

2903/205

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2925/205

**PRINCIPLES AND PRACTICE OF
MARKETING**

July 2017

Time: 3 hours



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

This paper consists of SEVEN questions

Answer any FIVE questions in the answer booklet provided.

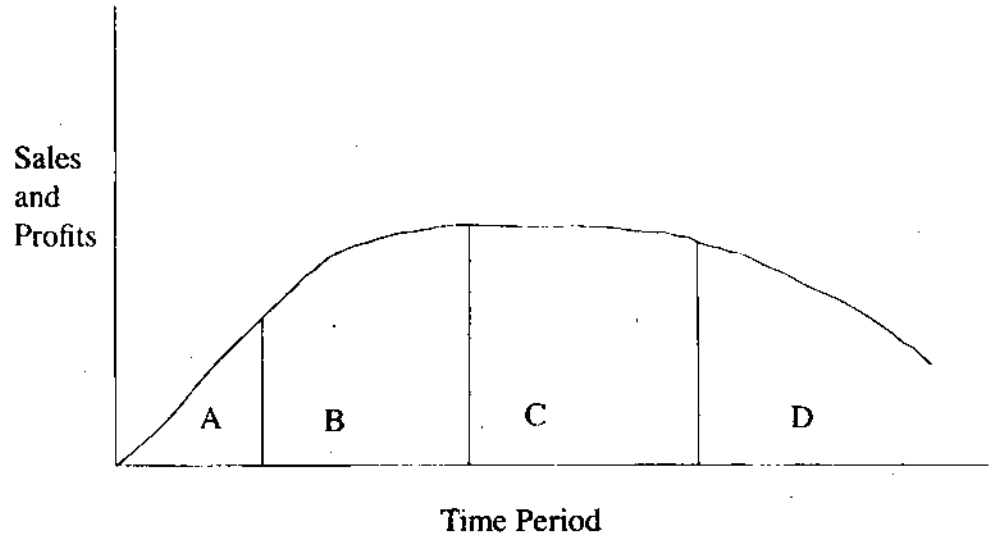
All questions carry equal marks.

Candidates should answer the questions in English.

This paper consists of 3 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) Wote Limited has one of its products in the stage marked "B" of a product life cycle.



Explain **five** marketing strategies which the firm should adopt for the product.

(10 marks)

- (b) Explain **five** ways in which application of marketing concepts guides a firm's efforts in achieving its marketing goals. (10 marks)

2. (a) Stem Limited recently rebranded one of its products. Explain **six** reasons which could have made the firm to take such an action. (12 marks)

- (b) Peter Limited deals with motorcycles. Describe **four** types of advertisements which the firm may use to promote the motorcycles. (8 marks)

3. (a) Explain **five** ways in which a firm's marketing activities are affected by an unstable political environment. (10 marks)

- (b) Organizations are increasingly using vending machines to dispense products such as milk. Outline **five** advantages of using these machines. (10 marks)

4. (a) Shirika Limited prefers using direct marketing to distribute its products. Explain **six** reasons for this preference. (12 marks)

- (b) Describe **four** economic factors which influence consumer buying behaviour. (8 marks)

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5. (a) Suppliers are a very crucial component of a firm's micro environment. Explain **five** measures which firms may take to maintain a good relationship with them. (10 marks)
- (b) Explain **five** factors which may make a marketing firm to modify its channel arrangement. (10 marks)
6. (a) Describe **five** variables which may be used in behavioural segmentation. (10 marks)
- (b) Explain **five** factors that may enhance customers satisfaction in a service business. (10 marks)
7. (a) Explain **five** instances when a marketing firm may maintain constant prices for its products. (10 marks)
- (b) Explain **five** reasons why some firms segment their market geographically. (10 marks)

Value of product
Technicality of product
Market concentration

interest
consumption need

7
2
Job equal
status

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