

Name _____ Index No _____ / _____

2902/102

PRINCIPLES AND PRACTICE OF MARKETING

July 2015

Time: 3 hours

Candidate's Signature _____

Date _____

**THE KENYA NATIONAL EXAMINATIONS COUNCIL**

**DIPLOMA IN SALES AND MARKETING
MODULE I**

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 examination in the spaces provided above.

This paper consists of SEVEN questions.

Answer any FIVE questions in the spaces provided in this question paper.

All questions carry equal marks.

Do NOT remove any pages from this booklet.

Candidates should answer the questions in English.

For Examiner's Use Only

Question	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's 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.

1. (a) Explain the factors that a marketing researcher should consider when using secondary data as a source of market information. (10 marks)
- (b) Lopta Ltd intends to make delivery processes more effective. Explain the ways in which the organization would achieve this objective. (10 marks)
2. (a) Lynex Ltd, a manufacturer of cooking oil, has been experiencing a decline in the sales of its products. Explain the measures that the company could take to reverse the trend. (10 marks)
- (b) Highlight the circumstances under which an organisation would find it necessary to reduce the prices on its products. (10 marks)
3. (a) For exchange potential to exist there are certain conditions that should be met. Outline these conditions. (10 marks)
- (b) Sungu Ltd manufactures a wide range of household products. Highlight the benefits that the organization could derive from using the intensive distribution strategy. (10 marks)
4. (a) Explain the reasons that would make an organization find it necessary to advertise its products. (10 marks)
- (b) Poor customer care in an organisation can manifest itself in various ways. Outline these ways. (10 marks)
5. (a) Mako Ltd, a newly established organization, intends to adopt the marketing concept in its operation. Explain the benefits that the organization may derive from such a move. (12 marks)
- (b) There are certain limitations of using survey as a method of market information gathering. Outline these limitations. (8 marks)
6. (a) Banco Ltd periodically gives discounts to its customers. Explain the reasons that may account for this practice. (8 marks)
- (b) Many organizations today are using on-line distribution methods for their products. Explain the benefits that accrue to the firms that do so. (12 marks)
7. (a) Tambo Ltd intends to advertise its new range of household products through the radio. Explain the reasons that may account for this preference. (10 marks)
- (b) Explain the reasons for the popularity of plastic packaging as used by many organizations. (10 marks)