

**UGANDA MARTYRS UNIVERSITY, NKOZI CAMPUS, MASAKA CAMPUS,
LUBAGA CAMPUS AND MBALE CAMPUS**

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

DEPARTMENT OF MANAGEMENT SCIENCE

PROGRAMM: BACHELOR BUSINESS ADMINISTRATION AND MANAGEMENT.

**: BACHELOR OF MICROFINANCE AND COMMUNITY
DEVELOPMENT**

: BACHELOR OF PROCUREMENT AND SUPPLIES MANAGEMENT

: BACHELOR OF SCIENCE IN ACCOUNTING AND FINANCE

: BACHELOR OF INTERNATIONAL BUSINESS MANAGEMENT

YEAR TWO SEMESTER ONE

COURSE NAME: PRINCIPLES OF MARKETING.

COURSE CODE:2106

DATE: /DECEMBER/2023

Time allowed: 3 hours:

Instructions to Candidates:

Read the following before answering the examination questions.

- i) Do not write anything on this question paper.
- ii) Use of relevant examples will earn you a credit.
- iii) Attempt any **FOUR (4)** questions.



Question One

- (a) Business organization to be successful they need to set goals and strategies. Identify and explain what organizations need to consider in formulating these strategies. Use relevant workplace examples to support your answer. (15marks)
- b) With relevant examples, State and explain the core marketing concepts. (10marks)

Question two

- (a) Segmentation is often described as a “rifleshoot” approach to marketing. With relevant examples, state and explain the importance of effective market segmentation to an organization. (10 marks)
- b) Assume you have been appointed sales executive of a firm with a new product which despite its good quality, is disliked by most of the target and actual customers. With the knowledge and skills you have in segmentation of markets, identify and explain the market segmentation bases you will employ to ensure that this new product succeeds. (15 marks)

Question Three

In the past 30 years Kakama sales limited has been trading in car tyres as a family business. This family business has been passed on from generation to generation, making it the oldest privately-owned company in Uganda.

Initially, Kakama sales limited imported from India bicycle tyres and spare parts and sold them in and around Kampala City business district. With promising market base for tyres in the country, the management of Kakama sales limited ventured in car tyres business in Uganda. Besides, it also imported and sold tyre tubes and car rims to meet the high demand in the country. The buyers range from sports car racers to transport business owners and saloon car owners.

To consolidate its business, the company always emphasizes on high quality and premium price, design, durability and safety as the driving force behind customer satisfaction. Unfortunately, these product attributes have never been communicated to both the current and potential customers. Quality is maintained by its suppliers in India and Japan, Kakama sales limited often sends its top

quality controllers to the supplier's production floors to inspect at random, tyres that came off the production lines.

For the past four years, the total sales data of Kakama sales limited products stands as follows: in 2016, 2017, 2018, 2019 sales were 17.4 millions, 18.9 millions, 21.1 millions and 21.9 millions respectively. This steady growth has been good for the company but the General Manager, Mr. Kintu thinks otherwise. He proposes that constant percentage growth can be doubled in the year 2020 period. Considering the population growth of vehicles owners in the country, Kintu's future sales focus is possible. Besides, other options of increasing sales in short-term period are there for the company to consider.

With little or no competition, Kakama sales limited is enjoying its business in the country. However, of recent there have been protests by environmentalists against the pollution of the environment, especially in urban centres in Uganda. They argue that during protests against the government policies, youth burn old tyres, making it difficult for the residents to breath. Protesters also claim that some tyres that are imported into the country burst while on the roads, causing fatal accidents to other road users. The have been joined by university students, bus passengers and residents living along major roads in Uganda.

These concerns have not left the management of Kakama sales limited without developing some strategies. They think some people are ignorant of the company's product attributes. To correct this misconception, positioning strategies need to be conveyed to the protesters and customers to change their attitudes about the company's products. A hired consultant by the company, consultant Jackson has advised that advertising and public relations be applied intensively by the company to reverse the negative images people have about the company's products.

Basing on the case of Kakama sales limited,

a) Identify and explain the micro-environmental forces cited in the case. **(10marks)**

b) In rapidly changing markets, such as air travel, it is important to analyze the general external environment. Using the PESTLE framework, analyze the external environment that this industry operates in. Use examples from relevant airline companies to support your answer. **(15 marks)**

Question four

(a) understanding, analyzing and keeping track of consumer behavior is critical to a business because this way marketers can understand what influences consumer buying decision. With relevant examples, discuss the five (5) stages of the consumer decision process. **(10 marks)**

(b) In the purchase decision of any product, there are always different types of buying behavior. As a marketing consultant, state and explain to company management the different types of buying behavior in decision making of a buyer. **(15 marks)**

Question five

a) New Product development is one of the key activity organizations should concentrate on in order to improve its market performance. New products that organizations develop are classified into consumer products and industrial products. With relevant examples, State and explain the different categories of consumer products. **(15 marks)**

b) Developing new products is essential and necessary to every organization. successful organizations concentrate on new product development in order to improve its market performance. With real relevant examples in Africa and beyond, State and explain why some new product fail to survive in a chaotic and competitive environment. **(10 marks)**

Question six.

(a) Marketing research helps an organization to make guided decision so as to achieve a market growth. However, organizations always concentrate on a handful of markets as enquiries become more focused. State and explain the likely challenges that force marketing researcher to concentrate on few markets. **(10marks)**

b) Marketing research plays a great role in providing information that improves the overall organizational market performance. Using work place examples, state and explain the importance of marketing research to an organization **(15 marks)**

END