



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**ONE YEAR SECOND SEMESTER EXAMINATION FOR BACHELOR OF
BUSINESS IN INFORMATION TECHNOLOGY**

BCM 200: PRINCIPLES OF MARKETING

DURATION: 2 HOURS

DATE: 23RD APRIL 2018

TIME: 9.00 – 11.00 AM

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 A – ANSWER ALL QUESTIONS IN THIS SECTION

QUESTION ONE

ABC Ltd is a private Ltd Company operating in Kenya. It manufactures soaps, detergents and hair products. Due to increased competition, ABC Ltd is planning on starting a new line of designer perfumes for local and international markets.

Required:

- a) Describe the four stages that this product will go through and the strategies that ABC should use to maximize profits at each stage of the product life cycle. (PLC) (10 marks)
- b) There are four main components of a marketing information system. Define how ABC Ltd can use each of the component to make marketing decisions. (10 marks)
- c) Evaluate three strategies that ABC can use to select its target market. (6 marks)
- d) Outline four roles that retailers for this product will play. (4 marks)

SECTION B – ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO

- (a) Marketers use sales promotions to encourage the purchase or sale of a product. Analyze five sales promotion tools that marketers can use. (10 marks)
- (b) Discuss five internal environmental factors that influence the firm's ability to service its customers. (10 marks)

QUESTION THREE

Firms cannot survive today in a competitive business environment unless appropriate marketing strategies are adopted.

- (a) Discuss how the Five competitive forces identified by Michael Porter influence the nature of competition in business. (10 marks)
- (b) Analyze five factors that organizations should consider when setting prices for their products. (10 marks)

QUESTION FOUR

- (a) Janet is excited that she is about to purchase her first car. Analyze five factors that are likely to influence her buying behavior. (10 marks)
- (b) Marketers make many decisions in the line of their work. Describe five decisions they make concerning their products. (10 marks)