



BOTSWANA COLLEGE OF DISTANCE AND OPEN LEARNING

In collaboration with

ZIMBABWE OPEN UNIVERSITY

BACHELOR OF COMMERCE HUMAN RESOURCE MANAGEMENT &

INDUSTRIAL RELATION

&

BACHELOR OF BUSINESS AND ENTERPRENUARSHIP

PRINCIPLES OF MARKETING

MK 200

SESSIONAL EXAMINATION

3 HOURS

Marks – 100

Instructions to candidates:

1. Answer **all questions** from sections A, Section B and Section C
2. Choose Any two questions from section D
3. Begin each answer to a new question on a new page.
4. Write legibly in grammatical English.
5. Use examples where possible to support your explanations.



Section A

[25 Marks]

Answer ALL questions. Each question carries ONE (1) mark.

Choose the best alternative answer

1. A product in the early maturity or decline stage may require which type of advertising?
A Persuasive
B Cooperative
C. Comparative
D. Reminder
2. Working with a reporter to try and get a favourable article about your company published in a newspaper is a form of _____.
✓A. Public relations
B. Personal selling
C. Advertising
D. Sales promotion
3. Asking for customer's order takes place during _____.
✓A. Presentation and demonstration
B. Closing
C. Reproach
D. Prospecting
4. Advertisers are increasingly shifting larger portions of their budget to media that cost less and target markets more effectively. All of the following benefits greatly influence this shift, except _____.



- A. Cable television
 - B. Digital satellite television
 - C. Outdoor advertising
 - D. Network television
5. Mr. Mabutso the salesperson on Bona Pty Ltd was unprepared for sales call. He had not been informed as much as possible about the organisation before making the appointment for later that day. What step had Mr. Mabutso omitted?
- A. Qualifying
 - B. Prospecting
 - C. Closing
 - D. Reproach
6. When two Burger King restaurants have disagreement over who should be able to sell in quantity at a discount to local athletic teams. They are in a _____ conflict.
- A. Vertical
 - B. Horizontal
 - ✓C. Generalised
 - D. No-win
7. The retailer added a standard markup of 40% to the cost of the product. What type of pricing is the retailer using?
- A. Break-even analysis
 - B. Consumer demand pricing
 - C. Perceived- value pricing
 - ✓D. Cost-plus pricing
8. Koketso is able to help negotiate the purchase process, while uniting buyers and sellers. They greatly value his expertise, and he doesn't have to buy the products in order to resell them.



- Koketso is a _____.
- ✓A. Commission merchant
 - B. Drop shipper
 - C. Broker
 - D. Truck wholesaler
9. Be Mobile's customers have noticed that the quality of services depend on who provides them as well as when, where, and how they are provided. What have the customers noticed?
- A. Service inseparability
 - B. Service intangibility
 - ✓C. Service variability
 - D. Service volatility
10. Tsotlhe and her grandmother had a chat about skinny jeans she wanted as her birthday present. The grandmother, who had never heard of skinny jeans before, stated that she personally has no use for them. For Tsotlhe's grandmother skinny jeans are _____.
- A. Available products
 - ✓B. Unsought products
 - C. Specialty products
 - D. Convenience products
11. The stages in the product life-cycle in their order are _____.
- A. Introduction, decline, maturity, growth
 - ✓B. Introduction, growth, maturity, decline
 - C. Introduction, maturity, growth, decline
 - D. Growth, maturity, decline, introduction
12. Conflicts between manufacturers and channel members may be because of _____.
- ✓A. Inadequacies in performance, differences in goals and multiple channels usage



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- B. Advertising policies; market segmentation strategies and management.
- C. Marketing philosophies
- D. Production methods used by manufacturers.
13. When a bakery merges with a milling company, which supplies it with flour. This form of expansion is known as _____.
- A. Horizontal integration
- B. Amalgamation
- ✓C. Backward vertical integration
- D. Conglomerate integration
14. The components of a physical distribution system are _____.
- A. Logistics management; warehousing and debt collection
- B. Intensive, selective and exclusive distribution
- ✓C. Warehousing, physical distribution and inventory control
- D. Customer service, order processing,, inventory control, warehousing ,
15. A perfectly competitive market structure have got _____.
- ✓A. Many sellers selling similar product and many buyers of the product
- B. One seller selling a product or products with no substitutes.
- C. Few sellers dealing in different products.
- D. None of the above.
16. When a producer charges different prices for the same product to various customers. This practice is known as _____.
- ✓A. Pricing individually
- B. Price discrimination
- C. Price determination
- D. Segment pricing

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17. When a business chooses to serve the whole market with all relevant products. We say the business is using _____ targeting strategy.
- A. Niche marketing
 - ✓ B. Full market coverage
 - C. Single market
 - D. Selective marketing
18. The way a product is defined by the consumers relative to competing products in the market is known as _____.
- A. Product development
 - ✓ B. Product positioning
 - C. Market share
 - D. Market segmentation
19. Which of the following does not fall under geographic segmentation?
- A. Cities
 - B. Districts
 - ✓ C. Level of consumer income
 - D. Continents
20. Below are some features relevant to product differentiation except _____.
- A. Performance levels
 - ✓ B. Customer consultancy
 - C. Durability
 - D. Style
21. Which of the following is not a component of the physical distribution process?
- ✓ A. Advertising
 - B. Warehousing



- C. Order processing
 - D. Transportation
22. Consumer decision-making can be influenced by the factors below except_____.
- ✓A. Level of income
 - B. Perception
 - C. Social class
 - D. The organisational structure of the seller.
23. Unethical behaviour in the field of promotion includes such behaviors as listed below except_____.
- A. Bribing of organisational buyers by our sales representatives
 - B. Using misleading organisational buyers by our sales representatives
 - ✓C. Provision of all necessary information that the customer needs before pushing the product.
 - D. Engaging in price wars with competitors to push them out of the market
24. The marketing mix comprises of 7Ps. The first four are product; price, promotion and place. Identify the other three from the list below.
- A. People, potential, prospecting.
 - B. Pre- approach, Physical Evidence, Process
 - ✓C. People, Processess, Physical Evidence
 - D. People, Payments ,Participation
25. The systematic design, collection, analysis and reporting of data and findings relevant to a specific marketing situation facing the company is _____.
- A. Market segmentation
 - B. Market Intelligence
 - C. Market Information

✓ D. Market Research

SECTION B TRUE / FALSE QUESTIONS

[15 MARKS]

Answer ALL questions. Each question carries ONE (1) mark.

Answer True or False for each of the following:

1. Segmenting markets according to age, gender, income levels and life cycle stages of consumers is referred to as geographical segmentation. **F**
2. To compete effectively on the market, a small firm should target to serve a niche market. **T**
3. In a pure monopoly, the market consists of one seller. **T**
4. Political instability in the country can have an impact on the operations of the business. **T**
5. The products which consumers buy to use in production of other goods ,which they will later sell to customers are called consumer products. **F**
6. Investment of insufficient funds in research and development of new products is one of the reasons why new products fail on the market. **T**
7. Food, clothing and shelter are examples of human wants. **T**
8. The difference between the value that the customer gains from owning and using a product and the cost of obtaining the product is referred to as customer value. **T**
9. Customer satisfaction is achieved when the product performance matches or exceeds the perceived expectations relative to the buyer's expectations. **T**
10. A Sales Assistant should be knowledgeable of company rules as well as the products that it offers. **T**
11. Small scale retailers are usually situated more conveniently for the majority of local shoppers. **T**
12. The price element of the marketing mix entails how the product is made available to the final customer. **T**
13. Packaging can also serve to decorate the product. **T**



DEGREE
JULY- DECEMBER

SESSIONAL EXAMINATION
MK 200-PRINCIPLES OF MARKETING

14. A market segment can be evaluated for its worthiness basing on its measurability, accessibility, action ability and profitability. **F**

15. A system consisting of people, equipment and procedures to gather, sort, analyse evaluate and distribute needed timely and accurate information for marketing decisions is called marketing intelligence. **F**

SECTION C

SHORT ANSWER QUESTIONS

[10 MARKS]

Answer all questions from this section

Show at-least five differences between Marketing Research and Marketing Information System

- uses technology for collecting
- research on a finding
- does not collect data in MR

(10 marks)

SECTION D

Essay- Type Questions

[50 MARKS]

Answer any two questions from this section

QUESTION 1

[25 marks]

Read the following passage and answer the questions that follow.

Fisherman's Friend achieves results through TV and Facebook campaign

Background

Fisherman's Friend was created by pharmacist James Lofthouse in 1865 to help Fleetwood's fishermen cope with the freezing conditions they often encountered in the inhospitable waters of the North Atlantic. Soon after, they would not put to sea without supplies of what they called their 'friend'. Today, over five billion of these lozenges are enjoyed every year in over 100 countries.

Fisherman's Friend's unique strength emanates from its high proportion of menthol and

eucalyptus. The Fox Kalomaski Crossing (FKC) campaign objective was for millions of loyal customers to keep enjoying Fisherman's Friend as well as gaining an even wider market.

Source:

[http://www.marketinginsider.com/Pepper/Article.aspx?ArticleID=23502&Title=Fisherman's Friend achieves results through TV and Facebook campaign](http://www.marketinginsider.com/Pepper/Article.aspx?ArticleID=23502&Title=Fisherman's%20Friend%20achieves%20results%20through%20TV%20and%20Facebook%20campaign) Aug 20, 2012

- (i) Discuss four impact that marketing will play to Fisherman's Friends. (16 marks)
- (ii) List the steps in the new product development, which Fisherman's Friends Company could have taken in developing their new product. (8 marks)
- (iii) Identify the brand in this case. (1 marks)

QUESTION 2

[25 marks]

Read the following passage and answer the questions that follow.

Nivea For Men gets personal through its F-commerce campaign

Background

Award-winning skincare brand Nivea launched a campaign in 2011 to encourage women to buy Nivea For Men products as Christmas gifts for males through their Facebook store. The real novelty was that the products could be sent out in specially designed gift-wrap that incorporated images of the recipient and sender, taken from the recipient's Facebook account.

SAY Media was approached by Carat, Nivea's media planning agency, to raise awareness of Nivea For Men products and the Facebook store to the required target audience (Women aged 25 to 54).

Strategy



DEGREE
JULY- DECEMBER

SESSIONAL EXAMINATION
MK 200-PRINCIPLES OF MARKETING

The goal was to create an engaging online ad built around the Nivea For Men advertising campaign based on the brand winning FHM magazine's Grooming Award for best product in 2011 for the eighth year in a row.

Not only was it important for the ad to draw attention to the quality of the product in this way, but it also had to introduce the product range and drive consumers to Facebook to purchase a Nivea For Men gift. It was also vital for the online ad to reach the required female demographic.

Aug 2, 2012

Source:

[http://www.marketing.com/Pages/Article.aspx?ArticleID=23490&Title=Nivea For Men e-commerce campaign](http://www.marketing.com/Pages/Article.aspx?ArticleID=23490&Title=Nivea%20For%20Men%20e-commerce%20campaign)

its personal through its E-commerce campaign

- (i) Distinguish between market segmentation and target market Give example related to the case above. (10 marks)

- (ii) Which segment of the market is Nivea targeting in this campaigning for? (2 marks)
- (iii) Explain five gains that Nivea gained from segmenting its market (10 marks)
- (iv) Why do you think Nivea targeted ladies to push their campaign (3 marks)

QUESTION 3

[25 marks]

A friend of yours notes that advertising and sales promotion is all about getting people to buy more. As a marketer, you are aware that sales promotion attempts to achieve many objectives for organisation, not all of which are to gain immediate sales.

- (i) Identify and explain five advantages of sales promotion other than achieving immediate sales and then (10 marks)



**DEGREE
JULY- DECEMBER**

**SESSIONAL EXAMINATION
MK 200-PRINCIPLES OF MARKETING**

- (ii) List and explain five forms of sales promotion tools that would be most effective in achieving the sales promotion objectives **(10 marks)**
- (iii) Discuss the similarity between sales promotion and advertising **(5 marks)**

END OF PAPER