makes them stand out in the midst others. The identity or image of a company is made up of many visual devices. Discuss (10 Marks)

- b) Constant or continuous development of a brand to ensure sustained growth can only be done effectively through value addition. Discuss some tips on how to add value to your brand [10 marks]

QUESTION THREE

- a) The growth and sustainability of successful brands usually depends on the contributions of many players who are referred to as stakeholders. Explain who these stakeholders are and their contributions or interest.(10 Marks)
- b) A good strategy brings focus and vigour in the pursuit and accomplishment of company or brand accomplishments this helps a brand to develop and increase its value and create a niche in the market. Elaborate the importance of strategy for brands.(10Marks)

QUESTION FOUR

- a) Brand management has evolved through the years and focuses on the brand and how it can remain favourable to customers. Examine at least five brands you are aware of and how they have evolved (10 Marks)
- b) Kupe Ventures has diversified to packaging mineral water for commercial purpose. Advise Kupe Ventures on the factors they should consider when developing a brand name for their water brand. (10 Marks)

QUESTION FIVE

- a) Celebrities are used as brand endorsers. Discuss the advantages and dangers of using celebrities as brand ambassadors. (10 Marks)
- b) "People have more faith in Brands rather than products". Analyze the statement with role and importance of branding.(10marks)