No of questions – Part one : 22  
Part two : 04  

Instructions:

➢ The question paper consists of two parts.
➢ Answering to all question in part I is compulsory
➢ Mark the answers for part I on the question paper itself and enter the index no on the same and return it along with answer script for part II
➢ You are strictly advised NOT to carry the part I question paper out of the examination hall.
➢ Answer any selected three questions from part II

Part I

01. The term marketing refers to:

a) New product concepts and its improvements.
b) Advertising and promotion activities.
c) A philosophy that stresses customer value and satisfaction
d) A philosophy that planning sales campaigns

02. What are the high standard of skills and capabilities required by marketers?

a) Market research skills and capabilities
b) Media marketing capabilities
c) Strategic marketing capabilities
d) Sales marketing capabilities

03. Which of the following is not a part of the external marketing environment;

a) Political environment
b) Legal environment
c) Product environment
d) Socio-cultural environment
04. The process of collecting information about the external marketing environment is:
   a) Environmental management.
   b) Environmental scanning.
   c) Marketing management.
   d) Marketing research.

05. Which of the following is not a factor of the economic environment.
   a) Unemployment
   b) Income
   c) Inflation
   d) Minimum wages.

06. Which of the following characteristics would usually make a market less competitive?
   a) Higher level of barriers to market entry.
   b) Potential substitutes exist.
   c) Strong bargaining power among buyers.
   d) Strong bargaining power among suppliers.

07. Some of the Sri Lankan super markets have introduced .......... cards to enhance consumer attraction and to increase sales. This cards can be referred as;
   a) Credit cards
   b) A.T.M. cards
   c) Loyalty cards
   d) Attraction cards

08. A marketing research firm contracts with clients to conduct a complete marketing research project by data collecting, analysis and reporting. It is a ........... firm.
   a) Consultant
   b) Field agency
   c) Full-service agency
   d) Marketing
09. A statement about what an organization wants to achieve? which sets out an organization's future? is referred to as:
   a) Mission
   b) Values
   c) Organizational goals
   d) Vision

10. Cash cow of the BCG matrix, refers;
   a) Low - Market growth and High - Market share
   b) Low - Market growth and Low - Market share
   c) Low - Market share and High - Market share
   d) High - Market growth and Low - Market growth.

11. Organizational values are important because they:
   a) Help to shape mission statements.
   b) Help to increase sales.
   c) Guide employee behaviour and the recruitment and selection decisions.
   d) Help to define marketing strategy.

12. Which of the following is the best statement to describe "Diversification"?
   a) Existing products in new markets.
   b) Existing products in existing markets.
   c) New products for new markets.
   d) New products for existing markets.

13. Why does a market segmentation carried out?
   a) To break down large markets into smaller markets.
   b) Provides an opportunities to competitors.
   c) By grouping together customers with similar needs, it provides a commercially viable method of serving these customers.
   d) None of all.
14. A commonly used basis for segmenting consumer market is:
   a) Organizational size.
   b) Demographics.
   c) Shape of the product
   d) Product price

15. Before beginning the market segmentation process, a firm should;
   a) Identify bases for segmenting markets.
   b) Forecast total market potential.
   c) Forecast market share.
   d) Select target market segments

16. A process by which manufacturers and retailers help customers to differentiate various offerings in a market. This process is referred to as;
   a) An approach
   b) Innovation
   c) Advertising
   d) Branding

17. "Buyer who purchases new product before others in a group and after using it, influences the others to purchase it". This statement defines about;
   a) Opinion leaders
   b) Asch Phenomenon
   c) Reference leader
   d) Cultural leader

18. These are costs which do not vary according to the number of units of product made or service sold;
   a) Fixed costs.
   b) Variable cost.
   c) Working capital.
   d) Fixed capital
19. AIDA stands for;
   a) Attention, Interest, Desire, Action
   b) Action, Interest, Decision, Attention
   c) Attention, Interest, Attitude, Action
   d) None of these

20. This is the event in which groups of sellers meet collectively with the key purpose of attracting buyers;
   a) Exhibitions
   b) Sales promotions
   c) Mass media advertising
   d) Press conference

21. ............... is the Sri Lankan organization which provides professional services for Marketing Management in Sri Lanka.
   a) CIMA
   b) CIM
   c) SLIM
   d) CAM

22. Google, MSN and Yahoo are all called as;
   a) Browsers.
   b) Webcasters.
   c) Search engines.
   d) Software.

  (Marks-22)
Part II

(01) (i) Why does a manager of any level needs to aware about basic concepts of marketing?

(Marks-06)

(ii) Tiny Taste Company is a 15 yrs old biscuit manufacturer. The company has noticed that their sales were starting to decline, rather than increasing at a steady rate, after a successful period of 15 years trading. Tiny Taste produces a range of biscuits to suit various segments and distributes them mainly through supermarkets and retail shops island wide. And also Tiny Taste has already made a good brand name among consumers.

During the recent past a number of competitors entered the biscuit market and it seems that competitors also producing a range of biscuits similar to the Tiny Taste product brands. Head of Marketing feels that they could not compete with competitors. He expect your opinion on this matter.

How does the company make marketing strategy to remain the market and to increase the sales. Make recommendations regarding their future marketing strategy?

(Marks-20)

(Total Marks-26)

(02) (i) "Consumer buying behavior consists of six stages, but the actual purchasing is only one stage of the process." Do you agree with this statement? Justify.

(Marks-11)

(ii) "The Price is an important factor on how the consumer perceives the product's quality." How does price relate to consumer perception on quality? Discuss.

(Marks -15)

(Total Marks-26)

(03) (i) "Marketers can use multiple segmentation strategies to increase sales of their product and services". Do you agree with this statement? explain with examples.

(Marks -16)
(ii) Identify the most appropriate market segmentation base for each of the following goods/services and give reasons.

A. A specialized singing TV program for children
B. Producing automobiles for European market
C. A tourist packages for Dambadiwa
D. A new toothpaste introducing for tooth diseases
E. Exercise machine for women's beauty

(Marks-10)
(Total Marks-26)

(04) (i) Differentiate between promotion and advertising?

(Marks-06)

(ii) DCD (Dicyandiamide) issue was a critical matter on milk powder companies in Sri Lanka in recent past. DCD matter has adversely affected the sales of milk powder companies in Sri Lanka to some extent. It seems that the market leader of the New Zealand milk powder in Sri Lanka has yet not recovered the matter fully. Assume that you are the head of sales of that company and explain the way, how marketing communication mix can use to recover this matter. Explain with examples.

(Marks-20)
(Total Marks-26)