

2902/102
**PRINCIPLES AND PRACTICE
OF MARKETING**
November 2018
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**DIPLOMA IN SALES AND MARKETING
MODULE I**

PRINCIPLES AND PRACTICE OF MARKETING

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of SEVEN questions.
Answer any FIVE questions in the answer booklet provided.
All questions carry equal marks.
Candidates should answer the questions in English.*

This paper consists of 2 printed pages.

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

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Turn over

1. (a) Organizations derive certain benefits from adopting the marketing concept philosophy in their marketing operation. Explain **five** such benefits. (10 marks)
- (b) Talu Ltd intends to undertake a marketing research exercise through oral interviews. Outline **five** advantages of using such a method. (10 marks)
2. (a) Explain **five** ways in which the nature of a product could influence the choice of a distribution channel by an organization. (10 marks)
- (b) Patrol Ltd intends to reduce individual products costs instead of increasing the final price on its products. Highlight **five** strategies that the organization could adopt to achieve the goal. (10 marks)
3. (a) Zigwe Ltd is in the process of setting price on it's new range of washing detergents. Outline **five** objectives that the organization could pursue through its pricing policy. (10 marks)
- (b) Explain any **five** benefits of using questionnaires as a method of carrying out a marketing research exercise. (10 marks)
4. (a) Hindi Ltd is in the process of selecting a media to advertise its products. Explain **five** factors that the organization could consider in the selection of media. (10 marks)
- (b) Lopra Ltd, a fast moving consumer Goods manufacturer, intends to evaluate levels of customer satisfaction. Explain **five** ways that the organization could undertake this exercise. (10 marks)
5. (a) An organization can obtain market intelligence information from various sources. Highlight **five** of these sources. (10 marks)
- (b) Lulu Ltd has introduced several new products into the market lately. Explain **five** possible reasons that may have made the organization to take such a move. (10 marks)
6. (a) Luzida Ltd has decided to adopt skimming pricing strategy on it's newly introduced brand of mobile phone. Explain **five** reasons for using such a strategy. (10 marks)
- (b) Explain **five** reasons that would make an organization opt to use retailers in the distribution of its products. (10 marks)
7. (a) Jopex Ltd has lately adopted aggressive sales promotion on its products. Explain **five** reasons why this move could be detrimental to the organization in the long run. (10 marks)
- (b) Outline **five** reasons that have made customer care important to many organizations. (10 marks)

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