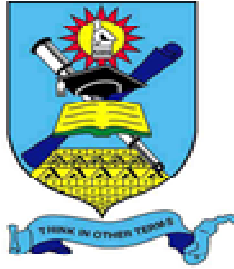


NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY



FACULTY OF INDUSTRIAL TECHNOLOGY

DEPARTMENT OF INDUSTRIAL AND MANUFACTURING ENGINEERING

B-Eng Hons Industrial and Manufacturing Engineering

Supplementary Examination

COURSE : BUSINESS STUDIES I
CODE : TIE 3117
DATE : JULY 2013
DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATE

Answer Question **ONE** in section A and any **THREE** questions from section B.

INFORMATION TO CANDIDATE

- (i) Questions may be written in any order.
- (ii) All questions carry **25** marks each.
- (iii) This paper contains **seven** questions.
- (iv) Credit will be given for the use of appropriate examples.

SECTION A: COMPULSORY

- 1.1 The social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others is called:
- a) Commerce
 - b) Economics
 - c) Sales
 - d) Marketing
 - e) All of the above
- 1.2 Theholds that consumers will favour products that offer the most quality, performance and innovative features:
- a) Production concept
 - b) Product concept
 - c) Selling concept
 - d) Marketing concept
 - e) Societal marketing concept
- 1.3 The type of customer market that consists of individuals and households that buy goods and services for personal consumption is called a (an):
- (a) Industrial market
 - (b) Consumer market
 - (c) Reseller market
 - (d) Government market
 - (e) International market
- 1.4 When Johnson and Johnson's chief executive says, "*if we keep trying to do what is right , at the end of the day we believe the market place will reward us,*" he is essentially supporting which of the following?
- a) Production concept
 - b) Product concept
 - c) Selling concept
 - d) Marketing concept
 - e) Societal marketing concept
- 1.5 Product" means:
- a) Something that has been built, packaged, branded and given a warranty
 - b) The entire physical output of a firm
 - c) All of the ingredients included in a firm's marketing mix
 - d) A physical good or service which offers potential customer satisfaction
 - e) A physical good with all its related features

- 1.6 Under the product/market expansion grid, the strategy of finding new markets for existing products is called:
- a) Market penetration
 - b) Market development
 - c) Diversification
 - d) Product development
 - e) None of the above
- 1.7 Schools, hospital, nursing homes, and prisons are all examples of:
- (a) The organizational market
 - (b) The private sector market
 - (c) The public sector market
 - (d) Institutional market
 - (e) Government market
- 1.8 In terms of adopter, groups, those who are suspicious of innovations are called:
- (a) Innovators
 - (b) Early Adopters
 - (c) Early Majority
 - (d) Late Majority
 - (e) Laggards
- 1.9 The best way to reach innovators is through:
- (a) Salespeople and the mass media
 - (b) Local opinion leaders
 - (c) Impersonal and scientific information sources
 - (d) The mass media
 - (e) Salespeople
- 1.10 Which of the following is (are) reasons for new product failure?
- (a) The market size may have been overestimated
 - (b) That the product may have been incorrectly positioned
 - (c) That a high level executive might have pushed a favorite idea
 - (d) That the cost of product development were higher than expected
 - (e) All of the above are reasons for new product failure
- 1.11 The stage in the PLC characterized by overcapacity, greater competition, and the eventual elimination of weaker competitors is called:
- (a) Product development
 - (b) Introduction
 - (c) Growth
 - (d) Maturity
 - (e) Decline

- 1.12 Company missions are best guided by:
- a) Profits
 - b) Revenues
 - c) Market share
 - d) Social forces
 - e) A vision
- 1.13 Which of the following is (are) reasons for new product failure?
- a) The market size may have been overestimated
 - b) That the product may have been incorrectly positioned
 - c) That a high level executive might have pushed a favorite idea
 - d) That the costs of product development were higher than expected
 - e) All of the above are reasons for new product failure
- 1.14 A.....consists of consumers who respond in a similar way to a given set of marketing stimuli:
- a) Market segment
 - b) Market niche
 - c) Market target
 - d) All the above
 - e) None of the above
- 1.15 The logic by which the business unit hopes to achieve its marketing objectives is called:
- a) The marketing strategy
 - b) The marketing action plan
 - c) The current market situation
 - d) The marketing control
 - e) All of the above
- 1.16beliefs and values are passed on from parents to children and reinforced by schools, churches, business and government.
- a) crucial
 - b) core
 - c) primary
 - d) secondary
 - e) tertiary

- 1.17 Under the BCG growth share-matrix, the market growth rate provides:
- a) A measure of the company's strength in the market
 - b) The primary information for investment/divestiture decisions
 - c) A measure of market attractiveness
 - d) A measure for profitability for all products
 - e) All of the above
- 1.18 When consumers are highly involved in a purchase decision and perceive significant differences among brands, they are likely to be engaged in which type of consumer buying behavior?
- a) Complex buying behavior
 - b) Habitual buying behavior
 - c) forced-choice buying behavior
 - d) dissonance-reducing buying behavior
 - e) brand-simple buying behavior
- 1.19 All of the following are positioning strategies marketers can follow except:
- a) Product attributes
 - b) Usage occasion
 - c) Product classes
 - d) Against a competitor
 - e) All of the above are positioning strategies
- 1.20 Sources of new product ideas come from all of the following except:
- a) Internal sources
 - b) Customers
 - c) Competitors
 - d) Distributors
 - e) All of the above are sources of new product ideas
- 1.21 The stage in the PLC characterized by overcapacity, greater competition, and the eventual elimination of weaker competitors is called:
- a) Product development
 - b) Introduction
 - c) Growth
 - d) Maturity
 - e) Decline

- 1.22 Which of the following statements about place is true?
- a) Most consumer products and most industrial products are sold to middlemen who then sell them to final customers
 - b) There is always one Place arrangement that is “best” for a product
 - c) A series of individuals who aid in the flow of goods and services from producer to final consumer is called a distribution network.
 - d) Place decisions are usually harder to change than other marketing mix decisions.
 - e) None of the above.
- 1.23 Which of the following best illustrates communication “noise”?
- a) A TV ad recorded at a higher volume than is used for most TV shows.
 - b) A political candidate rides through town in a car with a loud speaker...asking pedestrians to vote for her.
 - c) Magazine sells reps telephone consumers to offer low-price subscriptions.
 - d) All of the above illustrate “noise”.
 - e) None of the above clearly illustrates “noise”
- 1.24 The simplest way to target a foreign market segment is through:
- (a) Exporting
 - (b) Joint venturing
 - (c) Foreign direct investment
 - (d) Licensing
 - (e) Contract Manufacturing
- 1.25 The green movement is a response to which trend occurring in the natural environment?
- a) Shortages of raw material
 - b) Increased cost of energy
 - c) Increased pollution
 - d) Government intervention in natural resources
 - e) All of the above

QUESTION 2

- a) Explain what is meant by the term “Economic Environment” [5 marks]
- b) Discuss how changes in the economic environment can affect the achievement of marketing objectives. [20 marks]

QUESTION 3

Demonstrate your understanding of the following terms as used in marketing:

- (a) Innovators [5 marks]
- (b) E-Commerce [5 marks]
- (c) New product failure [5 marks]
- (d) Ansoff matrix [5 marks]
- (e) Penetration pricing strategy [5 marks]

QUESTION 4

“Segmentation is a marketing strategy used by marketers to divide the market into smaller segments which are easier to manage.” Explain the bases for segmenting markets that are usually employed by marketers in the different markets. [25 Marks]

QUESTION 5

Illustrate how the psychological variables, social influence and purchase situation influence consumer buying decisions. [25 marks]

QUESTION 6

Discuss any **five** pricing strategies that marketers use in marketing to attract customers. [25 marks]

QUESTION 7

Explain the marketing concept as a business model and discuss how it contributes to overall performance of the business. [25 Marks]