



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR THE BACHELOR OF
COMMERCE, BBIT.**

BCM 200 – PRINCIPLES OF MARKETING

DURATION: 2 HOURS

DATE: 14TH DECEMBER, 2017

TIME: 9.00- 11.00 A.M.

Instructions to Candidates:

1. Answer **Question 1** and **Any Other Two** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION ONE - COMPULSORY

QUESTION ONE

(a) You are the marketing manager of HAZUTEE a textile company in Kenya. The Company has been encountering a reduction of sales for the last two years. The management have asked you to find out the cause and solve the problem.

Discuss with management how the currently changes in the external market environment could have been the possible cause of the changes in sales. (10 marks)

(b) Describe the steps that a customer goes through to adopt a new product. (10 marks)

(c) With the aid of illustrations, explain the last two levels of consumer marketing channels (6 marks)

(d) Marketers are today faced with a mirage of challenges that never existed in the past. Discuss any two of these challenges. (4 marks)

SECTION TWO – ANSWER ANY TWO QUESTIONS

QUESTION TWO

(a) You have been appointed a marketing manager at FAULU Kenya, the organization has asked you to assist Jua kali artisan on how to market their products. Prepare a presentation to Jua kali artisan to cover the following.

i. The importance of market segmentation. (8 marks)

ii. Factors to consider in segmenting the markets. (8 marks)

(b) Outline any four benefits a marketer will accrue from branding of his products. (4 marks)

QUESTION THREE.

(a) In a competitive marketing environment, pricing is very critical whether the product is new or old in the market. Discuss any five internal factors marketers must consider when setting prices. (10 marks)

(b) With the aid of a diagram, explain the marketing strategies used at different state of Product life Cycle. (10 marks)

QUESTION FOUR

(a) Your marketing research team has identified the need of introducing a new product in the market; discuss with the management the following processes:-

i. New product development process. (12 marks)

(b) Discuss four marketing philosophies that organization can adopt as they sell this product.

(8 marks)