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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2019/2020 ACADEMIC YEAR
FIRST YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 10th December, 2019
Time: 8.30am – 10.30am

KBA 210 - PRINCIPLES OF MARKETING

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Read the excerpt carefully and answer the questions that follow

From the humble beginnings in the Indian telecom industry in 1986; Airtel has its roots in Bharti Telecom Limited. Founded in 1986 by Sunil Bharti Mittal, the company was the first in India to offer push button telephones, when the rest of the country was still using rotary phones. The first partnership they had was with Siemens AG of Germany, and they started making push-button landlines in India rather than importing it from Taiwan, as it used to be before. The company then went on to launch various telecom technologies to the Indian market and had innovation at its heart. Going on to acquire license to build a cellular network in Delhi, Bharti Telecom Limited laid the ground work for the mobile operations of the company in the year 1992. It began operations in Delhi in the year 1995 as Bharti Tele-Ventures. The service was extended to various other states by various acquisitions and partnerships.

This company is the brainchild of Sunil Mittal, who has worked hard for his company from when he assembled landline phones to his purchase of a cellular network in India when it was just a fledgling concept, to making it a household name within a span of a mere 20 years. The company went through some amazing strategic planning. Sunil Bharti Mittal rebranded all of his mobile telecom ventures under a single brand named Airtel in 2003. The company has grown to be India's largest mobile operator, with consistent hard work and everyday innovation.

Airtel had always adopted various cutting edge strategies to be one step ahead of competition. From acquiring regional operators in its early years, rebranding entire operations under one umbrella to outsourcing activities to various corporations, Airtel always set standards in the industry. They are the only company who has every part of its operation except marketing, sales and finance and building the 'minutes factory' model of low cost and high volumes, outsourced. Their equipment partner is **Ericsson**, and **Nokia** and IT support is provided by **IBM**. Airtel built a smart “Minutes Factory” model aiming at low cost and high volume output. By outsourcing daily operations and retaining core functions like finance, sales, marketing and management, the brand built sustainable business model that worked wonders over a period of time for the company. The CEO of the company right now is GopalVittal, and the Chairman and Managing Director is Sunil Mittal, the man himself.

Airtel operates in India, Sri Lanka, Bangladesh, a few countries in African continent and the Channel Islands. They are one of the largest mobile operator network in the world in terms of subscribers, and has a commercial presence in over 20 countries. In 2004, Airtel went ballistic with glitzy ideas. The collaboration with world famous music composer **A R Rahman** brought about their theme song which was an instant hit among subscribers. The tune went on to make a unique place in Airtel’s history. The company rebranded itself in 2010 with a new logo and a new theme song to establish global identity. Today, company offers various products such as 2G, 3G and 4G wireless services, High Speed Internet, Fixed line telephony and DTH services.

Required:

- a) Explain at least six elements of macro environmental factors highlighting how they affect such an organization. (6 Marks)
- b) Identify and explain the various features of the product offered by the organization. (7 Marks)
- c) Explain the marketing strategies that have been used by the organization that has enabled its growth over the years. (6 Marks)
- d) Discuss the factors that Airtel would likely consider for market segmentation. (6 Marks)
- e) Outline the importance of market research to this organization. (5 Marks)

QUESTION TWO (20 MARKS)

- a) With the help of examples, discuss the various bases of market segmentation, showing the advantages and shortcoming of each. (8 Marks)
- b) Your organization has identified a need in the market, which it seeks to satisfy through a new product. Discuss the stages that you will follow in developing the new product. (8 Marks)
- c) Identify at least four differences between market testing and test marketing (4 Marks)

QUESTION THREE: 20 MARKS

- a) Outline the characteristics of services identifying why each of the characteristic of service is different from that of goods. (10 Marks)
- b) Explain the Consumer decision making process. (5 Marks)
- c) Explain the role played by distribution channels in the marketing mix. (5 Marks)

QUESTION FOUR: 20 MARKS

a) You have been recently appointed by Juzi Ltd. a company dealing with production of chicken products as a market analyst. Some of their clients include chain supermarkets and hotels. The management need advise on their competitive environment and forces likely to affect them. Using a suitable model, advise

(10 Marks)

b) Discuss the product life cycle and the various marketing mix strategies a marketer can use in each of the stages of the PLC.

(10 Marks)

QUESTION FIVE (20 MARKS)

You have been appointed as a Sales and marketing manager for a new product, Using the Four marketing mix elements, outline how you will use these elements to introduce the product in the market. Give relevant examples in each case.

(20 Marks)