



MUEO

MOI UNIVERSITY

**OFFICE OF THE DEPUTY VICE CHANCELLOR, ACADEMIC AFFAIRS,
RESEARCH & EXTENSION**

UNIVERSITY EXAMINATIONS 2013/2014 ACADEMIC YEAR

END OF SEMESTER I EXAMINATIONS

**FOR THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION**

EXAM CODE:- MBA 840

COURSE TITLE:- MARKETING MANAGEMENT

DATE:- 6TH FEBRUARY, 2014 TIME:- 9.00A.M. - 12.00 NOON.

INSTRUCTION TO CANDIDATES

➤ SEE INSIDE.

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FIRST SEMESTER 2013/2014

COURSE CODE: MBA 840

COURSE CODE: MARKETING MANAGEMENT

TIME: 3 HOURS

Instructions to Candidates

- Question one is **COMPULSORY**
- Answer any other **THREE** questions
- Question one carries 25 Marks and the rest carry 12 marks each

QUESTION ONE

Read the case below and answer all the questions for the case.

MAISHA BORA COMMERCIAL BANK LIMITED

Maisha Bora Commercial Bank Limited was established 60 years ago, as a result of a merger between two strong banks, First Equity Bank and The International Bank. First Equity Bank had an extensive local retail network while the International Bank Ltd had a worldwide network. The synergy from the merger assured Maisha Bora Commercial Bank of a big market share in both local and foreign trade. The bank's share grew continuously which had a positive impact on profits. More resources were spent on opening new retail outlets.

In a past board meeting Mr. Mpango expressed the view that the bank should have a marketing plan for sustainable business growth and expansion in the increasingly competitive environment. In response to this, Mr. Maendeleo retorted, "Why spend money on marketing plans when we are making huge profits every year? We are also able to exploit any business opportunities that arise". There was mixed reactions from the floor about the views expressed by the two directors.

Due to its past performance, Maisha Bora Commercial Bank Limited developed new products and service delivery programmes without market research as it thought it knew what was best for its customers. At one point, Maisha Bora Commercial Bank had the state-of-art information system which worked well for so many years that the need to change or update it was felt to be unnecessary. While Maisha Bora Commercial Bank Limited was engrossed with success and the feeling that it was beyond reproach, the financial industry was transforming at a fast pace.

The main retail banks adopted an aggressive campaign to acquire modern information technology systems and offer new and competitive products focused on clear market segments. The international Banks were busy attracting Maisha Bora Commercial Bank Limited's corporate customers in large numbers due to their service and ability to negotiate attractive terms. Maisha Bora Commercial Bank found itself being attacked in all its core market segments, without ability to stop erosion of its market share and profitability.

The shareholders have been adversely affected by the huge losses reported by the bank in the last two years. They have not received any dividends during this period. The Chief Executive, Mr. Wise Man in the Annual General Meeting was quoted saying "The mist has cleared from our eyes, I assure shareholders and all stake holders that the fortunes of Maisha Bank will change in the next one to two years through an extensive rationalization programme".

Required

- a) State and explain the market orientation being applied by Maisha Bora Commercial Bank Limited. **(5 marks)**
- b) Comment on Mr. Maendeleo's statement on the marketing plans. **(5 marks)**
- c) Discuss the issues that Maisha Bora Commercial Bank Limited would consider as important in transforming their company into a market driven company. **(6 marks)**
- d) It costs 5 to 10 times more to attract new customers than it does to keep a current customer satisfied. Using the case of Maisha Bora Commercial Bank and market orientation characteristics explain how this cost can be managed. **(8 marks)**

QUESTION TWO

Quicklink Limited, a middle sized company located in Nairobi, deals with FMCGs, in Nairobi. The company wants a marketing plan for one of its newly launched product "mega bright". Prepare a detailed presentation of the various areas that the plan should address.

(12 marks)

QUESTION THREE

A successful marketer and organizations are the one who anticipate, plan and execute strategies to meet the environmental changes. Discuss this statement in details with respect to the two levels of the marketing environment.

(12 marks)

QUESTION FOUR

Discuss the main components of the marketing mix with respect to service marketing in today's global market place.

(12 marks)

QUESTION FIVE

- a) Discuss the bases that marketers can use to segment markets. **(7 marks)**
- b) Explain why it has become necessary for companies to segment markets over time

(5marks)

E...N...D