



Karingaga University

UNIVERSITY EXAMINATION 2016/2017

**YEAR I SEMESTER II EXAMINATION FOR THE DEGREE OF BACHELOR OF
COMMERCE**

HBC 2112: PRINCIPLES OF MARKETING

Date: Monday, 15th May 2017

Time: 8.30am – 10.30am

INSTRUCTIONS

*Answer Question **One** (Compulsory) and any other **Two** questions*

Question One

- a) Briefly explain four reasons why it is important for a firm to study consumer behavior **(4Marks)**
- b) Discuss the purchase decision process for a buyer of consumer goods **(6 Marks)**
- c) Consumer behavior is usually learnt. Explain 3 ways through which marketers attempt to influence consumers' learning about their products **(6 Marks)**
- d) J.P is a new company engaged in textile manufacturing. Explain to the marketing manager of this company when it is usually appropriate to segment the market for textile products. **(8 Marks)**
- e) Explain three aspects of a product that can be improved to make the product more appealing to customers **(6 Marks)**

Question Two

- a) Using relevant examples, explain the rationale for the use of middlemen in the channel of distribution **(10 Marks)**
- b) Explain the distribution channels used in the distribution of agricultural products in Kenya **(5 Marks)**
- c) The aim of marketing department in any given firm is to increase sales. Assuming that you are the marketing manager of XY company Ltd, which is a manufacturer of bathroom soap, suggest five pricing strategies you could use in attempt to increase sales for this product **(5 Marks)**

Question Three

- a) Discuss five sources of secondary data used when carrying out marketing research
(10 Marks)
- b) Analyze various contemporary issues in marketing today
(10 Marks)

Question Four

- a) Explain eight demographic bases (variables) for segmenting consumer markets
(8 Marks)
- b) Successful firms like Safari Com take time to analyze macro-environment factors likely to influence its operations and customers. Discuss six elements of macro-environment factors that a firm should continuously analyze in order to remain ahead of its competitors in terms of sales and profits
(12 Marks)

Question Five

- a) Explain four reasons why an existing manufacturing firm must continuously develop new products
(8 Marks)
- b) Discuss the new product life cycle and indicate marketing strategies appropriate in each stage in the cycle
(12 Marks)