



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

QUALIFICATION: DIPLOMA IN BUSINESS PROCESS MANAGEMENT

QUALIFICATION CODE: 06DBPM

LEVEL: 6

**COURSE: INTRODUCTION TO MARKETING AND ITS
ENVIRONMENT**

COURSE CODE: IME511C

DATE: NOVEMBER 2018

SESSION: 1

DURATION: 3 HOURS

MARKS: 100

1st OPPORTUNITY EXAMINATION QUESTION PAPER

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MODERATOR: MR. S. TJITAMUNISA

1. This examination paper consists of 8 pages (including this front page)
2. Instructions
3. Answer ALL questions.
4. Please write down your answers in the answer book provided.
5. Please answer **SECTION A** on the answer sheet provided at the back of this question paper, detach it and insert it inside your answer book

SECTION A: (25 x 2 Marks)

50 MARKS

1. Now that your employer has classified his SBUs, the next step to take in using the BCG approach is to determine _____.
 - a. what role each will play in the future
 - b. the tactical plan
 - c. the three-year budget
 - d. the profit centre
 - e. none of the above

2. Which of these is NOT one of the common strategies of the BCG approach?
 - a. build
 - b. hold
 - c. harvest
 - d. diversity
 - e. none of the above

3. While a valuable planning tool, a problem with using the BCG matrix centres is that it focuses on _____.
 - a. the future instead of now
 - b. now instead of the future
 - c. financial issues instead of the customer
 - d. the customer instead of suppliers
 - e. now instead of the market

4. In the BCG analysis, the matrix includes several circles. The circles represent _____.
 - a. the location of the firm's SBUs on the matrix
 - b. the rand sales of the firm's SBUs
 - c. the location of the firm's SBUs and their rand sales
 - d. cross-functional teams of managers
 - e. none of the above

5. A common practice among marketers is to increase sales to current customers without changing their products. What is this practice called?
 - a. market skimming
 - b. market penetration
 - c. market development
 - d. product extension
 - e. production extension

6. The principle objective of a market-oriented mission statement is to _____.
 - a. satisfy basic customer needs
 - b. satisfy basic supplier needs
 - c. satisfy basic shareholder needs
 - d. satisfy basic owner needs
 - e. satisfy basic partnership needs

7. Your text pointed out that mission statements should be both realistic and _____.
 - a. long-term
 - b. specific
 - c. short-term
 - d. value laden
 - e. unachievable

8. Many mission statements are written more for public relations purposes. In your text, these types of statements are referred to as _____ mission statements.
 - a. trite
 - b. copycat
 - c. generic
 - d. structured
 - e. none of the above

9. Successful organisations base their missions on their _____.
 - a. distinctive competencies
 - b. strategic plans
 - c. long-term goals
 - d. value statements
 - e. value propositions

10. The firm's mission needs to be turned into detailed supporting objectives for _____.
 - a. success
 - b. each level of management
 - c. corporate needs
 - d. shareholder wealth
 - e. customer growth

11. The largest and most commercially influential demographic group is _____.
 - a. Generation X
 - b. baby boomers
 - c. Generation Y
 - d. seniors
 - e. infants

12. The groups within a firm such as top management, finance and R&D are called the _____.

- a. culture
- b. diversity
- c. internal environment
- d. climate
- e. range

13. Which of the following do suppliers NOT provide marketers within your firm?

- a. resources to produce products and services
- b. insight into trends and competitors
- c. partners in creating and delivering customer value
- d. the funding for your pay cheques
- e. b and d

14. Nothing happens until people buy something, and they cannot do so without access to products. Which of the following move the product from producer to buyers?

- a. financial intermediaries
- b. physical distribution firms
- c. marketing service firms
- d. resellers
- e. modified re-buyers

15. Banks, insurance firms and other businesses that help finance transactions or insure against the risks associated with the buying and selling of goods and services are referred to as _____.

- a. financial intermediaries
- b. physical distribution firms
- c. marketing service agencies
- d. resellers
- e. wholesalers

16. Major sources of new-product ideas include internal sources and external sources. All of the following are common internal sources of new-product ideas EXCEPT _____.

- a. questioning executives and professionals
- b. the firm's records and data
- c. encouraging intrapreneurism
- d. privileged information
- e. past sales numbers

17. Some firms give customers the tools and resources to design their own _____.
- a. advertising campaigns
 - b. products
 - c. product modifications
 - d. product applications
 - e. shelves
18. Major sources of new-product ideas include internal sources and external sources. All of the following are common external sources of new-product ideas EXCEPT _____.
- a. customers
 - b. suppliers
 - c. competitors
 - d. government agencies
 - e. c and d
19. How could you use competitors as a choice of external new-product ideas?
- a. buy one of their products
 - b. analyse their sales
 - c. dismantle one of their products
 - d. all of the above
 - e. none of the above
20. The purpose of idea generation is to create a large number of ideas. The purpose of the succeeding stages is to _____ that number.
- a. refine
 - b. reduce
 - c. evaluate
 - d. expand
 - e. none of the above
21. Beyond customers, firms can tap several other external sources including all of the following EXCEPT _____.
- a. competitors
 - b. their outside sales force
 - c. distributors
 - d. suppliers
 - e. trade magazines

22. The strategy for setting a product's price is often changed when the product is part of a _____.
- a. pricing range
 - b. product mix
 - c. pricing loop
 - d. pricing cycle
 - e. pricing bundle
23. Firms facing the challenge of setting prices for the first time can choose between two broad strategies: market-penetration pricing and _____.
- a. market-level pricing
 - b. market-competitive pricing
 - c. market-skimming pricing
 - d. market-price lining
 - e. market-price filling
24. _____ pricing is the approach to set a low initial price in order to attract a large number of buyers quickly and win a large market share.
- a. Market-skimming
 - b. Market-penetration
 - c. Below-market
 - d. Value-based
 - e. Leader
25. Firms usually develop _____ rather than _____.
- a. substitutes; product modifications
 - b. product lines; single products
 - c. single products; product lines
 - d. product images; single products
 - e. revenue levels; profit goals

SECTION B

20 MARKS

QUESTION TWO

2.1 List **FIVE (5)** problems that a marketer would encounter when using the Boston Consulting Group approach matrix to analyse the business portfolio of a company

10 Marks

2.2 When a company has developed a new-product it has to use different marketing testing techniques, and one of the techniques that a company may use is a standard test markets. List any **FIVE (5)** challenges of using a standard market test for new products.

10 Marks

SECTION C

30 MARKS

QUESTION ONE

15 Marks

Every year hundreds of new products are introduced into the market. However, a very high percentage of these new products fail.

Briefly discuss **FIVE (5)** reasons that may lead to new product failure in the market. Provide practical examples to support your answer.

QUESTION TWO

15 Marks

Pricing is one of the most important elements of the marketing mix, as it is the only element of the mix, which generates a turnover for the organisation. The remaining 3p's are the variable costs for the organisation. It costs to produce and design a product, it costs to distribute a product and it costs to promote it. Price must support these elements of the mix. Pricing is difficult and must reflect supply and demand relationships. Pricing a product too high or too low could mean a loss of sales for the organisation.

With this view in mind, briefly discuss the **FIVE (5)** pricing strategies for marketers.

END OF PAPER

Please use this sheet to answer the section A

Detach this page and insert it inside your answer book

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