

1906/206
SALES AND MARKETING
July 2017
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL
CRAFT CERTIFICATE IN BUSINESS MANAGEMENT
MODULE II

SALES AND MARKETING

3 hours

INSTRUCTIONS TO CANDIDATES

This paper consists of 15 (FIFTEEN) questions in TWO sections; A and B.

Answer ALL the questions in section A.

Answer any FOUR questions from section B.

Write your answers in the answer booklet provided.

Candidates should answer the questions in English.

This paper consists of 3 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

SECTION A (32 marks)

Answer ALL the questions in this section.

1. State **three** reasons that make marketing important to an organization. (3 marks)
2. State **three** reasons that make it necessary for a marketer to understand consumer behaviour properly. (3 marks)
3. List **four** sources from which a marketing manager may obtain ideas for developing a new product. (4 marks)
4. State **three** ways in which an organization could effect a perceived price decrease on it's product. (3 marks)
5. State **three** advantages of using product samples as a method of sales promotion. (3 marks)
6. State **four** advantages of using personal visits in prospecting for customers. (4 marks)
7. List **three** types of sales presentations that a salesperson may use to sell to customers. (3 marks)
8. State **three** limitations of personal selling as a method of promoting sales. (3 marks)
9. State **three** ways in which a customer may register a complaint with an organisation. (3 marks)
10. List **three** characteristics of a corner shop form of retailer. (3 marks)

SECTION B (68 marks)

Answer any FOUR questions from this section.

11. (a) There are certain marketing activities that must be performed for exchanges to take place. Describe **six** such activities. (9 marks)
- (b) Susan, the sales manager of Haraka company Ltd is in the process of setting the price of a product. Outline **four** factors that may make the exercise difficult to perform. (8 marks)
12. (a) One of the sources from which a consumer may search for information about a product is the internet. Explain **four** factors that may have led to the increasing popularity of this source. (8 marks)
- (b) Bidii Company Ltd has launched a sales promotion for its products. Highlight **six** objectives that the promotion should strive to achieve. (9 marks)
13. (a) Explain **four** circumstances under which an organization may find it appropriate to develop a new product. (8 marks)
- (b) Outline **six** preparations that a salesperson should make in order to enhance the chances of success of the initial sales call. (9 marks)
14. (a) Ujamaa Company Ltd has decided to sell its products directly to its consumers. Highlight **four** benefits that the company may derive from making the move. (8 marks) *immediate*
- (b) Explain **six** circumstances under which personal selling would be the most appropriate method to promote a company's products. (9 marks)
15. (a) Outline **four** advantages of using the telephone as a method of prospecting for customers. (8 marks)
- (b) Highlight **six** ways in which a marketing manager may elicit customers to complain about the products the company manufactures. (9 marks)

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