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**INSTITUTE OF BANKERS IN MALAWI**

**DIPLOMA IN BANKING EXAMINATION**

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

**Date: Sunday, 11th November 2018**

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

**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, you may write on this paper but not in the answer book.**

**5 Begin each answer on a new page.**

**6 Please write your examination number on each answer book used. Answer books without examination numbers 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**

You have been hired as a Consultant of MUSO Telecomms to design a marketing plan for the organisation.

1. Illustrate **five** distinctive features of marketing objectives. *(5 marks)*
2. Explain the **seven**–stage marketing planning process you would adopt in order come up with such a plan. *(10 marks)*

**(Total 15 marks)**

**QUESTION 2**

Write short notes on the following marketing terms with examples:

1. Competitive advantage *(3 marks)*
2. AIDA model *(3 marks)*
3. DMU *(3 marks)*
4. Rate of Diffusion and Adopter categories *(3 marks)*
5. BCG Matrix *(3 marks)*

**(Total 15 marks)**

**QUESTION 3**

1. What are the **five** main differences between industrial buyers and consumers?

*(10 marks)*

1. Explain why understanding buyer behaviour is important for marketers*. (5 marks)*

**(Total 15 marks)**

**QUESTION 4**

1. Briefly explain **two** main types of marketing research that can be used in a banking industry. *(6 marks)*
2. Explain the **two** differences between primary and secondary research.

*(4 marks)*

1. When conducting qualitative research in the banking sector, how you can apply the use of Focus groups and Depth interviews? *(5 marks)* **(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY TWO** questions from this section

**QUESTION 5**

1. One of the most frequently used communication process model particularly in the banking sector is the AIDA model.

**Required**

Briefly explain how marketers use this model effectively in taking the consumer through an effective communication process in order to achieve its communication objectives *(10 marks)*

1. XYX Bank is an upcoming bank in Malawi. As its Marketing Manager, you are in the process of designing its advertising strategy. Explain with examples **two** types of decisions that need to be considered when designing an advertising strategy.  *(10 marks)*

**(Total 20 marks)**

**QUESTION 6**

Your Bank is seeking to develop a strategy which will enable the business (its new products) to expand rapidly, growing turnover fourfold in four years.

**Required**

Prepare a memo for your Board of Directors that indicates the most appropriate strategies for the bank to adopt in order to reach the growth goals outlined above.

**(Total 20 marks)**

**QUESTION 7**

1. In Marketing promotions, explain the **four** determining factors that influence the promotional mix. *(12 marks)*
2. Using examples, explain the pull and push strategy in the promotional mix.

*(8 marks)*

**(Total 20 marks)**

**QUESTION 8**

1. What is market segmentation? Discuss the basis for segmentation in a bank of your choice in the consumer market. *(8 marks)*
2. You are a Marketing Manager of XYZ Bank operating in Malawi. What would be the **four** main advantages of segmenting the market you are operating in? *(12 marks)*

**(Total 20 marks)**

**END OF EXAMINATION PAPER**