



**CHRISTIAN SERVICE UNIVERSITY COLLEGE
KUMASI -GHANA**

SCHOOL OF BUSINESS

**DEPARTMENT OF MARKETING, LOGISTICS AND CORPORATE STRATEGY
END OF SECOND SEMESTER EXAMINATIONS, 2019/2020 ACADEMIC YEAR**

BACHELOR OF BUSINESS ADMINISTRATION IN MARKETING

LEVEL 200

CSBM 250: PRINCIPLES OF MARKETING

BBA AND THEOLOGY STUDENTS

June 2020

[100 marks]

INSTRUCTIONS TO CANDIDATES:

- **There are four (4) questions**
- **Answer question one (1) and any other question.**
- **Your answer for EACH QUESTION should be FOUR (4) pages minimum.**

Note: Marks will be awarded for:

- Introduction
- Content
- Conclusion
- Evidence of Further Reading
- Originality and Independence (Cheating would be penalized and integrity rewarded)
- Correct grammar, clarity of expression and logical presentation of facts.
- Good References

Examiner: J.J Kraa

SECTION A (70 MARKS)

COMPULSORY (Attempt all questions in section A -1A, 1B & 1C)

QUESTION 1A (30 MARKS)

- i. You are the only person from your village that has managed to go to the university and you are now in level 200. The chief of your village has established a micro finance company to help the village dwellers. The manager of the company is a senior high school leaver. The manager together with the chief has invited you to educate the staff of the company on the theme “*Discouraging Abusive and Opportunistic Customer Behaviour*”. Make a presentation (**5 marks**)
- ii. Marketing has often been defined in terms of satisfying customers’ needs and wants. Critics maintain that, marketing does more than satisfying customers’ needs and wants and, in fact, create needs and wants that did not exist before. According to these critics, marketers encourage consumers to spend more money than they should on goods and services they really do not need. What is your opinion on this on-going debate? Take a stance and defend your position using practical examples of a company in Ghana that you perceive to have created or satisfied customer needs. (**5 marks**)
- iii. An Indian wholesaler imports Thai Rice and sells 25kg rice at GHc 100 in Ghana instead of the going market price of GHc 120; he still makes 15% profits on sales. The Rice Producers Association of Ghana has petitioned the Ministry of Trade and Industry that, the quality of the rice is sub-standard and amounts to “*dumping*” for which the Minister is taking steps to ban the product. Advise the Minister on whether or not the case amounts to dumping; should he go ahead and impose sanctions? Suggest any **two (2)** consequences that may arise if he bans the product (**5 marks**)
- iv. There are different concepts that guide marketers to conduct their marketing activities in order to achieve their business objectives. For instance, marketers can only focus on production and try to reduce their cost of production; or focus on improving the quality of their products. Similarly, they can pay more attention to promotion of the product or better still produce based on buyer’s needs. In this way, different and competing philosophies have evolved and organizations are at liberty to choose the approach or combinations that suits their purposes and situations. Discuss the **five (5)** known marketing concept in each case, using one of the following products examples appropriately; (insurance policies, cheese hamburgers, Harvard university, customized cars and Chinese fabric) (**5 marks**)
- v. Nana Yaa is the managing director of Nadarko Body Clinic, a leading “body Massage butik” in Kumasi has established standards in her organization that to the best of her knowledge must satisfy customers. Though many of her customers are content and satisfied with her services, many others are still dissatisfied and customer complaints keep increasing. Nana Yaa does not understand why in spite of all her efforts at providing the best of services, customers are so fastidious. She decided to conduct a market research to find out what customers wanted; in her outcomes, she came across the term value in almost all her findings. “Value” is said to be subjective; discuss any **three (3)** major factors, that influence how the customer perceive value. (**5 marks**)
- vi. Seek ye first the satisfaction of customers, and all its rewards shall be added to you. Discuss (**5 marks**)

QUESTION 1B (20 MARKS)

Read the case and answer the questions that follows

CASE 1

ISLAMIC BANK: RESPECTING THE PROPHET'S WORD

Bank Islam, a bank in Malaysia, operates by the principles of Islam. Its customers deposit money with the bank, but do not receive any interest on it. The reason is that; Islam prohibits any interest as usury. So instead of being paid interest on their money, customers receive a share of the bank's profit. The bank was founded in Egypt about three decades ago simply to give religious Muslims a way to keep their money safe. Today, Islamic banks are common in the Middle East and they are spreading in the Philippines, Europe and the United States (US). In these countries, many countries, many customers like the availability of a bank that follows Islamic principles. Islamic bank pools deposit and in turn invest them in construction, commodities and other businesses that do not pay any interest on these investments. Instead, these commercial borrowers pay the bank share of their own profit. In turn, the bank shares the profit with their individual depositors. The combined assets of all the Islamic now totals about \$70 billion. The leader of the pack in Malaysia is Bank Islam, with a total deposit of 3 billion ringgits, or \$1.2 billion

Islamic banks have devised new ways of lending and investing money. A customer who wants a car loan for example, agrees to make a series of payments totaling more than the sticker price of a car, which remains the bank property until all the payments have been made. In business market, importers and exporters employ a technique they call *Murabaha*. A bank buys goods and sells them to a customer who then pays the bank at a future date a total sum more than what the customer would have had to pay if the goods were bought with cash. This technique was approved by New York Fed. In Malaysia where the banks are expanding financial services most aggressively, Arab-Malaysian Bank has issued the first Islamic credit card-an interest free Visa Card. The bank charges no interest, but customers pay an annual fee that is a percentage of their purchases. The credit limit is equal to the amount in their deposit accounts in the bank.

The Malaysian government is pushing for a country's financial services to go global and attract foreign capital. A member of Malaysian Islamic Investment funds hold shares worth \$780 million, most of them in foreign companies. However, these companies are carefully screened to ensure that stocks are not linked to liquor, gambling, or other activities regarded as sinful by Islamic teachings. Conservative Muslims criticize the government for allowing banks to conduct both Islamic-oriented and interest paying services under the same roof. According to these critics, some Islamic stockbrokers are handling companies that make some of their profits from interest received. Some argue that, it is impossible for Islamic financial institutions to become a major player in the global financial industry because the interest-paying services are an inevitable part of

modern day financial business. *“That concern is true”*, says Nik Ramlah, an official of the Malaysian Securities Commissions, *“but it just underlines the need to introduce the necessary Islamic Financial Products to meet the needs of modern day investors”*.

One important feature in the Ghanaian religious faith is the diverse nature of religious beliefs. In the Christian faith for example, there are various interpretation given to scriptures hence varied doctrines. In the outbreak of COVID-19 pandemic, many churches in one way or the other gave some level of assistance to the less privilege during the partial lockdown of some parts of the country. Government of Ghana as a matter of urgency placed a barn on religious activities and in effect put stringent measures for churches to re-open. The COVID-19 pandemic has really affected most religious activities for that matter businesses that threatened their survival. However, as the scriptures in the Holy Bible stipulated in the book of Ezekiel chapter 37, on the issues of dry bones coming back to life, Christians believed that, there will soon be rattling in the mid of the pandemic and at Gods own time, the church will bounce back. In all this, churches need to strategically position themselves in order to gain competitive advantage.

Note: All your answers must be supported by an extract from the case.

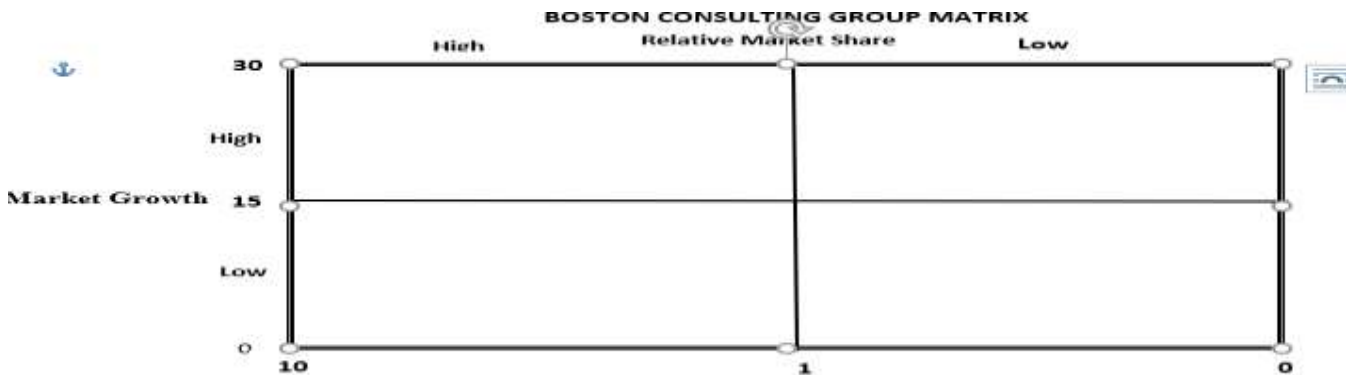
Questions

- i. What role does religion play in customer behavior? Illustrate with the behavior of customers who follow the Islamic religion. **(3 marks)**
- ii. What is a market value? Which of the market values do Islamic banks offer to Muslim customers, specific to each of the **buyer, user and payer**? **(4 marks)**
- iii. Under what circumstances would Islamic bank products, such as the practice of Murabaha, be of value to non-Muslim customers? **(3 marks)**
- iv. What is market positioning? State and discuss any ***three (3)*** positioning strategies churches must put in place when the ban on religious activities are fully lifted so as to gain competitive advantage. **(4 marks)**
- v. Explain any ***three (3)*** marketing strategies churches must put in place as they operate partially so as to gain competitive advantage **(3 marks)**
- vi. Explain any ***three (3)*** marketing strategies churches must adapt to improve their financial position as the church operates partially. Remember that, most members suffer financial lost and even unemployed at the moment **(3 marks)**

QUESTION 1C (20 MARKS)

Business at each point in time needs to conduct comprehensive audit on how their businesses are performing in the industry they operate. One way to do this is to Conduct business portfolio analysis of the business using the Boston Consulting Group (BCG) Matrix. Kessben Group of Companies, a conglomerate in Kumasi with at least 8 strategic business units (SBUs) in diverse industries has hired you as a consultant to help put its respective business units into perspective. This is to help the company ascertain the businesses that needs to be supported to grow. The table below depicts the necessary information you gathered from your research on the industry. **Note: There are missing values that must be calculated and replaced**

SBUs	Company Market Share	Industry Previous sales	Industry Current Sales	Other competitors market share
Television Station (TV)	19%	30 million	35 million	10%, 15%, 5%, 5%, 10%,
Building Materials (BM)	44%	165 million	175 million	10%, 10%, 16%, 2%, 10%, 8%
Travel and Tour (TT)		280 million	320 million	16%, 32%, 10%, 19%, 10%
Food Restaurant (FR)	36%	4.2 million	4.6 million	10%, 9%, 14%, 13%, 11%, 9%
Night Club (NC)		6 million	6.5 million	14%, 44%, 26%, 5%
Mortuary Services (MS)		850 million	1080 million	5%, 9%, 35%, 4%
Students Hostel (SH)	41%	4.2 million	5.3 million	7%, 3%, 8%, 6%, 5%, 25%, 7%
Medical Laboratory (ML)	51%	4900 million	6000 million	8%, 5%, 6%, 8%, 2%



Questions

- i. Calculate the relative market share for Kessben Strategic Business Units. **(4 marks)**.
- ii. Calculate the market growth for Kessben strategic business units. **(4 marks)**.
- iii. Conduct business portfolio analysis of the company and PLACE Kessben SBUs in the Boston Consulting Group (BCG) Matrix (Please draw in your answer booklet using the scale provided above). **(4 marks)**.
- iv. Based on your placement in the matrix, advice Kessben company on how to support each of its SBUs. **(4 marks)**
- v. Explain any two (2) criticism of the BCG Matrix **(2 marks)**
- vi. Briefly explain any two (2) reasons why firms strategically keep dogs in their business portfolio **(2 marks)**

SECTION B (30 MARKS)

THERE ARE THREE (3) QUESTIONS. ATTEMPT ONLY ONE (1)

QUESTION TWO

- a. Funerals are so dear to the human race as families try to give befitting burial to the departed souls. In this regard, marketing activities in a form of publicity as well as advertising takes place as part of planning activities before, during and after the funeral. Develop *marketable funeral marketing plan* for a popular celebrity who passed on. (*take note of elements that make up a marketing plan and address them accordingly*) **(12 marks)**
- b. It is very important to understand the needs and wants of customer by conducting market research in order to create a satisfied customer. In the context of customer satisfaction, discuss the statement “*consumer research is more scientific than guerilla marketing strategy*” **(10 marks)**
- c. Explain with examples the concept of social marketing. Suppose the objective is to create safer driving habits among the population, design a product to achieve this objective **(8 marks)**

QUESTION THREE

- a. We often hear political parties talk about how marketable a candidate must be to win an election. Briefly develop a *marketable political marketing plan* for an opposition political party whose candidate is not popular to win an election (*take note of elements that make up a marketing plan and address them accordingly*) **(12 marks)**
- b. What is competitive advantage? Using the telecommunication industry as a point of reference, discuss Porter’s (1980) three generic strategies used to compete in the market indicating their marketing implication **(10 marks)**
- c. Explain Customer Adoption Process and indicate what marketers must adopt at each stage of the process **(8 marks)**

QUESTION FOUR

- a. Jay and Sons Company Limited (JSCL) are manufacturers and distributors of a host of fast moving consumer goods (FMCG). The Management has realized that some of the products of the company do not survive after few years of introduction. You have been appointed by the company to manage the products so as to lengthen their existence. Discuss the relationship between product life cycle and marketing mix variables indicating marketing mix strategies you will adopt at each stage of the product life cycle. **(12 marks)**
- b. It is trite learning that, Ghanaians do not like to complaining to service organizations even when they have been handed a raw deal. Discuss with practical example(s) *any five (5)* reasons why customers by their nature do not complain indicating the marketing implication **(10 marks)**
- c. You have been selected by Christian Service University College (CSUC) to represent the school at a conference in London. Present to your audience on the theme “*Level of Marketing activities in Agriculture and Basic Industries in Ghana*”. **(8 marks)**

All the Best

Examiner: J J Kraa