



Foundation Certificate in Marketing - Stage 1

PRINCIPLES OF MARKETING

TUESDAY, AUGUST 12, 2008. 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. Compare and contrast the 'Marketing Concept', the 'Production Concept' and the 'Selling Concept'. (15 marks)
Describe current examples of each concept. (5 marks)
2. Define the concept of 'Market Segmentation'. (3 marks)
Identify and describe the requirements for effective segmentation. (12 marks)
Using a market of your choice, suggest how segmentation may be used within a marketing programme. (5 marks)
3. Identify and describe how the internet is contributing towards marketing strategy in terms of customer acquisition, customer retention and customer growth. (15 marks)
Use examples to illustrate your answer. (5 marks)
4. Describe and evaluate the "Boston Consulting Group" (BCG) approach to portfolio planning. (8 marks)
Within your answer discuss how management would use the BCG to manage their businesses/product growth strategies. (8 marks)
Use an example to illustrate your answer. (4 marks)

P.T.O.

5. Define and describe any **four** of the following pricing approaches. (16 marks)
- Product Line Pricing
 - Market Penetration Pricing
 - Market Skimming Pricing
 - Psychological Pricing
 - Loss Leader Pricing
- Use examples to illustrate your answer. (4 marks)
6. Identify and describe the factors influencing consumer behaviour. (15 marks)
- Use examples to illustrate your answer. (5 marks)
7. Define and describe the firm's 'Macroenvironment'. (8 marks)
- Evaluate how an understanding of the firm's macroenvironment, impacts on the firm's ability to create customer value and satisfaction. (8 marks)
- Use examples to illustrate your answer. (4 marks)
8. Define and describe any **four** of the following Marketing Terms. (12 marks)
- Simple random sampling
 - Customer Relationship Marketing (CRM)
 - Buyer Decision Process
 - Value based Pricing
 - Supply Chain Management
 - Marketing Ethics
- Use examples to illustrate your answer (8 marks)