



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

.....YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 201: PRINCIPLES OF MARKETING

DATE:

TIME:

INSTRUCTIONS:

Answer Question one and any other two Questions.

QUESTION ONE (30 MARKS)

Kohn Ouila is Managing Director of Nakuchutt, a medium-sized supermarket chain faced with intense competition from larger competitors in their core food and drink markets. They are also finding it hard to respond to these competitors moving into the sale of clothing and household goods. Nakuchutt has a reputation for friendly customer care and is looking at the feasibility of introducing an online shopping service, from which customers can order goods from the comfort of their home and have them delivered, for a small charge, to their home. Kohn recognizes that the move to develop an online shopping service will require significant investment in new technology and support systems. He hopes a significant proportion of existing and most importantly, new customers will be attracted to the new service.

- a) Identify 3 bases for segmenting that you would recommend for this new market. (6 marks)
- b) Analyze which criteria will help determine whether this segment is sufficiently attractive to commit to the necessary investment? (6 marks)
- c) Assess the likely strategic impact of the new customer delivery system on Nakuchutt's activities and its ability to differentiate itself from its competitors. (12 marks)
- d) Differentiate between concentrated and undifferentiated targeting. (6 marks)

QUESTION TWO (20 MARKS)

- a) Using a product of your choice, clearly show the product's life cycle and how the marketing mix works throughout the cycle. (12 marks)
- b) Marketers have rules, concepts, principles that guide them. These rules are referred to as marketing concepts. Explain four marketing concepts that have been used in the marketing activities (8 marks)

QUESTION THREE (20 MARKS)

- a) Discuss the steps that a new product development process should contain to achieve a successful launch of a product (12 marks)
- b) Explain the alternative methods of promotion that are suitable to achieve marketing communication objectives of an organization. (8 marks)

QUESTION FOUR (20 MARKS)

- a) Clearly discuss the marketing research process. (12 marks)
- b) Briefly explain any 4 factors that affect consumer behavior. (8 marks)

QUESTION FIVE (20 MARKS)

- a) Identify all of the environmental factors that can affect marketing activities of an organization. (10 marks)
- b) Explain an analysis tool that can help a manufacturer of consumer durables to gain a better understanding of its marketing environment. (10 marks)