MACHAKOS UNIVERSITY

University Examinations for 2017/2018 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BANKING, ACCOUNTING & FINANCE

FOURTH YEAR SECOND SEMESTER EXAMINATION FOR BACHELOR COMMERCE (FINANCE OPTION)

BAC 413: MARKETING OF FINANCIAL SERVICES

DATE: 19/12/2017 **TIME: 8:30 – 10:30 AM**

INSTRUCTIONS:

Answer Question One and Any Other Two Questions

QUESTION ONE (COMPULSORY) (30 MARKS)

a) With the aid of a diagram explain the central role of marketing concept in marketing of financial services. (6 marks)

b) Highlight the benefits of planning of marketing of financial services (8 marks)

c) Explain the generic sales strategy along which all products can be positioned as suggested by wind (1982) (6 marks)

d) Explain the various factors that can be considered when making pricing decisions in overseas markets (6 marks)

e) Explain how customers evaluate whether the purchase has satisfied their expectations. (4 marks)

QUESTION TWO (20 MARKS)

a) Explain how financial institution can use place as a distribution of financial services (14 marks)

b) Explain the factors that can be considered when choosing place as a distribution channel. (6 marks)

QUESTION THREE (20 MARKS)

a) As a marketing manager explain the international marketing mix strategy for marketing of products and promotion decisions (8 marks)

b) When customers decide to buy a service to meet an unfilled need they go through a complex purchase process. Explain . (12 marks)

QUESTION FOUR (20 MARKS)

a) Explain the various models advanced for planning of financial institutions (12 marks)
b) Highlight the conditions which are necessary for effective marketing . (8 marks)

QUESTION FIVE (20 MARKS)

a) Explain how financial institutions can respond to technology. (10 marks)
b) Application of technology can facilitate the success of financial services .Explain. (6 marks)
c) Explain the following terms:
   i) Possession processing services. (2 marks)
   ii)People –processing services (2 marks)