

2902/102
PRINCIPLES AND PRACTICE
OF MARKETING
July 2017
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

DIPLOMA IN SALES AND MARKETING

PRINCIPLES AND PRACTICE OF MARKETING

3 hours

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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.

creation of jobs
raise the standard of living

- 1. (a) Explain **five** roles that marketing plays in a society. (10 marks)
- (b) Juma, a marketing manager is in the process of gathering marketing intelligence. Describe **five** sources of secondary data that he may use to gather information. (10 marks)

newspaper
TV
street exhibit
Road shows
Radio

- 2. (a) Planning is one of the steps in market decision making process. Outline **five** reasons why a marketing firm should plan its marketing activities. (10 marks)
- (b) Explain **five** advantages that a marketing firm gets from using family branding strategy. (10 marks)

avoid mistakes
manage the time
achieve the goals
utilize the resources well

- 3. (a) Gems Limited has been experiencing a gradual decline in sales for the last two years. Explain **six** factors that may be contributing to the decline. (12 marks)
- (b) Jema Limited manufactures toothpaste and uses **indirect** marketing channel to distribute its products. Describe how the toothpaste gets to the final consumers. (8 marks)

poor competition
low quality goods
insecure
unskilled personnel

- 4. (a) Explain **five** aspects of a product which may cause customer dissatisfaction. (10 marks)
- (b) Coast Limited recently reduced prices of all its products by 10%. Explain **five** reasons that may have led to such a move. (10 marks)

harmful product
low quality
tax rate

competition
introduction of other products
encourage a lot of customers

- 5. (a) Tropical Limited uses price adjustment strategies to cater for customer differences. Outline **five** such strategies. (10 marks)
- (b) Explain **five** areas that channel members may be trained on in order to perform their roles more effectively. (10 marks)

- 6. (a) Describe **five** sales promotion methods that a marketer may use to increase sales. (10 marks)
- (b) Firms are increasingly using automatic vendor machines to sell their products. Explain **five** disadvantages of buying from such machines. (10 marks)

ad. publication
relation
person selling
demonstration

jobs
expensive
no power they can use

- 7. (a) Explain **five** benefits that a marketing firm derives from observing ethical business practices. (10 marks)
- (b) Tender Limited prefers using personal selling to promote its products. Explain **five** reasons for having such a preference. (10 marks)

more customers
gain of information data
no government intervention

less expense
less to force
one can make some points during the presentation
one can show the customers it is needed by buying
one can get feedback after promotion
one can demonstrate the product
to explain it

THIS IS THE LAST PRINTED PAGE.

Television

fashion

interest
shows

strategy

marketing

fast
advertising

health
attraction
related
advertising

license
whether

decide
decide

observing