



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

A. M. E. C. E. A

P.O. Box 62157

00200 Nairobi - KENYA

Telephone: 891601-6

MAIN EXAMINATION

JANUARY – APRIL 2019 TRIMESTER

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING AND MANAGEMENT

REGULAR PROGRAMME

CMK 121: PRINCIPLES OF MARKETING

Date: APRIL 2019

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

- Q1. a) You are the owner of Rafiki Pizza Shop in Two Rivers Mall in Kenya which sells a whole range of merchandize from electronics, fast foods and clothing. . Your business has been operating for the past three years and made a handsome profit, in the first three years. However, the current year's sales figures are bad with a 20 per cent decline in sales turnover. Also, the shop is faced with financial shortages and upgrading of the technological systems to improve efficiency is a challenge.

Yesterday evening you listened to the news at seven and heard about the following major developments in the economy:

- a) An increase in the inflation rate of 2 per cent for the year.
- b) An increase in unemployment of 5 per cent, with specific reference to the high level of unemployment in the country.
- c) A growth in fast-food enterprises of 20 per cent over the last year.
- d) A decline in the personal disposable income of 10 per cent during the last year.
- e) New legislation whereby more females must be employed in the existing workforce
- f) A group calling itself a Reform Resistance Movement has come up with the aim of destabilizing the government.

- i) Clearly discuss the **strengths** and **weaknesses** of Rafiki Pizza Shop.

10 marks

ii) Analyze the **opportunities** and **threats** of Rafiki Pizza Shop

10

marks

b) Clearly discuss the following terms in relation to marketing

i) Needs

ii) Wants

iii) Demands

iv) Product

v) Exchange

10 marks

Q2. a) Discuss any four concepts (beliefs/philosophies) of marketing management.

10 marks

b) Analyze the importance of Ethics in marketing.

10 marks

Q3. a) An organisation well known to you has been faced with challenges and is on the verge of downfall. As the Marketing Consultant, discuss the strategies that can be used to help improve the organisation. **10 marks**

b) Discuss the importance of Marketing to the Economy of your Country.

10

marks

Q4 ABC company has been showing signs of decline in its marketing activities due to internal conflict. **Discuss clearly** how **each** of the micro-environmental factors may have contributed to this decline. **20 marks**

END