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**BOTSWANA COLLEGE OF DISTANCE AND OPEN LEARNING**

**BACHELOR OF BUISNESS AND ENTREPRENEURSHIP**

**PRINCIPLES OF MARKETING**

**MK 212**

**SESSIONAL EXAMINATION**

**TIME ALLOWED: 3 HOURS**

**Marks – 100**

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**Instructions**

1. The examination consists of Four sections: A, B, C and D.
2. Start each question on a new page of the answer booklet.
3. Answer questions according to instructions given in each section.
4. Write answers in the answer booklet provided.
5. Write in grammatical English.



SECTION A MULTIPLE CHOICE QUESTIONS

[25 MARKS]

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

**Choose one alternative that best answers the question**

1. Which of the following is not a function of the marketing department of a firm?
  - a) Setting the budget for the entire organization
  - b) Researching for information concerning customer's needs
  - c) Communicating with customers concerning product features
  - d) Developing new products to cater for new customer needs
  
2. The macro-environment of a business comprises of \_\_\_\_\_.
  - a) Economic, political, social, physical and Technological factors
  - b) Employees, the location of a business, research and development department, suppliers.
  - c) Suppliers, customers, distributors, the media
  - d) Customers, products, marketing objectives
  
3. The systematic gathering, analysis and interpretation of information concerning a given marketing problem is called \_\_\_\_\_.
  - a) Marketing
  - b) Market segmentation
  - c) Marketing research
  - d) Marketing information systems.



4. The process by which a product is accepted by individuals is called the \_\_\_\_\_ process.
- a) Acceptance
  - b) Confirmation
  - c) Adoption/diffusion
  - d) Product development
5. The steps in the personal selling process in the order are \_\_\_\_\_.
- a) Prospecting, qualifying, pre-approach, approaching presentation and  
Demonstration, closing the sale
  - b) Closing the sale, presentation and demonstration pre-approach,  
Prospecting and qualifying.
  - c) Prospecting, qualifying, closing the sale
  - d) Prospecting and qualifying, pre-approach.
6. The point of operation at which the business's total revenue is equal to total cost is called \_\_\_\_\_.
- (a) Profitability point
  - (b) Break-even point
  - (c) Contribution point
  - (d) Margin of safety



7. Through the \_\_\_\_\_ marketers can access information from around the world via

networked computers.

- (a) Intranet
- (b) Extranet
- (c) Internet
- (d) Telecommunication

8. According to the Ansoff Matrix, developing a new product for a new market is regarded as \_\_\_\_\_ strategy.

- (a) Market penetration
- (b) Diversification
- (c) Product development
- (d) Market development

9. Which of the marketing mix variables represents communication with existing and

potential customers.

- (a) Place
- (b) Price
- (c) Product
- (d) Promotion



10. A firm produces plastic chairs for resale. Each chair has a selling value of P100. If variable costs amount to P60 per unit and fixed costs are P400 000 per year, how many chairs have to be produced if the firm has to break even?

- (a) 4 000
- (b) 40 000
- (c) 10 000
- (d) 100 000

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 channel usage
- (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, Transportation and material handling.

15. A perfectly competitive market structure has 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

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 organizational structure of the seller.

23. Unethical behaviour in the field of promotion includes such behaviors as listed below except \_\_\_\_\_.

- (a) Bribing of organizational buyers by our sales representatives.
- (b) Using misleading statements in advertising to induce purchase.
- (c) Provision of all necessary information that the customer needs before purchasing the product.
- (d) Engaging in price wars with competitors to push them out of 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

- (e) People, potential, prospecting.
- (f) Pre-approach, physical evidence, processes.
- (g) People, processes, physical evidence.
- (h) 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 the \_\_\_\_\_ process.

- a) Market segmentation
- b) Market intelligence
- c) Marketing information
- d) Marketing research



SECTION B -TRUE /FALSE QUESTIONS

[15 MARKS]

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

State whether each of the following is True or False

1. Shopping products are products which require consumers to go around comparing different brands before purchase.
2. The point of operation where costs equal to total revenue total is called break-even point.
3. One of the functions of retailers is to break down bulk goods into smaller units for individual purchase convenience.
4. The marketing mix comprises the following variables advertising, personal selling, sales promotion, distribution and pricing.
5. Employees, location of the business and the organization's research and developments are components of an organization's internal marketing environment.
6. Cognitive dissonance arises when a consumer is not satisfied with the product purchased and it results in discomfort in the customer.
7. The application of rules and regulations on the operation of the business, for example, the Liquor Act is an example of the physical environment of the business.
8. The price of a product should be less than the costs incurred in producing the product.
9. Advertising and personal selling are closely related with public relations.
10. The promotional/budget can sometimes be set as a percentage of sales.



**SECTION C - SHORT ANSWER QUESTIONS**

**[15 Marks]**

**Answer all questions from this section**

- (a) Distinguish between marketing research and marketing information system.

**SECTION D -ESSAY-TYPE QUESTIONS**

**[TOTAL 50 MARKS]**

**Answer any two questions from this section**

**QUESTION 1**

**[25 marks]**

**Read the following and answer the questions that follow**

One of the most significant developments in the modern business is thinking and practice, which has been the development of the marketing concept. Companies have moved from being production orientated and product orientated, through being sales orientated, through being sales orientated to market orientated.

Perhaps the most note able difference between pre and post marketing oriented company is the fact that sales are later seen to be apart of the marketing function.

The marketing concept does not imply that sales activities are any less important than marketing activities. There is need to integrate the two so that coordination is made possible. In light of the above phrase, address the following questions:

- a) Discuss four (4) marketing concepts mentioned above. **(20 marks)**
- b) Explain the implication of production concept. **(5 marks)**



**QUESTION 2**

[25 marks]

(a) Explain in detail the term 'marketing mix'.

(5 marks)

(b) Discuss four (4) roles of 'place' as part of the marketing mix.

(20 marks)

**QUESTION 3**

[25 marks]

**BUIDING A BETTER WORKPLACE THROUGH MOTIVATION**

People spend a considerable part of their lives at work, so it is not surprising that they expect to be rewarded and satisfied with the job that they do. Motivation is concerned with why people do things as well as what drives them to behave in a particular way. Understanding what motivates individuals is important in the workplace. Research suggests that motivated employees are happier at work. They get more satisfaction from their work, are absent less often, tend to be more loyal and work with more enthusiasm. This in turn encourages them to contribute more to the development of an organisation.

The Kellogg Company is the world's leading producer of breakfast cereals. Its products are manufactured in 18 countries and sold in more than 180 countries. For more than 100 years, Kellogg's has been a leader in health and nutrition. It has done this by providing consumers with a wide variety of food products.

Within Kellogg's, there is a variety of functions and work roles. These include engineering operatives in the manufacturing section. Others work in finance, marketing, sales, information technology or human resources. Keeping everybody motivated no matter what his or her role is. Kellogg's was recently placed in the top 100 of the Best Companies to Work For list in The Sunday Times. Kellogg's values and culture support its role as a good employer. Encouraging everyone to live by the K-Values throughout the whole business creates a culture of people that

**END OF EXAMINATION**

- a) Define motivation. (2 marks)
- b) From the above case study, Discuss six (6) benefits of motivation (18 marks)
- c) What makes Kellogg's a positive place to work for? (3 marks)
- d) List at-least two (2) signs of job dissatisfaction in an organisation (2 marks)

These values influence the behaviour of individuals within the workplace, making Kellogg's a positive place to work. Employees are encouraged to speak positively about each other when apart, focusing on their strengths. This involves listening to others and accepting their right to their own views regarding the workplace.

have ownership over their own projects and strive for continuous improvement and industry-leading results.

