



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BANKING, ACCOUNTING & FINANCE

FOURTH YEAR SECOND SEMESTER 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)