

UNIVERSITY OF COLOMBO, SRI LANKA
FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration (Semester VII) Examination, June 2022

MKT 4237 - Contemporary Issues in Marketing

Two (02) Hours

Answer All Three Questions

This is an Open Book Examination

There are Three (03) questions based on One (01) case study

There are Four (04) pages in this question Paper

Instructions:

The case “Introducing ‘Edu-Blocks’ to the Sri Lankan Market” describes the background information of a marketing campaign used to introduce a new toy called ‘Edu-Blocks’ by a fictitious Sri Lankan company called ‘Kiddyland’. (Edu-Blocks is a toy somewhat similar to the boxes of building blocks introduced by the company ‘Lego’.) The case also gives information on how a Sri Lankan family responded to this marketing campaign. You can assume that other families in the Sri Lankan market would have responded in a similar way to the marketing campaign.

Introducing ‘Edu-Blocks’ to the Sri Lankan Market

Kiddyland is a well-established Sri Lankan company that produces and markets toys in Sri Lanka, which has already successfully introduced a wide variety of toys to the Sri Lankan market. The company recently introduced a new toy – Edu-Blocks – for children in the ages of 4-6 years. This toy comprises a box of plastic (non-biodegradable, non-recyclable) building blocks. The toy is somewhat similar to the boxes of building blocks introduced by the global toy company, Lego. Like in Lego toys, each box of Edu-Blocks includes figures of people, trees, animals, and other things, in addition to the basic building blocks. Edu-Blocks has been designed to have four different versions – a house with a garden, a forest with animals, a construction site with vehicles such as backhoes and cement mixers, and a Sri Lankan village farmhouse with cows, chicken, farm equipment and cultivation fields. Each version has the basic building blocks, different human and/or animal figures, and other special blocks such as trees, different types of vehicles and different building parts, etc. There is also a picture that shows what is to be built with the blocks. Although the idea is based on Lego, the Edu-Blocks toys are designed for a very young age group, and therefore, are much less complicated. Also, the four versions increase in complexity – the ‘house with garden’ being the least complex and the ‘farmhouse’ being the most complex. Prices of the four different versions also increase as the toy increases in complexity.

Following is an explanation that the Edu-Blocks brand manager, Isuru, gave the top management of Kiddyland regarding the advertising campaign the company was planning to utilize in launching the product in the market.

“The end consumers of Edu-Blocks are kids of 4-6 years; but, of course, it’s the parents who have to buy the toy. Therefore, we are planning to have two different advertising campaigns for the kids and the parents, especially mothers,” Isuru started. “Hmm, two target groups,” said the marketing director, Ms Ramani Jayamaha. “Yes, that is a good idea. What is the value we’re offering?” she asked. “Well, we’re offering two different values to the two groups,” said Isuru. “For the children, we want to highlight the fun element of the toy. When it comes to mothers – specifically, we’re thinking of middle-class mothers. Middle class parents are always interested in giving a good education to their kids. So, we’re presenting this product as a toy that can help to increase children’s creativity and other thinking skills such as colour matching and following a picture in completing the building task. That is why we named the toy Edu-Blocks”.

“Does the toy actually develop children’s thinking abilities?” asked the company legal officer with a frown. “Of course,” Isuru replied. “Good. So, this a unique benefit that we are providing, isn’t it?” asked the CEO. “Well, there are other activities that have similar benefits. For example, things like colouring books, picture completion books, and cutting up coloured paper into shapes can also improve creative and thinking skills. Those are far less expensive than our product. Not only that, children’s thinking and creative abilities can also be developed very effectively by encouraging them to do creative things with household waste such as coconut shells and other things that one can find around the house – say, building a playhouse using old cloth and strings can be a highly creative activity. A child doesn’t really need toys bought from the market to get these benefits,” explained Isuru. “But offering this benefit as a value has not been used by any other toy company in the Sri Lankan market. So, in that sense, it is unique” he added. “That’s correct” said the marketing director, “if it is communicated effectively, it would be a very distinctive, competitive market positioning. Let’s hear about the advertising campaign, Isuru”.

“Yes, in the advertising campaign, for the children we are developing a series of four TV ads featuring the four versions of Edu-Blocks,” Isuru started. “All ads will be in cartoon format; that way we can use the figures in the toys as characters in the ads. Each ad will present a story around the product – for example, there will be a story about animals in the forest in relation to that version of the product. The ads will be very colourful, and we’ll have a child telling the story; we might also include a short jingle. The idea, by the way, is to highlight how much fun it is play with these blocks, not to give any information about how to play with them. Although there will be four different ads for the four versions, we’ll end all four ads with a child’s voice asking, ‘Have you collected all four?’ with a frame showing all four versions of the product in a line. These advertisements will be shown in the evening during children’s cartoon programmes.

“For the mothers, we’ll have a separate ad, again with four versions. Each will begin with a small segment of the relevant children’s advertisement to remind the mother that it is the same product. And then we’ll have a lady in a saree, in a primary school classroom setting, explaining the educational benefits of the toy. This explanation will be the same in all four ads. As I mentioned earlier, middle class parents are keen about the educational development of their children. They are educated

themselves; so, this kind of message providing information that highlights the educational benefits will work well” Isuru concluded. “Why don’t we get a primary school teacher to give the message?” asked the marketing director. “We don’t need to do that Ms Jayamaha. In an advertisement, a trained model can speak like a teacher better than an actual teacher. Of course, we won’t say that she is a teacher. The saree and the primary school classroom setting will have the same effect” he smiled. “These ads will be aired during morning shows, around 10 o’clock – the programmes that middle class housewives watch. We plan to air them in similar programmes during the weekend too. That way, we can capture the middleclass working women too” Isuru went on to explain the media plan.

With the approval of the senior management of Kiddyland, Edu-Blocks was launched using the above advertising campaign. The product and the advertising campaign became an immediate success in the market.

Following is the story of one middle class family that was affected by this very successful marketing campaign.

The Story of Haritha’s Family

Haritha is a five-year old boy who is presently studying in the Grade One class of a government school. He loves to watch cartoon shows on TV and watches as many he can. Therefore, he saw all four versions of the Edu-Blocks advertisement in the very first week they were aired. Then he asked his mother Sujatha to buy an Edu-Blocks toy for him. “Putha those are very expensive” Sujatha said. “We bought you that big bag of building blocks only last week. Play with those.” But Haritha kept asking, and in the end, Sujatha bought him the ‘house with the garden’ version, which was the least expensive.

The following day Haritha proudly took the toy to school. But when he showed it to his friends, his best friend, Pujana, laughed. “Ayio, you’ve got the baby toy. That one can be built in five minutes. My one is better,” he said, showing the ‘forest with animals’ version. That day Haritha came home crying. He also realised that he could build the ‘house with garden’ very quickly. Soon he found that several of his friends had all four versions of Edu-Blocks. They were always comparing the different versions and talking about them, and it made Haritha feel left-out. Every time he saw one of the advertisements ending ‘Have you collected all four?’ he got upset and repeatedly troubled Sujatha to get him the other versions of the toy as well.

The price of all four came to around Rs. 15,000 and Sujatha knew they couldn’t afford to spend so much money on a toy. Her husband Sanath was a clerk in a government office, and they had to manage everything with his salary. Then, one morning, Sujatha was watching a television programme in which a child psychologist was explaining what parents could do to support the brain development of small children. Kiddyland had selected this programme for showing the advertisements about educational benefits of Edu-Blocks, and all four advertisements were aired from time to time during the programme. That night Sujatha had a discussion with her husband. “The psychologist in the programme said that we should encourage children to play, you know. He said that it helps to develop their thinking. Then I saw some advertisements for Edu-Blocks. Remember the toys that Haritha is always crying for? The schoolteacher in those ads says that they are toys that develop creativity and thinking – A child has to look at the picture, select the correct blocks and put them together in certain

ways. I guess that kind of thing must help to develop thinking,” she told Sanath. “Hmm. I suppose so,” Sanath replied. After keeping silent for a few minutes he said with a sigh, “well, we shouldn’t think about sparing expenses when it comes to our son’s brain development and education”. So, finally, they decided to buy the remaining three versions of the toy for Haritha. The following salary day Sanath bought them all. However, he had to plead with the owner of his rented house to accept only half the rent for that month, with the promise of paying the rest along with the following month’s rent.

A couple of weeks later Sujatha noticed that Haritha was no longer playing with the big bag of blocks that they had bought for him just a few weeks before getting the Edu-Blocks toys. He had previously loved building different things with those blocks, but now the bag was just lying in a corner gathering dust. He was also not playing with the two simpler versions of Edu-Blocks. All these toys were almost brand new. But Sujatha sadly decided to throw them all out because she knew that Haritha would not play with them again.

Questions:

1. Explain **(a)** the STP strategy and value proposition(s) Kiddyland has selected for Edu-Blocks and **(b)** how the company has used different communication and/or other marketing strategies/tactics in implementing the broad strategy that you identified in (a) above.

(50 Marks)

2. Do you believe Kiddyland would have achieved its marketing objectives in relation to the STP and value proposition communication of Edu-Blocks? Justify your answer presenting two or three key points and referring to the case information on how Haritha’s family has responded to the marketing campaign of Edu-Blocks. Assume that other families in the Sri Lankan market would have responded to the campaign in a manner similar to Haritha’s family.

(30 Marks)

3. Using information in the case, explain two ways in which the activities of Kiddyland, in marketing Edu-blocks, have affected society, or specific groups in society, in an adverse manner. (Link your explanations to the marketing strategies/tactics you explained in your answer to Question 1 above)

(20 Marks)