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Question 6

6.1 Discuss **activities** that Checkers should perform as part of its **operations** to deliver good quality products and / or service to customers. (6)

1. **Stringent Quality Control:** Checkers should implement rigorous quality control measures at every stage of its operations. This includes sourcing products from reliable suppliers, conducting thorough inspections and testing to ensure compliance with quality standards, and monitoring product freshness and expiration dates. By maintaining strict quality control, Checkers can ensure that only high-quality products reach the shelves, providing customers with confidence in the products they purchase.
2. **Robust Supplier Relationships:** Building strong relationships with suppliers is crucial for Checkers to ensure a steady supply of quality products. Checkers should work closely with suppliers to establish clear quality expectations, conduct regular audits and inspections, and collaborate on continuous improvement initiatives. By fostering strong supplier relationships, Checkers can secure reliable sources of quality products and establish a mutually beneficial partnership that benefits both parties and, ultimately, the customers.
3. **Well-Trained and Knowledgeable Staff:** Checkers should invest in training and development programs for its staff to ensure they possess the necessary knowledge and skills to provide excellent customer service. Staff members should be well-versed in product knowledge, including features, benefits, and usage instructions. Additionally, training should focus on customer engagement, communication skills, and problem-solving abilities. Well-trained staff can offer personalized assistance, answer customer inquiries, and provide recommendations, enhancing the overall shopping experience.
4. **Efficient Inventory Management:** Effective inventory management is essential for delivering good quality products and services. Checkers should implement robust inventory control systems to ensure optimal stock levels, prevent stockouts or overstocking, and minimize product expiration or wastage. By having the right products available at the right time, Checkers can meet customer demands promptly and maintain product freshness and quality.
5. **Hygiene and Food Safety Practices:** As a retailer that offers food products, Checkers must prioritize hygiene and food safety practices. This includes adhering to strict cleanliness and sanitation protocols in all areas, particularly in food preparation and storage areas. Regular inspections, training on food handling and safety guidelines, and compliance with local health regulations are crucial to ensure that customers receive safe and high-quality food products.

6. Continuous Feedback and Improvement. Checkers should actively seek and listen to customer feedback to identify areas for improvement. This can be done through surveys, customer reviews, and in-store feedback mechanisms. Regularly reviewing customer feedback and implementing necessary changes helps Checkers address any quality or service gaps and enhance the overall customer experience.

It is important to understand the risks associated with the various environments businesses operate in.

- Macro environment
- Market environment (external)
- Micro environment (internal)

The macro environment Both the macro and market environments form part of the external environment. The business has no control over events taking place in the external environment, but it needs to consider these events and must design strategies (plans of action) to adapt to situations in the external environment.

Nevertheless, it is also important to keep in mind that the events occurring within the business (internal environment/micro environment) may in turn impact on events in the macro environment, as illustrated by the following examples:

- In the event of a strike, an individual business or group of businesses (industry) may have an effect on the economy.
- A business employing or retrenching workers contributes to the employment/unemployment rate of the country.
- The way the business operates may directly influence the physical environment in which it operates, etc.

Various tools may be used to analyse the events in the macro environment in order to:

- determine how the business should react to eliminate any threats.
- Capitalise on opportunities to achieve a competitive advantage.

Some of the tools that may be used to analyse the macro environment include:

- an environmental scan
- a SWOT analysis, and
- a PESTLE analysis or more accurately, a PE²STLE analysis.

An environmental scan It is important to do an environmental scan to identify factors that may impact on the business and then adjust existing plans or develop new plans to deal with these factors/ events.

An environmental scan is not limited only to the macro environment, but can be used as a tool when looking at the market environment and the micro environment as well. However, when an environmental scan is used in the macro environment, the following process is applied:

- The business will scan (look at) the macro environment in order to identify issues which need to be addressed.
- Although a SWOT analysis may be used to evaluate factors in both the external and internal environments, in the macro environment, only OPPORTUNITIES and THREATS are considered.
- PE²STLE is a useful tool to identify specific opportunities and threats in the macro environment.

A SWOT analysis (only O and T) The O (opportunities) and T (threats) refer to issues in the macro and/or market environments. In the macro environment, the exchange rate may deteriorate and if raw materials are imported, it may threaten the profitability of the business.

A PE²STLE analysis: Each of the letters in PE²STLE represents a factor in the macro environment that could potentially threaten the business or that the business may use as an opportunity to create or strengthen the competitive advantage.

(This question is open ended and requires students to apply the content taught) (any 6 valid facts needs to be discussed).

6.2 How can a retailer like Checkers **leverage** Porter's 6 forces model to analyse, the Market environment and identify **potential** opportunities and threats in their pursuit of **delivering** the ultimate customer experience? (12)

1. **Threat of New Entrants:** Checkers can assess the level of barriers to entry in the retail market and evaluate the potential for new competitors entering the market. By understanding the ease or difficulty of new entrants, Checkers can identify potential threats and adjust their strategies accordingly. For example, they can invest in building strong brand loyalty, developing unique product offerings, or implementing customer loyalty programs to deter new entrants and retain existing customers.
2. **Bargaining Power of Suppliers:** Checkers can analyse the power suppliers hold in terms of pricing, availability, and quality of products. By understanding their suppliers' bargaining power, Checkers can negotiate favourable terms, establish strong relationships, and diversify their supplier base to mitigate risks. Additionally, Checkers can explore opportunities to collaborate with suppliers on innovative product development or exclusive partnerships to enhance the customer experience and differentiate themselves from competitors.
3. **Bargaining Power of Buyers:** Checkers can assess the power customers hold in terms of price sensitivity, switching costs, and availability of alternative retailers. Understanding customer preferences, demands, and expectations enables Checkers to tailor their offerings and services to meet customer needs effectively. By providing competitive prices, personalized promotions, loyalty programs, and exceptional customer service, Checkers can enhance the overall customer experience and retain customer loyalty.
4. **Threat of Substitute Products:** Checkers can identify potential substitute products or services that customers may choose instead of purchasing from their stores. By staying attuned to changing consumer trends and preferences, Checkers can adapt their product offerings and services to meet evolving customer demands. They can also analyse the strengths and weaknesses of substitute products to differentiate themselves and emphasize the unique value they provide to customers.
5. **Threat of Existing Rivalry:** Checkers can analyse the level of competition within the retail market and identify their direct competitors. By understanding their competitors' strategies, strengths, weaknesses, and market positioning, Checkers can develop competitive advantages. They can focus on areas such as product differentiation, customer service excellence, operational efficiency, or innovation to gain a competitive edge and deliver a superior customer experience.
6. **Complimentary products: Cross-Selling and Upselling Opportunities:** Complimentary products provide opportunities for cross-selling and upselling. When customers purchase one product, Checkers can strategically promote related or complementary products that enhance the customer's experience or meet their additional needs. For example, if a customer

purchases a grill. Checkers can suggest complementary items such as barbecue tools, marinades, or grilling accessories. This not only increases the average transaction value but also provides convenience for customers, allowing them to find all related products in one place. **Improved Customer Satisfaction and Loyalty:** By offering complimentary products, Checkers can enhance customer satisfaction. When customers find all the necessary products for a particular activity or need conveniently available, it creates a positive shopping experience. Providing a comprehensive range of complimentary products increases customer loyalty, as customers are more likely to return to Checkers for future purchases rather than seeking products from multiple sources. The availability of complementary products showcases Checkers' understanding of customer needs and commitment to meeting those needs comprehensively. **Differentiation and Competitive Advantage:** Offering a wide selection of complimentary products can differentiate Checkers from competitors. By curating a range of products that go beyond the basic necessities, Checkers positions itself as a one-stop-shop for customers' needs. The convenience and variety of complimentary products create a unique selling proposition, attracting customers and setting Checkers apart from competitors who may have a narrower product range. This differentiation enhances Checkers' competitive advantage in the market. **Increased Basket Size and Revenue:** Complimentary products have the potential to increase the average basket size and overall revenue for Checkers. When customers purchase a core product, offering related or complementary items can encourage them to add more products to their shopping cart. This incremental revenue from complimentary product sales contributes to the overall financial performance of Checkers. By effectively identifying and promoting these products, Checkers can drive additional sales and revenue growth. **Enhanced Customer Experience:** Complimentary products contribute to an enhanced customer experience by providing convenience, variety, and a sense of completeness. Customers appreciate the convenience of finding all the related products they need in one place. Moreover, the availability of complementary products gives customers more options and allows them to personalize their purchases according to their preferences. This comprehensive shopping experience creates customer satisfaction and increases the likelihood of repeat business.

Potential for Industry Disruption: Checkers should assess the potential for industry disruption driven by technological advancements, market shifts, or changing consumer behaviours. By monitoring emerging trends, disruptive innovations, and new business models, Checkers can proactively adapt and innovate to maintain their market relevance and continue delivering the ultimate customer experience.

OR

Level of rivalry (current competitors)

It is important for any business to know what competitors are doing. If one can find a sector where a competitor is not performing well, it may present an opportunity for the business to make more profit. By identifying the areas where competitors are achieving success, it may be an indicator of a threat to the business, requiring the implementation of a tactic to avoid losses. For example, if a competitor has a superior marketing strategy; it poses a threat to one's business because customers may be lost to the competitor.

When the business is compared with one's competitors, the following factors require reviewing:

- Size and financial resources of the business
- Market share
- The quality of products/service
- Consumer brand loyalty
- Pricing of products or service
- Convenience of location and distribution channels
- Trading hours

Threat of new entrants

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Not only current competitors "steal" customers, there may be a challenge from a new business that sees an opportunity to make money by entering the market.

An existing business will see any potential new business as a threat to its market share and profits. The business, therefore, tries to build "barriers" (strategies) to prevent new businesses from entering the market successfully.

Examples of barriers to keep new entrants out of the market:

- The bigger retailers in shopping malls will, for example, negotiate with centre management to prevent too many competitors from acquiring space in the same centre.
- A business may also register a patent to deter a potential new business from selling a similar product.
- Large sums of money may be spent on advertising and having promotions where products or services are sold at a lower price, making it difficult for a new business to enter the market.
- Consider that even the government puts legislation in place to make it difficult for new businesses to supply electricity to consumers.
- A tax on imported goods is a deterrent the government imposes on certain industries to protect the local market from cheap, mass-produced goods from overseas.

Availability of substitute products

A substitute product does NOT refer to a different brand. This issue of different brands has been discussed under the heading of Rivalry/Competitors in the market.

To illustrate different brands:

- Simba chips and Willards chips
- Pick n Pay and Checkers

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A substitute product is a different product that satisfies the same need, namely:

- Butter vs. margarine
- Glasses vs. contact lenses
- Sugar vs. artificial sweeteners
- Restaurants vs. fast foods

Suppose a business manufactures margarine. In order to ensure the business is successful, it not only needs to consider the strategies other margarine manufactures implement (e.g. their prices, products packaging, the retailers selling the products to consumers, etc.); it also has to consider what butter manufacturers are doing, as people may be willing to substitute margarine with butter, if it seems to be a better option.

The power of suppliers

Any business that does not have a reliable supplier is certain to encounter problems more often than not.

In order to be successful, the business depends on the supplier to provide a good quality product when needed (timing) and to deliver the correct quantity to the place needed at a reasonable price.

Large suppliers, e.g. Amalgamated Beverage Industries (ABI – suppliers of Coke, Fanta, Sprite, etc.).

The following are possible costs associated with the unavailability of stock:

- If there is no material, a manufacturer cannot produce (no sales = no profit).
- If there is no material, the machines and labour cannot be utilised to their full capacity, because the production or selling process will grind to a halt.
- Administrative and opportunity costs are incurred when dealing with a stock shortage. If a business has run out of stock, it becomes very difficult to negotiate discounts when placing orders.
- Customer goodwill may be lost if they have to go to competitors.

The buyer may be a wholesaler ordering from a manufacturer, or a retailer buying the products for his shop or even the consumer who has to spend his or her hard-earned money at your business. If the buyers are not respected, and offered good value for money, they may decide to support a different business.

When a retailer sells to the final consumer, the following aspects may need some consideration:

- What type of product/service is being offered? A consumer, for example, may be prepared to travel a greater distance to buy speciality goods such as cars, jewellery, and expensive household appliances in order to get exactly what he/she wants; convenience goods (such as groceries) and select goods (such as clothes) do not justify travelling longer distances, and the consumer may be happy to settle for a different brand or a substitute product.
- Price sensitivity – in some instances buyers may be happy to pay more for a product or service if it is delivered, has a guarantee or is conveniently available, etc.

Consider any other relevant fact for using Porters Six Forces Model to evaluate possible opportunities and threats for a retailer in the Market business environment. (Any 12 facts × 1 mark each = 12 marks) for discussing the use of Porters Six Forces Model.)

6.3 Use a **relevant** example to explain how each managerial **competency** below would help Checkers to meet its promise to be **better and better**. (6)

Internal Awareness is a managerial competency that involves understanding and being aware of the internal operations, processes, and resources within an organization. For Checkers to meet its promise to continuously improve and be better, having internal awareness is crucial. Here's an example of how this competency would help Checkers:

Example: Streamlining Supply Chain Operations

Checkers identifies an opportunity to streamline its supply chain operations to improve efficiency, reduce costs, and enhance the overall customer experience. The managerial competency of internal awareness plays a vital role in this scenario. Here's how it would help Checkers:

1. **Understanding Workflow and Processes:** Internal awareness allows Checkers to have a deep understanding of its internal workflow and processes. This includes assessing the entire supply chain, from sourcing and procurement to inventory management, distribution, and delivery. By having a comprehensive understanding of these processes, Checkers can identify bottlenecks, inefficiencies, or areas for improvement. This awareness helps them make informed decisions to streamline operations and eliminate waste, ultimately leading to better outcomes.
2. **Identifying Strengths and Weaknesses:** Internal awareness enables Checkers to identify its strengths and weaknesses within the supply chain. By conducting internal audits, performance evaluations, and data analysis, Checkers can assess the performance of different departments, teams, or individuals involved in the supply chain. This helps identify areas where Checkers excels and can leverage its strengths, as well as areas that require improvement or additional resources. This self-awareness allows Checkers to allocate resources effectively and focus on enhancing its capabilities to deliver better results.
3. **Collaboration and Communication:** Internal awareness fosters collaboration and communication within Checkers. By understanding the interdependencies and relationships between different departments or functions involved in the supply chain, Checkers can encourage cross-functional collaboration and information sharing. This allows for smoother coordination, proactive problem-solving, and effective decision-making. By fostering a culture

- of collaboration and communication, Checkers can ensure that everyone is aligned and working towards the common goal of continuous improvement.
4. **Resource Allocation and Optimization:** Internal awareness helps Checkers optimize its resources, including people, technology, and infrastructure. By understanding the capacity, capabilities, and limitations of its resources, Checkers can allocate them effectively to support supply chain operations. This includes investing in technology solutions, automation, training programs, or infrastructure upgrades as needed. By optimizing resources, Checkers can enhance operational efficiency, reduce costs, and deliver better value to customers.
 5. **Continuous Improvement:** Internal awareness supports a culture of continuous improvement within Checkers. By monitoring key performance indicators, analysing data, and soliciting feedback from employees and customers, Checkers can identify opportunities for improvement and innovation. This awareness allows Checkers to implement changes, experiment with new approaches, and learn from past experiences. By embracing continuous improvement, Checkers can proactively adapt to changing market demands and customer expectations, striving to be better and better.

Allow for learner interpretation. (Valid exemplifying has to be provided outlining how the competency can assist Checker in becoming better) (no example provided then only a Max of 1 mark to be awarded for explanation)

Global Awareness is a managerial competency that involves understanding and staying informed about global trends, markets, and cultural differences. For Checkers to meet its promise to continuously improve and be better, having global awareness is essential. Here's an example of how this competency would help Checkers:

Example: Expanding into International Markets

Checkers, a successful retail chain in its home country, decides to expand its operations into international markets. To ensure a successful expansion and deliver on its promise to be better, Checkers needs to demonstrate global awareness. Here's how the competency of global awareness would help in this scenario:

1. **Understanding Market Trends:** Global awareness allows Checkers to stay informed about market trends, consumer preferences, and emerging innovations in different countries. By

analysing and understanding these trends, Checkers can adapt its product offerings, marketing strategies, and operational processes to meet the expectations and demands of international customers. This enables Checkers to position itself competitively in new markets and continuously improve its performance.

2. **Cultural Sensitivity and Localization:** Global awareness helps Checkers understand and appreciate cultural differences. Each international market has its own unique cultural nuances, traditions, and consumer behaviours. By being globally aware, Checkers can adapt its products, store layout, marketing messages, and customer service to align with the local culture. This localization approach enhances the customer experience and fosters positive relationships with customers in new markets, leading to better acceptance and growth.
3. **Competitive Analysis:** Global awareness enables Checkers to analyse and understand the competitive landscape in international markets. By studying the strategies, strengths, and weaknesses of local and international competitors, Checkers can identify opportunities for differentiation and improvement. This knowledge allows Checkers to make informed decisions on pricing, product offerings, and marketing tactics, ensuring it remains competitive and continually enhances its value proposition to customers.
4. **Partnerships and Alliances:** Global awareness helps Checkers identify potential partnerships and alliances with local companies or suppliers in international markets. By leveraging the knowledge of local partners, Checkers can gain insights into market dynamics, customer preferences, and operational requirements. This collaboration enables Checkers to tailor its offerings and strategies to the specific needs of each market, leading to better outcomes and growth opportunities.
5. **Risk Assessment and Mitigation:** Global awareness equips Checkers with the ability to assess and mitigate risks associated with entering new international markets. By understanding political, economic, legal, and cultural factors in different countries, Checkers can anticipate potential challenges and develop strategies to overcome them. This proactive approach helps Checkers navigate the complexities of global expansion and ensures its promise to be better by effectively managing risks.

Allow for learner interpretation. (Valid exemplifying has to be provided outlining how the competency can assist Checker in becoming better) (no example provided then only a Max of 1 mark to be awarded for explanation)

6.4 Assess how Checkers would use the different management tasks listed below to ensure they are committed to their promise to be **better and better** at each management level.

Top Management – Controlling

1. **Setting Performance Standards:** Top management at Checkers would establish performance standards that align with the organization's commitment to continuous improvement. These standards would be specific, measurable, and time-bound, providing a benchmark against which actual performance can be evaluated. For example, performance standards could include targets for customer satisfaction, sales growth, operational efficiency, or employee training and development.
2. **Monitoring Performance:** Top management would implement systems and processes to monitor performance against the established standards. This includes gathering relevant data, analysing key performance indicators, and conducting regular performance reviews. By closely monitoring performance, top management can identify areas of strength, areas for improvement, and potential deviations from the desired goals. This enables them to take proactive measures to address any issues and make necessary adjustments to ensure continuous improvement.
3. **Feedback and Corrective Actions:** Based on the monitoring of performance, top management can provide feedback to relevant departments or individuals within Checkers. This feedback highlights areas where improvement is required and provides guidance on necessary corrective actions. Top management can communicate feedback through performance evaluations, meetings, or performance dashboards. By offering constructive feedback and support, top management motivates employees to strive for better performance and guides them toward achieving the organization's goals.
4. **Strategic Decision-Making:** Controlling also involves using performance information to inform strategic decision-making. Top management can utilize the insights gained from monitoring and evaluating performance to identify opportunities, anticipate challenges, and make informed decisions about resource allocation, process improvements, or strategic initiatives. By aligning decisions with the goal of continuous improvement, top management ensures that Checkers is committed to its promise of being better and better.

5. **Communication and Accountability:** Controlling requires effective communication and creating a culture of accountability. Top management should clearly communicate performance expectations, standards, and goals throughout the organization. By fostering a culture of accountability, top management holds individuals and departments responsible for their performance and ensures that everyone is committed to the organization's promise of continuous improvement. This includes recognizing and rewarding high performance, as well as addressing performance issues in a timely and constructive manner.

Middle management – Communication

At the middle management level, effective communication is a vital management task that Checkers can utilize to ensure they are committed to their promise of continuous improvement and being better. Communication plays a crucial role in aligning goals, disseminating information, fostering collaboration, and motivating employees. Here's how Checkers can use communication effectively at the middle management level:

1. **Communicating Organizational Goals and Expectations:** Middle managers at Checkers would play a key role in communicating the organization's goals, strategies, and expectations to their respective teams. They ensure that employees understand how their individual roles contribute to the organization's promise of continuous improvement. Clear communication of goals and expectations creates alignment and motivation among employees, fostering a shared commitment to being better.
2. **Facilitating Cross-Departmental Communication:** Middle managers are responsible for facilitating effective communication among different departments within Checkers. They act as a bridge between top management and front-line employees, as well as between various departments. By promoting open and transparent communication, middle managers ensure that information flows smoothly across the organization, encouraging collaboration and synergy among different teams. This facilitates the sharing of best practices, learning from each other's experiences, and driving continuous improvement.
3. **Providing Feedback and Recognition:** Middle managers play a crucial role in providing timely and constructive feedback to employees. They regularly communicate with employees, offering feedback on their performance, recognizing achievements, and identifying areas for improvement. Effective feedback and recognition motivate employees, enhance their

performance, and reinforce their commitment to continuous improvement. Middle managers act as coaches, offering guidance and support to help employees reach their full potential.

4. **Engaging in Two-Way Communication:** Middle managers actively engage in two-way communication, ensuring that employees have a platform to share their ideas, concerns, and suggestions. They encourage employees to voice their opinions, listen actively, and take their feedback into account. This fosters a culture of openness and empowers employees to contribute to the organization's continuous improvement efforts. Middle managers serve as advocates for employees, communicating their feedback and suggestions upward to top management.
5. **Promoting Learning and Development:** Middle managers facilitate communication related to learning and development opportunities within Checkers. They communicate training programs, workshops, or skill-building initiatives that can enhance employee capabilities and support continuous improvement. Middle managers ensure that employees have access to the necessary resources, information, and support for their professional growth. By promoting a learning culture through effective communication, middle managers contribute to Checkers' commitment to being better and better.
6. **Aligning Communication with Organizational Values:** Middle managers ensure that communication aligns with Checkers' organizational values and culture. They emphasize transparency, respect, and integrity in their communication practices, setting an example for employees to follow. By communicating in a manner that reflects the organization's commitment to continuous improvement and being better, middle managers reinforce the values and foster an environment conducive to growth and innovation.

By leveraging effective communication at the middle management level, Checkers can ensure that employees are informed, engaged, and motivated to contribute to the organization's promise of continuous improvement. Middle managers play a pivotal role in facilitating communication across teams, providing feedback, encouraging collaboration, promoting learning, and aligning communication with organizational values. This helps Checkers maintain a strong commitment to being better and continuously enhancing its performance.

Lower Management – Delegating

1. **Aligning Responsibilities with Goals:** Lower managers at Checkers would receive clear direction and goals from higher management. They would then delegate specific responsibilities and tasks to their team members that align with those goals. By effectively communicating the purpose, expectations, and desired outcomes of delegated tasks, lower managers ensure that their team members understand how their work contributes to the organization's promise of continuous improvement.
2. **Assessing Competencies and Skills:** Lower managers assess the competencies and skills of their team members to determine the appropriate tasks to delegate. They consider the strengths, experience, and development needs of individual employees when assigning responsibilities. By matching tasks to the capabilities and growth opportunities of their team members, lower managers foster a sense of ownership, motivation, and growth, thereby promoting continuous improvement.
3. **Providing Clear Instructions and Support:** Lower managers provide clear instructions, guidelines, and expectations to employees when delegating tasks. They communicate the desired outcomes, timelines, and quality standards, ensuring that employees have a clear understanding of what is expected of them. Additionally, lower managers offer the necessary support, resources, and guidance to help employees succeed in their delegated tasks. This ensures that employees have the tools and knowledge required to deliver their best work and contribute to the organization's commitment to being better.
4. **Monitoring Progress and Providing Feedback:** Lower managers monitor the progress and performance of employees in their delegated tasks. They maintain open lines of communication, provide ongoing feedback, and offer guidance or course corrections as needed. By regularly assessing and providing constructive feedback, lower managers ensure that employees stay on track, learn from their experiences, and continuously improve their skills and performance. This feedback loop promotes growth and development at the individual and team levels.
5. **Empowering and Building Trust:** Lower managers empower their team members by delegating authority and decision-making responsibility. They give employees the autonomy to make decisions within their assigned tasks, encouraging innovation and creativity. By fostering trust and confidence in their employees' abilities, lower managers create an environment where individuals take ownership of their work, make meaningful contributions,

and strive for excellence. This approach ensures employee engagement, motivation, and a commitment to being better.

6. **Recognizing and Rewarding Achievements:** Lower managers recognize and reward the achievements of their team members. They acknowledge and appreciate the efforts and results of employees who excel in their delegated tasks. By providing recognition and rewards, such as praise, bonuses, or career advancement opportunities, lower managers reinforce a culture of continuous improvement and performance excellence. This encourages employees to continue delivering their best and contribute to Checkers' commitment to being better.

By effectively delegating at the lower management level, Checkers ensures that employees are assigned tasks that align with organizational goals, provided with clear instructions and support, monitored and provided with feedback, empowered to make decisions, and recognized for their achievements. This approach fosters employee growth, motivation, and commitment to continuous improvement, ultimately contributing to Checkers' success in delivering on its promise to be better and better.

Any other relevant fact assessing how Checkers would use the different management tasks listed below to ensure they are committed to their promise to be "better and better" at each management level. (Any 12 facts × 1 mark each = 12 marks)

6.5 Complete the following diagram on marketing.

Identify TWO elements of the marketing mix.

Product

Product refers to anything that's being sold – a physical product, service or experience.

No matter how you position yourself as a brand, your product or service is always going to be at the centre of your strategy and therefore it will influence every aspect of the marketing mix. When you think of your product, consider factors such as its quality, specific features, packaging and the problem that it will solve for your customers.

Whilst things like customer service are key, your product, i.e. what the customer gets, is ultimately what they will care about most. Of course, if your buyer is not satisfied with what you're selling, they won't return to you. But if the quality is right and it solves their problem, the product will sell itself.

Place

Where are you selling your product or service? There are many places and ways that businesses can sell. So 'place' doesn't just refer to a physical location. It could mean selling via a website, catalogue, social media, utilising trade shows and, of course, brick and mortar stores. 'Place' encompasses each and every distribution channel. Most companies can't, or don't, set up shop just anywhere.

There are a number of factors that need to be considered first. Your target audience will play a part when it comes to your distribution channels. For example, there's no use in selling via a single high-street store if your target audience mostly resides online or if you want to sell globally. Testing is always a good idea – would an ecommerce site work better than a physical pop-up store? Perhaps a mix of both would be appropriate for your business.

You need to gain a clear understanding of your target audience if you are to establish the most appropriate place to reach customers and make a profit. In order to consistently make a profit, you need to reside and distribute in the places that are both appropriate for your brand and accessible for your audience.

Price

How much does your product or service cost? Everyone has their price and if you target a specific audience but get the pricing structure wrong for this particular set of buyers, you can forget about getting a desirable ROI.

The price you set should reflect your customer's perceived value of your product, correlate with your budget, and be set in a way that ensures you turn a profit. Pricing has a huge impact on the success of your business and it can impact your marketing strategy, sales and product demand. There are many different pricing strategies used by businesses today, they all have different benefits, drawbacks and functions. And the one that you choose to implement will depend on what you're selling as well as your brand image itself.

Promotion

Promotion. That's what we're all about! Whether it's social media, PR, advertising, content marketing or in-store pitching, promotion is what we, as marketers, do best.

Promotion means raising awareness of a brand, product or service within a market; telling a story to encourage consumer engagement. Promotional strategies work on multiple levels. They raise brand awareness, increase sales and generate revenue. Why should someone purchase from you over your competitor? How will you solve their problem or enhance their life?

Physical Evidence

The marketing mix must take into consideration everything that your customer experiences along their journey with you – from the very beginning when they're just becoming aware of your brand, up to the point of sale and beyond.

Physical evidence means more than just proof of purchase. Whilst it does include this important aspect, physical evidence also encompasses the overall existence of your brand. Think website, branding, social media, the logo on your building, your store's decor, the packaging of your products and the post-purchase thank you email. All of these elements offer your customer the physical evidence they need to be certain that your business is viable, reliable and legitimate.

People

People, in the marketing mix, refers to anyone directly or indirectly involved in the business side of the enterprise. That means anyone involved in selling a product or service, designing it, marketing, managing teams, representing customers, recruiting and training.

It's critical to the success of your brand, and the satisfaction of your customers, that everyone who represents the company (including the chatbots) is polite, professional, knowledgeable and fully trained. Employees need to be able to solve the problems that customers have so, as a business, you need to offer training, good working environments and anything that will safeguard the contentment of your employees.

Excellent customer service is a must for any brand operating in today's customer centric market. This doesn't necessarily mean that people are inclined to purchase in-store from a physically present human. When marketers create a strategy that's highly tailored and personalised, campaigns that are human experience-focused can be as influential as the best, most persuasive salesperson.

Be sure to maintain a positive brand reputation by addressing and resolving customer complaints, rather than just ignoring them. This will support your recovery and, if handled correctly, help you to avoid any future damage to your brand reputation. Employing and retaining the right people is key for both long- and short-term success.

Process

So you have a product and you have your target audience. How do you deliver the product to the customer? This in-between aspect can be called the process.

It involves how your business runs, how the service is delivered, how the product is packaged, how your customers move down the sales funnel, checkout, shipping, delivery, etc. Essentially the process describes the series of actions or the fundamental elements that are involved in delivering the product or service to the customer.

The more seamless and personalised your processes are, the happier your customers will be. If you have a product that's of good quality, chances are you won't hear any complaints. But there are so many different pieces of the process puzzle that you have to consider in your marketing strategy. So if you're going to experience complaints, it will likely be at this point. Customers typically feel frustrated or dissatisfied by late shipping, additional costs, poor communication or a lack of support. You can minimise complaints and optimise your process by keeping an eye on online reviews. If customers complain then you know it's time to re-evaluate and reconfigure your processes. Word of mouth, especially in the digital world, has the power to make or break a brand. So every part of the buyer's journey has to be seamless and efficient.

Criteria for a successful marketing strategy:

- Identify priorities, prioritize resources and enable organizations to select the best customer and market opportunities.
- Serve as the foundation for the activities that create and nurture the promise of value to the customer.
- Provide a direct-line-of sight between marketing activities and investments and business outcomes and results are a living roadmap that is anchored to the overall business' outcomes and focuses on customer value, growth, and profitability.

Any other relevant fact on the elements of the marketing mix, importance of Checkers focusing on each of these elements, as part of their marketing strategy, assessing how the two marketing elements identified are dependent on each other and criteria that would be used to determine the success of Checkers' marketing strategy

(Any 2 facts × 1 mark each = 2 marks) for identifying the elements

(Any 3 facts × 2 mark each = 6 marks) for explaining the importance of Checkers focusing on each of these elements

(Any 3 facts × 1 mark each = 3 marks) for assessing how the two marketing elements identified are dependent on each other

6.6.1 Discuss how a company like Pick n Pay can strike a balance between maximising profitability and maintaining a focus on employee well-being and development in order to achieve long-term success. (3)

1. **Employee Well-being and Development as a Foundation:** Pick n Pay can prioritize employee well-being and development as a fundamental aspect of its business strategy. By recognizing that employees are key stakeholders and valuable assets, Pick n Pay can create a positive work environment that fosters employee engagement, satisfaction, and growth. This can be achieved through fair compensation, work-life balance initiatives, health and wellness programs, and opportunities for career advancement and skills development. Investing in employee well-being and development builds a loyal and motivated workforce, leading to increased productivity and customer satisfaction.

2. **Performance-Driven Culture:** Pick n Pay can establish a performance-driven culture where profitability and employee development go hand in hand. By setting clear performance expectations, providing regular feedback, and recognizing and rewarding high performance, Pick n Pay can motivate employees to achieve both individual and organizational goals. This creates a win-win situation where employees are motivated to contribute to the company's profitability, knowing that their efforts will be recognized and rewarded. Transparent performance metrics and incentives can align individual and team efforts with the company's financial objectives.
3. **Continuous Improvement and Innovation:** Pick n Pay can foster a culture of continuous improvement and innovation to drive profitability while prioritizing employee well-being and development. By encouraging employees to contribute their ideas, share their insights, and participate in problem-solving initiatives, Pick n Pay can tap into the collective intelligence of its workforce. This not only leads to process efficiencies and cost savings but also empowers employees to take ownership of their work and contribute to the company's success. Regular training programs and opportunities for skill enhancement can further support employee development and empower them to innovate.
4. **Collaboration and Communication:** Pick n Pay can promote collaboration and open communication channels throughout the organization. By encouraging cross-functional collaboration, knowledge sharing, and employee involvement in decision-making processes, Pick n Pay creates an inclusive and supportive work environment. This fosters a sense of belonging, encourages diverse perspectives, and empowers employees to contribute to the company's profitability and their own growth. Regular communication platforms, such as town hall meetings, team huddles, or feedback mechanisms, facilitate the exchange of ideas and ensure that employee voices are heard.
5. **Ethical and Sustainable Practices:** Pick n Pay can integrate ethical and sustainable practices into its business operations. By promoting responsible sourcing, environmental conservation, and social responsibility, Pick n Pay demonstrates a commitment to the well-being of its employees, customers, and the broader community. This enhances the company's reputation, attracts socially conscious customers, and strengthens employee loyalty. Ethical and sustainable practices align with long-term success, as they contribute to brand value, customer loyalty, and financial stability.