



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

**UNIVERSITY ORDINARY EXAMINATION FOR DIPLOMA IN BUSINESS
MANAGEMENT**

2017/2018 ACADEMIC YEAR

FIRST YEAR SECOND SEMESTER EXAMINATION

BCM O50 PRINCIPLES OF MARKETING

DURATION: 2 HOURS

DATE: 24TH APRIL 2018

TIME: 2.00-4.00PM

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 (30 MARKS)

- a) Explain any five macro environmental factors that affect marketing decisions (10 marks)
- b) Market segmentation is the dividing of a market into distinct groups which call for different marketing mix. Outline five benefits of market segmentation (5 marks)
- c) A consumer goes through a series of rational steps in the buying decision process. Describe the five steps (10 marks)
- d) Advertising is any paid form of non personal presentation and promotion of ideas, good or services by an identified sponsor. Outline five objectives of advertising (5 marks)

SECTION B – ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO (20 MARKS)

- a) Explain five strategies that marketers adopt in arriving at the price to charge for their products (10 marks)
- b) Explain the following philosophies/orientation as used in marketing
 - i. Selling philosophy (5 marks)
 - ii. Marketing philosophy (5 marks)

QUESTION THREE (20 MARKS)

- a) Describe the seven stages of new product development (14 marks)
- b) Outline six consumer buying roles (6 marks)

QUESTION FOUR

- a) Explain five basic functions of market research (10 marks)
- b) Explain five characteristics of services which make it difficult for marketers to market them (10 marks)