2906/202
MARKETING MANAGEMENT
July 2019
Time: 3 hours

THE KENYA NATIONAL EXAMINATIONS COUNCIL

DIPLOMA IN BUSINESS MANAGEMENT
MODULE II

MARKETING MANAGEMENT

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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1. (a) Explain **five** reasons why customer relationship is necessary for success of a business.
                                                                                (10 marks)

    (b) Explain **five** uncontrollable forces in the external environment that may affect business operations.   (10 marks)

2. (a) Explain **five** reasons why a marketing manager should understand consumer behaviour.
                                                                                (10 marks)

    (b) Fobel Limited segments its market psychographically. Explain **five** reasons that may have led the firm to adopt this method of segmentation.   (10 marks)

3. (a) Explain **five** decisions that a firm may make when developing a new product.
                                                                                (10 marks)

    (b) Highlight **five** objectives that a firm may achieve through product price reduction.
                                                                                (10 marks)

4. (a) Explain **four** circumstances under which a marketing firm may use a railway to transport its products.   (8 marks)

    (b) Explain **six** roles of publicity as a method of promotion.   (12 marks)

5. (a) Highlight **five** challenges that marketers may face when marketing services.
                                                                                (10 marks)

    (b) Explain **five** instances when an organisation may modify its suppliers. (10 marks)

6. (a) Highlight the **four** strategies that an organisation may use to target customers.
                                                                                (8 marks)

    (b) Outline **six** limitations of the product life cycle in product management. (12 marks)

7. (a) Jewel Limited uses market penetration pricing strategy for its new products. Outline **five** advantages of using this method.   (10 marks)

    (b) Outline **five** factors that may cause conflicts among members of a distribution channel.
                                                                                (10 marks)

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