



ZCAS University

BAA1102 PRINCIPLES OF MARKETING

MID SEMESTER EXAM

23 OCTOBER 2023

TIME: 08:30 – 11:30

TIME ALLOWED: THREE HOURS (plus 5 minutes to read through the paper)

INSTRUCTIONS:

1. Section A: this question is **compulsory** and must be attempted.
2. Sections B: Answer **THREE (3)** questions from this section.
3. This examination paper carries a total of **100 marks**.
4. Candidates must **not turn this page** until the invigilator tells them to do so.

SECTION A: Question 1 is compulsory and must be attempted

Mini Case – Ford Motors

Ford Motors, a US automobile giant, was established in 1903 by its founder Henry Ford. Recently, Ford's profits have increased significantly. For example, in 2022 total sales increased by 13% (\$163 billion) and profit increased by 10% (\$7.2 billion). Ford's major competitors are General Motors (GM), Daimler -Chrysler, Toyota, Honda, Nissan and Volkswagen.

Ford is a multi-product, multi-market organisation. It has different types of cars targeted at different customer groups. Some cars are such as Ford Fiesta, Ford Focus, Ford Escape, Ford Ranger etc.

Ford focuses the need to target customers more precisely. It learnt its lessons from Edsel. By targeting diverse groups, Ford embraces customer groups with diverse needs, interests and motivations. Of course, customers are different in a number of fundamental ways, such as demographics, psychographics etc. For instance, recently customers have been warming up to the Ford Fiesta. This perception could signal increased small-car interest by American consumers.

The Ford Fiesta is playing with the big boys. The Fiesta competes in the lower small market. As political unrest in the East to oil supply instability and price volatility at US gasoline pumps, Ford is seeing an influx of Fiesta buyers.

Question 1

- a) Explain the meaning of the term 'Target marketing.' (5 marks)
- b) Discuss THREE (3) target marketing strategies or options that can be employed by Ford Motors. (15 marks)
- c) Being a multi - product/market organisation, discuss FOUR (4) ways by which Ford can segment its Fiesta market. (20 marks)
- (Total: 40 marks)**

SECTION B: Attempt any THREE questions in this section

Question 2

Marketing has its own historical antecedents. For instance, the marketing concept has evolved with time. Account for the evolution of the marketing concept.

(20 marks)

Question 3

Within the remit of an organisation's marketing environment, distinguish between the following:

- a) 'Macro' vs 'Micro' environments. (10 marks)
- b) 'Stable' vs 'Complex' environments. (10 marks)

(20 marks)

Question 4

Write brief notes on the meaning of the following terminologies:

- a) Cognitive Dissonance (5 marks)
- b) Marketing Mix (5 marks)
- c) Decision Making Unit (DMU) (5 marks)
- d) Routinised Consumer Behaviour (5 marks)

(20 marks)

Question 5

- a) Explain the concept of the 'Family life cycle.' (4 marks)
- b) Giving appropriate examples, describe the various stages of the family life cycle. (16 marks)

(20 marks)

END OF TEST