

SIR ARTHUR LEWIS COMMUNITY COLLEGE
DIVISION OF TECHNICAL EDUCATION AND MANAGEMENT STUDIES

EXAMINATION SESSION : December 2008 Examination
TUTOR (S) : Ms. L. Phillips
PROGRAMME TITLE : Applied Arts – Business Administration
PROGRAMME CODE : 3BS-ABA-AD
COURSE TITLE : Mathematics for Business
COURSE CODE : MAT106
CLASS (ES) : Year 2
DATE : Tuesday 16th December, 2008
COMMENCEMENT TIME : 9:00 a.m.
DURATION : Two hours and thirty minutes
INVIGILATOR (S) : Mr. K. Harris Mr. D. Jn Baptiste
ROOM (S) : CEHI-1R-01



#M 43

INSTRUCTIONS:

This Examination Paper consists of *two (2)* sections.

Section I – *One (1)* Question; *Compulsory*

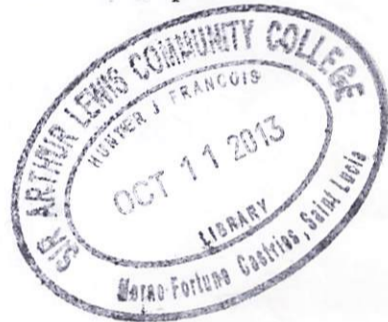
Section II – Answer Question 1 and *any four (4)* other complete questions

Writing Paper, Formula Sheet, and Graph Paper will be provided by the invigilators.

Students are advised to use a pen to write this examination.

LENDING OR BORROWING IS PROHIBITED.

- ◆ Please number your responses accurately
- ◆ Write your ID Number on *each* answer sheet
- ◆ All cell phones must be turned off during the Examination
- ◆ **Note:** Bags, books as well as writing paper not given by the invigilator should be deposited at the front of the examination room or as otherwise indicated.
- ◆ Students must sign **IN** and **OUT** on the exam class list



SECTION A

MATCH CORRECT WORD WITH SENTENCE

Differentiated marketing, Sample, Mechanical device, Cues, Idea Screening, Drives, Questionnaire, Lifestyle, Learning, User Status, Perception, Opinion leaders, Descriptive, Differentiation, Marketing Strategy Development, Exploratory, Social Classes, Behavioral, Interest, Idea Generation, Undifferentiated Marketing, Product Idea, Value Pricing, Niche marketing, Value-based pricing, Business Analysis, Product Concept, Unique Benefits, Cost-based pricing,

1. The objective of _____ research is to gather preliminary information that will help define the problem and suggest hypotheses.
2. A review of the sales, costs, and profit projections for a new product to find out whether they satisfy the company's objectives is called a _____.
3. _____ pricing involves setting prices based on the costs for producing, distributing, and selling the product plus a fair rate of return for the company's efforts and risks.
4. Marketing researchers usually draw conclusions about large groups of consumers by studying a small _____ of the total consumer population.
5. The backbone of marketing research, or the most common instrument used, is the _____.
6. _____ are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors.
7. _____ are people within a reference group who, because of special skills, knowledge, personality, or other characteristics, exert influence on others.
8. _____ describes changes in an individual's behavior arising from experience.
9. _____ are subtle stimuli that determine where, when, and how a person responds to purchasing an item.
10. One of the stages that customers go through in the process of adopting a new product? _____
11. What is the first stage of the New product development _____.
12. What do we call a detailed version of a new idea stated in meaningful customer terms? _____
13. In order to make positioning effective, the brand's _____ and _____ must be implanted in customers' minds.
14. Kathleen O'Toole divides buyers into groups based on their knowledge, attitudes, uses, or responses to a product. Kathleen is obviously using _____ segmentation.

15. Markets can be segmented into group of nonusers, ex-users, potential users, first-time users, and regular users of a product. This method of segmentation is called _____.
16. Mass marketers, such as Target and Venture Stores, ignore market segment differences and target the whole market with one offer. What is their approach to segmenting? _____
17. An alternative name for concentrated marketing _____
18. After concept testing, a firm would engage in which stage in developing and marketing a new product? _____
19. _____ uses buyers' perceptions of what a product is worth, not the seller's cost, as the key to pricing.

SECTION B

ANSWER TRUE OR FALSE FOR THE FOLLOWING RESPONSES.

1. An effective MIS assesses information needs, develops needed information, and distributes the information to help managers use it in decision making.
2. People differ greatly in their readiness to try new products. In each product area, there are "consumption pioneers." They are also called laggards
3. Too much information can be as harmful as too little.
4. Lifestyle is a person's pattern of living as expressed in his or her psychographics.
5. Marketing research is conducted to systematically design, collect, and report data directly relevant to a specific marketing situation facing the organization.
6. When a consumer learns about a new product for the first time and makes a decision to try it, it is called the alternative evaluation process.
7. Once the research problems and objectives have been defined, researchers must determine the exact information needed and present it to management.
8. A belief is the specific mix off human traits that may be attributed to a particular brand.
9. After conducting formal marketing research for your department, you make an oral presentation with notes to management. You are following normal marketing research steps.
10. A person's buying choices are further influenced by four major psychological factors: motivation, perception, learning, and beliefs and attitudes.
11. Alternative evaluation is the process by which people select, organize, and interpret information to form a meaningful picture of the world.
12. Marketing researchers can conduct their own searches of secondary data sources today by using commercial secondary data sources.
13. Focus groups use no interviewer to bias the answers, may produce more honest answers, and can be used to collect large amounts of data at a low cost per respondent.

14. Early adopters are guided by respect; they are opinion leaders in their communities and adopt new ideas early but carefully.
15. The researcher interprets findings, draws conclusions, and reports those conclusions to management. Ideally, we should present important findings that are useful to the major decisions faced by management to prevent overwhelming them.
16. The early majority are deliberate; although they rarely are leaders, they adopt new ideas before the average person.
17. Each culture contains groups of people with shared value systems based on common life experiences and situations.
18. Younger consumers are better off financially than mature consumers. They are the ideal market for exotic travel, restaurants, high-tech home entertainment products, and leisure goods and services.
19. Social classes are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors.
20. The late majorities are skeptical; they adopt an innovation only after their friends have tried it.

SECTION C

INSTRUCTIONS: ANSWER ANY TWO QUESTION

1.
 - a) Explain briefly the **adoption process** for a customer desiring to use a new product. **5m**
 - b) Outline **ONE** advantage/benefit of any **THREE** contact methods in market research **3m**
 - c) Explain briefly the **FOUR major segmenting variables for consumer markets**. **4m**
 - d) Discuss the **TWO** pricing methods a company can utilized when introducing a new product to the market, and briefly describe the following pricing strategies:
Product line pricing and Psychological pricing. **8m**

Total 20 marks

2.
 - a) **Discuss briefly the buying decision process** you would have to go through in the purchase of a family car. **5m**
 - b) Discuss the **FOUR major types of buying decision behaviors** of consumers. **4m**
 - c) Each product will have a life cycle, although it's exact shape and length is not known in advance. Briefly explain the **FIVE steps in the PLC**. **11m**

Total 20 marks

3. a) Discuss **TWO** reasons why it is important for a company to do market research. **4m**
- b) Describe any **THREE** functions of Packaging in the marketing of a soft drink products. **6m**
- c) There is the belief that many new products may fail. Explain **TWO** reasons why this may occur. **4m**
- d) Explain briefly any **THREE** of the following terms
- Product mix width,
 - product mix length,
 - product mix consistency,
 - product mix depth. **6m**

Total 20 marks

4. a. Discuss fully any **THREE** target marketing strategies a firm may used in order to maximize profits. **6m**
- b. Discuss **THREE** reasons branding is important to a firm in the telecom industry. **6m**
- c. Products and services fall into **TWO** broad classes based on the types of consumers that use them. Name these **TWO** broad classes and describe fully each of them, with examples. **8m**

Total 20 marks

THE END