

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS MANAGEMENT

PRINCIPLES OF MARKETING - CBU 1209

SUPPLEMENTARY EXAMINATIONS – AUGUST 2010

TIME ALLOWED: 3 HOURS

INSTRUCTIONS TO CANDIDATES

Answer section A and any **three** others from section B.

INFORMATION TO CANDIDATES

- i) Questions can be answered in any order.
- ii) All questions carry 25 marks.
- iii) As much as possible, use examples.

SECTION A

1) The use of marketing campaigns by government agencies to effect a change in behaviour such as conservation of energy or to discourage smoking is called.

- a) government marketing
- b) social control
- c) thought control
- d) social marketing
- e) transactional marketing

2) The terms ‘ goods and services’ distinguish:

- a) products from the support mechanisms for them
- b) expensive items from in expensive ones
- c) physical products from intangible products
- d) products that meet needs versus products that satisfy wants
- e) all of the above

3) In order to communicate and deliver the company’s desired position to the consumer successfully, the company:

- a) must emphasise advertising in support of its positioning strategy
- b) must focus its proportional efforts on personal selling.
- c) Must place its greatest efforts on producing the desired product efficiency.
- d) Must focus the entire marketing program in support of the chosen positioning strategy.
- e) None of the above.

4) Under the BCG growth-share matrix, relative market share matrix, relative market share provides: -

- a) a measure of the company's strength in the market.
- b) A measure of profitability for all products
- c) A measure of market attractiveness
- d) The primary information for investment decisions
- e) All of the above

5) Which of the following is not part of the macro environmental forces.

- a) supplier forces
- b) political forces
- c) natural forces
- d) technological forces
- e) demographic forces

6) A simple definition of is that it is a function that links the consumer, customer and public to the marketer through information.

- a) marketing intelligence
- b) marketing control
- c) marketing research
- d) marketing management
- e) marketing information system.

7) Choosing a research instrument is part of which step in the marketing research process?

- a) defining the problem and research objectives
- b) developing the research plan
- c) implementing the research plan
- d) interpreting and reporting the findings
- e) following up the results.

8) Which of the following is not one of the four of marketing that serve as stimuli for consumers?

- a) product
- b) place
- c) power
- d) price
- e) promotion

9) In studying consumers, the central question for marketers is:

- a) how do consumers get their money?
- b) How do consumers set their budgets for disposable income?
- c) How do consumers respond to various marketing stimuli the company may use?
- d) All of the above
- e) How do consumers perceive their role :- developing brand loyalty.

10) The buying process starts with:

- a) attitude formation
- b) want expression
- c) demand formulation
- d) belief awareness
- e) need recognition

11) Business demand is ----- . It ultimately derives from the demand for consumer goods.

- a) functional demand
- b) additive demand
- c) derived demand
- d) induced demand
- e) dependent demand

12) Evaluating each market segments attractiveness and selecting one or more of the market segments to enter is called:

- a) market segmentation
- b) market targeting
- c) market positioning
- d) market mixing
- e) market promotion

13) Market segmentation by quality, service or economy would be an example of behavioural segmentation by:

- a) benefits sought
- b) user status
- c) user rate
- d) readiness stage

14) Decisions about product quality, features and design relate to which of the following:

- a) packaging
- b) product attributes
- c) branding
- e) labelling purchase occasion

d) all of the above

15) The way consumers perceive an actual or potential product is called:

- a) product idea
- b) product concept
- c) product feeling
- d) product perception
- e) product image

16) ----- are activities, benefits or satisfactions that are offered for sale but do not result in ownership of anything.

- a) consumer goods
- b) convenience goods
- c) shopping goods
- d) services
- e) unsought goods

17) Pricing decisions that include the company's marketing objectives, marketing mix strategy, costs and organization are called:

- a) predominant factors
- b) overt factors
- c) internal factors
- d) strategic factors
- e) external factors

18) Pricing to cover variable costs and some fixed costs, is typical of which of the following objectives

- a) current profit maximization
- b) market-share leadership
- c) product-quality leadership
- d) low-cost leadership
- e) survival

19) The setting of a price at \$39,95 rather than \$40.00 under the belief that consumer will perceive the first price more affordable is part of the basis of:

- a) discount pricing
- b) psychological pricing
- c) geographical pricing
- d) discriminatory pricing
- e) promotional pricing

20) Setting a low initial price to attract consumers quickly and win a large market share is called:

- a) market-share pricing
- b) market- skimming pricing
- c) market- loss pricing
- d) market competitive pricing
- e) market penetration pricing

21) Companies that sell their own products door to door or through its own store uses:

- a) direct-marketing channel
- b) single-middleman channel
- c) a two-level middleman channel
- d) a three-level middleman channel
- e) all of the above.

22) Asking what does each competitor seek in the market place is part of which step in competitor analysis.

- a) identifying competitor's strategies
- b) estimating competitor's reaction patterns
- c) determininng competitors objectives
- d) selecting competitors to attack and avoid
- e) assessing competitors strengths and weaknesses

23) A tax levied by a foreign government against certain imported products is called a a(n):

- a) quota
- b) barrier
- c) tariff
- d) embargo
- e) index

24) The simplest way to enter a foreign market is through:

- a) exporting
- b) direct investment
- c) contract manufacturing
- d) joint venturing
- e) licensing

25) The attempt to provide signs of service quality such as designing a banks physical setting to suggest efficient service is part of the marketer's response to a service's :

- a) intangibility
- b) inseparability
- c) variability
- d) perishability

- e) all of the above

SECTION B

QUESTION 2

Write short notes on any five of the following concepts/terms.

- | | |
|--------------------------------|-----------|
| a) Societal marketing concept. | [5Marks] |
| b) Relationship marketing | [5 Marks] |
| c) Competitor analysis | [5 Marks] |
| d) Advertising | [5 Marks] |
| e) Targeting | [5 Marks] |
| f) Characteristics of services | [5 Marks] |
| g) Positioning | [5 Marks] |

QUESTION 3

What do you understand by:

- | | |
|------------------------|------------|
| a) Product Life Cycle | [15 Marks] |
| b) Product Positioning | [10 Marks] |

QUESTION 4

Explain the four bases for segmenting consumer markets. [25 Marks]

QUESTION 5

Describe the consumer decision process. [25 Marks]

QUESTION 6

What pricing strategies could be used by companies in pricing their products? Use practical examples. [25 Marks]

QUESTION 7

Describe the merits and demerits of the various kinds of media that marketers can use to advertise their goods and services. [25 Marks]

END OF EXAMINATION