MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

THIRD YEAR SECOND SEMESTER EXAMINATION FOR

BACHELOR OF EDUCATION

BBA 201: PRINCIPLES OF MARKETING

DATE: 18/4/2019 **TIME: 2:00 – 4:00 PM**

INSTRUCTIONS: Attempt Question ONE and any other TWO questions

QUESTION ONE (COMPULSORY) (30 MARKS)

Read the case below and answer the questions that follow:

THE UPENDO UNIVERSITY

The Upendo University, one of the oldest private universities in Kenya, has been in existence for about fifteen years. For a long time, the university has enjoyed calmness and increased enrolment in its programmes. It attracts both part-time and full time lecturers from other universities. Given its international orientation, the university attracts students from all cultural backgrounds. The university claims to be the best in terms of learning facilities which include a well stocked library, computer facilities, optimal class sizes and is located in a conducive environment for learning. In comparison with the others, its fees is higher than those of other universities. The courses offered in the Upendo University include Business Administration, International Business Administration, Psychology and Information Communication Technology among others. These courses are offered both at undergraduate and postgraduate level. In a recent university academic board meeting, one of the members had the following to say, "We have to become proactive and do something to increase the students' enrolment in our PhD programme. We cannot sit back and watch this current declining trend while other universities are experiencing the opposite. Why should we assume that we are the best when in fact student numbers are declining? We need to take decisive measures to change this state of affairs". In support of this view, another member of the board said; "It is good that we are now realizing that we are not the best with many universities coming up, and others utilizing the excess capacity that they have. We have to be watchful as these competitors may erode our market share'. Having heard all these sentiments, the Chairman wondered how and where they should begin. He suggested that the board members put their heads together and determine which course of action to take. "Of course we have to start with the Strategic Plan which is non-existent right now" retorted one of the directors with a frown on her face.

a) In what ways would marketing planning assist the university. (10 marks)

b) Advise the University on the positioning strategies to apply for its PhD programme. (10 marks)

c) Assume that the University management has decided to carry out marketing research, explain ways in which it may benefit from the research. (10 marks)

QUESTION TWO (20 MARKS)

a) Explain two pricing strategies for a new product. (4 marks)

b) Outline any three external factors affecting pricing decisions. (6 marks)

c) Explain the advantages of advertising as a tool in the promotion mix. (10 marks)

QUESTION THREE (20 MARKS)

a) Describe the main elements that constitute the framework for the marketing information system for an organization. (10 marks)

b) Discuss the characteristics of each stage of a product life cycle. (10 marks)

QUESTION FOUR (20 MARKS)

a) Discuss the different kinds of reference groups, and illustrate how they influence one's purchasing decisions, using specific products. (10 marks)

b) You are the Marketing Manager in Double Six Corporation. Discuss the basis of how you would segment markets of your target consumers. (10 marks)

QUESTION FIVE (20 MARKS)

a) The communication sector like all other sectors in Kenya is affected by the macro environmental factors. Citing specific examples, discuss these factors and show how firms in the sector have responded to them. (10 marks)

b) Discuss the steps in buyer decision process for a new luxury product that has just hit the market. (10 marks)