



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION**

**CENTRE FOR ENTERPRISE DEVELOPMENT (CED)**

<b>QUALIFICATION CODE:</b> 06DBPM	<b>LEVEL:</b> 6
<b>COURSE CODE</b> MPS511C	<b>COURSE NAME:</b> MARKETING PRINCIPLES
<b>DATE:</b> JUNE 2022	<b>MODE:</b> PM
<b>DURATION:</b> 3 HOURS	<b>MARKS:</b> 100

<b>SECOND OPPORTUNITY EXAMINATION PAPER</b>	
<b>EXAMINER(S)</b>	MR. S TJITAMUNISA
<b>MODERATOR:</b>	DR. S KAUPA

<b>INSTRUCTIONS</b>	
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers clearly.	

**PERMISSIBLE MATERIALS**

1. Examination paper
2. Examination script

**THIS QUESTION PAPER CONSISTS OF 8 PAGES (INCLUDING THIS FRONT PAGE)**

## SECTION A

### [True or False Questions]

Indicate whether the following statements are True or False by Crossing (X) in the appropriate box. Use the table provided on **page 8** to answer these question, detach and insert it into your answer booklet. 1 mark shall be awarded for each correct answer.

**(20 X 1) = 20 Marks)**

No.	Question
1.1	Electronic data interchange (EDI) is the computerized exchange of data between organizations.
1.2	Vast improvements in information technology are speeding the movement toward segmented marketing.
1.3	“Teaser” advertising is most closely associated with the buyer’s readiness stage of liking a product.
1.4	Wholesalers includes all the activities involved in selling products or services directly to final consumers for their personal, no business use.
1.5	Warehouse clubs appeal almost exclusively to low-income consumers seeking bargains.
1.6	In a conventional distribution channel, no channel member has much control over the other members and no formal means exists for assigning and resolving channel conflict.
1.7	Disintermediation has occurred when an online marketer takes businesses away from traditional brick-and-mortar retailers.
1.8	When consumers cannot judge the quality of a product because they lack information or skill, they are likely to perceive a higher-priced product as having higher quality.
1.9	The frequent use of promotional pricing can encourage customers to only buy when a brand is on sale.
1.10	Department stores carry narrow product lines with deep assortments of a particular product line and have a knowledgeable staff.
1.11	The life cycle of new retail forms is getting longer.

1.12	Marketers who use shopper marketing, use the retail store itself as an important marketing medium.
1.13	A company's marketing communications mix is also called its promotion mix.
1.14	Value –based pricing is the reverse of cost-based pricing.
1.15	Unsought products are products that the customer usually buys frequently, immediately, and with a minimum of comparison and buying effort.
1.16	Category killers carry a deep assortment of a particular product line and have a knowledgeable staff.
1.17	A service is anything that can be offered to a market for attention, acquisition, use or consumption and that might satisfy a want or need.
1.18	A company's product mix has four important dimensions; width, length, depth, and consistency.
1.19	Mass marketing is becoming a marketing principle for 21 <sup>st</sup> century.
1.20	Silas Gifts divides its markets into units of rations, regions, and cities. Silas uses geographic segmentation.

**SECTION B [Multiple Choice]**

**(20 x 1.5 = 30 Marks)**

Choose the correct answer and use the table provided on **page 9** to answer these questions, and please detach and insert it into your answer booklet. 1.5 marks shall be awarded for each correct answer.

2.1 \_\_\_\_\_ involves charging a constant, everyday low price with few or no temporary price reductions.

- A. Penetration pricing
- B. High-low pricing
- C. Cost-plus pricing
- D. EDLP

2.2 Fixed costs \_\_\_\_\_ as the number of units produced increases.

- A. Divide in half
- B. Decrease
- C. Stay the same
- D. Increase

2.3 When amusement parks and movie theaters charge admission plus fees for food and other attracts, they are following a(n) \_\_\_\_\_ pricing strategy.

- A. Optional –product
- B. By-product
- C. Skimming
- D. Two-part
- E. Penetration

2.4 Which of the following includes the use of catalogs, telephone marketing, kiosks, the Internet, mobile marketing?

- A. Advertising
- B. Public relations
- C. Sales promotion
- D. Direct marketing

2.5 Which of the following are the two major communication tools of the communications process?

- A. The senders and the receivers
- B. The message and the media
- C. Encoding and noise
- D. The media and encoding

2.6 The primary purpose of an advertising objective is to \_\_\_\_\_, persuade, remind.

- A. prompt
- B. inform
- C. incite
- D. motivate

2.7 Unilever’s ad: “Our wide variety of body washes makes Bath & Body Works smell way overpriced”, is a perfect example of \_\_\_\_\_ advertising.

- A. reminder
- B. informative
- C. comparative
- D. motivate

2.8 Many companies now use a combination of phone, email, fax, internet, and other technologies to provide \_\_\_\_\_.

- A. Support services
- B. Product mixes
- C. Brand equity
- D. Packaging advantages

2.9 Price setting is usually determined by \_\_\_\_\_ in small companies.



- A. Sales department
- B. Top management
- C. Divisional managers
- D. Marketing department

2.10 Product mix \_\_\_\_\_ refers to the total number of items a company carries within its product lines.

- A. Height
- B. Length
- C. Depth
- D. Width

2.11 \_\_\_\_\_ segmentation divides the market into affluent or low-income consumers.

- A. Psychographic
- B. Income
- C. Geographic
- D. Demographic

2.12 What is the function of public relations?

- A. Building up a good corporate image
- B. Building a direct connection with customer
- C. Obtaining immediate customer response
- D. Making sales

2.13 Which method for setting the promotional budget begins with total revenues, deducts operating expenses and capital outlays, and then devotes some portion of the remaining funds to advertising?

- A. Percentage-of-sales method
- B. Competitive-parity method
- C. Affordable method
- D. Objective-and-task method

2.14 Many marketers are now embracing the concept of \_\_\_\_\_, using in-store promotions and advertising to extend brand equity to “the last mile” and encourage favorable in-store purchase decisions.

- A. disintermediation
- B. market skimming
- C. shopper marketing
- D. exclusive marketing

2.15 A product is a key element in the \_\_\_\_\_. At one extreme it may consist of pure tangible goods or at the other extreme, pure services.

- A. Co-branding
- B. Value chain
- C. Brand equity
- D. Market offering

2.16 \_\_\_\_\_ marketing targets the whole market with one offer.

- A. Differentiated
- B. Concentrated
- C. Undifferentiated
- D. Local marketing
- E. Product marketing

2.17 To differentiate themselves, many companies go beyond offering products and services; they are also developing and delivering customer \_\_\_\_\_.

- A. Events
- B. Experiences
- C. Product lines
- D. Brands

2.18 \_\_\_\_\_ positioning involves meeting consumers' lower performance or quality requirements at a much lower price.

- A. Same for less
- B. More for the same
- C. Less for much less
- D. More for more

2.19 Which of the following are two dimensions of product quality?

- A. Level and consistency
- B. Consistency and accuracy
- C. Reliability and level
- D. Accuracy and reliability

2.20 \_\_\_\_\_ divides buyers into different segments based on social class, lifestyle, or personality characteristics.

- A. Behavioral segmentation
- B. Psychographic segmentation
- C. Demographic segmentation
- D. Gender segmentation

**SECTION C**

**(50 marks)**

**Question 1**

**(10 Marks)**

With relevant Namibian examples; explain what you understand by the following?

- 1.1 Intensive Distribution **(2 marks)**
- 1.2 Direct Marketing **(2 marks)**
- 1.3 Convenience store **(2 marks)**
- 1.4 Third –party Logistics (3PL) **(2 marks)**
- 1.5 Franchise retail organization **(2 marks)**

**Question 2**

**(20 Marks)**

2.1 With fixed costs of N\$600,000.00, a variable cost of N\$60, and expected sales of 80,000 units, what is the manufacturer's unit cost? **(4 marks)**

2.2 Identify and define the important internal and external factors affecting **(minimum five)** a firms pricing decisions. **(10 marks)**

2.4 Compare and contrast the two new product pricing strategies in marketing (Market penetration pricing/Market skimming pricing strategies) and discuss the conditions under which each is appropriate. **(6 Marks)**

**Question 3**

**(20 Marks)**

3.1 Just because a marketer identifies a segment does not necessarily mean that it's a useful one to target. There are many ways to segment a market, but not all segmentations are effective. Name and describe the five (5) requirements for useful market segments.

**(10 Marks)**

3.2 Identify and explain any 5 **(FIVE)** of the various segmentation variables. Be specific in your answer and use examples to demonstrate what each means. **(10 Marks)**

**SECTION A [True or False Questions] , SECTION B [Multiple choice]**

**Student no..... /20 marks (20x1 = 20 Marks)**

	<u>True</u>	<u>False</u>
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**SECTION B [Multiple Choice]**

**(15 x2 = 30 Marks)**

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
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