

**INSTITUTE OF BANKERS IN MALAWI**

**DIPLOMA IN BANKING EXAMINATION**

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

**Date: Sunday 3rd May 2015**

**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 All persons writing examinations without payment will risk expulsion from the Institute.

8 If you are caught cheating, you will be automatically disqualified in all subjects seated this semester.

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

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section.

**QUESTION 1**

A bank has developed a new product. Briefly explain any **three** factors they need to take into consideration in determining its price.  **(Total 15 marks)**

**QUESTION 2**

You have been recruited as a Brand Manager by one of the leading banks in the country. The Marketing department has an exciting financial product targeting the urban based youth and requires the best communications promotion strategy.

**Required:**

Prepare a brief report advising the Head of Marketing of a quick promotional mix of this product stating reasons for your choice of promotion mix elements**.**

(HINT: Provide any five promotional mix elements**.**) **(Total 15 marks)**

**QUESTION 3**

You are working for a bank that has been very traditional in its approach to the market. It essentially follows the Sales Orientation. As a Marketing Manager of this bank you feel it is high time you adopted a marketing orientation in order to be more competitive on the market.

**Required:**

In a brief report, demonstrate to your Director of Marketing how marketing orientation is more important than sales orientation highlighting any **three** key features of each and valid examples of each. **(Total 15 marks)**

**QUESTION 4**

The Executive Management of your bank would like Marketing Department to help them analyze and understand the business environment they are operating in with a view to be making informed business decisions.

**Required:**

Briefly analyze any **five** macro-environment factors.  **(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY TWO** questions from this section

**QUESTION 5**

One of the major duties of a marketing manager in any company is to prepare a marketing plan for the company for a period of 12 months.

**Required:**

Select a product of your choice and develop a brief marketing plan.

**(Total 20 marks)**

**QUESTION 6**

A new and small mobile money company in the country has recruited you as its Head of Marketing. The company is not sure whether to engage an external marketing agency or recruit and set up an in-house research agency.

**Required:**

Discuss and recommend to management the best option.  **(Total 20 marks)**

**QUESTION 7**

Malawi has a small population that is banked. This has created an opportunity to other companies to create products that can serve the unbanked population that tends to live in very rural areas where conventional banks may not easily open a branch or an agency. These products are mobile money products. Mobile money products are new and innovative solutions.

**Required:**

Discuss any **four** key factors that will have to be considered in the process of diffusion of the product into the rural areas and measures to be taken to make the innovation adopted quickly.  **(Total 20 marks)**

**QUESTION 8:**

A certain bank believes that to remain competitive in the industry it has to be innovative and come up with new products every now and then.

**Required:**

As a marketing consultant, advise the marketing department on the necessary stages that have to be followed in order to come up with a new product. **(Total 20 marks)**

**END OF EXAMINATION PAPER**