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**PRINCIPLES AND PRACTICE
OF MARKETING**

November 2015

Time: 3 hours

Candidate's Signature _____

Date _____

**THE KENYA NATIONAL EXAMINATIONS COUNCIL**

**DIPLOMA IN SUPPLY CHAIN MANAGEMENT
DIPLOMA IN INVESTMENT MANAGEMENT
DIPLOMA IN MARITIME TRANSPORT LOGISTICS**

PRINCIPLES AND PRACTICE OF MARKETING**3 hours****INSTRUCTIONS TO CANDIDATES***Write your name and index number in the spaces provided above.**Write the date of the examination and sign in the spaces provided above.**This paper consists of SEVEN questions.**Answer any FIVE questions in the spaces provided in this question paper.**All questions carry equal marks.**Candidates must answer the questions in English.***For Examiner's Use Only**

Questions	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

This paper consists of 16 printed pages.

**Candidates should check the question paper to ascertain that
all the pages are printed as indicated and that no questions are missing.**

1. (a) There are certain features that distinguish organisational markets from consumer markets. Outline these features. (12 marks)
- (b) Highlight the primary objectives of marketing as a function in an organisation. (8 marks)
2. (a) One of the determinants of the value attached to a product is its quality. Explain the product aspects that define such quality. (12 marks)
- (b) Outline the changes in the economic environment of a country that can negatively affect the marketing effort of a firm. (8 marks)
3. (a) Describe the steps that a marketing manager should follow when positioning a product. (12 marks)
- (b) Highlight the ways in which the reference group of a consumer may exert influence on the consumer's behaviour. (8 marks)
4. (a) One member of the marketing channel is the agent middleman. Describe the features that define this member. (12 marks)
- (b) Highlight the possible areas of concern by customers that a marketing manager should address when designing a firm's service support programme. (8 marks)
5. (a) Macho manufacturers Ltd has noted an increased level of conflict among the members of its distribution channel. Highlight the measures that the firm should take in order to minimize this level of conflicts. (12 marks)
- (b) Explain the measures that a firm may take in order to enhance its relationship with a customer. (8 marks)
6. (a) Explain the ways in which a marketer would exercise discriminatory pricing for his products. (10 marks)
- (b) Benya manufacturers Ltd has decided to offer incentives to its channel members as a form of trade promotion. Highlight the reasons that may have led to this move by the manufacturer. (10 marks)
7. (a) Outline the factors that may lead to a perceived service delivery gaps in an organisation. (10 marks)
- (b) Describe the stages through which an adopter of a new product would be expected to go through. (10 marks)