



KENYATTA UNIVERSITY

EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE

BBA 201: PRINCIPLES OF MARKETING

2ND SEMESTER 2025/2026

TIME: 2 HOURS

INSTRUCTIONS: Answer Question ONE and any other TWO Questions.

Question One

A mid-sized beverage company is planning to expand into a new market.

- a) Identify and explain four components of the marketing environment that may affect the company plans. (12 marks)
- b) With explanation, suggest three (3) strategies the company can use to respond to these environmental challenges. (6 marks)
- c) Identify and explain any two (2) challenges facing marketing today. (4 marks)
- d) The world economy nowadays is increasingly characterized as a service economy. Explain using examples four (4) characteristics of services. (8 marks)

Question Two

A clothing retailer wants to better target its customers to increase sales and customer satisfaction.

- a) Explain four bases of market segmentation the retailer can use. Provide one practical example for each identified. (12 marks)
- b) What is the meaning of promotional tool? Explain three tools of promotion that the retailer may use. (8 marks)

Question Three

A smartphone company notices a decline in sales despite heavy advertising. Key to addressing this, the company needs to understand how customers make decisions.

- a) Describe consumer decision-making process. (12 marks)
- b) Explain four (4) factors influencing consumer behavior that might explain the decline in sales. (8 marks)

Question Four

A startup company producing organic skincare products wants to enter a competitive market dominated by established brands.

- a) Identify five stages of the organic skincare product life cycle and explain marketing strategies appropriate for each stage. (15 marks)
- b) Recommend the most suitable pricing objective for the startup and justify your answer. (15 marks)