

FINAL
Examination Paper

(COVER PAGE)

Session : August 2016

Programme : Diploma in Business (DIB)
Diploma in Mass Communication (DMCN)
Diploma in Culinary Arts (DCA/DCAN)
Diploma in Graphic Design (DGD)
Diploma in Interactive Multimedia And Animation (DIMA)

Course : **MKT1102: Fundamentals Of Marketing**

Date of Examination : 03 December, 2016 (Saturday)

Time : 2:00pm – 4:00pm Reading Time : Nil

Duration : 2 Hours

Special Instructions :

SECTION A: Answer **ALL** questions in the OMR sheet provided.

SECTION B: Answer any **THREE (3)** short-answer questions.

Materials permitted : Nil

Materials provided : OMR sheet

Examiner(s) : Lee Koon Yoong, Anthea Jacelyn Matanjun, Dr Vincent Wee,
Eti Farah, Norulashikin, Norsyaqinah Md Noor

Moderator : Associate Professor Dr Azizah Omar

This paper consists of 7 printed pages, including the cover page .

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MKT1102: FUNDAMENTALS OF MARKETING
FINAL EXAMINATION: AUGUST 2016 SESSION

Instruction: This paper consists of **TWO (2) SECTIONS**. Answer **ALL** question in **SECTION A** and any **THREE (3)** questions in **SECTION B**.

SECTION A: Answer **ALL** questions in the OMR sheet provided. (40 marks)

1. According to the five-step model of the marketing process, which of the following is the final step in creating value for customers?
 - A. designing a customer-driven marketing strategy
 - B. understanding the marketplace and customer needs
 - C. constructing an integrated marketing program that delivers superior value
 - D. building profitable relationships and creating customer delight

2. Many managers think that "doing things right," or _____, is as important as, or even more important than, "doing the right things."
 - A. strategy
 - B. planning
 - C. positioning
 - D. implementation

3. Which of the following is true of the baby boomers?
 - A. They tend to see themselves as far older than they actually are.
 - B. They represent a rapidly shrinking market for new housing and home remodeling.
 - C. They are long past their peak earning and spending years.
 - D. They control an estimated 70 percent of the United States' disposable income.

4. Which of the following situations is expected to enhance the use of targeted advertising messages by marketers?
 - A. increase in derived demand in the market
 - B. increase in ethnic populations
 - C. rising global inflation rates
 - D. inadequate quality control

5. Soon-Yi Park's chain of travel agencies has identified the lesbian, gay, bisexual, and transgender community as a growing market that spends an increasing percentage of its income on travel. Which of the following would be the LEAST effective component of a marketing plan for Soon-Yi to take advantage of this opportunity?
- A. develop a presence on LGBT-oriented social networking sites
 - B. position his agency as focused on specialized experiences
 - C. implement a mass marketing campaign
 - D. place specially-targeted ads in gay-themed publications
6. Kei, a senior marketing manager of a pizzeria in North Florida, is currently researching electronic collections of consumer information within the company network to arrive at crucial marketing decisions. In this instance, Kei is using _____.
- A. ethnographic research
 - B. internal databases
 - C. descriptive research
 - D. data warehouses
7. Firms use competitive marketing intelligence to _____.
- A. create and sustain market monopolies
 - B. counter the adverse effects of organizational anarchy
 - C. perpetuate organizational learning
 - D. gain early warnings of competitor moves and strategies
8. Kinger Burgers came out with a new hamburger and, before including it into its main menu, released it in two different cities with two different prices. The marketers at Kinger Burgers then analyzed the different levels of purchase made at these two different places, planning to use the information to help them set a nationwide price for the new offering. This is an example of _____.
- A. ethnographic research
 - B. descriptive research
 - C. DIY research
 - D. experimental research
9. A company selling child-care products ran a television ad depicting women as being primarily responsible for childcare. Many women viewers considered this regressive, alleging that the ad failed to recognize the much more diversified role of women in today's world. This is an example of _____.
- A. cause marketing
 - B. stereotyping
 - C. niche marketing
 - D. positioning

10. Apex describes its clothing line as, "Elegance and attitude, now as one. For the daily office-goer, who takes pride in what he or she wears everyday, Apex makes sure you get noticed." This exemplifies a _____.
- A. statement of purpose
 - B. vision statement
 - C. positioning statement
 - D. general need description
11. Product planners need to consider products and services on three levels. At the second level, product planners must _____.
- A. offer additional product support and after-sale services
 - B. identify the core customer value that consumers seek from the product
 - C. turn the core benefit into an actual product
 - D. find out how they can create the most satisfying brand experience
12. Erica wants to replace her old washing machine with a new one. In order to get the maximum value for her money, she plans to spend substantial time and effort in gathering information and making product comparisons before making the actual purchase. In this instance, Erica is planning to buy a(n) _____ product.
- A. convenience
 - B. unsought
 - C. specialty
 - D. shopping
13. After a brief stay at a luxury hotel in Paris, Benjamin Sanders noted that the hotel had kept every promise it made when he booked the room, meeting all his needs. He added that it was a "thoroughly comfortable and opulent experience." According to Young & Rubicam's Brand Asset Valuator, this reflects brand _____.
- A. valuation
 - B. esteem
 - C. relevance
 - D. differentiation
14. Kellogg's begins to sell its cereals in new markets after conducting extensive marketing research. After the cereal begins to appear in these new markets, the company increases its promotion expenditure to counteract competitive responses. Kellogg's is in the _____ stage of the product life cycle.
- A. introduction
 - B. growth
 - C. maturity
 - D. decline

15. Which of the following is true of value-based pricing?
- A. The targeted value and price drive decisions about what costs can be incurred and the resulting product design.
 - B. Value-based pricing is mostly product driven.
 - C. Value-based pricing involves setting prices based on the costs of producing, distributing, and selling the product plus a fair rate of return for its effort and risk.
 - D. The marketer usually designs a product and marketing program and then sets the price.
16. Which of the following is true of price skimming?
- A. It is effective in situations in which competitors are able to undercut prices easily.
 - B. It can be profitably used when the product's quality and image support its price.
 - C. It involves underpricing products so that companies make larger sales.
 - D. It is ineffective in situations in which competitors are unable to enter the market easily.
17. Tone Zone plans to introduce four mp3 player models over the next year. These models range from basic players at \$99 per unit, to more sophisticated players at \$399 per unit. The more features a model has, the more expensive it is. What pricing strategy is Tone Zone using for its range of mp3 players?
- A. product line pricing
 - B. product bundle pricing
 - C. captive product pricing
 - D. by-product pricing
18. _____ play an important role in matching supply and demand by providing consumers with a broad assortment of products in small quantities.
- A. Virtual banks
 - B. Intermediaries
 - C. Price consultants
 - D. Uniform-delivery networks
19. Movie Giants offers DVD rentals through its Web site. It also offers DVD rentals via Star City stores. This is an example of a(n) _____ distribution system.
- A. conventional
 - B. inclusive
 - C. intensive
 - D. multichannel

20. Consumers today receive commercial messages from a broad range of sources. However, consumers _____ the way marketers do.
- A. do not distinguish between message sources
 - B. never pay attention to sales promotions
 - C. do not care about buzz marketing
 - D. are not able to block out messages

SECTION B: Answer any **THREE (3)** questions in the answer booklet provided. **(60 marks)**

Question 1

Provide definition of each questions with suitable example.

- (a) Value delivery network. (5 marks)
- (b) Market penetration. (5 marks)
- (c) Business portfolio. (5 marks)
- (d) Individual marketing. (5 marks)

(Total: 20 marks)

Question 2

- (a) Identify the microenvironment actors. (3 marks)
- (b) What is marketing intermediaries? Describe the Four (4) various types of marketing intermediaries with suitable examples. (12 marks)
- (c) What is the difference between core beliefs and secondary beliefs? Give an example of each. (5 marks)

(Total: 20 marks)

Question 3

- (a) Explain **FOUR (4)** different segmentation variables used in segmenting consumer markets. Provide suitable example for each of the variables. (10 marks)
- (b) Identify and give definition of **FIVE (5)** primary requirements for effective market segmentation? (10 marks)

(Total: 20 marks)

Question 4

- (a) List the **FOUR (4)** elements in developing brands for a company. (4 marks)
- (b) Identify **FOUR (4)** types of consumer products and **TWO (2)** types of industrial products. (6 marks)
- (c) Each product has a life cycle. Identify and briefly explain each phase of the product life cycle. (10 marks)

(Total: 20 marks)

Question 5

- (a) List and describe the **FIVE (5)** types of promotional mix. (10 marks)
- (b) Identify and explain the **FIVE (5)** types of product mix pricing strategies. (10 marks)

(Total: 20 marks)

