

## SECTION A

## OBJECTIVES (25 marks)

## INSTRUCTION:

This section consists of **TWENTY FIVE (25)** objective questions.

Answer **ALL** questions in the answer booklet.

1. A firm that has the largest market share in the relevant product market and usually leads the other firms in price changes, new product introduction and distribution coverage is the \_\_\_\_\_.

[CLO1:C1]

- A. market leader
- B. market challenger
- C. market follower
- D. market nicher

2. The \_\_\_\_\_ copies some things from the leader but maintains a difference in terms of packaging, advertising, pricing or location.

[CLO1:C1]

- A. cloner
- B. imitator
- C. adapter
- D. counterfeiter

3. Which of the following statement is **NOT** included in the process of analyzing competitors?

[CLO1:C1]

- A. Identifying the company's competitors.
- B. Assessing competitors' objectives, strategies, weakness and reaction progress.
- C. Selecting which competitors to attack or avoid.
- D. Monitor each marketing performance by competitors'

EXAMINATION AND EVALUATION DIVISION  
DEPARTMENT OF POLYTECHNIC EDUCATION  
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION  
JUNE 2012 SESSION

**PB304 : MARKETING MANAGEMENT: THEORIES & PRACTICES**

**DATE : 20 NOVEMBER 2012 (TUESDAY)**  
**DURATION : 2 HOURS (8.30AM – 10.30AM)**

This paper consists of **TWELVE (12)** pages including the front page.  
Section A: Objective (25 questions – answer all)  
Section B: Essay (3 questions – answer all)

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INVIGILATOR**

(The CLO stated is for lectures reference only)

7. *“Companies undertake surveys to learn about people’s knowledge, beliefs, preference, and satisfaction and to measure these magnitudes in the general population”.*

Which type of research is best described by the statement above?

[CLO1:C1]

- A. Observation research.
- B. Focus-group research.
- C. Survey research.
- D. Behavioral data.

8. In spite of the rapid growth of marketing research, many companies still fail to use the research sufficiently. Which reason contributes to this failure in research?

[CLO1:C1]

- A. A narrow concept of the research
- B. Uneven caliber of researchers
- C. Poor framing the problem
- D. All the above are main considerations.

9. Which of the following is **NOT** the characteristic of services marketing?

[CLO 1:C1]

- A. Intangibility
- B. Homogeneity
- C. Perishability
- D. Heterogeneity

4. The following are the types of “open ended question” **EXCEPT** \_\_\_\_\_

[CLO1:C1]

- A. completely unstructured
- B. story completion
- C. word association
- D. multiple choice

5. *“A company can include a questionnaire on its web and offer an incentive to encourage respondents to answer the questionnaire”.*

Which answer best describes the statement above?

[CLO1:C1]

- A. mail questionnaire
- B. telephone questionnaire
- C. personal interview
- D. online interview

6. When the population is divided into mutually exclusive groups such as residential and the researcher draws a sample of the groups to interview, the researcher is using \_\_\_\_\_.

[CLO1:C1]

- A. convenience sample
- B. cluster (area) sample
- C. stratified sample
- D. quota sample

14. The intangibility of service can make promotion difficult since \_\_\_\_\_ [CLO1:C1]
- A. service cannot be stored for future periods
  - B. service often can be performed only at the customer's location
  - C. consumers may not be able to judge a service quality until service is rendered completely
  - D. service may be associated with the service provider
15. Which of these services has the highest degree of intangibility? [CLO1:C1]
- A. Auto rental
  - B. Replacement of an auto's radio with an upgraded unit
  - C. An optional extended 7-year warranty on a new car
  - D. Replacement of an air filter by the auto's owner on a do-it-yourself basis
16. "*Consideration and concern for the environmental consequences of product formulation, marketing, manufacturing and packaging*". This definition refers to \_\_\_\_\_ [CLO1:C1]
- A. Green environment
  - B. Green marketing
  - C. Pollution
  - D. Recycling
17. Which statement about the pricing practices of nonprofit organization is most suitable? [CLO1:C1]
- A. Prices must cover the price floor (marginal cost) in the short run
  - B. Prices may be so low that the market segments served may be economically unfeasible
  - C. Prices must reflect the costs of serving special segments
  - D. Prices must cover average total costs in the long run

10. Which of these is **NOT** a characteristic that distinguishes the marketing of services from the marketing of goods? [CLO1:C1]
- A. Perishability
  - B. Inseparability
  - C. Intangibility
  - D. Labor intensiveness
11. Which sentence below best describes service marketing? [CLO1:C1]
- A. An installment sale of a stereo system
  - B. The purchase of a home with a 30-year mortgage
  - C. The lease of an apartment in a garden apartment complex
  - D. The purchase of a cooperative apartment in a garden apartment complex
12. When discussing services, what is considered a hybrid offering? [CLO1:C1]
- A. Pure service.
  - B. Service with accompanying minor goods
  - C. Equal parts of goods and services
  - D. Pure tangible product
13. Which of the following statements is **FALSE**? [CLO1:C1]
- A. Services cannot be touched or seen in the same manner as goods.
  - B. Consumer judgments about services tend to be more subjective than objective
  - C. Services are first produced, then sold, then consumed
  - D. Services tend to vary from one transaction to another.

22. There are **FOUR (4)** types of objective methods of sales forecast. Identify which type is not included in one of the objective methods of sales forecast?

[CLO1:C1]

- A. Regression and correlation
- B. Delphi method
- C. Box-Jenkins methods
- D. Causal methods

23. "Because the quality of the forecast resulting from \_\_\_\_\_ method is depending on the expertise of panel members, it is important to select the best possible sample of experts and combine their answer carefully".

Identify which method is suitable for the above statement?

[CLO1:C1]

- A. Jury of executive
- B. Delphi method
- C. Sales force composite method
- D. Scenario method

24. If the sales forecasting is done incorrectly, the business will either \_\_\_\_\_

[CLO1:C1]

- A. Increased profit to the company
- B. Waste capital for buying surplus stock
- C. Increased efficiency
- D. Waste energy and time

18. In comparison with profit-oriented firms, an advantage of nonprofit organization is their \_\_\_\_\_ [CLO1:C1]

- A. Exemption from minimum-wage laws for employees
- B. Lower costs for utilities
- C. Reduced labour costs due to volunteers
- D. Clearly-defined organization mission

19. The most obvious distinction between non-profit organizations are: [CLO1:C1]

- A. For-profits have more exact marketing goals
- B. Non-profit have a different view of what constitutes the bottom line
- C. Customers of non-profit have more control
- D. Non-profits market services are not goods

20. The advantages of conducting sales forecast are as follow, **EXCEPT:**

[CLO1:C1]

- A. Provide the business with an evaluation of past and current sales levels and annual growth
- B. Allow the manager to compare their company performance to industry norms
- C. Allows the manager to establish their reward
- D. Help the manager to establish their policies, so that the manager can easily monitor the prices and operating costs

21. If the sales forecasting is done incorrectly, the business will either \_\_\_\_\_ [CLO1:C1]

- A. Increase profit to the company
- B. Waste capital for buying surplus stock
- C. Increased efficiency
- D. Waste energy and time

## SECTION B

## ESSAY (75 marks)

## INSTRUCTION:

This section consists of **THREE (3)** essay questions. Answer **ALL** questions.

## QUESTION 1

- a) Define competitor [CLO 1:C1]  
(3 marks)
- b) Classify **FOUR (4)** types of competitor. [CLO 1:C2]  
(8 marks)
- c) Describe competitor's strategies below:  
i. Market leader strategies  
ii. Market challenger strategies  
[CLO 1:C1]  
(8 marks)
- d) Every competitor is different in term of reaction pattern.  
Explain briefly **TWO (2)** competitor's reactions pattern.  
[CLO 1:C2]  
(6 marks)

25. The advantage of buyers' expectation method is \_\_\_\_\_  
[CLO1:C1]

- A. Forecast is based on opinions of individuals who are directly responsible for the actual sales results achieved
- B. Forecast is based on opinion of experts in the field
- C. Forecast is based on opinions of individuals whose buying activities will determine the actual sales results achieved
- D. Forecast is based on specialized knowledge of individuals closest to the market where the sales occur

## QUESTION 3

- a) Sales forecasting is a difficult area of management. Most managers believe they are good at forecasting. However, the forecasts made usually turns out to be wrong.
- i. Identify **FOUR (4)** common types of judgmental forecasting methods. [CLO 2:C4] (8marks)
  - ii. Differentiate between sales force composite method and Delphi method [CLO 2:C4] (5marks)
- b) Explain **THREE (3)** importance of sales forecasting in management. [CLO 2:C4] (12 marks)

## QUESTION 2

H&H Enterprise intends to produce a new product. As a company researcher, you are required to do a research regarding acceptance of new product.

- a) Explain briefly **FIVE (5)** importance of marketing research. [CLO2 :C2] (10 marks)
- b) Step 2 in marketing research is developing a research plan. You are required to explain briefly the following terms with appropriate example.
- i) Observation
  - ii) Focus group
  - iii) Survey
  - iv) Behavioral data
  - v) Experiment
- [CLO 2:C2] (15 marks)