

**INSTITUTE OF BANKERS IN MALAWI**

**DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: PRINCIPLES OF MARKETING (IOBM-D205)**

**Date: Sunday, 28th April 2013**

**Time Allocated: 3 hours (08:00 – 11:00 am)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 4 questions, each question carries 15 marks.

Answer **ALL** questions.

3 Section B consists of 4 questions, each question carries 20 marks.

Answer **ANY TWO** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination, when you may write on this paper but not in the answer book.

5 Being each answer on a new page

6 **Please write your examination number on each answer book used. Answer books without examination number will not be marked**

7. DO NOT open this question paper until instructed to do so.

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section.

**QUESTION 1**

Increasingly, marketing is becoming service oriented; hence the extension of the 4Ps of marketing to 7Ps of marketing as well as customer loyalty becoming the preferred approach to service marketing.

**Required:**

Discuss the **five** main benefits of generating loyalty through 7Ps of marketing.

**(Total 15 marks)**

**QUESTION 2**

The New Product ‘Diffusion Curve’ is based on processes within the ‘Product Life Cycle’ (PLC). Using the PLC diagram, discuss the **five** stages of product adoption highlighting the product mixes that influences adoption in each stage

**(Total 15 marks)**

**QUESTION 3**

Sales analysis is a key part of business economics research; leading to appropriate market segmentation. Your bank manager has asked you for a revised and more up-to-date sales analysis methodology.

Discuss **five** sales analysis methods he can use as part of a comprehensive sales analysis exercise.

**(Total 15 marks)**

**QUESTION 4**

Increasingly banks are recognizing the advantages of moving their business into the international market. Your bank manager is considering the option of leaving the safety of the home market and has asked you to discuss with him at least **five** reasons he should do just that.

**Required:**

Prepare a draft report in readiness for the meeting.

**(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY TWO** questions from this section

**QUESTION 5**

1. Describe the **four** stages in the evolution of marketing. *(8 marks)*
2. Highlight the shift in emphasis from production to marketing showing the growing concern with the customer in each stage. (*12 marks)*

**(Total 20 marks)**

**QUESTION 6**

Describe, with banking examples where possible, the **four** commonly used ‘Industrial Buyer’s methods’. **(Total 20 marks)**

**QUESTION 7**

A Bank Manager uses various tools within the micro or task-environment to arrive at various key decisions. As a Bank Manager discuss, with examples from the banking environment, Michael Porter’s **Five Forces** [1990] as an approach to competition analysis. **(Total 20 marks)**

**QUESTION 8**

Nobody in the world owns the internet; meaning customers have the power, using anonymous sites that carry bad stories or the e-mail tool called ‘Word-of-Mouse’, to quickly communicate their bad experiences with or against your bank.

As the bank’s marketing assistant, with interest in the power of the Internet in banks, describe **four** characteristics of the internet which your bank should use as a positive marketing tool. **(Total 20 marks)**

**END OF EXAMINATION PAPER**