



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

**A. M. E. C. E. A**  
**MAIN EXAMINATION**

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**AUGUST - DECEMBER 2016 TRIMESTER**

**FACULTY OF COMMERCE**

**DEPARTMENT OF MARKETING AND MANAGEMENT**

**ODEL PROGRAMME**

**CMK 121 PRINCIPLES OF MARKETING**

**Date: DECEMBER 2016**

**Duration: 2 Hours**

**INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions**

- Q1. Turbulent changes in the environment have led to shorter product life cycles. Your boss has asked you to inform the other employees of how the firm can acquire or develop new products and manage them through their life cycles. Prepare your presentation bearing in mind:
- a) Five advantages of acquisition (5 Marks)
  - b) The steps involved in developing a new service (10 Marks)
  - c) Five products that have failed and the reasons why they failed (10 Marks).
  - d) Five strategies of managing the decline stage of the product life cycle (5 Marks)
- Q2. The concept of market segmentation, targeting and positioning has gained prominence over the years. Discuss:
- a) Two bases of segmenting consumer markets (8 Marks)
  - b) Three approaches of targeting (6 Marks)
  - c) Three positioning strategies (6 Marks)
- Q3. Elaborate on five objectives that a firm can achieve by using price. Use relevant illustrations (20 Marks)
- Q4. Identify four promotion mix elements. For each one of them, list and briefly explain five advantages associated with it. (20 Marks)

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