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SCHOOL OF ACCOUNTING AND BUSINESS
BSc. (APPLIED ACCOUNTING) GENERAL / SPECIAL DEGREE
PROGRAMME

END SEMESTER EXAMINATION – JULY 2017

MGT 20325 Marketing

Date : 28th July 2017
Time : 5.30 p.m. - 8.00 p.m.
Duration : Two and a half (02 ½) Hours

Instructions to Candidates:

- Write the Index Number in the space provided at the top of this sheet. Do not write **your name** anywhere in this question paper.
- This paper consists of two parts (A and B)
- Part A – Answer **ALL** questions on the question paper itself.
Part B – Answer **any Four (04)** questions
Part C – Answer **only One (01)** question
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

Part A

Answer **ALL** questions

Question No. 01

Select the correct statement/alternative from the alternatives given below.

1. a. Needs can be created by marketers
b. As a society evolves, the needs of its members expand
c. Need is a state of felt deprivation of basic satisfaction
d. Need are shaped and reshaped by the society

ANS:.....

2. The basic physical needs include
 - a. food, clothing, warmth, shelter, and safety
 - b. power, affiliation, achievement, affection, and shelter
 - c. knowledge, self-expression, ego, food, and self actualization
 - d. affiliation, shelter, achievement, self esteem, and ego

ANS:.....

3. A manufacture of drill bits may think that the customer needs a drill bit. The thinking of the manufacture suffers from
 - a. competitor myopia
 - b. management myopia
 - c. marketing myopia
 - d. both management and competitor myopia

ANS:.....

4. Demand for Ladies' Jeans are gradually increasing in the market place. Cooray and company, however, produces skirts and blouses as it can produce them at low cost. This company is;
 - a. both effective and efficient
 - b. efficient but not effective
 - c. effective but not efficient
 - d. both not effective and not efficient

ANS:.....

5. “One can define competitors as a group of firms that offer a product or class of products that are close substitutes for one another.” This definition examines the competitors from;
- a. Market point of view
 - b. Competitor point of view
 - c. Industry point of view
 - d. Both Market point of view and Competitor point of view

ANS:.....

6. Major advantage of exchange process is that;
- a. Only the seller will be better off after exchange than he was before the exchange
 - b. Only the consumer will be better off after exchange than he was before the exchange
 - c. Both, the seller and the customer, will be better off after exchange than he was before the exchange
 - d. The seller will get the money, the customer will get the product

ANS:.....

7. The market which, obtains resources from the resource market turns them into goods and service, and then sells finished product to intermediaries/ end consumers, is known as;
- a. Resource market,
 - b. Manufacture market,
 - c. Consume market,
 - d. Intermediary market

ANS:.....

8. Read the scenario given carefully and then select the best alternative answer from the alternatives appended below;

“A marketer wants to investigate whether the relationship between ‘market orientation’ and ‘customer satisfaction’ varies in terms of the size of the organizations. He used the five point Likert scale to measure the multi- items covering the domain of market orientation and customer satisfaction. Size of the organizations was measured by a three point scale where 1= large, 2= medium, and 3 = small.”

- i. The level of measurements the marketer has used to measure the ‘market orientation’ ‘customer satisfaction’ and ‘size of the organizations, respectively are
- a. Interval, nominal and nominal
 - b. Nominal, ordinal, and ratio
 - c. Ratio, interval, and nominal
 - d. Interval, interval, and ordinal

ANS:.....

- ii. What is the nature of data set of ‘market orientation’ and ‘size of the organizations’?
- a. both concepts are metric
 - b. both concepts are non-metric
 - c. market orientation is non-metric and the organizations is metric
 - d. market orientation is metric and size of the organizations is non- metric

ANS:.....

9. If a customer wants to take a haircut, either he has to go to a barber or the barber has to go to the customer. Either party can’t buy or sell the haircut without being present. Major characteristic of pure service that renders this problem is;
- a. intangibility,
 - b. inseparability,
 - c. variability,
 - d. perishability

ANS:.....

(Total 20 marks)

Part B

Answer **any Four (04)** questions

Question No. 02

- a. American Marketing Association (2004) defines marketing as “an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.”

Comment on this definition.

(10 marks)

- b. Differentiate ‘Value System’ from ‘Value Chain’.

(05 marks)

(Total 15 marks)

Question No. 03

- a. The marketing manager of a hotel wants to increase the hotel’s market share. His strategy is to build up customer satisfaction through providing better food, clear rooms, augmented benefits and better trained hotel staff. Yet he has no authority in these matters. The catering department chooses food that keeps down food cost; the maintenance department uses cleaning services that keeps down cleaning costs; and the human resource department hires people without considering to whether they are friendly and inclined to serve other people.

Analyze this scenario with a suitable concept.

(08 marks)

- b. Differentiate between the following concepts;

i. ‘Customer value’ and ‘customer value hierarchy’

(05 marks)

ii. ‘Proactive market orientation’ and ‘reactive market orientation’

(02 marks)

(Total 15 marks)

Question No. 04

- a. Consumer decision making varies with the type of buying decision. Marketing scholars have distinguished four type of consumer buying behavior – Complex, Dissonance-Reducing, Habitual and Variety Seeking - based on the combination of two dimensions. Identify these two dimensions and explain the marketing strategies suitable for each type of buying behaviours.

(10 marks)

- b. “The buying process starts long before the actual purchase and has consequences long afterward” Comment.

(05 marks)

(Total 15 marks)

Question No. 05

A marketer can employ several variables to segment a consumer market. However, not all segmentation schemes are useful. To be useful the marketer should evaluate the selected segment against a certain criteria. After evaluating different segments, the company can consider various patterns of target market selection.

- a. Explain the criteria that can be used for evaluating market segments.

(04 marks)

- b. Suggest and explain a theoretical model that can be used for evaluating the structural attractiveness of the segment.

(07 marks)

- c. Describe the various patterns of selecting ‘target market’

(04 marks)

(Total 15 marks)

Question No. 06

- a. The public has always viewed marketing intermediaries with some suspicion. Surveys have shown that more than half of the costs of the things we buy are marketing costs that are largely due to middlemen. People reason that if we could only get rid of middlemen, we could greatly reduce the cost of everything we buy. Discuss the validity of this claim.

(10 marks)

- b. What are the benefits of 'marketing mix' from the marketers and customers perspectives?

(05 marks)

(Total 15 marks)

Part C

Answer **only one (01)** question

Question No. 07

The goal of positioning is to locate the company's brand in the minds of consumers to maximize the potential benefit to the firm. In developing and communicating a positioning strategy the company requires to pay its attention on several activities. However, the result of positioning is the successful creation of a customer focused value proposition. Every variable of marketing mix should support the positioning strategy of the company. Analyse this statement.

(Total 20 marks)

Question No. 08

Company orientations towards market places deal with some conflicting alternative interests. However, some of these competing concepts have missed the strategic point of marketing. Meanwhile, others who believe 'everything matters with marketing' have recognized the need to have a more complete and cohesive perspective that goes beyond the traditional application of orientations towards market places. Analyze and comment on this statement.

(Total 20 marks)