



MERU UNIVERSITY COLLEGE OF SCIENCE & TECHNOLOGY

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University Examinations 2012/2013

FIRST YEAR, SECOND SEMESTER, EXAMINATION FOR DEGREE OF BACHELOR OF COMMERCE, SECOND YEAR, FIRST SEMESTER, EXAMINATION FOR BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT AND SECOND YEAR, FIRST SEMESTER EXAMINATION FOR BACHELOR OF BUSINESS INFORMATION TECHNOLOGY.

HBC 2127/HBC 2109/ HPS 2110 – PRINCIPLES OF MARKETING

DATE: DECEMBER 2012

TIME: 2 HOURS

INSTRUCTIONS: Answer question ONE and any other TWO

QUESTION ONE – 30MARKS

- a) Explain what is meant by heterogeneity challenge in marketing of services (2 Marks)
- b) You have been assigned the responsibility of making pricing decisions in an organisation where you are newly employed. What factors would you consider before making such a decision? (10 Marks)
- c) Small business enterprise are looking for ways to segment their markets in face of greater competition and ever demanding customers, what benefits would accrue to business for segmenting their market. (8 Marks)
- d) What is market targeting? Briefly explain any four market targeting strategies you would consider to employ for upcoming new product XY. (10 Marks)

QUESTION TWO – 20 MARKS

- a) Assume you are a Kenyan citizen living in a Diaspora and would wish to purchase a readily constructed apartment for occupation. Explain the buying decision process you would go through in purchase of the asset. (10 Marks)
- b) Outline the product life cycle that majority of product go through after their launch in the market to the time they are re-launched or phased out of the market. (10Marks)

QUESTION THREE – 20 MARKS

- a) Triad Corporation Ltd is a new company intending to invest in Agricultural Machinery in Kenya. Discuss five promotion strategies they would utilize to market their products in Agricultural sector. (10 Marks)
- b) Define Marketing Research (2 Marks)
- c) A local Jua Kali Artisan Organisation has invited you to sensitize them on various issues related to marketing. Explain how they would use the following principles in their enterprise.
 - (i) Marketing intermediaries (4 Marks)
 - (ii) Marketing philosophy (4 Marks)

QUESTION FOUR – 20 MARKS

- a) Briefly explain how the following variables effect market segmentation
 - (i) Age and life cycle (2 Marks)
 - (ii) Gender (2 Marks)
 - (iii) Usage rate (2 Marks)
 - (iv) Personality (2 Marks)
 - (v) Income (2 Marks)
- b) With appropriate examples, discuss how psychological factors influence consumer buying behaviour. (10 Marks)

QUESTION FIVE -20 MARKS

- a) Explain the meaning of term Marketing intelligence (2 Marks)
- b) With appropriate examples discuss five ways that a firm would utilize to improve the quality of its marketing intelligence. (8 Marks)
- c) Discuss main issues arising from marketing philosophies (10 Marks)