



Foundation Certificate in Marketing - Stage 1

PRINCIPLES OF MARKETING

TUESDAY, MAY 10, 2005. TIME: 2.00 pm - 5.00 pm

Please attempt **FIVE** questions.

(If more than the specified number of questions are attempted, delete those you do not wish to have marked. Otherwise the Examiner will mark the **FIRST** five questions in your Answer Book).

All questions carry equal marks.

Do **NOT** repeat question in answer, but show clearly the number of the question attempted on the appropriate page of the Answer Book.

1. Define the term *Macroenvironment*. (3 marks)
Identify and describe the major forces in the company's macroenvironment, and suggest how the macroenvironment influences an organisation's marketing strategy. (14 marks)
Illustrate your answer by use of examples. (3 marks)
2. Define the term *Marketing Information System (MIS)*. (3 marks)
Identify and describe the main components of a 'Marketing Information System'. (9 marks)
Suggest how an MIS is used to assist marketing management. (6 marks)
Use examples to illustrate your answer. (2 marks)
3. Define what is meant by the term *Motivation*. (2 marks)
Describe 'Maslow's Theory of Motivation', identifying each stage in the hierarchy of needs. (10 marks)
Suggest how knowledge of Maslow's Theory is useful in marketing management. (6 marks)
Use examples to illustrate your answer. (2 marks)
4. Explain the term *Direct Marketing*. (3 marks)
Identify and describe five forms of direct marketing. (14 marks)
Use examples to illustrate your answer. (3 marks)

P.T.O.

5. Define and describe **each** of the following market coverage strategies:
- Undifferentiated Marketing (4 marks)
 - Differentiated Marketing (4 marks)
 - Concentrated Marketing (4 marks)
- Describe the circumstances under which each strategy may be appropriate, (6 marks)
 identifying examples to illustrate your answer. (2 marks)
6. Define and describe **each** of the following classes of consumer products:
- Convenience Goods
 - Shopping Goods
 - Specialty Goods
 - Unsought Goods (8 marks)
- Explain how the marketing programme would differ for each type of good. (8 marks)
 Use examples to illustrate your answer. (4 marks)
7. Define and describe **each** of the following pricing approaches:
- Cost Plus Pricing
 - Value Based Pricing
 - Competition Based Pricing (9 marks)
- Explain how you would use each of these approaches to determine the price for a new city centre apartment. (8 marks)
 In your opinion which approach would be the most appropriate and why. (3 marks)
8. Define and describe **each** of the following distribution strategies:
- Intensive Distribution
 - Exclusive Distribution
 - Selective Distribution (9 marks)
- Explain how each distribution strategy is used by the marketing manager as an integrated part of the overall marketing programme. (8 marks)
 Use examples to illustrate your answer. (3 marks)