



KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2018/2019

THIRD SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION

BBA 840: MARKETING MANAGEMENT

DATE: Wednesday, 31st July 2019

TIME: 5.30 p.m. - 8.30 p.m.

INSTRUCTIONS:

ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS.

QUESTION ONE

MYSPACE - THE RISE AND FALL

Over the last decade, the phenomenal popularity of social networking has changed the face of establishing and managing customer relationships. However, the sudden growth of this new communication channel has witnessed both the rapid rise and spectacular fall of some key players - MySpace being an example. From 2003 - 2010, the company experienced huge growth followed by rapid demise, illustrating the pace of change in this volatile channel.

From the start, MySpace was poorly designed, lacking innovative features and especially those that made the experience hassle free and easily managed. The company made the mistake of not listening to what users wanted, but was driven by technology and financial greed. They further didn't recognize the importance of data security to users of social network sites. During its short history, the site was plagued with viruses, child predators and spammers, giving it poor reputation. The only concern of the company was how to extract revenue with less thought on implications to the user. In addition the company required users to customize their own pages and this was only attractive to teenagers and not to the wider audience.

Following the above developments, from 2008, the tide for MySpace changed. They suffered rapid loss of membership who flocked rival face book.

Required:

1. a) Which marketing management philosophy was MySpace following and what are the limitations of following this concept/philosophy. (10 marks)
- b) Highlight any five mistakes made by MySpace and for each mistake, show how they would have avoided it by quoting specific marketing strategies they would have employed. (10 marks)
- c) Discuss any five product lifecycle extension strategies that MySpace would have employed to extend its lifecycle. (10 marks)
2. Using an example of the Hotel Industry, discuss the different levels of a product. (10 marks)
3. Discuss the extended marketing mix components as advanced by Philip Kotler, while clearly relating them to marketing of services. (10 marks)
4. a) Using examples, show how the function of physical distribution of products contribute to corporate competitiveness of organizations. (6 marks)
- b) Discuss the "Objective Task Method" as a technique of setting advertising budget. (4 marks)
5. Using practical examples, discuss how organizations in Kenya react to competition, technological advances, political legal environment changes and climatic changes to ensure they remain competitive. (10 marks)