

Name: _____ Index No. _____ / _____

1902/102

Candidate's Signature: _____

**PRINCIPLES AND PRACTICE OF
MARKETING**

Date: _____

November 2015

Time: 3 hours

**THE KENYA NATIONAL EXAMINATIONS COUNCIL****CRAFT CERTIFICATE IN SALES AND MARKETING****PRINCIPLES AND PRACTICE OF MARKETING****3 hours****INSTRUCTIONS TO CANDIDATES***Write your name and index number in the spaces provided above.**Sign and write the date of the examination in the spaces provided above.**This paper consists of TWO sections: A and B.**Answer ALL the questions in section A in the spaces provided after each question.**Answer any FOUR questions in section B in the spaces provided after question 15.**Candidates should answer the questions in English.***For Examiner's Use only**

Section	Question	Maximum Score	Candidate's Score
A	1 - 10	32	
B	11	17	
	12	17	
	13	17	
	14	17	
	15	17	
Total Score			

This paper consists of 16 printed pages.**Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.**

SECTION A (32 marks)

Answer ALL the questions in this section in the spaces provided after each question.

1. List **four** types of risks that a retailer bears in carrying out his marketing activities. (4 marks)
 - (i) _____
 - (ii) _____
 - (iii) _____
 - (iv) _____

2. State **three** advantages of using a telephone to seek for customer opinions. (3 marks)
 - (i) _____
 - (ii) _____
 - (iii) _____

3. Outline **three** characteristics of advertising as a form of marketing communication. (3 marks)
 - (i) _____
 - (ii) _____
 - (iii) _____

4. List **three** types of internal secondary data that a firm could use in a marketing research exercise. (3 marks)
 - (i) _____
 - (ii) _____
 - (iii) _____

5. Identify **three** categories of service retailers. (3 marks)
 - (i) _____
 - (ii) _____
 - (iii) _____

6. Outline **three** activities undertaken at the business analysis stage in a new product development process. (3 marks)
- (i) _____
- (ii) _____
- (iii) _____
7. List **four** categories into which consumer goods may be classified. (4 marks)
- (i) _____
- (ii) _____
- (iii) _____
- (iv) _____
8. State **three** types of price discounts that a firm could offer to its customers. (3 marks)
- (i) _____
- (ii) _____
- (iii) _____
9. Outline **three** functions of public relations in a firm. (3 marks)
- (i) _____
- (ii) _____
- (iii) _____
10. One category of small-scale retailers is the street stall operators. State **three** characteristics of such retailers. (3 marks)
- (i) _____
- (ii) _____
- (iii) _____

SECTION B (68 marks)

Answer any **FOUR** questions from this section in the spaces provided after question 15.

11. (a) In order to establish a long-term relationship with a buyer, the seller should provide certain after - the - sale services. Describe **six** such after - the - sale services. (9 marks)
- (b) PQR Company Limited has decided to use the radio to advertise its product. Explain **four** advantages of using this advertising medium. (8 marks)
12. (a) Manufacturers of edible oils are increasingly using plastic containers to package their products. Explain **six** reasons that may have contributed to this trend. (9 marks)
- (b) Describe **four** external sources of marketing information that can be used by a marketing manager. (8 marks)
13. (a) In the recent past, many firms have been experiencing strong consumer resistance to price increases. Explain **six** approaches that a firm could adopt to avoid increasing prices. (9 marks)
- (b) XYZ has been receiving numerous complaints about the services offered by its employees. Explain **four** measures that the firm should take in order to reduce the level of such complaints. (8 marks)
14. (a) Jamu Company Limited has decided to brand its products. Explain **six** advantages that the firm may derive from this move. (9 marks)
- (b) Explain the factors that a marketing researcher should consider when determining the data collection method to use. (8 marks)
15. (a) Explain **six** benefits that a manufacturer may derive from using a wholesaler to distribute his products. (9 marks)
- (b) Ms. Mariamu has decided to use personal interviews to collect data in a marketing research exercise. Highlight **four** disadvantages of using this method. (8 marks)