KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

DIGITAL SCHOOL OF VIRTUAL AND OPEN LEARNING

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE

BAC 413: MARKETING OF FINANCE SERVICES

DATE: Thursday 21st June 2018 **TIME: 9.00 a.m. – 12.00 p.m.**

INSTRUCTIONS:

Answer All questions

Question One

The uptake insurance services in Kenyan market has been slow. This is despite spirited efforts by providers to increase the market. You have been hired as a consultant to a multinational company considering opening a banking and insurance subsidiary in Kenya. The company expects you to write a report to the market analysis highlighting among other the following issues.

a) Explain the various technologically driven promotional channels available in Kenya. [20 marks]

b) Discuss the challenges in marketing and banking and insurance financial services. [12 marks]

[Total 20 marks]

Question Two

a) Pricing is a complicated affair in marketing of financial services, this is not only because of the challenges of ascertaining the quality of a service but also the intangibility nature of the financial services. Marketing managers however have to ensure that they rightly price their services because the price is meant to achieve some objectives. Discuss Five pricing objectives to a marketer of financial services. [10 marks]

b) Describe the basis of market segmentation as used by financial services marketers.

[10 marks]

Quest. Three

a) The modern consumes are fairly more informed about the options available in the market. This means that because of the information consumers have they just don't randomly acquire a financial services without taking some carefully thought out processes. Explain the consumer decision process in financial services. [10 marks]

b) Justify the importance of financial services in the Kenyan economy. [10 marks]

[Total 20 marks]

Question Four

Financial services have unique characteristics which require marketers to strategize on how the counter them. Explain approaches to deal with distinctive characteristics of financial services.

[10 marks]