MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BANKING, ACCOUNTING & FINANCE

………… YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF COMMERCE

BAC 413: MARKETING OF FINANCIAL SERVICES

DATE: **TIME:**

INSTRUCTIONS: Attempt Question One and any other Two Questions

QUESTION ONE (COMPULSORY) (30 MARKS)

a) Describe the 4P's for marketing financial services that are different from other marketing services. (4 marks)

b) Name and explain ten factors that necessitates the changes for marketing financial services in new economy. (10 marks)

c) Write brief note on the following concept of pricing.

   i) Value based pricing (3 marks)

   ii) Cost pricing (3 marks)

   iii) Parity based pricing (4 marks)

d) List and explain the distinctive features of financial services. (6 marks)

QUESTION TWO (20 MARKS)

a) Discuss the main objectives of pricing in marketing financial services. (10 marks)

b) Explain five reasons why despite spirited efforts to market insurance services in kenya the penetration level is still low. (10 marks)

QUESTION THREE (20 MARKS)

a) Discuss the importance of consumer post buying behavior to financial services markets. (10 marks)

b) Justify the need for market segmentation in marketing of financial services. (10 marks)

QUESTION FOUR (20 MARKS)

a) Discuss the components of financial service marketing mix. (10 marks)

b) Describe four condition for effective marketing of financial services. (10 marks)

QUESTION FIVE (20 MARKS)

a) Explain five technologically driven channels of marketing of financial services. (10 marks)

b) Describe the three stage model of financial services of consumer. (10 marks)